TRACE PUBLIC IMPROVEMENT DISTRICT
BUYDOWN OF $22.1 MILLION ASSESSMENT TO $19.5 MILLION

	Lot Size	Land Use	Estimated Buildout Values	Units/SF	Gross AV	% of Total Buildout Value	Before Prepayment			Prepayment	After Prepayment		
							Equivalent Tax Rate	Average Annual Installment	Assessment		Equivalent Tax Rate	Average Annual Installment	Assessment
PLATTED LOTS													
Phase A	34	Single Family	192,131	30	5,763,930	1.20%	$ 0.3179	$ 18,945	$ 265,892	$ -	$ 0.3387	$ 19,520	$ 265,892
Phase A	40	Single Family	235,400	26	6,120,400	1.28%	$ 0.3179	$ 20,117	$ 282,336	$ -	$ 0.3387	$ 20,728	$ 282,336
Phase A	50	Single Family	259,657	23	5,972,115	1.25%	$ 0.3179	$ 19,630	$ 275,495	$ -	$ 0.3387	$ 20,225	$ 275,495
					17,856,445	3.73%		$ 58,692	$ 823,723	$ -		$ 60,473	$ 823,723
UNPLATTED													
Phase A		Retail	150	233,155	34,973,250	7.30%	$ 0.3179	$ 114,953	$ 1,613,327	$ (708,129)	$ 0.1900	$ 66,455	$ 905,198
Phase A		Business Park	200	467,181	93,436,200	19.50%	$ 0.3179	$ 307,114	$ 4,310,240	$ (1,891,871)	$ 0.1900	$ 177,544	$ 2,418,369
Phase A		Multi Family	135,000	402	54,270,000	11.33%	$ 0.3179	$ 178,379	$ 2,503,492	$ -	$ 0.3387	$ 183,793	$ 2,503,492
Phase A	34	Single Family	192,131	27	5,187,537	1.08%	$ 0.3179	$ 17,051	$ 239,303	$ -	$ 0.3387	$ 17,568	$ 239,303
Phase A	50	Single Family	259,657	42	10,905,601	2.28%	$ 0.3179	$ 35,845	$ 503,079	$ -	$ 0.3387	$ 36,933.33	$ 503,079
Phase B	34	Single Family	192,131	53	10,182,943	2.13%	$ 0.3179	$ 33,470	$ 469,742	$ -	$ 0.3387	$ 34,485.94	$ 469,742
Phase B	40	Single Family	235,400	33	7,768,200	1.62%	$ 0.3179	$ 25,533	$ 358,349	$ -	$ 0.3387	$ 26,308	$ 358,349
Phase B	50	Single Family	259,657	143	37,130,975	7.75%	$ 0.3179	$ 122,045	$ 1,712,863	$ -	$ 0.3387	$ 125,749	$ 1,712,863
Phase C	34	Single Family	192,131	69	13,257,039	2.77%	$ 0.3179	$ 43,574	$ 611,551	$ -	$ 0.3387	$ 44,897	$ 611,551
Phase C	40	Single Family	235,400	14	3,295,600	0.69%	$ 0.3179	$ 10,832	$ 152,027	$ -	$ 0.3387	$ 11,161	$ 152,027
Phase C	50	Single Family	259,657	128	33,236,117	6.94%	$ 0.3179	$ 109,243	$ 1,533,192	$ -	$ 0.3387	$ 112,559	$ 1,533,192
Phase D	40	Single Family	235,400	48	11,299,200	2.36%	$ 0.3179	$ 37,139	$ 521,236	$ -	$ 0.3387	$ 38,266	$ 521,236
Phase D	50	Single Family	259,657	160	41,545,147	8.67%	$ 0.3179	$ 136,554	$ 1,916,490	$ -	$ 0.3387	$ 140,698	$ 1,916,490
Phase E	40	Single Family	235,400	28	6,591,200	1.38%	$ 0.3179	$ 21,665	$ 304,054	$ -	$ 0.3387	$ 22,322	$ 304,054
Phase E	50	Single Family	259,657	62	16,098,744	3.36%	$ 0.3179	$ 52,915	$ 742,640	$ -	$ 0.3387	$ 54,521	$ 742,640
Phase F	50	Single Family	259,657	121	31,418,517	6.56%	$ 0.3179	$ 103,269	$ 1,449,346	$ -	$ 0.3387	$ 106,403	$ 1,449,346
Phase F		Multi Family	135,000	375	50,625,000	10.57%	$ 0.3179	$ 166,398	$ 2,335,347	$ -	$ 0.3387	$ 171,449	$ 2,335,347
					461,221,270	96.27%		$ 1,515,980	$ 21,276,277	$ (2,600,000)		$ 1,371,112	$ 18,676,277
TOTAL					**$ 479,077,715**	**100.00%**		**$ 1,574,672**	**$ 22,100,000**	**$ (2,600,000)**		**$ 1,431,585**	**$ 19,500,000**
								See Exhibit A				**See Exhibit B**	

NOTES:
1. The $26,265,000 Assessment is assumed to have a 5.5% interest rate and no additional interest.
2. The $19,500,000 Assessment is assumed to have a 5.5% interest rate and 0.5% additional interest.
3. The Equivalent Tax Rate on the residential parcels will increase slightly after prepayment due to the additional interest and because the administration expense becomes a higher percentage of debt service.

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BUYDOWN OF $22.1 MILLION ASSESSMENT TO $19.5 MILLION

	Unit	Option 1: Assessments Capped at $19.5 Million — Average Annual Installment	Option 1 — Total Assessment	Option 1 — Equivalent Tax Rate	Option 2: Assessments Levied at $22.1 Million, Prepayments on Business Park and Retail Uses Reduce Assessment to $19.5 Million — Average Annual Installment	Option 2 — Total Assessment	Option 2 — Equivalent Tax Rate	Difference: Option 2 - Option 1 — Average Annual Installment	Difference — Total Assessment	Difference — Equivalent Tax Rate
34' Lot	Home	$ 574	$ 7,820	$ 0.2988	$ 651	$ 8,863	$ 0.3387	$ 77	$ 1,043	$ 0.0398
40' Lot	Home	$ 703	$ 9,582	$ 0.2988	$ 797	$ 10,859	$ 0.3387	$ 94	$ 1,278	$ 0.0398
50' Lot	Home	$ 776	$ 10,569	$ 0.2988	$ 879	$ 11,978	$ 0.3387	$ 103	$ 1,409	$ 0.0398
Multifamily	Apartment	$ 403	$ 5,495	$ 0.2988	$ 457	$ 6,228	$ 0.3387	$ 54	$ 733	$ 0.0398
Retail	Sq Ft	$ 0.45	$ 6.11	$ 0.2988	$ 0.29	$ 3.88	$ 0.1900	$ (0.16)	$ (2.22)	$ (0.1088)
Business Park	Sq Ft	$ 0.60	$ 8.14	$ 0.2988	$ 0.38	$ 5.18	$ 0.1900	$ (0.22)	$ (2.96)	$ (0.1088)

Exhibit A

Assessment Amount (5.5% Interest Rate) $ 22,100,000

Average Installment $ **1,574,672**

DRAFT - FOR DISCUSSION PURPOSES ONLY

Year Ending January 31	Principal Maturing Sept. 1st	Interest Rate	Annual Interest Due	Principal + Interest	City Admin Expenses (a)	Additional Interest Reserve	P & I + Admin + Reserves	Capitalized Interest	Reserve Fund Release	Annual PID Installment
2019	305,000	5.50%	$ 1,215,500	$ 1,520,500	$ 40,000	$ -	$ 1,560,500	$ -	$ -	$ 1,560,500
2020	320,000	5.50%	1,198,725	1,518,725	40,800	-	1,559,525	-	-	1,559,525
2021	340,000	5.50%	1,181,125	1,521,125	41,616	-	1,562,741	-	-	1,562,741
2022	360,000	5.50%	1,162,425	1,522,425	42,448	-	1,564,873	-	-	1,564,873
2023	375,000	5.50%	1,142,625	1,517,625	43,297	-	1,560,922	-	-	1,560,922
2024	400,000	5.50%	1,122,000	1,522,000	44,163	-	1,566,163	-	-	1,566,163
2025	420,000	5.50%	1,100,000	1,520,000	45,046	-	1,565,046	-	-	1,565,046
2026	445,000	5.50%	1,076,900	1,521,900	45,947	-	1,567,847	-	-	1,567,847
2027	470,000	5.50%	1,052,425	1,522,425	46,866	-	1,569,291	-	-	1,569,291
2028	495,000	5.50%	1,026,575	1,521,575	47,804	-	1,569,379	-	-	1,569,379
2029	520,000	5.50%	999,350	1,519,350	48,760	-	1,568,110	-	-	1,568,110
2030	550,000	5.50%	970,750	1,520,750	49,735	-	1,570,485	-	-	1,570,485
2031	580,000	5.50%	940,500	1,520,500	50,730	-	1,571,230	-	-	1,571,230
2032	610,000	5.50%	908,600	1,518,600	51,744	-	1,570,344	-	-	1,570,344
2033	645,000	5.50%	875,050	1,520,050	52,779	-	1,572,829	-	-	1,572,829
2034	680,000	5.50%	839,575	1,519,575	53,835	-	1,573,410	-	-	1,573,410
2035	720,000	5.50%	802,175	1,522,175	54,911	-	1,577,086	-	-	1,577,086
2036	760,000	5.50%	762,575	1,522,575	56,010	-	1,578,585	-	-	1,578,585
2037	800,000	5.50%	720,775	1,520,775	57,130	-	1,577,905	-	-	1,577,905
2038	845,000	5.50%	676,775	1,521,775	58,272	-	1,580,047	-	-	1,580,047
2039	890,000	5.50%	630,300	1,520,300	59,438	-	1,579,738	-	-	1,579,738
2040	940,000	5.50%	581,350	1,521,350	60,627	-	1,581,977	-	-	1,581,977
2041	990,000	5.50%	529,650	1,519,650	61,839	-	1,581,489	-	-	1,581,489
2042	1,045,000	5.50%	475,200	1,520,200	63,076	-	1,583,276	-	-	1,583,276
2043	1,105,000	5.50%	417,725	1,522,725	64,337	-	1,587,062	-	-	1,587,062
2044	1,165,000	5.50%	356,950	1,521,950	65,624	-	1,587,574	-	-	1,587,574
2045	1,225,000	5.50%	292,875	1,517,875	66,937	-	1,584,812	-	-	1,584,812
2046	1,295,000	5.50%	225,500	1,520,500	68,275	-	1,588,775	-	-	1,588,775
2047	1,365,000	5.50%	154,275	1,519,275	69,641	-	1,588,916	-	-	1,588,916
2048	1,440,000	5.50%	79,200	1,519,200	71,034	-	1,590,234	-	-	1,590,234
Totals	$ 22,100,000	**5.50%**	$ 23,517,450	$ 45,617,450	$ 1,622,723	$ -	$ 47,240,173	-	$ -	$ 47,240,173

(a) Preliminary Estimate. Assumes City administrative expenses escalate at 2% per year.

Exhibit B

<u>Sources:</u>

Bond Par Amount (5.5% Interest Rate)	$	19,500,000
<u>Uses:</u>		
Reserve Fund (Maximum Annual Debt Service)		1,344,100
Capitalized Interest (6 months)		536,250
Underwriter Discount (3%)		585,000
Cost of Issuance (6.5%)		1,267,500
Infrastructure Bond Net Construction Proceeds	$	15,767,150

Average Installment $ 1,431,585

DRAFT - FOR DISCUSSION PURPOSES ONLY

Year Ending January 31	Principal Maturing Sept. 1st	Interest Rate	Annual Interest Due	Principal + Interest	City Admin Expenses (a)	Additional Interest Reserve (b)	P & I + Admin + Reserves	Capitalized Interest (c)	Reserve Fund Release	Annual PID Installment (d)
2019	270,000	5.50%	$ 1,072,500	$ 1,342,500	$ 40,000	$ 97,500	$ 1,480,000	$ 536,250	$ -	$ 943,750
2020	285,000	5.50%	1,057,650	1,342,650	40,800	96,150	1,479,600	-	-	1,479,600
2021	300,000	5.50%	1,041,975	1,341,975	41,616	94,725	1,478,316	-	-	1,478,316
2022	315,000	5.50%	1,025,475	1,340,475	42,448	93,225	1,476,148	-	-	1,476,148
2023	335,000	5.50%	1,008,150	1,343,150	43,297	91,650	1,478,097	-	-	1,478,097
2024	350,000	5.50%	989,725	1,339,725	44,163	89,975	1,473,863	-	-	1,473,863
2025	370,000	5.50%	970,475	1,340,475	45,046	88,225	1,473,746	-	-	1,473,746
2026	390,000	5.50%	950,125	1,340,125	45,947	86,375	1,472,447	-	-	1,472,447
2027	415,000	5.50%	928,675	1,343,675	46,866	84,425	1,474,966	-	-	1,474,966
2028	435,000	5.50%	905,850	1,340,850	47,804	82,350	1,471,004	-	-	1,471,004
2029	460,000	5.50%	881,925	1,341,925	48,760	80,175	1,470,860	-	-	1,470,860
2030	485,000	5.50%	856,625	1,341,625	49,735	77,875	1,469,235	-	-	1,469,235
2031	510,000	5.50%	829,950	1,339,950	50,730	9,850	1,400,530	-	-	1,400,530
2032	540,000	5.50%	801,900	1,341,900	51,744	-	1,393,644	-	-	1,393,644
2033	570,000	5.50%	772,200	1,342,200	52,779	-	1,394,979	-	-	1,394,979
2034	600,000	5.50%	740,850	1,340,850	53,835	-	1,394,685	-	-	1,394,685
2035	635,000	5.50%	707,850	1,342,850	54,911	-	1,397,761	-	-	1,397,761
2036	670,000	5.50%	672,925	1,342,925	56,010	-	1,398,935	-	-	1,398,935
2037	705,000	5.50%	636,075	1,341,075	57,130	-	1,398,205	-	-	1,398,205
2038	745,000	5.50%	597,300	1,342,300	58,272	-	1,400,572	-	-	1,400,572
2039	785,000	5.50%	556,325	1,341,325	59,438	-	1,400,763	-	-	1,400,763
2040	830,000	5.50%	513,150	1,343,150	60,627	-	1,403,777	-	-	1,403,777
2041	875,000	5.50%	467,500	1,342,500	61,839	-	1,404,339	-	-	1,404,339
2042	920,000	5.50%	419,375	1,339,375	63,076	-	1,402,451	-	-	1,402,451
2043	975,000	5.50%	368,775	1,343,775	64,337	-	1,408,112	-	-	1,408,112
2044	1,025,000	5.50%	315,150	1,340,150	65,624	-	1,405,774	-	-	1,405,774
2045	1,085,000	5.50%	258,775	1,343,775	66,937	-	1,410,712	-	-	1,410,712
2046	1,145,000	5.50%	199,100	1,344,100	68,275	-	1,412,375	-	-	1,412,375
2047	1,205,000	5.50%	136,125	1,341,125	69,641	-	1,410,766	-	-	1,410,766
2048	1,270,000	5.50%	69,850	1,339,850	71,034	-	1,410,884	-	1,344,100	66,784
Totals	$ 19,500,000	**5.50%**	$ 20,752,325	$ 40,252,325	$ 1,622,723	$ 1,072,500	$ 42,947,548	536,250	$ 1,344,100	$ 41,067,198

(a) Preliminary Estimate. Assumes City administrative expenses escalate at 2% per year.

(b) Assumes the interest rate used to calculate the assessments is 0.50% higher than the actual interest rate on the bonds to fund interest related to prepayment of assessments. The prepayment and delinquency reserve is capped at 5.50% of the principal amount of the outstanding PID Bonds. Unused funds will be applied to the final year's debt service and/or credited back to landowners.

(c) Assumes 6 months capitalized interest.

(d) Net of capitalized interest and reserve fund releases.