

**CITY OF SAN MARCOS, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(WHISPER SOUTH PUBLIC IMPROVEMENT DISTRICT)**

CONTINUING DISCLOSURE AGREEMENT OF LANDOWNER

This Continuing Disclosure Agreement of Landowner dated as of January 19, 2022 (this “Disclosure Agreement”) is executed and delivered by and among Harris Hill Residential Land Holdings, Ltd. (the “Developer”), Harris Hill Commercial Land Holdings, Ltd. (the “Commercial Owner”), P3Works, LLC (the “Administrator”) and UMB Bank, N.A., acting solely in its capacity as dissemination agent (the “Dissemination Agent”) with respect to the “City of San Marcos, Texas, Special Assessment Revenue Bonds, Series 2022 (Whisper South Public Improvement District)” (the “Bonds”). The Developer, the Commercial Owner, the Administrator, and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Developer, the Commercial Owner, the Administrator and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Disclosure Agreement shall be filed with the MSRB through EMMA (defined below).

SECTION 2. Definitions. In addition to the definitions set forth above and in the Indenture of Trust dated as of January 19, 2022, relating to the Bonds (the “Indenture”), which apply to any capitalized term used in this Disclosure Agreement, including the Exhibits hereto, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Administrator” shall mean the Issuer or the person or independent firm designated by the Issuer who shall have the responsibility provided in the Service and Assessment Plan, the Indenture, or any other agreement or document approved by the Issuer related to the duties and responsibilities of the administration of the District. The Issuer has selected P3Works, LLC as the current Administrator.

“Amenities” shall mean the amenities to be constructed by the Developer within the District, including, but not limited to, an approximately 1.4-acre private amenity center, consisting of a swimming pool, approximately 4,500 square feet of open-air pavilions, a performance center, playscape, cooking stations.

“Annual Collection Costs” shall have the meaning assigned to such term in the Indenture.

“Annual Installment” shall have the meaning assigned to such term in the Indenture.

“Annual Service Plan Update” shall mean the annual review and update of the Service and Assessment Plan required by the PID Act and the Service and Assessment Plan.

“Assessments” shall have the meaning assigned to such term in the Indenture.

“Business Day” shall mean any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the Dissemination Agent or the Trustee or any national holiday observed by the Trustee.

“Certification Letter” shall mean a certification letter provided by a Reporting Party pursuant to Section 3, in substantially the form attached as Exhibit D.

“Commercial Owner” shall mean Harris Hill Commercial Land Holdings, Ltd., a Texas limited partnership, and its designated successors and assigns.

“Developer” shall mean, Harris Hill Residential Land Holdings, Ltd., a Texas limited partnership, and each other Person, who assumes the obligations, requirements or covenants to construct one or more of the Public Improvements or the Amenities, and their designated successors and assigns.

“Disclosure Agreement of Issuer” shall mean the Continuing Disclosure Agreement of Issuer dated as of January 19, 2022 executed and delivered by the Issuer, the Administrator and the Dissemination Agent.

“Dissemination Agent” shall mean UMB Bank, N.A., Austin, Texas, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

“District” shall mean Whisper South Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access System currently available on the internet at <http://emma.msrb.org>.

“Homebuilder(s)” shall mean any merchant homebuilder who enters into a Homebuilder Purchase Agreement and the affiliates and/or successors and assigns of such homebuilder under such Purchase Agreement.

“Homebuilder Purchase Agreement” shall mean, with respect to lots or land within the District, any purchase agreement between one or more Homebuilders and a Landowner to purchase lots or to purchase land intended for single family residential development and use, including detached or attached single family homes or townhomes.

“Issuer” shall mean the City of San Marcos, Texas.

“Landowner Listed Events” shall mean any of the events listed in Section 4(a) of this Disclosure Agreement.

“Landowners” shall mean, collectively, the Developer and the Commercial Owner.

“Listed Events” shall mean any of the events listed in Section 4(a) and 4(b) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive continuing disclosure reports pursuant to the Rule.

“Non-SF Landowner” shall mean any landowner, other than the Landowners, who acquires a Non-SF Parcel within the District.

“Non-SF Parcel” shall mean any Parcel in the District that is designated for any use other than single family residential use, including, but not limited to, commercial, industrial, retail, office, or multifamily residential.

“Non-SF Purchase Agreement” shall mean, with respect to lots or land within the District, any agreement of sale and purchase between one or more Non-SF Landowner and a Landowner to purchase lots or to purchase land intended for any use other than single family residential.

“Outstanding” shall have the meaning assigned to such term in the Indenture.

“Owner” shall mean the registered owner of any Bonds.

“Parcel” shall have the meaning assigned to such term in the Indenture.

“Participating Underwriter” shall mean FMSbonds, Inc. and its successors and assigns.

“Person” shall mean any legal person, including any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government, or any agency or political subdivision thereof.

“PID Act” means Chapter 372, Texas Local Government Code, as amended.

“Public Improvements” shall have the meaning assigned to such term in the Indenture.

“Purchase Agreement” shall mean, collectively, any Homebuilder Purchase Agreement and Non-SF Purchase Agreement.

“Quarterly Ending Date” shall mean each March 31, June 30, September 30 and December 31, beginning March 31, 2022.

“Quarterly Filing Date” shall mean for each Quarterly Ending Date, the fifteenth calendar day of the second month following such Quarterly Ending Date being May 15, August 15, November 15, and February 15.

“Quarterly Information” shall have the meaning assigned to such term in Section 3 of this Disclosure Agreement.

“Quarterly Report” shall mean any Quarterly Report described in Section 3 of this Disclosure Agreement and substantially similar to that attached as Exhibit A hereto.

“Reporting Party” shall mean, collectively, the Developer, the Commercial Owner and any Significant Homebuilder or Significant Non-SF Landowner who has acknowledged and assumed reporting obligations in accordance with Section 5 of this Disclosure Agreement.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“Service and Assessment Plan” shall have the meaning assigned to such term in the Indenture.

“SF Parcel” shall mean any Parcel in the District that is designated for single family residential use.

“Significant Homebuilder” shall mean a Homebuilder, including any affiliates of such Homebuilder, that then owns five percent (5%)¹ or more of the single family residential lots or the equivalent of five percent (5%) or more lots, with respect to unplatted lots, within the District.

“Significant Homebuilder Listed Events” shall mean any of the events listed in Section 4(b) of this Disclosure Agreement.

“Significant Non-SF Landowner” shall mean any Non-SF Landowner, including any affiliates of such Non-SF Landowner, other than the Landowners, that then owns property within the District representing at least eight percent (8%) of the total Annual Installments of the Assessments as of each Quarterly Ending Date.

“Significant Non-SF Listed Events” shall mean any of the events listed in Section 4(c) of this Disclosure Agreement.

“Significant Owner” shall mean, collectively, any Significant Homebuilder or Significant Non-SF Landowner.

“Trustee” shall mean UMB Bank, N.A., Austin, Texas, or any successor trustee pursuant to the Indenture.

SECTION 3. Quarterly Reports.

(a) Each Reporting Party, shall, at its cost and expense, provide, or cause to be provided, to the Administrator, not more than ten (10) days after each Quarterly Ending Date, beginning with March 31, 2022, the information required to be provided by such Reporting Party for the preparation of the Quarterly Report (with respect to each Reporting Party, the “Quarterly Information”). The Reporting Party shall provide, or cause to be provided, such Quarterly Information until such party’s

¹ At closing of the Bonds, based on the Developer’s current concept plan, five percent (5%) of the total single family residential lots within the District is currently equal to approximately sixty-seven (67) lots.

obligations terminate pursuant to Section 6 of this Disclosure Agreement. For the avoidance of doubt, (i) if the applicable Landowner elects, such Landowner may, but shall not be obligated to, provide any Quarterly Information on behalf of any Significant Owner and (ii) such Landowner shall remain obligated with respect to any real property acquired by a Significant Owner until an acknowledgment of assignment with respect to such real property is delivered in accordance with Section 5 of this Disclosure Agreement, at which time such Landowner shall have no further obligation or liability for disclosures or other responsibilities under this Disclosure Agreement as to the property transferred.

(b) The Administrator shall (i) prepare each Quarterly Report with the Quarterly Information provided by each Reporting Party pursuant to subsection (a) above and (ii) provide to the Reporting Parties each Quarterly Report for review no later than twenty (20) days after each Quarterly Ending Date. Each Reporting Party shall review the Quarterly Report and, upon such review, shall promptly, but no later than thirty (30) days after each Quarterly Ending Date, provide to the Administrator the Certification Letter and authorize the Administrator to provide such Quarterly Report and Certification Letter to the Dissemination Agent pursuant to subsection (c) below. In all cases, each Reporting Party shall have the sole responsibility for the content, design and other elements comprising substantive contents of all of the Quarterly Information provided by such Reporting Party contained in the Quarterly Report. Notwithstanding anything to the contrary in this Disclosure Agreement, the Landowners shall use commercially reasonable efforts to cause to be provided any information required by this Section 3 regarding and in the possession of a Homebuilder or Non-SF Landowner that are not Significant Owners. Without limiting the generality of the immediately preceding sentence, commercially reasonable efforts in such regard shall include, but not be limited to, ensuring that each Purchase Agreement that is executed after the date hereof contains a provision obligating the applicable Homebuilder or Non-SF Landowner to provide the Developer or Commercial Owner, as applicable, the information required by this Section 3 as and when required for the applicable Landowner to comply with its obligations hereunder.

(c) The Administrator shall provide to the Dissemination Agent, no later than thirty-five (35) days after each Quarterly Ending Date, the Quarterly Report containing the information described in this Section 3, the Certification Letter(s) provided by each Reporting Party, and written direction to the Dissemination Agent to file such documents with the MSRB. The Dissemination Agent shall file the Quarterly Report and the Certification Letter(s) with the MSRB and provide a copy of such report to the Issuer and the Participating Underwriter within ten (10) days of the Dissemination Agent's receipt thereof pursuant to this subsection 3(c); provided, however, that the Quarterly Report and the Certification Letter(s) must be submitted to the MSRB not later than each Quarterly Filing Date. In the event that any Reporting Party or the Administrator does not provide the information required by subsection (a) or (b) of this Section, as applicable, in a timely manner and, as a result, either an incomplete Quarterly Report is filed with the MSRB, or a Quarterly Report is not filed with the MSRB by each Quarterly Filing Date, the Dissemination Agent shall, upon written direction from the applicable Reporting Party file a notice of failure to provide Quarterly Information or failure to file a Quarterly Report with the MSRB in substantially the form attached as Exhibit B, as soon as practicable. If incomplete Quarterly Information is provided by any Reporting Party, the Dissemination Agent or any other Reporting Party who provided complete information shall not be responsible for the failure to submit a complete Quarterly Report to the MSRB. If each Reporting Party timely provides the required Quarterly Information to the Administrator as described in this Section 3, the failure of the Administrator to provide the information provided by each Reporting Party to the Dissemination Agent, or the failure of the Dissemination Agent to provide such information to the Participating

Underwriter in a timely manner, shall not be deemed a default by the Reporting Parties under this Disclosure Agreement.

(d) Such Quarterly Report shall be in a form similar to that as attached in Exhibit A hereof and shall include:

(i) In a form similar to that as Table 3(d)(i) in Exhibit A attached hereto, the composition of the property within the District subject to the Assessments, including:

A. The total number of proposed single family residential lots and proposed number of acres of Non-SF Parcels, as of the Quarterly Ending Date;

B. The total number of proposed single family residential lots and proposed number of acres of Non-SF Parcels, identified in the prior Quarterly Report;

C. The number of platted single family residential lots and platted Non-SF Parcels, as of the Quarterly Ending Date;

D. The number of platted single family residential lots and platted Non-SF Parcels, identified in the prior Quarterly Report; and

E. An explanation as to any change to the total number of proposed single family residential lots and proposed number of acres of Non-SF Parcels from the prior Quarterly Report;

(ii) In a form similar to that as Table 3(d)(ii) in Exhibit A attached hereto, the landowner composition of the District, as of the Quarterly Ending Date, including:

A. The number of Parcels, with respect to Non-SF Parcels, and lots, with respect to SF Parcels, owned by each landowner within the District (i.e., the Developer, Commercial Owner, Homebuilder, Non-SF Landowner, homeowner (end-user));

B. With respect to Non-SF Parcels, the number of acres of land owned by each landowner within the District (i.e., the Developer, Commercial Owner and Non-SF Landowner); and

C. Based on the information in the Annual Service Plan Update most recently approved by the Issuer and as calculated by the Administrator, the percentage of Annual Installments of Assessments relative to the total Annual Installments of Assessments for each type of landowner, as of the Quarterly Ending Date;

(iii) In a form similar to that as Table 3(d)(iii) in Exhibit A attached hereto, for each SF Parcel within the District, lot absorption statistics by lot type, on a quarter over quarter and cumulative total basis, as applicable, including:

A. The number of single family lots platted in the District during the applicable quarter, broken down by landowner;

B. The number of single family lots in the District owned by a Landowner not closed or under contract with a Homebuilder, as of the Quarterly Ending Date;

C. The number of single family lots in the District owned by a Landowner under contract (but not closed) with a Homebuilder, as of the Quarterly Ending Date and broken down by Homebuilder; and

D. The number of single family lots in the District closed with a Homebuilder during the applicable quarter and on a cumulative total basis, broken down by Homebuilder; provided that, if a Homebuilder has closed or closes on unfinished lots within the District, such information will include the estimated number of single family lots anticipated to be included on such unfinished land and indicate that such information is an estimate;

(iv) In a form similar to that as Table 3(d)(iv) in Exhibit A attached hereto, for each SF Parcel within the District and for each Homebuilder, broken down by lot type, on a quarter over quarter and cumulative total basis, as applicable:

A. The number of homes under construction in the District, as of the Quarterly Ending Date;

B. The number of completed homes not under contract with homeowners (end-users) in the District, as of the Quarterly Ending Date;

C. The number of homes that became under contract with homeowners (end-users) in the District during the applicable quarter;

D. The number of homes closed with (delivered to) homeowners (end-users) in the District, as of the Quarterly Ending Date;

E. The average sales price of homes closed with homeowners (end-users) during the applicable quarter; and

F. The estimated date of completion of the last home to be constructed by the Homebuilder;

(v) In a form similar to that as Table 3(d)(v) in Exhibit A attached hereto, for each Non-SF Parcel within the District designated as multifamily residential:

A. Name of landowner/developer/builder entity;

B. Number of actual or expected dwelling units;

C. Actual or expected date of commencement of vertical construction; and

D. Actual or expected date of substantial completion of the multifamily facility;

(vi) In a form similar to that as Table 3(d)(vi) in Exhibit A attached hereto, for each Non-SF Parcel within the District designated as any use other than multifamily residential, including but not limited to, commercial, industrial, office, retail, and mixed-use:

- A. Name of landowner/developer/builder entity;
- B. Actual or expected use for such Non-SF Parcel (i.e., retail, office, mixed-use, etc.);
- C. Number of acres of such Non-SF Parcel;
- B. Actual or expected date of commencement of vertical construction;
- C. Actual or expected date of substantial completion of vertical improvements on the applicable Parcel; and
- D. Type of business or tenant, if any;

(vii) In a form similar to that as Table 3(d)(vii) in Exhibit A attached hereto, materially adverse changes or determinations to permits/approvals for the development of the District which necessitates changes to the land use plans of the Landowners; and

(viii) In a form similar to that as Table 3(d)(viii) in Exhibit A attached hereto, information on any existing, new or modified mortgage debt on the land within the District owned by the Landowners, including the original principal amount, loan balance, existence of deeds of trust or other similar encumbrances against the property within the District, interest rate and terms of repayment.

(e) In a form similar to that as Tables 3(e)(i)-(ii) in Exhibit A attached hereto, with respect to each category of the Public Improvements and the Amenities, the Landowners shall provide or cause to be provided the following information to the Administrator for inclusion in each Quarterly Report:

- (i) Construction budget and timeline for the Public Improvements, including:
 - A. Total budgeted costs of all Public Improvements;
 - B. Total actual costs of the Public Improvements drawn from the Project Fund (as defined in the Indenture), as of the Quarterly Ending Date;
 - C. Total actual costs of Public Improvements financed with other sources of funds (i.e., non-Bond or Assessment financed), as of the Quarterly Ending Date;
 - D. Actual or expected date of commencement of construction;
 - E. Forecast or actual construction completion date, and if there is a delay from the date previously reported, an explanation of the delay;
 - F. Actual acceptance date by the Issuer or other applicable entity, if accepted; and

G. Narrative update on construction milestones for the Public Improvements since the date of the prior Quarterly Report; and

(ii) Construction budget and timeline for the Amenities, including:

A. Total budgeted costs of all Amenities;

B. Total actual costs of all Amenities, as of the Quarterly Ending Date;

C. Actual or expected date of commencement of construction;

D. Forecast or actual construction completion date, and if there is a delay from the date previously reported, an explanation of the delay;

E. Actual acceptance date by the Issuer or other applicable entity, if accepted; and

F. Narrative update on construction milestones for the Amenities since the date of the prior Quarterly Report.

SECTION 4. Event Reporting Obligations.

(a) Pursuant to the provisions of this Section 4, each of the following is a Landowner Listed Event with respect to the Bonds:

(i) Failure to pay any real property taxes or Assessments levied within the District on a Parcel owned by a Landowner; provided, however, that the exercise of any right of a Landowner, as a landowner within the District, to exercise legal and/or administrative procedures to dispute the amount or validity of all or any part of any real property taxes shall not be considered a Landowner Listed Event under this Section 4(a) nor a breach or default of this Disclosure Agreement;

(ii) Material damage to or destruction of any development or improvements in the District, including the Public Improvements or the Amenities;

(iii) Material default by a Landowner or any of their respective affiliates on any loan with respect to the acquisition, development or permanent financing of the District undertaken by the Landowners or any of their respective affiliates;

(iv) Material default by the Landowners or any of their respective affiliates on any loan secured by property within the District;

(v) The bankruptcy, insolvency or similar filing of a Landowner or any of their respective affiliates or any determination that such Landowner or any of their respective affiliates is unable to pay its debts as they become due;

(vi) The consummation of a merger, consolidation, or acquisition of a Landowner, or the sale of all or substantially all of the assets of a Landowner or any of their respective affiliates

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;

(vii) The filing of any lawsuit with a claim for damages, in excess of \$1,000,000 against a Landowner or any of their respective affiliates that may adversely affect the completion of development of the District, including the Public Improvements and Amenities, or litigation that may materially adversely affect the financial condition of a Landowner or any of their respective affiliates;

(viii) Any material change in the legal structure, chief executive officer or controlling ownership of a Landowner;

(ix) Any assignment and assumption of disclosure obligations under this Disclosure Agreement pursuant to Section 5 herein;

(b) Pursuant to the provisions of this Section 4, each of the following occurrences related to any Significant Homebuilder is a Significant Homebuilder Listed Event with respect to the Bonds;

(i) Failure to pay any real property taxes or Assessments levied within the District on a lot or Parcel owned by such Significant Homebuilder; provided, however, that the exercise of any right of such Significant Homebuilder as a landowner within the District to exercise legal and/or administrative procedures to dispute the amount or validity of all or any part of any real property taxes shall not be considered a Significant Homebuilder Listed Event under this Section 4(b) nor a breach or default of this Disclosure Agreement;

(ii) The bankruptcy, insolvency or similar filing of such Significant Homebuilder or any determination that such Significant Homebuilder is unable to pay its debts as they become due;

(iii) The consummation of a merger, consolidation, or acquisition involving such Significant Homebuilder or the sale of all or substantially all of the assets of the Significant Homebuilder, 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;

(iv) Any material change in the type of legal entity, chief executive officer or controlling ownership of such Significant Homebuilder;

(v) Early termination of or material default by such Significant Homebuilder under a Homebuilder Purchase Agreement; and

(vi) Any assignment and assumption of disclosure obligations under this Disclosure Agreement pursuant to Section 5 herein.

(c) Pursuant to the provisions of this Section 4, each of the following occurrences related to any Significant Non-SF Landowner is a Significant Non-SF Landowner Listed Event with respect to the Bonds;

(i) Failure to pay any real property taxes or Assessments levied within the District on a lot or Parcel owned by such Significant Non-SF Landowner; provided, however, that the exercise of any right of such Significant Non-SF Landowner as a landowner within the District to exercise legal and/or administrative procedures to dispute the amount or validity of all or any part of any real property taxes shall not be considered a Significant Non-SF Landowner Listed Event under this Section 4(b) nor a breach or default of this Disclosure Agreement;

(ii) The bankruptcy, insolvency or similar filing of such Significant Non-SF Landowner or any determination that such Significant Non-SF Landowner is unable to pay its debts as they become due;

(iii) The consummation of a merger, consolidation, or acquisition involving such Significant Non-SF Landowner or the sale of all or substantially all of the assets of the Significant Non-SF Landowner, 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;

(iv) Any material change in the type of legal entity, chief executive officer or controlling ownership of such Significant Non-SF Landowner;

(v) Early termination of or material default by such Significant Non-SF Landowner under a Non-SF Landowner Purchase Agreement; and

(vi) Any assignment and assumption of disclosure obligations under this Disclosure Agreement pursuant to Section 5 herein.

(d) Whenever a Reporting Party obtains actual knowledge of the occurrence of a Listed Event applicable to such Reporting Party, such Reporting Party shall promptly, and not more than five (5) Business Days after such Reporting Party obtains such knowledge, notify the Issuer, the Administrator and the Dissemination Agent in writing and the Reporting Party shall direct the Dissemination Agent to file a notice of such occurrence with the MSRB, in the manner hereinafter described, and provide a copy of such notice to the Issuer and the Participating Underwriter. For avoidance of doubt and as an example, if a Landowner is a Reporting Party, such Landowner is not required to provide a notice regarding a Listed Event applicable to a Significant Homebuilder or Significant Non-SF Landowner. Any such notice is required to be filed within ten (10) Business Days after the Reporting Party becomes aware of the occurrence of such Listed Event. If the Reporting Party timely notifies the Dissemination Agent of the occurrence of a Listed Event, as described in this Section 4, the failure of the Dissemination Agent to provide such notice to the Participating Underwriter in a timely manner shall not be deemed a default by such Reporting Party under this Disclosure Agreement. As used above, "actual knowledge" means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto.

Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the applicable Reporting Party desires to make, the written authorization of such Reporting Party for the Dissemination Agent to disseminate such information as provided herein, and the date the Reporting Party desires for the Dissemination Agent to disseminate the information. In In all cases, the applicable Reporting Party shall have the sole responsibility for the content, design and other elements

comprising substantive contents of all disclosures. In addition, the applicable Reporting Party shall have the sole responsibility to ensure that any notice required to be filed with the MSRB under this Section 4 is actually filed within ten (10) Business Days after such Reporting Party becomes aware of the Listed Event applicable to such Reporting Party.

(e) The Dissemination Agent shall, promptly, and not more than five (5) Business Days after obtaining actual knowledge of the occurrence of any Listed Event, notify the Administrator and the applicable Reporting Party in writing of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the applicable Reporting Party to do so. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Reporting Party and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the applicable Reporting Party as an accommodation to assist it in monitoring the occurrence of such event, but is under no obligation to investigate whether any such event has occurred. As used above, “actual knowledge” means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Participating Underwriter, the Administrator, the Issuer, any Reporting Party or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(f) If the Dissemination Agent has been notified in writing by a Reporting Party to report the occurrence of a Listed Event in accordance with subsections (c), (d) or (e) of this Section 4, the Dissemination Agent shall file a notice of such occurrence with the MSRB promptly after its receipt of such written instructions from such Reporting Party; provided that all such notices must be filed no later than the date specified in subsection (c) or (d) of this Section 4 for such Listed Event.

SECTION 5. Assumption of Reporting Obligations by Significant Owner.

(a) If a Homebuilder or Non-SF Landowner acquires ownership of real property in the District resulting in such Homebuilder or Non-SF Landowner becoming a Significant Owner, the applicable Landowner may (i) cause such Significant Owner to comply with such Landowner’s disclosure obligations under Sections 3(d)(iv)-(vi) and (viii), 4(b) or 4(c) hereof, as applicable, with respect to such acquired real property until such party’s disclosure obligations terminate pursuant to Section 6 of this Disclosure Agreement or (ii) elect to provide any or all Quarterly Information on behalf of such Significant Owner; provided, however, that if the applicable Landowner initially elects to provide any or all Quarterly Information on behalf of such Significant Owner, such Landowner may elect in the future to cause such Significant Owner to comply with such Landowner’s disclosure obligations, as described in (i) above.

(b) If the applicable Landowner elects to cause a Significant Owner to comply with such Landowner’s disclosure obligations, as described in (i) above, such Landowner shall deliver to the Dissemination Agent and the Administrator, a written acknowledgement from each Significant Owner, in substantially the form attached as Exhibit E, or a written acknowledgement from each Significant Non-SF Landowner, in substantially the form attached as Exhibit F (collectively, the “Significant Owner Acknowledgment”), acknowledging and assuming its obligations under this Disclosure Agreement. Pursuant to Section 4(a)(ix) above, such Landowner shall direct the Dissemination Agent to file a copy of the Significant Owner Acknowledgment with the MSRB, in accordance with Section

4(d) and 4(f) above, and provide a copy of such notice to the Issuer and the Participating Underwriter. Upon any such transfer to a Significant Owner, and such Significant Owner's delivery of written acknowledgement of assumption of such Landowner's obligations under this Disclosure Agreement as to the property transferred, such Landowner shall have no further obligation or liability for disclosures or other responsibilities under this Disclosure Agreement as to the property transferred or the obligations assigned. Such Landowner shall remain obligated with respect to any real property acquired by a Significant Owner until an acknowledgment of assignment with respect to such real property is delivered to the Dissemination Agent, the Administrator and the MSRB, in accordance with this Section 5(b).

(c) Notwithstanding anything to the contrary elsewhere herein, after such transfer of ownership, the applicable Landowner shall not be liable for the acts or omissions of such Significant Owner arising from or in connection with such disclosure obligations under this Disclosure Agreement. Additionally, for the avoidance of doubt, the Landowners shall use commercially reasonable efforts to require that any Significant Owner comply with obligations of this Section 5 with respect to any subsequent transfers by such Significant Owner to any individual or entity meeting the definition of a "Significant Owner" in the future, including the requirement, pursuant to Section 4(b)(vi) or Section 4(c)(vi) above, as applicable, to direct the Dissemination Agent to file a copy of the Significant Owner Acknowledgment with the MSRB, in accordance with Sections 4(d) and 4(f) above.

(d) If a Significant Owner acquires land within the District with the intent to develop such property for single family residential use, but, subsequent to such acquisition, converts the intended use to any use other than single family residential use, or vice versa, the reporting obligations of such Significant Owner under this Disclosure Agreement shall continue, but only with respect to the new intended use of the property so converted.

SECTION 6. Termination of Reporting Obligations.

(a) With respect to the SF Parcels, the reporting obligations of the Landowners or any Significant Homebuilder under this Disclosure Agreement shall terminate upon, the earlier of (i) the date when none of the Bonds remain Outstanding, (ii) when the Landowners (collectively) or such Significant Homebuilder, including their respective affiliates and/or successors and assigns, no longer owns five percent (5%) or more of the single family residential lots or the equivalent of five percent (5%) or more lots, with respect to unplatted lots, within the District, as of each Quarterly Ending Date, or (iii) the Issuer's issuance of the certificate of occupancy for the last single family residential lot or SF Parcel owned by the Landowners (collectively) or such Significant Homebuilder, including their respective affiliates and/or successors and assigns, respectively; provided, however, if a Landowner elects to provide any or all Quarterly Information on behalf of a Significant Homebuilder, in accordance with Section 5(a) above, the reporting obligations of such Significant Landowner under this Disclosure Agreement shall terminate with respect to the SF Parcels owned by such Significant Homebuilder, upon the earlier of (i) the date when none of the Bonds remain Outstanding, (ii) when such Significant Homebuilder (on behalf of whom a Landowner is reporting), including their respective affiliates and/or successors and assigns, no longer own five percent (5%) or more of the single family residential lots or the equivalent of five percent (5%) or more lots, with respect to unplatted lots, within the District, as of each Quarterly Ending Date, or (iii) the Issuer's issuance of the certificate of occupancy for the last single family residential lot or SF Parcel owned by such

Significant Homebuilder (on behalf of whom a Landowner is reporting), including their respective affiliates and/or successors and assigns.

(b) With respect to the Non-SF Parcels, the reporting obligations of the Landowners or any Significant Non-SF Landowner under this Disclosure Agreement shall terminate upon, the earlier of (i) the date when none of the Bonds remain Outstanding, (ii) when the Landowners (collectively) or such Significant Non-SF Landowner is no longer responsible for the payment of Annual Installments of Assessments equal to at least eight percent (8%) of the total Annual Installment of Assessments, as of each Quarterly Ending Date or (iii) with respect to a specific Non-SF Parcel, the Issuer's issuance of the last certificate of occupancy for such Non-SF Parcel owned by a Landowner or such Significant Non-SF Landowner, respectively; provided, however, if a Landowner elects to provide any or all Quarterly Information on behalf of a Significant Non-SF Landowner, in accordance with Section 5(a) above, the reporting obligations of such Landowner under this Disclosure Agreement shall terminate with respect to the Non-SF Parcels owned by such Non-SF Landowner, upon the earlier of (i) the date when none of the Bonds remain Outstanding, (ii) when such Significant Non-SF Landowner (on behalf of whom a Landowner is reporting), including their respective affiliates and/or successors and assigns, is no longer responsible for the payment of Annual Installments of Assessments equal to at least eight percent (8%) of the total Annual Installment of Assessments, as of each Quarterly Ending Date or (iii) with respect to a specific Non-SF Parcel, the Issuer's issuance of the last certificate of occupancy for such Non-SF Parcel owned by such Significant Non-SF Landowner (on behalf of whom a Landowner is reporting), including their respective affiliates and/or successors and assigns.

(c) Upon receipt of written notice from a Reporting Party or the Dissemination Agent that the reporting obligations of a Reporting Party have terminated in accordance with subsection (a) or (b) of this Section 6, the Administrator shall provide written notice to the applicable Reporting Party, the Participating Underwriter and the Dissemination Agent in substantially the form attached as Exhibit C, thereby, terminating such Reporting Party's reporting obligations under this Disclosure Agreement (the "Termination Notice"). If such Termination Notice with respect to a Reporting Party occurs while any of the Bonds remain Outstanding, the Administrator shall immediately provide, or cause to be provided, the Termination Notice to the Dissemination Agent, and the Dissemination Agent shall provide such Termination Notice to the MSRB, the Issuer, the Trustee, the applicable Reporting Party and the Participating Underwriter on or before the next succeeding Quarterly Filing Date.

(d) The obligations of the Administrator and the Dissemination Agent under this Disclosure Agreement shall terminate upon, the earlier of (i) the date when none of the Bonds remain Outstanding, or (ii) termination of all Reporting Parties' reporting obligations in accordance with subsection (a) and (b) of this Section 6 and any Termination Notice required by subsection (c) of this Section 6 has been provided to the MSRB, the Issuer, the Trustee, the Dissemination Agent, the Reporting Parties, and the Participating Underwriter, as applicable.

SECTION 7. Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be UMB Bank, N.A. The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist the Reporting Parties in carrying out their obligations under this Disclosure Agreement and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. Pursuant to the Disclosure Agreement of Issuer, the Issuer has agreed to provide written notice to each then-existing Reporting Party of any change in the identity

of the Dissemination Agent. The Dissemination Agent may resign at any time with thirty (30) days' written notice to the Issuer.

SECTION 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Landowners, the Administrator and the Dissemination Agent may jointly amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so requested by the Landowners or Administrator), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3 or 4, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of any Reporting Party, or the type of business conducted; and

(b) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, impair the interests of the Owners or beneficial owners of the Bonds. No amendment which adversely affects the Dissemination Agent or the Issuer may be made without the respective party's prior written consent (which consent will not be unreasonably withheld or delayed).

(c) In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Administrator shall describe such amendment in the next related Quarterly Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type of financial information or operating data being presented by the Reporting Parties. The Landowners shall provide, or cause to be provided, at their cost and expense, an executed copy of any amendment or waiver entered into under this Section 8 to the Issuer, the Administrator, the Dissemination Agent and the Participating Underwriter.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent any Reporting Party from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in addition to that which is required by this Disclosure Agreement. If any Reporting Party chooses to include any information in any Quarterly Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, no Reporting Party shall have an obligation under this Disclosure Agreement to update such information or include it in any future Quarterly Report or notice of occurrence of a Listed Event.

SECTION 10. Content of Disclosures. In all cases, the applicable Reporting Party shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures, whether provided under Section 3, 4 or 9 of this Disclosure Agreement.

SECTION 11. Default. In the event of a failure of a Reporting Party, Dissemination Agent or Administrator to comply with any provision of this Disclosure Agreement, any Owner or beneficial owner of the Bonds may, and the Trustee (at the request of any Participating Underwriter or the Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds and upon being indemnified to its satisfaction) shall, take such actions as may be necessary and appropriate

to cause the Reporting Party, Dissemination Agent and/or Administrator to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of a Reporting Party, the Dissemination Agent or the Administrator to comply with this Disclosure Agreement shall be an action to mandamus or specific performance. A default under this Disclosure Agreement shall not be deemed a default under the Disclosure Agreement of Issuer, and a default under the Disclosure Agreement of Issuer shall not be deemed a default under this Disclosure Agreement. Furthermore, a default under this Disclosure Agreement by any Reporting Party shall not be deemed a default under this Disclosure Agreement by any other Reporting Party, and no Reporting Party shall have any obligation to take any action to mitigate or cure the default of any other Reporting Party.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent and Administrator.

(a) The Dissemination Agent shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. The Landowners agree to hold harmless the Dissemination Agent, its officers, directors, employees and agents against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's breach, negligence or willful misconduct. The obligations of the Landowners under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. If any Reporting Party or the Administrator does not provide the information required by Sections 3(a) or (b) in a timely manner or incomplete Quarterly Information is provided by any Reporting Party, the Dissemination Agent shall not be responsible for the failure to submit a complete Quarterly Information or Quarterly Report to the MSRB. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Dissemination Agent shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Dissemination Agent hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Dissemination Agent and believed to be genuine and to have been signed or presented by the proper party or parties.

(b) Except as otherwise provided herein, the Administrator shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Administrator shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Administrator. The Landowners agree to hold harmless the Administrator, its officers, directors, employees and agents against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Administrator's breach, negligence or willful misconduct. The obligations of the Landowners under this Section shall survive resignation or removal of the Administrator and payment in full of the

Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Administrator is an “obligated person” under the Rule. The Administrator is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Administrator shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Administrator hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Administrator and believed to be genuine and to have been signed or presented by the proper party or parties.

(c) The Dissemination Agent or the Administrator may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent and Administrator shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

(d) UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE ADMINISTRATOR, THE LANDOWNERS OR ANY SIGNIFICANT OWNER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY ANY PARTY TO THIS DISCLOSURE AGREEMENT OR A SIGNIFICANT OWNER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE. THE DISSEMINATION AGENT AND THE ADMINISTRATOR ARE UNDER NO OBLIGATION NOR ARE THEY REQUIRED TO BRING SUCH AN ACTION.

SECTION 13. No Personal Liability. No covenant, stipulation, obligation or agreement of a Reporting Party, the Administrator or the Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future officer, agent or employee of the Reporting Party, the Administrator or Dissemination Agent in other than that person’s official capacity.

SECTION 14. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 15. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Reporting Parties, the Administrator, the Dissemination Agent, the Issuer, the Participating Underwriter, and the Owners and the beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

SECTION 16. Dissemination Agent Compensation. The fees and expenses incurred by the Dissemination Agent for its services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the Annual Service Plan Update. The Issuer shall pay or reimburse the Dissemination Agent, but only with funds to be provided from the Annual Collection Costs component of the Annual Installments collected from the property owners in the District, for the fees and expenses for its services rendered in accordance with this Disclosure Agreement.

SECTION 17. Administrator Compensation. The fees and expenses incurred by the Administrator for its services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the Annual Service Plan Update. The Administrator has entered into a separate agreement with the Issuer, which agreement governs the administration of the District, including the payment of the fees and expenses of the Administrator for its services rendered in accordance with this Disclosure Agreement.

SECTION 18. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

SECTION 19. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature pages follow.]

UMB Bank, N.A.
(as Dissemination Agent)

By: _____
Authorized Officer

HARRIS HILL RESIDENTIAL LAND
HOLDINGS, LTD.,
a Texas limited partnership
(as Developer)

By: Harris Hill GP, LLC, a Texas
limited liability company, Its Manager

By: _____
R.W. McDonald IV, Manager

HARRIS HILL COMMERCIAL LAND
HOLDINGS, LTD.,
a Texas limited partnership
(as Commercial Owner)

By: Harris Hill GP, LLC, a Texas
limited liability company, Its Manager

By: _____
R.W. McDonald IV, Manager

P3WORKS, LLC
(as Administrator)

By: _____
Title: _____

EXHIBIT A

**CITY OF SAN MARCOS, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(WHISPER SOUTH PUBLIC IMPROVEMENT DISTRICT)**

QUARTERLY REPORT
[INSERT QUARTERLY ENDING DATE]

Delivery Date: _____, 20__

CUSIP Numbers: [Insert CUSIP Numbers]

DISSEMINATION AGENT

Name: [_____] _____
Address: _____
City: _____
Telephone: _____
Contact Person: _____

[Remainder of page intentionally left blank]

TABLE 3(d)(i)

DISTRICT OVERVIEW (as of <i>[Insert Quarterly Ending Date]</i>)			
NUMBER OF PROPOSED AND PLATTED SINGLE FAMILY RESIDENTIAL LOTS, PROPOSED NON-SF ACRES AND PLATTED NON-SF PARCELS IN THE DISTRICT SUBJECT TO ASSESSMENTS:			
	As of <i>[Insert Quarterly Ending Date]</i>	As of <i>[Insert Prior Quarterly Ending Date]</i>	Explanation as to any change to the total number of proposed single family lots or non-single family acres from the prior Quarterly Report
Single Family			
Proposed SF Lots			
42'			
50'			
60'			
<i>Total Proposed SF Lots</i>			
Platted SF Lots			NA
42'			NA
50'			NA
60'			NA
<i>Total Platted SF Lots</i>			NA
Non-Single Family			
Proposed Non-SF Acres			
[Commercial]			
[Multifamily]			
<i>Total Proposed Non-SF Acres</i>			
Platted Non-SF Parcels			NA
[Commercial]			NA
[Multi-Family]			NA
<i>Total Platted Non-SF Parcels</i>			

[Remainder of page intentionally left blank]

TABLE 3(d)(ii)

LANDOWNER COMPOSITION (as of [<i>Insert Quarterly Ending Date</i>]) OF THE DISTRICT			
Landowner Composition	Number of Parcels/Lots Owned	Acreage	% of Annual Installments of Assessments ⁽¹⁾
Developer Owned			
[SF]	[] Lots	NA	
[Commercial]	[] Parcels		
[Multifamily]	[] Parcels		
Commercial Owner Owned			
[SF]	[] Lots	NA	
[Commercial]	[] Parcels		
[Multifamily]	[] Parcels		
Homebuilder Owned⁽²⁾			
[]	[] Lots	NA	
[]	[] Lots	NA	
[]	[] Lots	NA	
<i>Total Homebuilder Owned:</i>			
Non-SF Landowner Owned⁽²⁾			
[]	[] Parcels		
[]	[] Parcels		
[]	[] Parcels		
<i>Total Non-SF Landowner Owned:</i>			
Homeowner (End-User) Owned⁽³⁾	[] Lots		
Total District :			

(1) Derived from information in the Assessment Roll approved by the Issuer on _____, 20__ as part of the Annual Service Plan Update. Does not take into consideration any prepayments of Assessments made between the date of such Annual Service Plan Update and the date of this Quarterly Report.

(2) Add lines for each Homebuilder or Non-SF Landowner, as applicable.

(2) Information for homeowner (end-user) owned is reported as the total aggregate amount for all homeowners within the District.

[Remainder of page intentionally left blank]

FOR EACH PARCEL DESIGNATED AS SINGLE FAMILY RESIDENTIAL:

TABLE 3(d)(iii)

LOT ABSORPTION STATISTICS FOR SINGLE FAMILY RESIDENTIAL IN THE DISTRICT ⁽¹⁾											
	Q 20__	Q 20__	Q 20__	Q 20__	Q 20__	Q 20__	Q 20__	Q 20__	Q 20__	Q 20__	TOTAL
# of platted SF lots:											
• [Landowner/Homebuilder]											
○ 42'											
○ 50'											
○ 60'											
Subtotal											
• [Landowner/Homebuilder]											
○ 42'											
○ 50'											
○ 60'											
Subtotal											
• [Landowner/Homebuilder]											
○ 42'											
○ 50'											
○ 60'											
Subtotal											
TOTAL											
# of SF lots not under contract with Homebuilders:											N/A
• 42'											
• 50'											
• 60'											
TOTAL											
# of SF lots under contract (but not closed) with Homebuilders:											N/A
• [Homebuilder]											
○ 42'											
○ 50'											
○ 60'											
Subtotal											
• [Homebuilder]											
○ 42'											
○ 50'											
○ 60'											
Subtotal											
• [Homebuilder]											
○ 42'											
○ 50'											
○ 60'											
Subtotal											
TOTAL											

[Table continues on next page]

TABLE 3(d)(iii) (continued)

LOT ABSORPTION STATISTICS FOR SINGLE FAMILY RESIDENTIAL IN THE DISTRICT ⁽¹⁾											
	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	TOTAL
# of SF lots closed with Homebuilders:											
<ul style="list-style-type: none"> [Homebuilder] <ul style="list-style-type: none"> o 42' o 50' o 60' 											
Subtotal											
<ul style="list-style-type: none"> [Homebuilder] <ul style="list-style-type: none"> o 42' o 50' o 60' 											
Subtotal											
<ul style="list-style-type: none"> [Homebuilder] <ul style="list-style-type: none"> o 42' o 50' o 60' 											
Subtotal											
TOTAL											

⁽¹⁾ Add information for each Homebuilder and add rows if additional lot types are added in the District.

[Remainder of page intentionally left blank]

TABLE 3(d)(iv)

[Homebuilder] ABSORPTION STATISTICS FOR SINGLE FAMILY RESIDENTIAL LOTS IN THE DISTRICT ⁽¹⁾								
	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	Q__ 20__	TOTAL
# of SF homes under construction: <ul style="list-style-type: none"> • 42' • 50' • 60' • Total 								N/A
# of completed SF homes NOT under contract with end-user: <ul style="list-style-type: none"> • 42' • 50' • 60' • Total 								N/A
# of SF homes under contract with end-user: <ul style="list-style-type: none"> • 42' • 50' • 60' • Total 								N/A
# of SF homes closed on (delivered to) end-users: <ul style="list-style-type: none"> • 42' • 50' • 60' • Total 								
Average sales price of homes delivered to end-users: <ul style="list-style-type: none"> • 42' • 50' • 60' • Average 								

⁽¹⁾ Additional tables to be added for each Homebuilder. Add rows if additional lot types are added in the District.

The estimated date of completion of all homes to be constructed by [Homebuilder] is _____, ____.

The estimated date of completion of all homes to be constructed by [Homebuilder] is _____, ____.

[Remainder of page intentionally left blank]

FOR EACH NON-SF PARCEL DESIGNATED AS MULTIFAMILY RESIDENTIAL:

TABLE 3(d)(v)

DEVELOPMENT OF MULTIFAMILY RESIDENTIAL			
Name of Landowner/ Developer/Builder	Number of Actual/Expected Dwelling Units by Type	Actual/Expected Date of Commencement of Vertical Construction	Actual/Expected Date of Substantial Completion

Narrative update on construction milestones of vertical construction since last Quarterly Report:

FOR EACH PARCEL DESIGNATED AS A NON-SF PARCEL, OTHER THAN MULTIFAMILY:

TABLE 3(d)(vi)

DEVELOPMENT OF NON-SF PARCELS					
Name of Landowner/ Developer/Builder	Actual/Expected use of Parcel	Number of Acres of Parcel	Actual/Expected Date of Commencement of Vertical Construction	Actual/Expected Date of Substantial Completion	Type of Business/Tenant

Narrative update on construction milestones of vertical construction since last Quarterly Report:

[Remainder of page intentionally left blank]

STATUS OF DEVELOPMENT:

TABLE 3(d)(vii)

PERMITS/APPROVALS	
Change or Determination to Permit/Approval	Description of the Change to the Land Use Plan

TABLE 3(d)(viii)

INFORMATION ON EXISTING, NEW OR MODIFIED MORTGAGE DEBT						
Borrower	Lender	Amount	Loan Balance	Existence of Deeds of Trust	Interest Rate	Terms

[Remainder of page intentionally left blank]

STATUS OF PUBLIC IMPROVEMENTS, ADDITIONAL IMPROVEMENTS AND AMENITIES:

TABLE 3(e)(i)

PUBLIC IMPROVEMENTS BUDGET AND TIMELINE OVERVIEW						
Public Improvements	Budgeted Costs	Actual Costs Draw from Project Fund as of <i>[Insert Quarterly Ending Date]</i>	Actual Costs financed with sources other than Bond proceeds of Assessments as of <i>[Insert Quarterly Ending Date]</i>	Actual/Expected Construction Commencement Date	Forecast or Actual Completion Date	Actual Acceptance Date
Major Improvements						
• Roadways	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Wastewater	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Parks, Landscaping and Trails	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Water	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Soft Costs	\$ _____	\$ _____	\$ _____	N/A	N/A	N/A
• District Formation Costs	\$ _____	\$ _____	\$ _____	N/A	N/A	N/A
Improvement Area #1 Improvements	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Water	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Drainage	\$ _____	\$ _____	\$ _____	N/A	N/A	N/A
• Soft Costs						
Improvement Area #2 Improvements	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Water	\$ _____	\$ _____	\$ _____	N/A	N/A	N/A
• Soft Costs						
Improvement Area #3 Improvements	\$ _____	\$ _____	\$ _____	_____	_____	_____
• Roadways	\$ _____	\$ _____	\$ _____	N/A	N/A	N/A
• Soft Costs	\$ _____	\$ _____	\$ _____			

If there is a delay in the expected completion date for any Public Improvement from that previously reported, an explanation of such delay:

Narrative update on construction milestones for the Public Improvements since last Quarterly Report:

TABLE 3(e)(ii)

AMENITIES BUDGET AND TIMELINE OVERVIEW					
Amenity	Budgeted Costs	Actual Costs as of [Insert Quarterly Ending Date]	Actual/Expected Construction Commencement Date	Forecast Completion Date	Actual Acceptance Date
• _____	\$ _____	\$ _____	_____	_____	_____
• _____	\$ _____	\$ _____	_____	_____	_____
• _____	\$ _____	\$ _____	_____	_____	_____
• _____	\$ _____	\$ _____	_____	_____	_____

If there is a delay in the expected completion date for any Amenity from that previously reported, an explanation of such delay:

Narrative update on construction milestones for the Amenities since last Quarterly Report:

EXHIBIT B

**NOTICE TO MSRB OF FAILURE TO
[PROVIDE QUARTERLY INFORMATION][FILE QUARTERLY REPORT]**

[DATE]

Name of Issuer: City of San Marcos, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2022 (Whisper South
Public Improvement District) (the “Bonds”)
CUSIP Nos. [insert CUSIP Nos.]
Date of Delivery: _____, 20__

NOTICE IS HEREBY GIVEN that _____, a
_____ (the [“Developer”][“Commercial Owner”] [“Significant Homebuilder”]
[“Significant Non-SF Landowner”]) has not provided the [Quarterly Information][Quarterly
Report] for the period ending on [Insert Quarterly Ending Date] with respect to the Bonds as
required by the Continuing Disclosure Agreement of Landowner dated as of January 19, 2022,
by and among Harris Hill Residential Land Holdings, Ltd. (the “Developer”), Harris Hill
Commercial Land Holdings, Ltd. (the “Commercial Owner”), P3Works, LLC (the
“Administrator”) and UMB Bank, N.A. (the “Dissemination Agent”). [Developer][Commercial
Owner][Significant Homebuilder][Significant Non-SF Landowner] anticipates that the
[Quarterly Information][Quarterly Report] will be [provided][filed] by _____.

Dated: _____

UMB BANK, N.A.
on behalf of the [Developer][Commercial Owner]
[Significant Homebuilder][Significant Non-SF
Landowner]
(as Dissemination Agent)

By: _____

Title: _____

cc: City of San Marcos, Texas

EXHIBIT C

TERMINATION NOTICE

[DATE]

Name of Issuer: City of San Marcos, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2022 (Whisper South Public Improvement District) (the “Bonds”)
CUSIP Nos. [insert CUSIP Nos.]
Date of Delivery: _____, 20__

FMSbonds, Inc. 5 Cowboys Way, Suite 300-25 Frisco, Texas 75034	[Harris Hill Residential Holdings, Ltd. 100 NE Loop 410, Suite 775 San Antonio, Texas 78216]
--	--

UMB Bank, N.A. 6034 W. Courtyard Drive, Suite 370 Austin, Texas 78730	Harris Hill Commercial Holdings, Ltd. 100 NE Loop 410, Suite 775 San Antonio, Texas 78216
---	---

[Insert Significant Non-SF Landowner Contact Information]	[Insert Significant Homebuilder Contact Information]
--	---

NOTICE IS HEREBY GIVEN that _____, a _____ (the [“Developer”][“Commercial Owner”] [“Significant Homebuilder”] [“Significant Non-SF Landowner”]) is no longer responsible for providing [any Quarterly Information][the Quarterly Report] with respect to the Bonds, thereby, terminating such party’s reporting obligations under the Continuing Disclosure Agreement of Landowner dated as of January 19, 2022, by and among Harris Hill Residential Land Holdings, Ltd. (the “Developer”), Harris Hill Commercial Land Holdings, Ltd. (the “Commercial Owner”), P3Works, LLC (the “Administrator”) and UMB Bank, N.A. (the “Dissemination Agent”).

Dated: _____

P3Works, LLC,
on behalf of the [Developer][Commercial Owner]
[Significant Homebuilder][Significant Non-SF
Landowner]
(as Administrator)

By: _____

Title: _____

EXHIBIT D
CERTIFICATION LETTER

[DATE]

Name of Issuer: City of San Marcos, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2022 (Whisper South
Public Improvement District)
CUSIP Nos. [insert CUSIP Nos.]
Quarterly Ending Date: _____, 20__

Re: Quarterly Report for Whisper South Public Improvement District

To whom it may concern:

Pursuant to the Continuing Disclosure Agreement of Landowner dated as of January 19, 2022, by and among Harris Hill Residential Land Holdings, Ltd. (the “Developer”), Harris Hill Commercial Land Holdings, Ltd. (the “Commercial Owner”), P3Works, LLC (the “Administrator”) and UMB Bank, N.A. (the “Dissemination Agent”), this letter constitutes the certificate stating that the Quarterly Information, provided by [Developer][Commercial Owner][_____, as a “Significant Homebuilder”] [_____, as a “Significant Non-SF Landowner”], contained in this Quarterly Report herein submitted by the Administrator, on behalf of the [Developer][Commercial Owner] [Significant Homebuilder][Significant Non-SF Landowner], constitutes the [portion of the] Quarterly Report required to be furnished by [Developer][Commercial Owner] [Significant Homebuilder][Significant Non-SF Landowner]. Any and all Quarterly Information, provided by the [Developer][Commercial Owner] [Significant Homebuilder][Significant Non-SF Landowner], contained in this Quarterly Report for the three month period ending on [Insert Quarterly Ending Date], to the best of my knowledge, is true and correct, as of [insert date].

Please do not hesitate to contact our office if you have and questions or comments.

HARRIS HILL RESIDENTIAL LAND
HOLDINGS, LTD.,
a Texas limited partnership
(as Developer)

By: Harris Hill GP, LLC, a Texas
limited liability company, Its Manager

By: _____
R.W. McDonald IV, Manager

OR

HARRIS HILL COMMERCIAL LAND
HOLDINGS, LTD.,
a Texas limited partnership
(as Commercial Owner)

By: Harris Hill GP, LLC, a Texas
limited liability company, Its Manager

By: _____
R.W. McDonald IV, Manager

OR

[SIGNIFICANT HOMEBUILDER
(as Significant Homebuilder)
By: _____
Title: _____]

OR

[SIGNIFICANT NON-SF LANDOWNER
(as Significant Non-SF Landowner)
By: _____
Title: _____]

EXHIBIT E

**FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT
OF SIGNIFICANT HOMEBUILDER REPORTING OBLIGATIONS**

[DATE]

UMB Bank, N.A.
6034 W. Courtyard Drive, Suite 370
Austin, Texas 78730

P3Works, LLC
3901 S. Lamar Blvd., Suite 440
Austin, Texas 78704

Re: Whisper South Public Improvement District – Continuing Disclosure Obligation

Dear _____,

As of _____, 20__, you own [____]% of the single family residential lots][the equivalent of [____]% of the single family residential lots, with respect to unplatted lots] within the Whisper South Public Improvement District (the “District”). Pursuant to Section 2 of the Continuing Disclosure Agreement of the Landowner (the “Disclosure Agreement”) dated as of January 19, 2022, by and among, Harris Hill Residential Land Holdings, Ltd. (the “Developer”), Harris Hill Commercial Land Holdings, Ltd. (the “Commercial Owner”), P3Works, LLC (the “Administrator”) and UMB Bank, N.A. (the “Dissemination Agent”), with respect to the “City of San Marcos, Texas, Special Assessment Revenue Bonds, Series 2022 (Whisper South Public Improvement District)” any entity that owns five percent (5%) or more of the single family residential lots][the equivalent of five percent (5%) or more of the single family residential lots, with respect to unplatted lots] within the District is defined as a Significant Homebuilder.

As a Significant Homebuilder, pursuant to Section 5 of the Disclosure Agreement, you acknowledge and assume the reporting obligations under Sections 3(d)(iv) and (viii) and Section 4(b) of the Disclosure Agreement for the property which is owned as detailed in the Disclosure Agreement, which is included herewith.

Sincerely,

HARRIS HILL RESIDENTIAL LAND HOLDINGS, LTD.,
a Texas limited partnership
(as Developer)

By: Harris Hill GP, LLC, a Texas
limited liability company, Its Manager

By: _____
R.W. McDonald IV, Manager

OR

HARRIS HILL COMMERCIAL LAND HOLDINGS, LTD.,
a Texas limited partnership
(as Commercial Owner)

By: Harris Hill GP, LLC, a Texas
limited liability company, Its Manager

By: _____
R.W. McDonald IV, Manager

Acknowledged by:

[INSERT SIGNIFICANT HOMEBUILDER NAME]

By: _____

Title: _____

Address: _____

Phone Number: _____

EXHIBIT F

**FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT
OF SIGNIFICANT NON-SF LANDOWNER REPORTING OBLIGATIONS**

[DATE]

UMB Bank, N.A.
6034 W. Courtyard Drive, Suite 370
Austin, Texas 78730

P3Works, LLC
3901 S. Lamar Blvd., Suite 440
Austin, Texas 78704

Re: Whisper South Public Improvement District– Continuing Disclosure Obligation

Dear _____,

As of _____, 20__, you own ____ acres of Non-SF Parcels within the Whisper South Public Improvement District (the “District”), which property represents _____ percent (____%) of the total Annual Installments of the Assessments.

Pursuant to Section 2 of the Continuing Disclosure Agreement of the Landowner (the “Disclosure Agreement”) dated as of January 19, 2022, by and among, Harris Hill Residential Land Holdings, Ltd. (the “Developer”), Harris Hill Commercial Land Holdings, Ltd. (the “Commercial Owner”), P3Works, LLC (the “Administrator”) and UMB Bank, N.A. (the “Dissemination Agent”), with respect to the “City of San Marcos, Texas Special Assessment Revenue Bonds, Series 2022 (Whisper South Public Improvement District),” any entity that owns Non-SF Parcels within the District representing at least eight percent (8%) of the total Annual Installments of the Assessments is defined as a Significant Non-SF Landowner.

As a Significant Non-SF Landowner, pursuant to Section 5 of the Disclosure Agreement, you acknowledge and assume the reporting obligations under Sections 3(d)[(v)][(vi)] and (viii) and 4(c) of the Disclosure Agreement for the property which is owned as detailed in the Disclosure Agreement, which is included herewith.

Sincerely,

HARRIS HILL RESIDENTIAL LAND HOLDINGS, LTD.,
a Texas limited partnership
(as Developer)

By: Harris Hill GP, LLC, a Texas
limited liability company, Its Manager

By: _____
R.W. McDonald IV, Manager

OR

HARRIS HILL COMMERCIAL LAND HOLDINGS, LTD.,
a Texas limited partnership
(as Developer)

By: Harris Hill GP, LLC, a Texas
limited liability company, Its Manager

By: _____
R.W. McDonald IV, Manager

Acknowledged by:

[INSERT SIGNIFICANT NON-SF LANDOWNER NAME]

By: _____

Title: _____

Address: _____

Phone Number: _____