

A RESOLUTION

NO. _____

APPROVING A FINANCING AGREEMENT FOR FORT WORTH PUBLIC IMPROVEMENT DISTRICT NO. 17 (ROCK CREEK RANCH); AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council (the “**City Council**”) of the City of Fort Worth, Texas (the “**City**”) in connection with the Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) (the “**District**”), the Chisolm Trail Ranch development outside of the District (the “**CTR Development**”), and the Brewer Road project common to both (the “**Project**”) desires to approve the Financing Agreement and Limited Amendment to PID Reimbursement Agreement City of Fort Worth / Rock Creek Ranch / Chisholm Trail Ranch – Brewer Road Project (the “**Financing Agreement**”), by and among the City, Walton Development & Management TX, LLC, as developer for the District, and WM Sub CTR, LP, a Texas limited partnership and affiliate of Walton Development & Management TX, LLC, as developer of the CTR Development, which sets forth the parties understanding and agreement related to the construction, acquisition and financing of the Project;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS THAT:

SECTION 1. The Financing Agreement is hereby authorized and approved in substantially the final form attached hereto as *EXHIBIT A* and incorporated herein as a part hereof for all purposes and the City Manager or Assistant City Manager of the City is hereby authorized and directed to execute and deliver such agreement with such changes as may be required to carry out the purpose of this Resolution.

SECTION 2. This Resolution is effective immediately upon adoption and approval.

Adopted this _____ day of _____ 2018.

ATTEST:

By: _____

Mary Kayser, City Secretary



EXHIBIT A
FINANCING AGREEMENT

FINANCING AGREEMENT

AND

LIMITED AMENDMENT TO PID REIMBURSEMENT AGREEMENT

City of Fort Worth / Rock Creek Ranch / Chisholm Trail Ranch – Brewer Road Project

THIS FINANCING AGREEMENT AND LIMITED AMENDMENT TO PID REIMBURSEMENT AGREEMENT (this “*Agreement*”) is entered into as of _____, 2018, by and among Walton Development & Management TX, LLC, a Delaware limited liability company (the “*Developer*”), WM Sub CTR, LP, a Texas limited partnership (“*WM CTR*” and, collectively with the Developer, the “*Walton Entities*”), and the City of Fort Worth, a home rule municipality (the “*City*”). The Developer, WM CTR, and the City are individually referred to as a “*Party*” and collectively as the “*Parties*”. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Memorandum of Understanding dated August 1, 2017 and attached hereto as Exhibit A (the “*MOU*”).

RECITALS:

WHEREAS, Rock Creek Ranch is a planned residential and mixed-use project of approximately 1,755.613 acres within the City and owned by certain affiliates of Walton International Group (USA), Inc., an Arizona corporation (“*Walton USA*”); and

WHEREAS, on December 13, 2016, the City Council of the City passed and approved Resolution No. 4724-12-2016 creating the City of Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) encompassing Rock Creek Ranch (the “*District*”) for the purpose of financing certain infrastructure to benefit property within the District; and

WHEREAS, the District is divided into an Eastern Improvement Area and a Western Improvement Area (as such terms are defined in the Service and Assessment Plan, defined below); and

WHEREAS, the owners of Rock Creek Ranch have engaged the Developer to perform certain preliminary development and concept planning services; and

WHEREAS, the City and the Developer previously entered into the PID Reimbursement Agreement, attached hereto as Exhibit B, which agreement provided for the reimbursement of certain costs from assessment revenues levied within the District, or from bonds issued and secured by the same; and

WHEREAS, on August 15, 2017, the City approved the Service and Assessment Plan (as defined below), levying the Major Improvement Special Assessments on the Eastern Improvement Area and Western Improvement Area of the District (as such terms are defined in the Service and Assessment Plan); and

WHEREAS, on September 14, 2017, the City delivered its Major Improvement Bonds (as defined below) for the purpose of financing certain water and sewer infrastructure to benefit property within the District; and

WHEREAS, the Major Improvement Bonds were the first issuance of bonds by the City secured by assessments levied within the District; and

WHEREAS, the City, the Developer, and WM CTR have determined that construction of a road to be known as “Brewer Road” (the “***Brewer Road Project***”) is necessary to manage the anticipated growth of the City, including the estimated growth related to Chisholm Trail Ranch (as defined below) and, eventually, the District, and

WHEREAS, Brewer Road will initially be constructed as a two-lane road but is planned to ultimately be expanded into a four-lane divided road; and

WHEREAS, the Brewer Road Project includes roadway improvements inside and outside of the District; and

WHEREAS, “***Chisholm Trail Ranch***” is a master-planned and mixed-use development of approximately 600 acres within the City located to the north of the District, the single-family residential portion of which is owned by WM CTR, an affiliate of Walton USA: and

WHEREAS, WM CTR engaged the Developer to cause the development of newly platted single-family lots within Chisholm Trail Ranch for the purpose of delivering developed lots under the terms of certain lot sale agreements between WM CTR and homebuilders; and

WHEREAS, the City, the Developer, and WM CTR have worked collaboratively to determine certain infrastructure needs to serve the District, Chisholm Trail Ranch, and the greater needs of the City; and

WHEREAS, the City contemplates issuing a second series of bonds secured by certain assessments levied in the District (the “***Roadway Improvement Bonds***,” as defined below), for the purpose of financing a portion of the Brewer Road Project benefitting the District; and

WHEREAS, the City contemplates contributing an additional amount from lawfully available funds, which may consist of proceeds from sale of a series of obligations secured by the ad valorem taxes of the City, (the “***City Contribution***,” as defined below) to finance a portion of the Brewer Road Project inside and outside the boundaries of the District; and

WHEREAS, the Walton Entities intend to cash-fund contributions for portions of the Brewer Road Project that benefit the non-assessed University Property (as defined in the Service and Assessment Plan) within the District (the “***University Property Contribution***,” as defined below), and the Chisholm Trail Ranch outside the District (the “***Chisholm Trail Contribution***”); and

WHEREAS, the City expects that the funds necessary to fund the Brewer Road Project will be available concurrently; and

WHEREAS, the Parties previously entered into the MOU for the purpose of providing a basic, non-binding framework for the construction and financing of the Brewer Road Project; and

WHEREAS, the Parties are entering into this Agreement for the purpose of updating and finalizing certain estimated costs set forth in the MOU, and to provide a binding agreement with respect to the sharing of such costs; and

WHEREAS, City and the Developer desire to amend the PID Reimbursement Agreement for the limited purposes set forth herein; and

NOW THEREFORE, the Parties hereby agree as follows:

ARTICLE 1 DEFINITIONS

- Section 1.01 “*Agreement*” has the meaning set forth in the introductory paragraph.
- Section 1.02 “*Appraisal*” has the meaning set forth in Section 4.05(a).
- Section 1.03 “*Brewer Road Project*” has the meaning set forth in the recitals.
- Section 1.04 “*Certificate for Payment*” has the meaning set forth in Section 4.03(b).
- Section 1.05 “*Certificate for Payment: Intra-District Costs*” has the meaning set forth in Section 4.03(a).
- Section 1.06 “*Certificate for Payment: Outside-District Costs*” has the meaning set forth in Section 4.03(b).
- Section 1.07 “*City*” means the City of Fort Worth, Texas, a home rule municipality.
- Section 1.08 “*Chisholm Trail Contribution*” has the meaning set forth in Section 3.01(b)(1).
- Section 1.09 “*Chisholm Trail Property Improvement Account*” is defined in the Indenture.
- Section 1.10 “*Chisholm Trail Ranch*” has the meaning set forth in the recitals.
- Section 1.11 “*Chisholm Trail Ranch Costs*” has the meaning set forth in Section 3.01(b)(1).
- Section 1.12 “*City Contribution*” has the meaning set forth in Section 3.02.
- Section 1.13 “*City Contribution: Intra-District*” has the meaning set forth in Section 3.01(a)(2)A.
- Section 1.14 “*City Contribution: Outside-District*” has the meaning set forth in Section 3.01(b)(2).
- Section 1.15 “*Closing Disbursement Request*” has the meaning set forth in Section 4.03.

- Section 1.16 “**Developer**” means Walton Development & Management TX, LLC, a Delaware limited liability company.
- Section 1.17 “**District Project Management Amount**” has the meanings set forth in Section 3.01(a)(2)B.i.
- Section 1.18 “**Developer Consultant Amount**” has the meaning set forth in Section 4.05(b).
- Section 1.19 “**District**” means City of Fort Worth Public Improvement District No. 17 (Rock Creek Ranch).
- Section 1.20 “**District Developer Consultant Amount**” has the meaning set forth in Section 3.01(a)(2)B.ii.2.
- Section 1.21 “**District ROW Acquisition Amount**” has the meaning set forth in Section 3.01(a)(2)B.ii.
- Section 1.22 “**Estimated Total Cost**” has the meaning set forth in Section 2.02.
- Section 1.23 “**General City Road Costs**” has the meaning set forth in Section 3.01(b)(2).
- Section 1.24 “**Gross Roadway Improvement Bond Contribution**” has the meaning set forth in Section 3.01(a)(2)B.
- Section 1.25 “**Indenture**” means that certain Indenture entered into between the City and the Trustee with respect to the Roadway Improvement Bonds.
- Section 1.26 “**Intra-District Costs**” means the Brewer Road Project costs for roadway improvements inside the District, including (a) the PID Costs to be funded by (1) the Gross Roadway Improvement Bond Contribution, and (2) the City Contribution: Intra-PID, and (b) the costs of the University Roadway Improvements (as defined in the Service and Assessment Plan) to be funded by the University Property Contribution.
- Section 1.27 “**Major Improvement Bonds**” means the Special Assessment Revenue Bonds, Series 2017 (Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) Major Improvement Project), in the aggregate principal amount of \$12,685,000.
- Section 1.28 “**MOU**” has the meaning set forth in the introductory paragraph.
- Section 1.29 “**Outside-District Costs**” means the Brewer Road Project costs for the Outside-District Roadway Improvements, to be funded by (a) the City Contribution: Outside-District, and (b) the Chisholm Trail Contribution.
- Section 1.30 “**Outside-District Roadway Improvements**” is defined in the Indenture, and means that portion of the Brewer Road Project outside of the District.

- Section 1.31 “**PID Costs**” are described in Section 3.01(a), and mean the Actual Costs of the Roadway Improvements (as such terms are defined in the Service and Assessment Plan) benefiting the District.
- Section 1.32 “**PID Reimbursement Agreement**” means that certain PID Reimbursement Agreement – Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) entered into by and between the City and the Developer attached hereto as Exhibit B.
- Section 1.33 “**Project Management Fee**” has the definition set forth in the Service and Assessment Plan.
- Section 1.34 “**Project Management Amount**” has the meaning set forth in Section 4.05(c).
- Section 1.35 “**Roadway Improvements**” is defined in the Service and Assessment Plan.
- Section 1.36 “**Roadway Improvement Account**” has the meaning set forth in the Indenture.
- Section 1.37 “**Roadway Improvement Bonds**” is defined in the Service and Assessment Plan.
- Section 1.38 “**ROW Acquisition Amount**” has the meaning set forth in Section 3.01(a)(2)B.ii.
- Section 1.39 “**Service and Assessment Plan**” means that Service and Assessment Plan of the District approved by the City Council on August 15, 2017 pursuant to Ordinance No. 22832-08-2017, as updated from time to time.
- Section 1.40 “**Trustee**” means the Trustee under the Indenture.
- Section 1.41 “**University Developer Consultant Amount**” has the meaning set forth in Section 3.01(a)(1)B.
- Section 1.42 “**University Project Management Amount**” has the meaning set forth in Section 3.01(a)(1)A.
- Section 1.43 “**University Project Management Account**” is defined in the Indenture.
- Section 1.44 “**University Property**” is defined in the Service and Assessment Plan.
- Section 1.45 “**University Property Contribution**” has the meaning set forth in Section 3.01(a)(1).
- Section 1.46 “**University Property Costs**” has the meaning set forth in Section 3.01(a).
- Section 1.47 “**University Roadway Improvements**” is defined in the Service and Assessment Plan.
- Section 1.48 “**University Property Improvement Account**” is defined in the Indenture.

Section 1.49 “**University ROW Acquisition Amount**” has the meaning set forth in Section 3.01(a)(1)B.

Section 1.50 “**Walton Entities**” means, collectively, the Developer and WM CTR.

Section 1.51 “**Walton USA**” means Walton International Group (USA), Inc., an Arizona corporation.

Section 1.52 “**WM CTR**” means WM Sub CTR, LP, a Texas limited partnership.

ARTICLE 2 GENERAL SCOPE; ESTIMATED COST

Section 2.01 The Brewer Road Project consists of construction of approximately 10,200 linear feet of Brewer Road through the Western Improvement Area of the District as a two-lane road for the benefit of such property and the University Roadway Improvements for the benefit of the University Property, as well as construction of portions of Brewer Road outside of the District to serve Chisholm Trail Ranch and the City. The current plans for the alignment of the Brewer Road Project as prepared by Goodwin and Marshall, Inc., are attached as Schedule I, such plans have not received final approval from the City and are included for illustration purposes only.

Section 2.02 The estimated and updated total cost of the Brewer Road Project, excluding financing costs which may include costs associated with the issuance of bonds, notes or other obligations by the City, is \$9,464,235.25 (the “**Estimated Total Cost**”). The Estimated Total Cost includes the Intra-District Costs and the Outside-District Costs.

ARTICLE 3 PROJECT FINANCING

Section 3.01 The Estimated Total Cost is to be paid as follows:

(a) **Intra-District Costs**: The Intra-District Costs are estimated to be \$7,589,639.14 and include (i) the costs of the Roadway Improvements benefiting the property within the District (the “**PID Costs**”), and (ii) the cost of the University Roadway Improvements benefiting the University Property (the “**University Property Costs**”). The Intra-District Costs are to be paid as follows:

(1) **University Property Costs**. An amount equal to \$657,992.50 is to be deposited with the Trustee by the Developer for the payment of costs associated with the benefit to the non-assessed University Property within the District (the “**University Property Contribution**”). University Property Costs are payable from the University Property Contribution as follows:

A. \$7,885.54 is to be deposited to the University Project Management Account under the Indenture for the payment of Project Management Fees allocable to the University Property (the “**University Project Management Amount**”);

B. \$650,106.96 is to be deposited to the University Property Improvement Account under the Indenture and applied as follows:

- i. Up to \$32,511.06 is to be applied to the payment, at or following closing, of the acquisition costs of a certain right-of-way allocable to the University (the “**University ROW Acquisition Amount**”), subject to the Section 4.05(a);
- ii. \$13,004.42 is to be applied to the payment, at or immediately following closing, of certain of the Developer’s consultant fees allocable to the University (the “**University Developer Consultant Amount**”); and
- iii. the balance of the University Property Contribution after subtracting the University Project Management Amount, the University ROW Acquisition Amount and the University Consultant Amount (estimated to be \$604,591.48), is to be applied to the payment of all remaining University Roadway Improvements.

(2) *PID Costs*: The PID Costs are payable as follows:

A. An amount up to \$3,184,545.83, payable from the City Contribution (as defined below) pursuant to the terms of Section 3.02 below to pay a portion of the PID Costs (the “**City Contribution: Intra-District**”).

B. An amount equal to \$3,747,100.81, payable from a portion of the proceeds of the Roadway Improvement Bonds (the “**Gross Roadway Improvement Bond Contribution**”) and subject to the successful delivery thereof, is to be deposited with the Trustee by or at the direction of the City to pay the PID Costs. PID Costs are payable from the Gross Roadway Improvement Bond Contribution as follows:

- i. \$83,070.46 is to be deposited to the District Project Management Account under the Indenture for the payment of Project Management Fees allocable to the District (the “**District Project Management Amount**”);
- ii. \$3,664,030.35 is to be deposited to the Roadway Improvement Account under the Indenture and to be applied as follows:
 1. Up to \$342,488.94 is to be applied to the payment, at or following closing, of the acquisition costs of a certain right-of-way allocable to the District (the “**District ROW Acquisition Amount**”), subject to the Section 4.05(a);

2. \$136,995.58 is to be applied to the payment, at or immediately following closing, of certain of the Developer's consultant fees allocable to the District (the "***District Developer Consultant Amount***"); and
3. the balance of the Gross Roadway Improvement Bond Contribution after subtracting the District Project Management Amount, the District ROW Acquisition Amount and the District Developer Consultant Amount, (estimated to be \$3,184,545.83) is to be applied to the payment of remaining PID Costs.

(b) Outside-District Costs: The Outside-District Costs are estimated to be \$1,874,596.11, and include the costs of those portions of the Brewer Road Project outside of the District (the "***Outside-District Roadway Improvements***") (i) benefitting the Chisholm Trail Ranch (the "***Chisholm Trail Ranch Costs***"), and (ii) benefitting the City, generally ("***General City Road Costs***").

(1) *Chisholm Trail Ranch Costs*: An amount equal to \$635,002.31 is to be deposited to the Chisholm Trail Property Improvement Account under the Indenture by or on behalf of WM CTR for the payment of the Chisholm Trail Ranch Costs outside the District (the "***Chisholm Trail Contribution***").

(2) *General City Road Costs*: An amount up to \$1,239,593.79, payable from the City Contribution (as defined below) pursuant to the terms of Section 3.02 below for the payment of General City Road Costs outside the District (the "***City Contribution: Outside-District***").

Section 3.02 City Contribution. An amount up to \$4,424,139.62, which is equal to the sum of the amounts set forth in Sections 3.01(a)(2)A and 3.01(b)(2) above (the City Contribution: Intra-District and the City Contribution: Outside-District are referred to collectively herein as the "***City Contribution***"), is to be paid by the City to the Developer or its designee from lawfully available funds for disbursement pursuant to the terms of the this Agreement and the PID Reimbursement Agreement. No portion of the City Contribution will be deposited under the Indenture or pledged for the benefit of the any bondholders under the Indenture. It is anticipated that the City Contribution will be paid from lawfully appropriated funds of the City and/or the proceeds of a series of tax notes to be issued by the City. Upon the issuance of tax notes, the proceeds therefrom applicable to the City Contribution will be held in a separate account of the City for the sole purpose of making the payments described hereunder, with such subaccounts as the City in its sole discretion deems desirable or appropriate for the purpose of accounting for the City Contribution (including the City Contribution: Intra-District, and the City Contribution: Outside-District). Following approval of the applicable Certificate for Payment, the City will disburse approved amounts directly to the Developer or the designated payee.

Section 3.03 The Gross Roadway Improvement Bond Contribution is to be deposited under the Indenture on the date of closing of the Roadway Improvement Bonds. Amounts equal to the University Property Contribution and to the Chisholm Trail Contribution are to be deposited

under the Indenture no later than three (3) business days prior to the scheduled closing date of the Roadway Improvement Bonds.

ARTICLE 4 ACCOUNTING; DISBURSEMENT; COST OVERRUNS; SAVINGS

Section 4.01 Accounting. The Walton Entities shall account separately for the Intra-District Costs and the Outside-District Costs.

Section 4.02 Closing Disbursements. The Closing Disbursement Request to be provided by the Developer no less than five (5) business days prior to the scheduled closing date for the Roadway Improvement Bonds pursuant to Section 3.4 of the PID Reimbursement Agreement shall be in the form attached hereto as Exhibit C (the “*Closing Disbursement Request*”).

Section 4.03 Additional Disbursements; Certificate for Payment. Each Certificate for Payment to be delivered by the Developer pursuant to Section 3.4 of the PID Reimbursement Agreement shall be:

- (a) For Intra-District Costs, in the form attached hereto as Exhibit D-1 (the “*Certificate for Payment: Intra-District Costs*”); and
- (b) For Outside-District Costs, in the form attached hereto as Exhibit D-2 (the “*Certificate for Payment: Outside-District Costs*” and, collectively with the Certificate for Payment: Intra-District Costs, the “*Certificate for Payment*”).

Section 4.04 Procedures; Final Determination; City Representative. The Certificate for Payment submission, review and approval provisions of Section 3.4 of the PID Reimbursement Agreement shall continue to apply for any Certificate for Payment: Intra-District Costs, and such provisions are hereby deemed applicable and are incorporated by reference with respect to the submission of any Certificate for Payment: Outside-District Costs. In approving any Certificate for Payment, the City’s determination that a Certificate for Payment complies with the terms hereof or of any other terms incorporated by reference, shall be considered final. In accordance with Section 2.16 and Section 3.4 of the PID Reimbursement Agreement, the Chief Financial Officer / Director of Financial Management Services, and any designee thereof, are hereby confirmed as the authorized City Representatives (as defined in the PID Reimbursement Agreement), responsible for approving and executing any Certificate for Payment or Closing Disbursement Request.

Section 4.05 Disbursement.

- (a) The District ROW Acquisition Amount and the University ROW Acquisition Amount (collectively, the “*ROW Acquisition Amount*”) are to be paid at or immediately following closing from the Roadway Improvement Account and the University Property Improvement Account, respectively. The payment of the ROW Acquisition Amount pursuant to Section 3.01(a)(1)B.i and Section 3.01(a)(2)B.ii.1 is subject to the City’s receipt of a final appraisal with respect to the value of the applicable right-of-ways (the “*Appraisal*”). The Developer is solely responsible to the extent the acquisition costs of

the applicable right-of-ways, as set forth in the Appraisal, exceed the estimated ROW Acquisition Amount (\$375,000).

(b) The District Developer Consultant Amount and the University Developer Consultant Amount (collectively, the “*Developer Consultant Amount*”) are to be paid at or immediately following closing from the Roadway Improvement Account and the University Property Improvement Account, respectively.

(c) The District Project Management Amount and the University Project Management Amount (collectively, the “*Project Management Amount*”) are to be paid from the District Project Management Account and the University Project Management Account, respectively, on a pro-rata basis based upon the outstanding balances of the aforementioned accounts. The overall Project Management Amount is to be paid on a percentage completion basis, as described in the Service and Assessment Plan.

(d) Each disbursement for the payment of all Intra-District Costs other than the ROW Acquisition Amount, the Developer Consultant Amount and the Project Management Amount, shall be paid as follows:

- (1) From the Roadway Improvement Account: 45.67% of the total requested disbursement amount,
- (2) From University Property Improvement Account: 8.67% of the total requested disbursement amount; and
- (3) From the City Contribution: Intra-District: 45.67% of the total requested disbursement amount.

(e) Each disbursement for payment of the Outside-District Costs shall be paid as follows:

- (1) from the Chisholm Trail Property Improvement Account: 33.87% of the total requested disbursement amount; and
- (2) from the City Contribution: Outside-District: 66.13% of the total requested disbursement amount.

Section 4.06 Savings. The Indenture shall provide that in the event any funds remain in any account under the Indenture after the completion of all costs to be paid therefrom, (a) such funds shall be returned, in the case of the University Property Contribution and the Chisholm Trail Contribution, to the Developer and WM CTR, respectively, and (b) such funds shall be applied to the redemption of Roadway Improvement Bonds or as otherwise set forth in the Indenture, in the case of the Gross Roadway Improvement Bond Contribution. Any unexpended amounts from the City Contribution may be reallocated for any purpose deemed appropriate by the City in its sole discretion.

Section 4.07 Overruns.

(a) *Intra-District Cost Overruns.* Except for the ROW Acquisition Amount, the Project Management Amount and the Developer Consultant Amount, all Intra-District Costs overruns shall be shared by the Developer and the City on an equal basis. For the avoidance of doubt, the City will have no responsibility for any ROW Acquisition Amount, Project Management Amount or Developer Consultant Amount in excess of the amounts set forth in ARTICLE 3 above. A cost overrun shall be determined to exist in the event Intra-District Costs remain after (1) the balances of the Roadway Improvement Account and University Property Improvement Account have been reduced to \$0, and (2) the aggregate City Contribution: Intra-District payments total \$3,184,545.83.

(b) *Outside-District Cost Overruns.* All Outside-District Costs overruns shall be shared by WM CTR and the City on an equal basis. A cost overrun shall be determined to exist in the event Outside-District Costs remain after (1) the Chisolm Trail Property Improvement Account balance has been reduced to \$0, and (2) the aggregate City Contribution: Outside-District payments total \$1,239,593.79.

Section 4.08 Right-of-Way. The Right-of-Way being purchased pursuant to Section 3.01(a)(1)B.i and Section 3.01(a)(2)B.ii.1 (the “*Purchased Right-of-Ways*”) is being purchased from affiliates of the Developer and has an appraised value of \$700,000. \$375,000 is being paid to the affiliates of the Developer in cash pursuant to Section 3.01(a)(1)B.i and Section 3.01(a)(2)B.ii.1. The balance of the consideration is currently intended to be paid to such affiliates of the Developer in the form of a reduction of impact fees chargeable to the Developer or its affiliates in the amount equal to \$325,000.

ARTICLE 5 LIMITED AMENDMENT OF PID REIMBURSEMENT AGREEMENT

Section 5.01 Solely with respect to the Roadway Improvement Bonds, the definitions of “Certificate for Payment” and “Closing Disbursement Request” in Section 2.13 and 2.18, respectively, of the PID Reimbursement Agreement are hereby deleted and replaced in their entirety with the following:

“2.13 “Certificate for Payment” shall have the meaning assigned to it in the Financing Agreement and Limited Amendment to PID Reimbursement Agreement City of Fort Worth / Rock Creek Ranch / Chisholm Trail Ranch – Brewer Road Project, by and among the City, Walton Development & Management TX, LLC, and WM Sub CTR, LP, a Texas limited partnership (the “*Financing Agreement*”).”

“2.18 “Closing Disbursement Request” shall have the meaning assigned to it in the Financing Agreement.”

Section 5.02 Except as specifically set forth above, the PID Reimbursement Agreement remains in full force and effect. For the avoidance of doubt, the amendments set forth above are not applicable to the PID Reimbursement Agreement to the extent that it is applicable to the Major Improvement Bonds (as defined therein).

ARTICLE 6 OBLIGATIONS LIMITED; DEFAULT

Section 6.01 OBLIGATIONS LIMITED. THE OBLIGATIONS OF THE CITY UNDER THIS AGREEMENT SHALL NOT, UNDER ANY CIRCUMSTANCES, GIVE RISE TO OR CREATE A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY OR A DEBT OR OTHER OBLIGATION OF THE CITY PAYABLE FROM ANY SOURCE OTHER THAN FROM THE ROADWAY IMPROVEMENT BOND PROCEEDS DEPOSITED TO THE APPLICABLE PROJECT FUND UNDER THE INDENTURE OR FROM THE CITY CONTRIBUTION OF FUNDS LAWFULLY AVAILABLE AND APPROPRIATED FOR THE PURPOSES SET FORTH UNDER THIS AGREEMENT. NONE OF THE CITY OR ANY OF ITS ELECTED OR APPOINTED OFFICIALS OR ANY OF ITS OFFICERS, EMPLOYEES, CONSULTANTS OR REPRESENTATIVES SHALL INCUR ANY LIABILITY HEREUNDER TO THE WALTON ENTITIES OR ANY OTHER PARTY IN THEIR INDIVIDUAL CAPACITIES BY REASON OF THIS AGREEMENT OR THEIR ACTS OR OMISSIONS UNDER THIS AGREEMENT.

Section 6.02 Any failure by the Developer to perform an obligation imposed on it by this Agreement shall constitute a "Default" under the PID Reimbursement Agreement, as that term is defined therein.

ARTICLE 7 MISCELLANEOUS

Section 7.01 Term. This Agreement shall terminate upon the date on which a final Certificate for Payment is submitted under the Indenture.

Section 7.02 Severability. The Parties acknowledge and agree that if any part, term or provision of this Agreement is determined by the courts to be invalid, illegal or in conflict with any law of the State of Texas, the validity of the remaining portions or provisions shall not be affected thereby.

Section 7.03 Governing Law; Venue. This Agreement is entered into in the State of Texas and shall be construed and interpreted in accordance with its laws. Should any action, whether real or asserted, at law or in equity, arise out of the execution, performance, or attempted performance of this Agreement, venue for said action shall lie exclusively in the courts in Tarrant County, Texas.

Section 7.04 Review of Counsel. The Parties acknowledge that each Party and its counsel have had the opportunity to review and revise this Agreement and that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or exhibits hereto.

Section 7.05 Independent Contractor. The Parties shall operate hereunder as independent contractors, and no Party shall be considered or construed to be an officer, agent, servant, or employee of any other Party.

Section 7.06 Assignment. No Party may assign this Agreement without the prior written consent of the other Parties.

Section 7.07 Non-Waiver. The failure of any Party to insist upon the performance of any term or provision of this Agreement or to exercise any right herein conferred shall not be construed as a waiver or relinquishment to any extent of that Party's right to assert or rely on any such term or right on any future occasion.

Section 7.08 Governmental Powers. The Parties agree and understand that the City does not waive or surrender any of its governmental powers by execution of this Agreement, including the right to assert the defense of governmental immunity.

Section 7.09 Amendment; Conflicts. No amendment, modification, or alteration of the terms of this Agreement shall be binding unless the same is in writing, dated subsequent to the date hereof, and duly executed by the Parties. In the event of any conflict between this Agreement and any provision of the Indenture, the provisions and intent of the Indenture controls.

Section 7.10 Entire Agreement. This written instrument (together with any attachments, exhibits, appendices, and documents incorporated by reference) constitutes the entire understanding between the Parties concerning this transaction, and any prior or contemporaneous, oral or written agreement that purports to vary from the terms hereof shall be void.

Section 7.11 Signature Authority. Each person signing this Agreement hereby warrants that he or she has the legal authority to execute this Agreement on behalf of his or her respective Party, and that such binding authority has been granted by proper order, resolution, ordinance or other authorization of the entity. Each other Party is fully entitled to rely on this warranty and representation in entering into this Agreement.

Section 7.12 Counterparts. This Agreement may be executed in multiple counterparts, which, when taken together, shall be deemed one original. This Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by electronic mail with a "pdf" copy or other replicating image attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

Section 7.13 No Third Party Beneficiaries. Nothing in this Agreement is intended to or shall be construed to confer upon any person or entity other than the Parties any rights under or by reason of this Agreement.

Section 7.14 No Boycott of Israel. The Walton Entities represent that, to the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2270 of the Texas Government Code, and subject to applicable Federal law, neither the Walton Entities, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Walton Entities (i) boycotts Israel or (ii) will boycott Israel through the term of this agreement. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph mean refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with

Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes

Section 7.15 Prohibited Business Relationships. The Walton Entities represent that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Subchapter F of Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Walton Entities, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Walton Entities (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph means an organization designated as a foreign terrorist organization by the United States Secretary of State as authorized by 8 U.S.C. Section 1189.

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SIGNATURE PAGES TO FOLLOW

IN WITNESS WHEREOF, the Parties have executed this Agreement in Fort Worth, Texas, to be effective as of the date first written above.

CITY OF FORT WORTH

By: _____

Susan Alanis
Assistant City Manager

Approved as to Form and Legality:

By: _____

Denis C. McElroy
Assistant City Attorney

Contract Authorization:

M&C _____

Attest:

By: _____

Mary J. Kayser, City Secretary

IN WITNESS WHEREOF, the Parties have executed this Agreement in Fort Worth, Texas, to be effective as of the date first written above.

WALTON DEVELOPMENT & MANAGEMENT TX, LLC
a Delaware limited liability company,

By: _____
Name: John Vick
Title: President

IN WITNESS WHEREOF, the Parties have executed this Agreement in Fort Worth, Texas, to be effective as of the date first written above.

WM SUB CTR, LP
a Texas limited partnership,

By: **WM Sub CTR GP, LLC**
a Delaware limited liability company,
its General Partner

By: **WM Holdings OI, LLC**
a Delaware limited liability company
its Sole Member and Manager

By: **Walton WMOI Investor, LLC,**
a Delaware limited liability company,
its Manager

By: **WDH Management, Inc.**
a Delaware corporation,
its Manager

By: _____
Name: John Vick
Its: Vice President

Exhibit A

Memorandum of Understanding

Exhibit B

PID Reimbursement Agreement

Exhibit C

CLOSING DISBURSEMENT REQUEST: INTRA-DISTRICT COSTS

Reference is made to that certain Indenture of Trust by and between the City and the Trustee dated as of _____, 20__ (the "Indenture") relating to the "**City of Fort Worth, Texas, Special Assessment Revenue Bonds, Series 2018 (Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) Roadway Improvement Project)**" (the "Roadway Improvement Bonds"), to the PID Reimbursement Agreement – Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) between the City and the Developer, effective August 25, 2017 (the "Reimbursement Agreement"), and to the Financing Agreement and Limited Amendment to PID Reimbursement Agreement, effective ____, 2018, between the City, the Developer, and WM Sub CTR LP, a Texas limited partnership (the "Financing Agreement"). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Indenture.

The undersigned is an agent for Walton Development & Management TX, LLC, a Delaware limited liability company (the "Developer") and requests payment to the Developer (or to the person designated by the Developer) from the applicable accounts of the Project Fund from _____ (the "Trustee") in the amount of _____ (\$_____) to be transferred from such accounts upon the delivery of the Roadway Improvement Bonds for costs incurred by the Developer in relation to the issuance of the Roadway Improvement Bonds, as follows.

In connection with the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Closing Disbursement Request on behalf of the Developer, and is knowledgeable as to the matters set forth herein.
2. The payment requested for the below referenced costs incurred by the Developer in relation to the issuance of the Roadway Improvement Bonds at the time of the delivery of the Roadway Improvement Bonds have not been the subject of any prior payment request submitted to the City.
3. The amount listed for the below referenced costs is a true and accurate representation of the costs incurred by the Developer in relation to the issuance of the Roadway Improvement Bonds as of the time of the delivery of the Roadway Improvement Bonds, and such costs are in compliance with the Service and Assessment Plan.
4. If payment is made directly to the Developer, the Developer confirms that the payments listed on the Developer's summary attached to this certificate have been, or will be, timely made to the vendor or vendors shown on such summary and related supporting documents.
5. The Developer is in compliance with the terms and provisions of the Reimbursement Agreement, the Indenture, the Financing Agreement and the Service and Assessment Plan.
6. The Developer has timely paid all ad valorem taxes and annual installments of special assessments it owes or an entity the Developer controls owes, located in the Fort Worth Public

Improvement District No. 17 (Rock Creek Ranch) and has no outstanding delinquencies for such taxes or assessments.

7. All conditions set forth in the Indenture for the payment hereby requested have been satisfied.

8. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested hereunder shall be made as directed below:

[NAME OF PAYEE]

[APPLICABLE ACCOUNT OF THE PROJECT FUND]

[AMOUNT]

Bank:
Swift Code:
ABA number:
Account Name:
Account #:

I hereby declare that the above representations and warranties are true and correct.

WALTON DEVELOPMENT & MANAGEMENT TX, LLC,
a Delaware limited liability company

By: Walton Development & Management (USA), Inc.,
an Arizona corporation, its sole Member and Manager

By: _____

Name: _____

Title: _____

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request and shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from the applicable accounts of the Project Fund upon delivery of the Roadway Improvement Bonds.

CITY OF FORT WORTH, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

Exhibit D-1

CERTIFICATE FOR PAYMENT: INTRA-PID COSTS

Certificate Number _____

Reference is made to that certain Indenture of Trust by and between the City and the Trustee dated as of _____, 20__ (the "Indenture") relating to the ["**City of Fort Worth, Texas, Special Assessment Revenue Bonds, Series 2018 (Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) Roadway Improvement Project)**"] (the "Roadway Improvement Bonds"), to the PID Reimbursement Agreement – Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) between the City and the Developer, effective August 15, 2017 (the "Reimbursement Agreement"), and to the Financing Agreement and Limited Amendment to PID Reimbursement Agreement, effective ____, 2018, between the City, the Developer, and WM Sub CTR LP, a Texas limited partnership (the "Financing Agreement"). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Indenture.

The undersigned is an agent for Walton Development & Management TX, LLC, a Delaware limited liability company (the "Developer") and requests payment to the Developer (or to the person designated by the Developer) from the sources and in the amounts set forth below for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of certain Roadway Improvements providing a special benefit to property within the Fort Worth Public Improvement District No. 17 (Rock Creek Ranch).

In connection with the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certificate for Payment Form on behalf of the Developer, and is knowledgeable as to the matters set forth herein.
2. The payment requested for the below referenced Roadway Improvements has not been the subject of any prior payment request submitted for the same work to the City or, if previously requested, no disbursement was made with respect thereto.
3. The amount listed for the Roadway Improvements below is a true and accurate representation of the Roadway Improvements associated with the creation, acquisition, or construction of said Roadway Improvements, and such costs (i) are in compliance with the Financing Agreement and the Reimbursement Agreement, and (ii) are consistent with the Service and Assessment Plan.
4. If payment is made directly to the Developer, the Developer confirms that the payments listed on the Developer's summary attached to this certificate have been, or will be, timely made to the vendor or vendors shown on such summary and related supporting documents.
5. The Developer is in compliance with the terms and provisions of the Reimbursement Agreement, the Indenture, the Financing Agreement and the Service and Assessment Plan.

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6. The Developer has timely paid all ad valorem taxes and annual installments of special assessments it owes or an entity the Developer controls owes, located in the Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) and has no outstanding delinquencies for such taxes or assessments.

7. All conditions set forth in the Indenture, Financing Agreement and Reimbursement Agreement for the payment hereby requested have been satisfied.

8. The work with respect to the Roadway Improvements referenced below (or its completed segment) has been completed, and the City has inspected such Roadway Improvements (or its completed segment), if applicable.

9. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

10. No more than ninety-five percent (95%) of the budgeted or contracted hard costs for major improvements or any phase of Roadway Improvements identified may be paid until the work with respect to such Roadway Improvements (or completed segment) has been completed and the City has accepted such Roadway Improvements (or completed segment). One hundred percent (100%) of soft costs (e.g., engineering costs, inspection fees and the like) may be paid prior to City acceptance of such Roadway Improvements (or completed segment).

Payments requested are as follows:

<u>PAYEE</u>	Requested Disbursements from Accounts under the Indenture		Amount To Be Paid by the City and applied against the City Contribution: Intra-District	Total Amount Requested
	Amount From Roadway Improvement Account	Amount From University Property Improvement Account		
[NAME OF PAYEE] Bank: Swift Code: ABA number: Account Name: Account #:	\$ _____	\$ _____	\$ _____	\$ _____

The PID Costs, excluding the Project Management Fees, ROW Acquisition Amount, and Developer Consultant Amount, requested above are allocated on a pro rata basis between the Roadway Improvement Account, the University Property Improvement Account and the City Contribution: Intra-District (as defined in the Financing Agreement). For the avoidance of doubt, the percentage allocation to be applied for the payment of PID Costs after subtracting the Project Management Amount, ROW Acquisition Amount and the Developer Consultant Amount are as follows: (1) Roadway Improvement Account: 45.67%; (2) University Property Improvement Account: 8.67%; and (3) City Contribution: Intra-District: 45.67%.

PAYEE	Amount for District ROW Acquisition Amount from Roadway Improvement Account	Amount for University ROW Acquisition Amount from University Property Improvement Account	Total Amount Requested
[NAME OF PAYEE] Bank: Swift Code: ABA number: Account Name: Account #:	\$[342,488.94]	\$[32,511.06]	\$[375,000]

PAYEE	Amount for District Developer Consultant Amount from Roadway Improvement Account	Amount for University Developer Consultant Amount from University Property Improvement Account	Total Amount Requested
[NAME OF PAYEE] Bank: Swift Code: ABA number: Account Name: Account #:	\$[136,995.58]	\$[13,004.42]	\$[150,000]

PAYEE	Amount for District Project Management Amount from District Project Management Account ¹	Amount for University Project Management Amount from University Project Management Account ²
[NAME OF PAYEE] Bank: Swift Code: ABA number: Account Name: Account #:	\$_____	\$_____

Attached hereto are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments. Also attached hereto are "bills paid" affidavits and supporting documentation in the standard form for City construction projects, none of which will be verified by the Trustee.

¹ Project Management Fees are to be paid on a percentage completion basis, per the SAP.

² Project Management Fees are to be paid on a percentage completion basis, per the SAP.

Pursuant to the Financing Agreement and the Reimbursement Agreement, after receiving this payment request, the City has inspected the Roadway Improvements (or completed segment) and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations.

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I hereby declare that the above representations and warranties are true and correct.

WALTON DEVELOPMENT & MANAGEMENT TX, LLC,
a Delaware limited liability company

By: Walton Development & Management (USA), Inc.,
an Arizona corporation, its sole Member and Manager

By: _____

Name: _____

Title: _____

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certificate for Payment, acknowledges the Certificate for Payment, acknowledges that the Roadway Improvements (or its completed segment) covered by the certificate have been inspected by the City, and otherwise finds the Certificate for Payment to be in order. After reviewing the Certificate for Payment, the City approves the Certificate for Payment and shall, as described above, make payments from the applicable City accounts and submit a City Certificate the Trustee directing payments to be made from the applicable accounts under the Indenture to the Developer or to any person designated by the Developer.

CITY OF FORT WORTH, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

Exhibit D-2

CERTIFICATE FOR PAYMENT: OUTSIDE-DISTRICT COSTS

Reference is made to that certain Indenture of Trust by and between the City and the Trustee dated as of _____, 20__ (the "Indenture") relating to the ["**City of Fort Worth, Texas, Special Assessment Revenue Bonds, Series 2018 (Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) Roadway Improvement Project)**"] (the "Roadway Improvement Bonds"), to the PID Reimbursement Agreement – Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) between the City and the Developer, effective August 15, 2017 (the "Reimbursement Agreement"), and to the Financing Agreement and Limited Amendment to PID Reimbursement Agreement, effective ____, 2018, between the City, the Developer, and WM Sub CTR LP, a Texas limited partnership (the "Financing Agreement"). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Indenture.

The undersigned is an agent for Walton Development & Management TX, LLC, a Delaware limited liability company (the "Developer") and requests payment to the Developer (or to the person designated by the Developer) from the sources and in the amounts set forth below for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of certain Roadway Improvements providing benefit to property outside the Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) and consisting of the City in general and of land owned by WM Sub CTR LP or an affiliate.

In connection with the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certificate for Payment Form on behalf of the Developer, and is knowledgeable as to the matters set forth herein.
2. The payment requested for the below referenced Roadway Improvements has not been the subject of any prior payment request submitted for the same work to the City or, if previously requested, no disbursement was made with respect thereto.
3. The amount listed for the Roadway Improvements below is a true and accurate representation of the Roadway Improvements associated with the creation, acquisition, or construction of said Roadway Improvements, and such costs (i) are in compliance with the Financing Agreement and the Reimbursement Agreement, and (ii) are consistent with the Service and Assessment Plan.
4. If payment is made directly to the Developer, the Developer confirms that the payments listed on the Developer's summary attached to this certificate have been, or will be, timely made to the vendor or vendors shown on such summary and related supporting documents.
5. The Developer is in compliance with the terms and provisions of the Reimbursement Agreement, the Indenture, the Financing Agreement and the Service and Assessment Plan.

6. The Developer has timely paid all ad valorem taxes and annual installments of special assessments it owes or an entity the Developer controls owes, located in the Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) and has no outstanding delinquencies for such taxes or assessments.

7. All conditions set forth in the Financing Agreement, the Reimbursement Agreement and the Indenture for the payment hereby requested have been satisfied.

8. The work with respect to the Roadway Improvements referenced below (or its completed segment) has been completed, and the City has inspected such Roadway Improvements (or its completed segment), if applicable.

9. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

10. No more than ninety-five percent (95%) of the budgeted or contracted hard costs for major improvements or any phase of Roadway Improvements identified may be paid until the work with respect to such Roadway Improvements (or completed segment) has been completed and the City has accepted such Roadway Improvements (or completed segment). One hundred percent (100%) of soft costs (e.g., engineering costs, inspection fees and the like) may be paid prior to City acceptance of such Roadway Improvements (or completed segment).

Payments requested are as follows:

PAYEE	AMOUNT REQUESTED FROM CITY TO BE APPLIED AGAINST CONTRIBUTION: OUTSIDE-DISTRICT	AMOUNT REQUESTED FROM CHISHOLM TRAIL CONTRIBUTION ACCOUNT OF THE INDENTURE	TOTAL AMOUNT REQUESTED
<p>[NAME OF PAYEE]</p> <p>Bank: Swift Code: ABA number: Account Name: Account #:</p>	<p>\$ _____</p>	<p>\$ _____</p>	<p>\$ _____</p>

The costs of the Roadway Improvements requested above are allocated between the Chisholm Trail Contribution Account and lawfully available funds of the City on a basis of 33.87% from the Chisholm Trail Contribution Account and 66.13% from the City Contribution: Outside-District, consistent with allocation of costs set forth in the Financing Agreement.

Attached hereto are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments. Also attached hereto are "bills paid" affidavits and supporting documentation in the standard form for City construction projects, none of which will be verified by the Trustee.

Pursuant to the Financing Agreement and the Reimbursement Agreement, after receiving this payment request, the City has inspected the Roadway Improvements (or completed segment) and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations.

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I hereby declare that the above representations and warranties are true and correct.

WALTON DEVELOPMENT & MANAGEMENT TX, LLC,
a Delaware limited liability company

By: Walton Development & Management (USA), Inc.,
an Arizona corporation, its sole Member and Manager

By: _____

Name: _____

Title: _____

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certificate for Payment, acknowledges the Certificate for Payment, acknowledges that the Outside-District Roadway Improvements (or its completed segment) covered by the certificate have been inspected by the City, and otherwise finds the Certificate for Payment to be in order. After reviewing the Certificate for Payment, the City approves the Certificate for Payment and shall, as described above, make payments from the applicable City accounts and submit a City Certificate the Trustee directing payments to be made from the applicable accounts under the Indenture to the Developer or to any person designated by the Developer.

CITY OF FORT WORTH, TEXAS

By: _____

Name: _____

Title: _____

Date: _____