

Control Number: 43452



Item Number: 4

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014.



T.B.P.E. #F-8632

700 Highlander Blvd., Suite 210 -3 AM 8:47
Arlington, TX 76015

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PUBLIC UTILITY COMMISSION
FILING CLERK

43452

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UTILITIES & DISTRICTS
SECTION

July 21, 2014

Ms. Cari-Michel La Caille, Assistant Director
Water Supply Division
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

RE: Town of Little Elm
Application to Amend Water CCN No. 11202; Application No. 37896-C
Application to Amend Sewer CCN No. 20931; Application No. 37897-C

Dear Ms. La Caille:

Please find attached the completed responses to your Notice of Deficiency letter dated June 24, 2014. TRC Engineers has addressed your comments regarding the application for the CCN Amendment Nos. 37896-C and 37897-C as follows:

1. TCEQ Comment – *Please submit four (4) copies of the following:*
 - A. *A map showing only the proposed area by:*
 - i. *Metes and bounds survey certified by a licensed state or registered professional land surveyor; or*
 - ii. *Projectable digital data with metadata (proposed areas should be in a single record and clearly labeled). Also a data disk labeled with the applicant's name must be provided; or*
 - iii. *Following verifiable natural and man-made landmarks; or*
 - iv. *A copy of recorded plat map with metes and bounds*

Response – Enclosed are four (4) labeled data disks containing only the proposed areas for CCN Nos. 11202 and 20931.

2. TCEQ Comment – *Please note, on November 14, 2012, the Commission implemented a policy change to strictly enforce the requirement that CCN related applications include a complete list of entities providing the same type of retail utility service (i.e., water and/or sewer) within two miles of the proposed service area. The list should include the following:*
 - *All retail public utilities, districts, groundwater conservation districts, counties, and*

Ms. Cari-Michel La Caille

July 21, 2014

Page 2 of 2

- *Any cities whose corporate limits and/or extra-territorial jurisdiction (ETJ) are within the same two mile area of the proposed CCN area.*

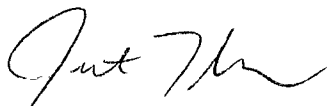
Response – Please see the attached documents titled “Neighboring Retail Entities – Water” and “Neighboring Retail Entities – Sewer” listing the entities within a two mile radius of the proposed service areas.

In addition to the information requested in the Notice of Deficiency, the following documents are enclosed for clarification of the proposed CCN amendment areas:

- Attachment Nos. 2 and 3. The map areas to be incorporated or unincorporated to the Town of Little Elm CCNs have been revised so that the descriptions are more clearly indicated.
- Attachment 6. The written descriptions of proposed Sewer CCN Tracts 1 through 7 have been revised for clarification.
- Agreements between the Town of Little Elm and the entities in which areas are to be acquired or exchanged. (Town of Hackberry, Valencia on the Lakes WCID, Terra Southwest, Inc., and the City of Oak Point)

Please contact this office if you have any other questions regarding this information.

Sincerely,



Justin Thomas, P.E.

Project Manager

Enclosures

cc: Mr. Doug Peach, Director of Public Works, Town of Little Elm
Mr. Jason Laumer, Director of Development Services & Town Engineer, Town of Little Elm



List of Attachments

Projectable Digital Data – CD

Neighboring Retail Entities – Water

Neighboring Retail Entities – Sewer

Attachment 2 – Water CCN Map

Attachment 3 – Sewer CCN Map

Attachment 6 – Sewer CCN Written Description

Agreement with Town of Hackberry

Agreement with Valencia on the Lakes WCID

Agreement with Terra Southwest, Inc.

Agreement with the City of Oak Point

NON – SCANABLE

PAGE

ONE CD IN FILE

FOR ANY QUESTIONS

PLEASE CALL CENTRAL RECORDS

MAIN LINE (512) 936-7180

Neighboring Retail Entities – Water

Neighboring Retail Entities - Water

CCN Number	Name	Address	Class Code Description	Phone Number
11608	Terra Southwest, Inc	PO Box 140, Alvord, Texas 76225-0140	Investor	(940) 391-2826
13201	Aqua Texas Inc	1106 Clayton LN STE 400W, Austin, TX 78723-2476	Investor	(512) 990-4400
10201	City of Lakewood Village	100 Highridge Dr, Lakewood Village, TX 75068-4300	Municipality	(972) 294-5555
12015	City of Hackberry	119 Maxwell Road, Frisco, TX 75034-0000	Municipality	(972) 292-3223
11772	City of Frisco	6891 Main Street, Frisco, TX 75035-0000	Municipality	(972) 335-5551
13019	Denton County FWSD 8B	19 Briar Hollow LN STE 245, Houston, TX 77027-2858	District/Authority	(972) 612-0088
13143	Denton County FWSD 8C	201 Main Street STE 2500, Fort Worth, TX 76102-3129	District/Authority	(972) 612-0088
13138	Valencia on the Lake WCID	201 Main Street STE 2500, Fort Worth, TX 76102-0000	District/Authority	(817) 878-3517
11856	Mustang SUD	7985 FM 2931, Aubrey, TX 76227-6209	District/Authority	(940) 440-9561
12967	City of Prosper	PO Box 307, Prosper, TX 75078-0000	Municipality	(972) 347-2304
13020	Denton County FWSD 9	19 Briar Hollow LN STE 245, Houston, TX 77027-2858	District/Authority	(972) 612-0088
13018	Denton County FWSD 8A	19 Briar Hollow LN STE 245, Houston, TX 77027-2858	District/Authority	(972) 612-0088
13022	Denton County FWSD 11	19 Briar Hollow LN STE 245, Houston, TX 77027-2858	District/Authority	(972) 612-0088
13021	Denton County FWSD 10	19 Briar Hollow LN STE 245, Houston, TX 77027-2858	District/Authority	(972) 612-0088
10091	Community Water Service Inc	PO Box 850155, Mesquite, TX 75185-0000	Investor	(972) 286-8051
11414	Knob Hill Water System	2861 High Meadow, Little Elm, TX 75068-4222	Investor	(972) 294-2553
12983	Monarch Utilities I LP	12535 Reed Rd, Sugar Land, TX 77478-2837	Investor	(281) 207-5800

Neighboring Retail Entities – Sewer

Neighboring Retail Entities - Sewer

CCN	Number	Name	Address	Class Code Description	Phone Number
	20908	City of Oak Point	100 Naylord Rd, Oak Point, TX 75068-2201	Municipality	(972) 294-2312
	20075	City of Lakewood Village	100 Highridge Dr, Lakewood Village, TX 75068-4300	Municipality	(972) 294-5555
	20591	City of Frisco	6891 Main Street, Frisco, TX 75035-0000	Municipality	(972) 335-5551
	20921	Denton County FWSD 8B	19 Briar Hollow LN STE 245, Houston, TX 77027-2858	District/Authority	(214) 954-6300
	21024	Denton County FWSD 8-C	201 Main Street STE 2500, Forth Worth, TX 76102-3129	District/Authority	(817) 878-3517
	21015	Valencia on the Lake WCID	19 E Briar Hollow Ln STE 245, Houston, TX 77027-2919	District/Authority	(713) 621-3707
	20930	Mustang SUD	7985 FM 2931, Aubrey, TX 76227-0000	District/Authority	(940) 440-9561
	20888	City of Prosper	PO Box 307, Prosper, TX 75087-0000	Municipality	(972) 347-2304
	20923	Denton County FWSD No 10	19 Briar Hollow LN STE 245, Houston, TX 77027-2858	District/Authority	(713) 968-9855
	20922	Denton County FWSD 9	19 Briar Hollow LN STE 245, Houston, TX 77027-2858	District/Authority	(713) 968-9855
	20920	Denton County FWSA 8A	19 Briar Hollow LN STE 245, Houston, TX 77027-2858	District/Authority	(713) 621-3707
	20924	Denton County FWSA 11	19 Briar Hollow LN STE 245, Houston, TX 77027-2858	District/Authority	(214) 954-6300

Attachment 2 – Water CCN Map

Attachment 3 – Sewer CCN Map

**NON – SCANABLE
PAGE**

ONE MAP IN FILE

FOR ANY QUESTIONS

PLEASE CALL CENTRAL RECORDS

MAIN LINE (512) 936-7180

Attachment 6 – Sewer CCN Written Description

**NON – SCANABLE
PAGE**

ONE MAP IN FILE

FOR ANY QUESTIONS

PLEASE CALL CENTRAL RECORDS

MAIN LINE (512) 936-7180

Attachment 6
Little Elm Sewer CCN No. 20931
Written Description of Areas to be Added

Sewer

This attachment is a written description of five (5) separate tracts of land proposed to be added to the Town of Little Elm's sewer CCN No. 20931. The purpose of this CCN amendment application is to fill in the holes to the Town's certified area and expand the certificated area to the north and south.

FIRST TRACT:

Beginning at a point on the northwest boundary of the existing Little Elm Sewer CCN # 20931 and the intersection of FM 720 and Hill Lane;

Thence southeast along the Little Elm Sewer CCN and along FM 720 approximately 2,092 feet to approximately 730 feet west of the FM 720 and Edgewood intersection;

Thence north along the Little Elm Sewer CCN approximately 2,034 feet across farmland;

Thence east along the Little Elm Sewer CCN approximately 3,886 feet;

Thence southeast along the Little Elm Sewer CCN approximately 1,952 feet;

Thence north east along the Little Elm Sewer CCN approximately 629 feet to the Little Elm Creek shoreline;

Thence north, leaving the Little Elm Sewer CCN, and along the shoreline of Little Elm Creek to the intersection of the City of Oak Point Sewer CCN Service Area;

Thence west along the Oak Point Sewer CCN and Knob Hill Drive approximately 1,498 feet;

Thence south along the Oak Point Sewer CCN and Wild Valley approximately 1,808 feet to the Shahan Prairie Road intersection;

Thence northwest along the Oak Point Sewer CCN and Shahan Prairie Road approximately 979 feet;

Thence south along the Oak Point Sewer CCN approximately 888 linear feet;

Thence west along the Oak Point Sewer CCN and Cottonwood Trail approximately 2,818 feet to the Crestwood Place intersection;

Thence south along the Oak Point Sewer CCN and Crestwood Place approximately 335 feet to the Pine Bluff Trail intersection;

Thence west along the Oak Point Sewer CCN and Pine Bluff Trail approximately 2,513 feet to the FM 720 intersection;

Thence south along the Oak Point Sewer CCN and FM 720 approximately 2,067 feet to the FM 720 and Hill Lane intersection, same being the point of beginning and containing approximately 402 acres.

SECOND TRACT:

Beginning at the West Eldorado Parkway and Lakecrest Drive intersection at the northwest corner of the City of Lakewood Village Drive Sewer CCN;

Thence east along the Lakewood Village Drive Sewer CCN approximately 2,593 feet to the shoreline of Little Elm Creek;

Thence north, leaving the Lakewood Village Drive Sewer CCN, and along the shoreline of Little Elm Creek to the intersection of the existing City of Little Elm Sewer CCN;

Thence west along the City's existing Sewer CCN approximately 2,850 feet to the intersection of West Eldorado Parkway;

Thence southwest along West Eldorado Parkway approximately 1,597 feet to the intersection of Lakecrest Drive, same being the point of beginning and containing approximately 89 acres.

THIRD TRACT:

The area is comprised of the portion of the existing Mustang SUD Sewer CCN located north of the existing Little Elm Sewer CCN and south of the existing Valencia on the Lake WCID Sewer CCN and extending east into the Denton County FWSD 8C Sewer CCN, including the small portion of the existing Mustang SUD Sewer CCN located north of the existing Little Elm Sewer CCN and south of Little Elm Creek.

The area also consists of an additional portion, beginning at the southwest intersection of the Mustang SUD Sewer CCN and the Valencia on the Lake WCID Sewer CCN boundaries;

Thence west, leaving the Mustang SUD Sewer CCN, and along the Valencia on the Lake WCID Sewer CCN boundary approximately 391 feet to the intersection with Mustang SUD Sewer CCN;

Thence northeast, following the boundary between the existing Mustang SUD Sewer CCN and the Valencia on the Lake WCID Sewer CCN to the Denton County FWSD 8C Sewer CCN;

Thence northeast, leaving the Valencia on the Lake WCID Sewer CCN, and along the boundary between the existing Mustang SUD Sewer CCN and the Denton County FWSD 8C Sewer CCN to the City of Frisco Sewer CCN;

Thence northeast, leaving the Denton County FWSD 8C Sewer CCN boundary, and along the boundary between the existing Mustang SUD Sewer CCN and the City of Frisco Sewer CCN to the US Highway 380 intersection and the City of Prosper Sewer CCN boundary;

Thence west, leaving the City of Frisco Sewer CCN, and along the City of Prosper Sewer CCN boundary and the Mustang SUD Sewer CCN boundary and along US Highway 380 approximately 888 feet to the Doe Branch intersection;

Thence southwest, leaving the City of Prosper Sewer CCN boundary, and along the Doe Branch centerline to the Little Elm Creek shoreline and the boundary of the Mustang SUD Sewer CCN boundary;

Thence south along the Little Elm Creek shoreline and the Mustang SUD Sewer CCN boundary to the southern Mustang SUD Sewer CCN boundary;

Thence east along the Mustang SUD Sewer CCN boundary approximately 655 feet;

Thence south along the property line approximately 267 feet;

Thence northeast along the property line approximately 562 feet to the intersection with the Valencia on the Lake WCID Sewer CCN boundary, same being the point of beginning and containing approximately 725 acres.

FOURTH TRACT:

Beginning at the intersection of Witt Road and FM 423 at the City of Frisco Sewer CCN boundary, the Little Elm City Limits boundary, and the Little Elm ETJ boundary;

Thence north along the Frisco Sewer CCN, FM 423, the Little Elm City Limits, and the Little Elm ETJ, approximately 1,393 feet to the intersection with the existing Little Elm Sewer CCN;

Thence southwest, leaving the Little Elm City Limits and ETJ, and along the existing Little Elm Sewer CCN approximately 2,911 feet through farmland to the intersection of Witt Road, the boundary of the City of Frisco Sewer CCN, the Little Elm City Limits, and the Little Elm ETJ;

Thence south along Witt Road, the Frisco Sewer CCN, Little Elm City Limits, and ETJ approximately 455 feet to the bend in Witt Road;

Thence east along Witt Road, the Frisco Sewer CCN, Little Elm City Limits, and ETJ approximately 2,666 feet to the intersection of FM 423, same being the point of beginning and containing approximately 43 acres.

FIFTH TRACT:

The area is comprised of the portion of the existing Valencia on the Lake WCID Sewer CCN (No. 21015).

Beginning at the southwest intersection of the Mustang SUD Sewer CCN (No. 20930) and the Valencia on the Lake WCID Sewer CCN boundaries;

Thence west, leaving the Mustang SUD Sewer CCN, and along the Valencia on the Lake WCID Sewer CCN boundary approximately 391 feet to the intersection with Mustang SUD Sewer CCN, also being in the east line of the Doe Branch of Lake Lewisville;

Thence northeast, following the east line of the Doe Branch also being the boundary between the existing Mustang SUD Sewer CCN and the Valencia on the Lake WCID Sewer CCN a distance of 14,922 feet;

Thence south, leaving the east line of the Doe Branch and the existing Mustang SUD Sewer CCN a distance of 3,905 feet to the Mustang SUD Sewer CCN and also being the Valencia on the Lake WCID Sewer CCN boundary;

Thence southwest, along the Mustang SUD Sewer CCN boundary approximately 10,768 feet to the intersection with the Valencia on the Lake WCID Sewer CCN boundary, same being the point of beginning and containing approximately 447 acres.

SIXTH TRACT:

Beginning at approximately 130 linear feet east of the intersection of Flanagan Circle and King Road, being a point on the Town of Little Elm City Limits and Little Elm ETJ, also being the Sewer CCN boundary for the City of Frisco.

Thence north, leaving King Road and the Sewer CCN boundary for the City of Frisco, along the Town of Little Elm City Limits a distance of approximately 534 feet to a point in the Sewer CCN boundary for the Town of Little Elm;

Thence southeast, following the Sewer CCN boundary for the Town of Little Elm, a distance of approximately 1,932 feet to a corner point in said Sewer CCN boundary;

Thence northeast, following the Sewer CCN boundary for the Town of Little Elm, a distance of approximately 904 feet to a corner point in said Sewer CCN boundary;

Thence southeast, following the Sewer CCN boundary for the Town of Little Elm, a distance of approximately 774 feet to a corner point in said Sewer CCN boundary, also being a point on the Town of Little Elm City Limits and Little Elm ETJ, also being the Sewer CCN boundary for the City of Frisco.

Thence west, along King Road, also being the Little Elm City Limits and ETJ, and along the boundary between the Sewer CCN of the City of Frisco approximately 3,392 feet, same being the point of beginning and containing approximately 20 acres.

SEVENTH TRACT:

Beginning at a point on the northwest corner of the proposed **FIRST TRACT** described in this document, also being approximately 328 feet south of the intersection of Cottonwood Trail and FM 720;

Thence north along FM 720 a distance of approximately 710 feet to a point for corner;

Thence east, leaving FM 720, following the property boundary line between Woodridge Estates and Hilltown Subdivision, a distance of approximately 5,281 feet to a point in the boundary of the Oak Point Sewer CCN #20908;

Thence south, leaving said property boundary line and along the Oak Point Sewer CCN boundary a distance of approximately 385 feet to a point on the corner of the Oak Point Sewer CCN;

Thence west along the Oak Point Sewer CCN and Cottonwood Trail approximately 2,818 feet to the Crestwood Place intersection;

Thence south along the Oak Point Sewer CCN and Crestwood Place approximately 335 feet to the Pine Bluff Trail intersection;

Thence west along the Oak Point Sewer CCN and Pine Bluff Trail approximately 2,513 feet to the FM 720 intersection, same being the point of beginning and containing approximately 65 acres.

Agreement with Town of Hackberry

**** Electronically Filed Document ****

Denton County
Cynthia Mitchell
County Clerk

Document Number: 2014-12704

Recorded As : ERX-CORRECTION DOCUM

Recorded On: February 13, 2014

Recorded At: 02:42:54 pm

Number of Pages: 20

Recording Fee: \$102.00

Parties:

Direct- RAPIER JOHN

Indirect-

Receipt Number: 1132903

Processed By: Dwayne Kitzmiller

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.



THE STATE OF TEXAS)
COUNTY OF DENTON]

I hereby certify that this instrument was FILED in the File Number sequence on the date/time
printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas

Cynthia Mitchell

County Clerk
Denton County, Texas

CORRECTION INSTRUMENT AS TO A RECORDED ORIGINAL INSTRUMENT

[Non-material correction pursuant to §5.028, Texas Property Code, where the parties to the recorded original instrument have not signed the correction affidavit (instrument)]

Date: February 12, 2014
Company: RAPIER & WILSON, P.C.
1333 W. McDermott Drive, Suite 100
Allen, Texas 75013

Affiant: John Rapier

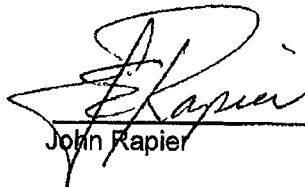
Description of Original Instrument:

ETJ AND CCN AGREEMENT BY AND BETWEEN THE CITY OF HACKBERRY AND THE TOWN OF LITTLE ELM JOINTED BY D.R. HORTON - TEXAS, LTD., dated October 22, 2013, and filed on January 6, 2014 as Instrument Number 2014-1110 in the Real Property Records of Denton County, Texas.

Affiant on oath swears that the following statements are true and within the personal knowledge of Affiant:

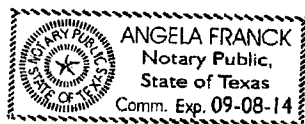
1. My name is John Rapier. I am over the age of eighteen (18) years and am otherwise competent to make this Correction Affidavit.
2. I have personal knowledge of the facts relevant to the correction of the above referenced Original Instrument as evidenced by the following facts:
I serve as the City Attorney of the City of Hackberry and I was involved with the preparation of the Original Instrument.
3. I am making this Affidavit as a correction instrument pursuant to §5.028 of the Texas Property Code, with regard to the following clerical error in the Original Instrument:
The Agreement was inadvertently filed with an incorrect Legal Description (Exhibit A), and an incorrect version of Exhibit E.
4. The Original Instrument should have the attached Exhibits A and E with respect to the clerical error described above, this being a non-material change to the Original Instrument.
5. I have given notice of this correction of the Original instrument by sending a copy of this Correction Affidavit by e-mail to each party to the Original Instrument, in accordance with §5.028 (d) (2) of the Texas Property Code. The evidence of said notice is attached to this affidavit as required by §5.028 (d) (1) of the Texas Property Code.

AFFIANT:


John Rapier

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

SWORN TO AND SUBSCRIBED before me on this 12th day of February, 2014, by John Rapiet, to certify which witness my hand and seal of office.



Angela Franck
Notary Public, State of Texas



Denton County
Cynthia Mitchell
County Clerk
Denton, TX 76202

Instrument Number: 2014-1110

As

Recorded On: January 08, 2014

Agreement

Parties: CITY OF HACKBERRY

To

Billable Pages: 13

Number of Pages: 13

Comment:

(Parties listed above are for Clerks reference only)

**** Examined and Charged as Follows: ****

Agreement	74.00
Total Recording:	74.00

***** DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2014-1110

Receipt Number: 1121870

Recorded Date/Time: January 08, 2014 01:50:46P

User / Station: P Gaines - Cash Station 4

Record and Return To:

TOWN OF LITTLE ELM

100 ELDORADO PKWY

ATTN: SANDY DEVAULT

LITTLE ELM TX 75088



THE STATE OF TEXAS }
COUNTY OF DENTON }

I hereby certify that this instrument was FILED in the File Number sequence on the date/time
printed herein, and was duly RECORDED in the Official Records of Denton County, Texas.

Cynthia Mitchell

County Clerk
Denton County, Texas



Town of Little Elm
100 Eldorado Parkway
Little Elm, Texas 75068

Attn: Sandy DeVault

**ETJ AND CCN AGREEMENT
BY AND BETWEEN THE
CITY OF HACKBERRY AND THE TOWN OF LITTLE ELM
JOINED BY
D.R. HORTON - TEXAS, LTD.**

This Interlocal Agreement ("Agreement") is entered into pursuant to the provisions of the Interlocal Cooperation Act, Chapter 791, Texas Government Code (the "Act"), by and between the City of Hackberry, a Texas municipal corporation ("Hackberry"), and the Town of Little Elm, a Texas home-rule municipal corporation ("Little Elm"). D.R. Horton - Texas, Ltd., a Texas Limited Partnership ("Horton"), a beneficiary of this Agreement, is joined as a party to this Agreement for the purposes herein expressed.

WHEREAS, Horton owns and intends to develop a 145.4 acre tract described on Exhibit "A" attached hereto (the "Property"); and

WHEREAS, the Property lies partially within the extraterritorial jurisdiction ("ETJ") of Little Elm and partially within the corporate limits of Hackberry; and

WHEREAS, the Property lies wholly within the water certificate of convenience and necessity ("CCN") issued by the Texas Commission on Environmental Quality ("TCEQ") of Hackberry, but only partially within the sewer CCN of Little Elm; and

WHEREAS, Horton and Hackberry have executed a Development Agreement that is partially contingent on all of the Property being placed wholly within the jurisdiction of Hackberry; and

WHEREAS, the parties recognize that it is in the best interests of all concerned that the Property be developed under Hackberry's jurisdiction; and

WHEREAS, the Act authorizes local governments to contract with one or more local governments to perform governmental functions and services under the terms of the Act; and

WHEREAS, Section 42.023 of the Local Government Code authorizes a municipality to reduce its ETJ by a resolution adopted by the governing body of the municipality; and

WHEREAS, Hackberry and Little Elm agree by this Agreement to adjust their respective water and sewer CCNs to be consistent with their ultimate boundary agreement; and

WHEREAS, Hackberry and Little Elm agree to jointly submit their agreement relating to the adjustment or revision of their respective CCNs to the TCEQ for approval pursuant to Section 13.248 of the Texas Water Code; and

WHEREAS, Hackberry and Little Elm, in the true spirit of governmental cooperation, intend this Agreement to reflect sound growth management principles and inter-regional planning.

NOW, THEREFORE, this Agreement is made and entered by the parties upon and for the mutual considerations hereinafter stated.

1. ETJ or Ultimate Boundary Agreement:

a. Hackberry and Little Elm agree to an ultimate common corporate boundary or extraterritorial jurisdiction ("ETJ") line (the "Line") from and after the Effective Date as described in Exhibit "B" attached hereto.

b. Provided that the transaction fees set forth in Section 3(a) and (b) of this Agreement have been paid to Little Elm, Little Elm agrees to release any ETJ that it may have south and east of the Line and will, within sixty (60) days after the Effective Date of this Agreement, pass a resolution to effectuate the release of such ETJ.

c. Hackberry agrees to release any ETJ that it may have north and west of the Line and will, within sixty (60) days after the Effective Date of this Agreement, pass a resolution to effectuate the release of such ETJ.

2. CCN Transfer Agreement:

a. Little Elm agrees to transfer to Hackberry that portion of its sewer CCN No. 20931 that currently lies south and east of the Line to Hackberry as shown on Exhibit C attached hereto.

b. Hackberry agrees to transfer to Little Elm that portion of its water CCN No. 12015 that currently lies north of King Road and east of lots fronting on Flanagan Circle as shown on Exhibit D attached hereto.

c. Hackberry agrees to prepare the necessary sale, transfer or merger transfer application (the "STM") for submission to the TCEQ. Little Elm agrees to assist Hackberry in the preparation of the STM by timely providing Hackberry with any and all information required to submit on or with the STM concerning Little Elm's water and sewer facilities, personnel, rates or capacities. Both Little Elm and Hackberry agree to execute the STM by and through their authorized representatives. In the unlikely event that a hearing on the STM is required by the TCEQ, then Little Elm and Hackberry agree that they will provide appropriate witnesses available for testimony supporting the STM.

3. Consideration:

a. As consideration for this Agreement, Horton agrees to pay and Little Elm agrees to accept a transaction fee of \$1,100.00 per acre for that portion of the Property that lies within Little Elm's current ETJ. The parties agree that 57.3 acres of the Property lies within Little Elm's ETJ. Therefore, Horton has agreed to pay the transaction fee sum of \$63,030.00 to Little Elm at or before the time that Little Elm passes the ETJ release resolution described in Section 1(b) of this Agreement.

b. As further consideration, Hackberry agrees to pay and Little Elm agrees to accept a transaction fee of \$1,100.00 per acre for that portion of the Dhaka tract that lies within Little Elm's ETJ. Little Elm and Hackberry agree that 28.3 acres of the Dhaka tract lies with Little Elm's ETJ. Therefore, Hackberry has agreed to pay the transaction fee sum of \$31,130.00 to Little Elm at or before the time that Little Elm passes the ETJ release resolution described in Section 1(b) of this Agreement.

c. As further consideration, Hackberry and Horton agree that the Property and the adjacent portions of King Road will be developed consistent with standards listed on Exhibit E attached hereto.

4. General Conditions.

a. Failure of either party to comply with or perform any term, obligation, or condition of this Agreement shall constitute an event of default. The non-defaulting party shall notify the other party of any default, and the defaulting party shall have thirty (30) days to begin to cure said default. Should said default remain uncured, the non-defaulting party shall have the right to terminate this Agreement, or enforce specific performance as appropriate.

b. The laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this agreement. The parties agree that this Agreement is performable in Denton County, Texas, and that exclusive venue shall lie in Denton County, Texas, or with the TCEQ.

c. This Agreement embodies the entire agreement between the parties.

d. This Agreement shall be binding upon the parties hereto, their successors, personal representatives and assigns. Neither of the parties will assign nor transfer an interest in this Agreement without the written consent of the other party.

e. The effective date of this Agreement shall be the last day this Agreement is approved by a party hereto as indicated on the signature blocks below (the "Effective Date").

f. The governing bodies of both Little Elm and Hackberry have approved this Agreement as to form and content and authorized their respective representatives to execute this Agreement on behalf either Hackberry or Little Elm.

g. A party to this Agreement may file a certified copy of this Agreement in the real property records of Denton County.

APPROVED by the City Council of the City of Hackberry, Texas, in its meeting held on the 22nd day of October, 2013, and executed by its authorized representative.

CITY OF HACKBERRY

By: 
Ronald Austin, Mayor


ATTEST

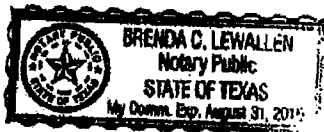
Brenda C. Lewallen, City Secretary

STATE OF TEXAS

COUNTY OF DENTON

This instrument was acknowledged before me on the 22nd day of October, 2013, by **Ronald Austin**, Mayor of the City of Hackberry, a Texas municipal corporation, on behalf of said corporation.


Notary Public, State of Texas



APPROVED by The Town Council of The Town of Little Elm, Texas, in its meeting held on the 15th day of October, 2013, and executed by its authorized representative.

TOWN OF LITTLE ELM

By: [Signature]

David Hillock, Mayor

ATTEST: [Signature]

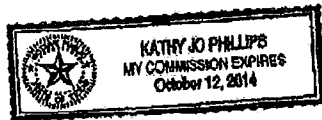
Kathy Phillips, Town Secretary

STATE OF TEXAS

COUNTY OF DENTON

This instrument was acknowledged before me on the 15th day of October, 2013, by David Hillock, the Mayor of the Town of Little Elm, a Texas municipal corporation, on behalf of said corporation.

[Signature]
Notary Public, State of Texas



APPROVED by D.R. Horton-Texas, Ltd., and executed by its authorized representative on the 23rd day of October, 2013.

D.R. Horton-Texas, Ltd.
a Texas limited partnership
by its general partner,
D.R. Horton, Inc., a Delaware
corporation

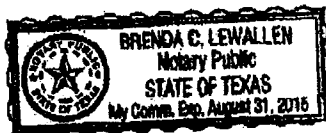
By: [Signature]
David L. Booth, Asst. Vice President

THE STATE OF TEXAS

COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared David L. Booth, Asst. Vice President of D.R. Horton, Inc., a Delaware corporation and the general partner of D.R. Horton - Texas, Ltd., a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he has executed the same for the purposes and consideration therein expressed on behalf D.R. Horton, Inc.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 23rd DAY OF October, 2013.



[Signature]
Notary Public, State of Texas

EXHIBIT "A"

METES AND BOUNDS DESCRIPTION OF THE PROPERTY

BEGINNING all of that parcel located in Denton County, Texas, being a part of the following surveys: John H. House Survey, Abstract Number 595, Mathew Jones Survey, Abstract Number 667, and the John H. King Survey, Abstract Number 694, and being all of that called 145.3971 acre parcel of land described in deed to D.R. Horton-Texas, Ltd., as recorded in Document Number 2612-124362, Denton County Deed Records, and being further described as follows:

BEGINNING at a five-eighths inch iron rod found at the southwest corner of said 145.3971 acre tract, said point also being the southeast corner of a parcel of land described in deed to Little Elm Cemetery Association, as recorded in Volume 1348, Page 486, Denton County Deed Records, said point also being in the north right-of-way line of King Road;

THENCE North 01 degrees 54 minutes 50 seconds East, 1793.14 feet to a five-eighths inch iron rod found at the northwest corner of said 145.3971 acre tract, said point being the northeast corner of said Little Elm Cemetery Association tract, said point also being in the south line of a parcel of land described in deed to William S. Thomas, as recorded in Volume 5322, Page 306, Denton County Deed Records;

THENCE along the north line of said 145.3971 acre tract as follows:

South 88 degrees 09 minutes 04 seconds East, 251.46 feet to a three-quarters inch iron rod found for corner, said point also being the southeast corner of said Thomas tract;

North 00 degrees 54 minutes 19 seconds East, 617.96 feet along the east line of said Thomas tract to a U.S. Corps of Engineer Monument (H-716-6) found for corner, said point also being at the southwest corner of that called 23.6 acre parcel of land described in deed to United States of America, as recorded in Volume 414, Page 290, Denton County Deed Records;

THENCE South 89 degrees 35 minutes 17 seconds East, 334.02 feet along the north line of said 145.3971 acre tract to a U.S. Corps of Engineer Monument (H-715-4 and H-716-5) found in the south line of said 23.6 acre tract of land, said point also being the northwest corner of a called 5.02 acre parcel of land described in deed to United States of America, as recorded in Volume 2711, Page 897, Denton County Deed Records;

THENCE continuing along the north line of said 145.3971 acre tract and along the south line of said 5.02 acre tract as follows:

South 37 degrees 10 minutes 02 seconds East, 207.62 feet to a 4-inch pipe post (H-715-4A) found for corner;

South 67 degrees 47 minutes 49 seconds East, 274.76 feet to a 4 inch pipe post (H-715-4B) found for corner;

South 38 degrees 30 minutes 42 seconds East, 153.18 feet to a 4 inch pipe post (H-715-4C) found for corner;

South 00 degrees 38 minutes 55 seconds West, 140.38 feet to a 4 inch pipe post (H-715-4D) found for corner;

North 48 degrees 46 minutes 17 seconds East, 195.29 feet to a 4 inch pipe post (H-715-4E) found for corner;

South 79 degrees 56 minutes 42 seconds East, 264.63 feet to a 4 inch pipe post (H-715-4F) found for corner;

South 63 degrees 48 minutes 55 seconds East, 384.97 feet to a 4 inch pipe post (H-715-4G) found for corner;

South 72 degrees 48 minutes 16 seconds East, 202.01 feet to a 4 inch pipe post (H-715-4H) found for corner;

North 89 degrees 05 minutes 35 seconds East, 543.35 feet to a 4 inch pipe post (H-715-4I) found for corner;

North 87 degrees 29 minutes 32 seconds East, 208.49 feet to a 4 inch pipe post (H-715-4J) found for corner, said point being the southwest corner of said 5.02 acre tract, said point also being in the south line of said 23.6 acre tract;

THENCE South 49 degrees 01 minutes 08 seconds East, 294.86 feet to a U.S. Corps of Engineer Monument (H-715-1 and H-714-14) found at the northeast corner of said 145.3971 acre tract, said point also being the northwest corner of Lot 10, Block A, Lake Country Manor No. 1, an addition in Denton County as recorded in Cabinet D, Page 179, Denton County Plat Records;

THENCE along the east line of said 145.3971 acre tract and the west line of said Lake Country Manor No. 1 as follows:

South 16 degrees 47 minutes 19 seconds West, 328.34 feet to a one and three-quarters inch iron pipe found for corner;

South 11 degrees 56 minutes 46 seconds West, 76.31 feet to a 28 inch Hackberry found for corner;

South 01 degrees 31 minutes 30 seconds West, 1419.26 feet to a point for corner at the southeast corner of said 145.3971 acre tract; from which point bears North 02 degrees 26 minutes 00 seconds East, 29.69 feet to a one-half inch iron rod found at the southwest corner of Lot 1, Block A of said Lake Country Manor No. 1 Addition, said point also being in the approximate centerline of King Road (a 60 foot wide right-of-way);

THENCE along the south line of said 145.3971 acre tract of land as follows:

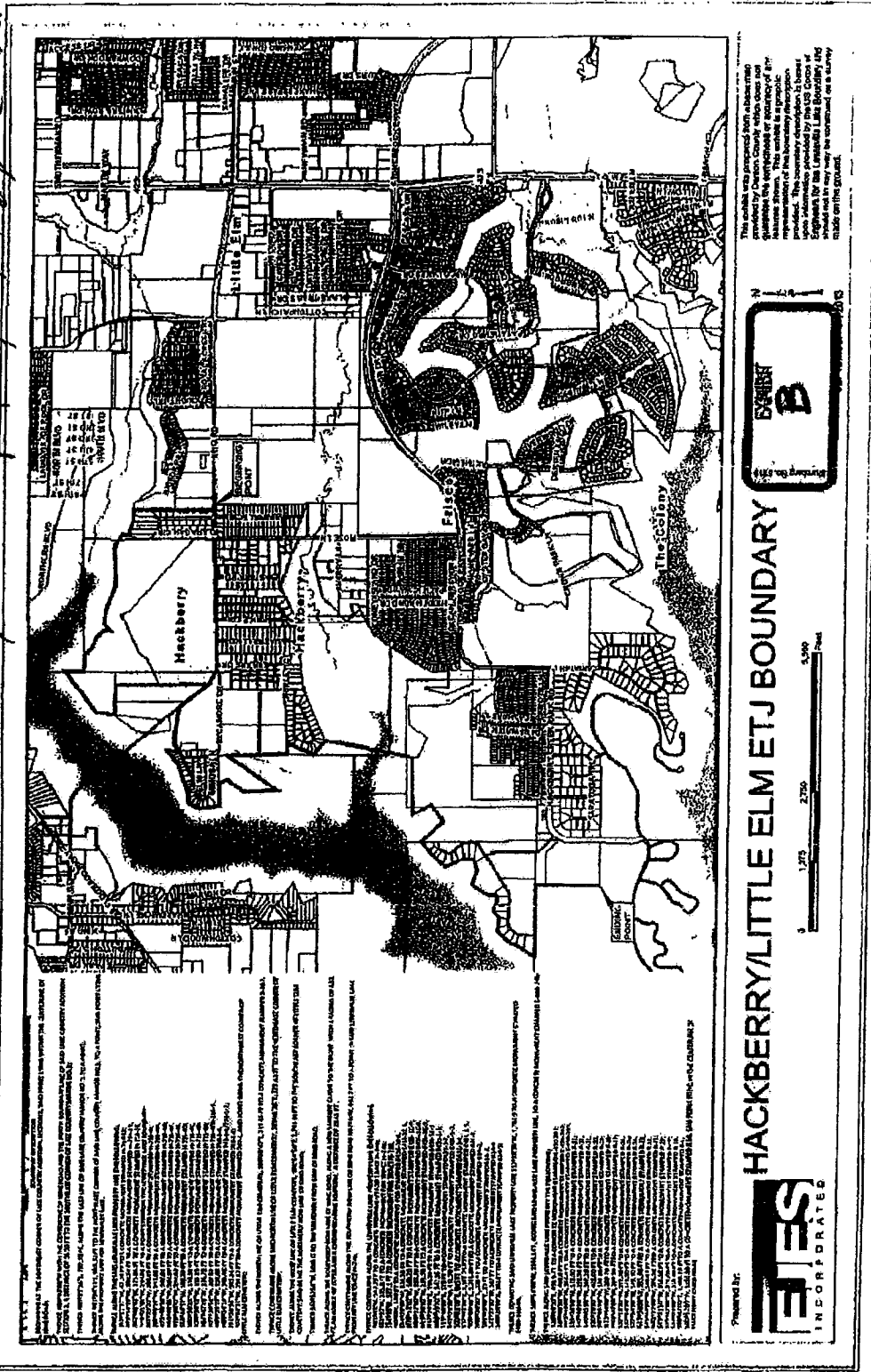
North 89 degrees 32 minutes 30 seconds West, 2620.12 feet to a "pk" nail set for corner in the approximate centerline of King Road;

North 00 degrees 53 minutes 10 seconds East, 49.52 feet to a point for corner in the north right-of-way line of King Road, from which point a one-half inch iron rod founds bears North 01 degrees 33 minutes 00 seconds East, 2.92 feet;

Northwesterly, 344.98 feet following a curve to the right having a central angle of 96 degrees 24 minutes 14 seconds, a radius of 542.96 feet, a tangent of 178.54 feet, and whose chord bears North 55 degrees 59 minutes 52 seconds West, 339.21 feet to the POINT OF BEGINNING and containing 6,333,757 square feet or 145.403 acres of land.

Bearings are based on monuments found along the west line of that called 145.3971 acre parcel of land described in deed to D.R. Horton-Texas, Ltd. as recorded in Document Number 2012-124362, Denison County Deed Records. West line bearing held as North 01 degrees 54 minutes 50 seconds East.

Because this is in color, I understand that it may not scan properly M-L-ghn 10/14



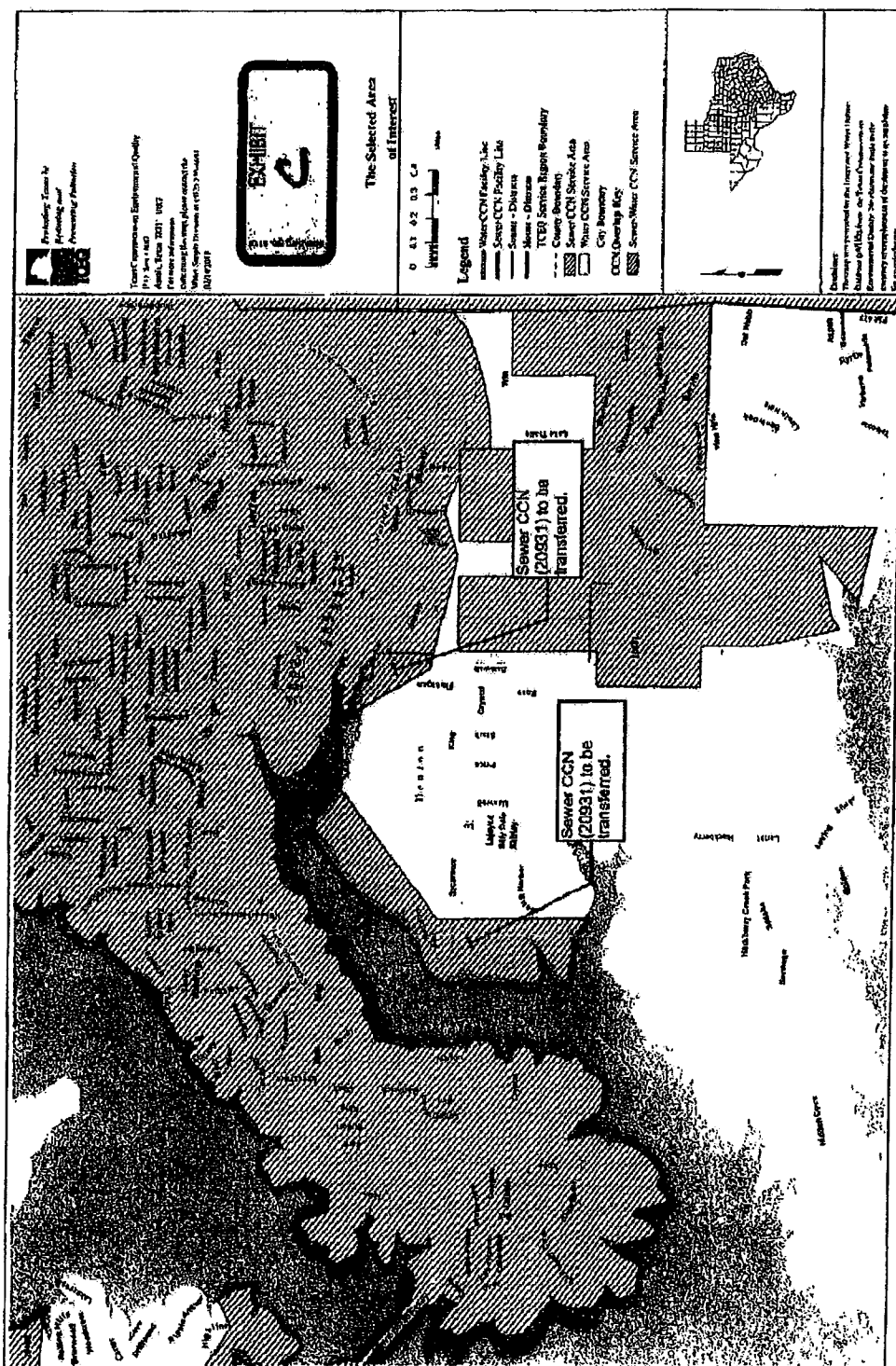


EXHIBIT E

The following special development standards apply to the 145.4 acre tract described on Exhibit A to the ETJ and CCN Agreement by and between the City of Hackberry and the Town of Little Elm joined by D.R. Horton--Texas, Ltd. (the "Property") and to that portion of King Road within Hackberry's jurisdiction.

1. King Road:

a. King Road will consist of a ninety foot (90') right-of-way to support a four (4) lane divided roadway. The separation between the east bound and the west bound lanes will be sufficient to accommodate the installation of lefthand turn lanes if needed in the future. In addition, when King is reconstructed it will be consistent with the following specifications: 9" 3500 psi concrete #4 rebar 18" O.C.E.W. with min 8" lime, typically 54lbs/SY.

b. King Road will have at least 10' landscaped buffer along the north side of King Road, running along the Property and outside of the right of way. The buffer should include a perimeter masonry wall and landscape screening together with 6" minimum sidewalks (3500 psi, #3 rebar 18" O.C.E.W., 5" concrete) adjacent to King Road.

c. D.R. Horton - Texas, Ltd. will be responsible for constructing four (4) lanes of King Road along the frontage of the Property and through the intersection of Rose Lane to the east curb return of Rose Lane and King Road. Four (4) lanes will be maintained through the King Road / Rose Lane intersection which could utilize an alternative median width configuration to avoid the existing AT&T equipment located at this intersection. DR Horton/City of Hackberry will reserve land for either option, and plans shall be reviewed by the Town of Little Elm, whose approval should not be unreasonably withheld."

2. The Property:

a. The Property will be platted so as provide access to the tract not currently owned by D.R. Horton--Texas, Ltd. that lies north of and adjacent to the Little Elm Cemetery.

b. The Property will be deed restricted to single family residential use.

c. The common areas of the Property will be maintained by a mandatory homeowner's association created by the developer of the Property prior to the sale of the first developed lot within the Property.

d. With the development of that portion of the Property that is contiguous and adjacent the Little Elm Cemetery, a board on board fence will be constructed separating and screening the Property from the Little Elm Cemetery.

e. If fencing is installed on lot lines along that portion of the Property adjacent to Lake Lewisville, the fencing shall be open and constructed of black, tubular steel.

f. The front lot line of the all lots within the Property will have minimum width or length of fifty feet (50');

g. All fencing with the Property will be constructed with metal poles.

h. The surface of all exterior walls of the first story of all structures within the Property shall be brick veneer. Fifty percent (50%) of the exterior walls of the second story, in any, of all structures shall be brick veneer. The remaining exterior surface of second story may be hardy plank type material.

i. All structures within the Property will comply with Little Elm's 2009 building code and Little Elm's 2008 electrical code.

j. The development of each residential lot will include landscaping that includes grass sod in both of the front and back yards, bushes in the front yard and at least two trees on the lot.

k. The phases of the development on the Property that are adjacent to the lake will provide for access to and construction of ten foot (10') concrete public trail between the lake and the developed lots that complies with the following requirements: benches (Landscape Forms Scarborough - 1 per 500', may be clustered), McCord Trail signage (entry).

l. Interior streets within the Property shall have a minimum width of twenty-seven feet (27'), measured from the back of the curb.

Agreement with Valencia on the Lakes WCID

**** Electronically Filed Document ****

Denton County
Cynthia Mitchell
County Clerk

Document Number: 2013-135969
Recorded As : ERX-AGREEMENT

Recorded On: November 13, 2013
Recorded At: 08:25:26 am
Number of Pages: 117

Recording Fee: \$490.00

Parties:

Direct- TOWN OF LITTLE ELM TEXAS
Indirect-

Receipt Number: 1107794
Processed By: Dwayne Kitzmiller

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.



THE STATE OF TEXAS)
COUNTY OF DENTON)

I hereby certify that this instrument was FILED in the File Number sequence on the date/time
printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

C. Mitchell

County Clerk
Denton County, Texas

**VALENCIA ON THE LAKE PRE-ANNEXATION AGREEMENT, DEVELOPMENT
AGREEMENT, PUBLIC IMPROVEMENT DISTRICT AGREEMENT AND TAX
INCREMENT REINVESTMENT ZONE AGREEMENT**

This Valencia on the Lake Pre-Annexation Agreement, Development Agreement, Public Improvement District Agreement and Tax Increment Reinvestment Zone Agreement ("Agreement") is executed between **Valencia on the Lake, L.P.** (the "Owner") and the **Town of Little Elm, Texas** ("Town"), to be effective November 5, 2013 ("Effective Date").

ARTICLE I
RECITALS

WHEREAS, certain terms used herein are defined in Article II; and

WHEREAS, the Town is a home-rule municipality of the State of Texas; and

WHEREAS, Owner is a Texas limited partnership; and

WHEREAS, the Owner owns approximately 447.9 acres of real property located wholly within the extraterritorial jurisdiction ("ETJ") of the Town and not within the ETJ or corporate limit of any other town or city, which property is described by metes and bounds on **Exhibit A** and depicted on **Exhibit B** attached to this Agreement ("Property"); and

WHEREAS, on June 6, 2006, Block Development, Ltd., Sassanid Arcady Holdings, L.P., and the Town entered into a development agreement entitled "Valencia on the Lakes Development Agreement" ("Initial Agreement"), which Initial Agreement was approved by Town Resolution No. 04040601; and

WHEREAS, Block Development, Ltd., and Sassanid Arcady Holdings, L.P., conveyed their interests in the Property to the Owner by special warranty deeds that appear of record as Document Number 2007-8103 and Document Number 2007-41359 of the Real Property Records of Denton County, Texas; and

WHEREAS, on December 4, 2008, Block Development, Ltd., and Sassanid Arcady Holdings, L.P., assigned all of their rights under the Initial Agreement to the Owner; and

WHEREAS, on December 9, 2008, notice of the assignment from Block Development, Ltd., and Sassanid Arcady Holdings, L.P., to the Owner was provided to the Town Manager; and

WHEREAS, on December 16, 2008 the Owner and the Town entered into a new development agreement (the "Second Agreement"), which Second Agreement terminated the Initial Agreement and replaced the Initial Agreement in its entirety; and

WHEREAS, on December 1, 2009, the Owner and the Town entered a first amendment to the Second Agreement; and

WHEREAS, on December 1, 2010, the Owner and the Town entered into a second amendment to the Second Agreement; and

INCLUDING REASONABLE ATTORNEY'S FEES AND OTHER COSTS, ARISING OUT OF THE NEGLIGENCE OF THE APPLICANT IN CONNECTION WITH THE DESIGN OR CONSTRUCTION OF ANY INFRASTRUCTURE, STRUCTURE, OR OTHER FACILITIES OR IMPROVEMENTS THAT ARE REQUIRED OR PERMITTED BY THE SUBDIVISION REGULATIONS OR ANY OTHER GOVERNING REGULATIONS AND THAT ARE DEDICATED OR OTHERWISE CONVEYED TO THE TOWN.

ARTICLE VI **WATER AND SEWER SERVICE**

6.1 The Facilities. The Owner shall have full responsibility at its sole cost for designing and constructing the on-Property and off-Property water and sewer facilities (together with and including the cost of obtaining any and all easements in or fee simple title to land to provide for and to accommodate such water and sewer facilities) that will serve the Property ("Facilities") and the cost thereof. The Owner shall be responsible for the construction, including the acquisition of any necessary easements (the size and extent of each such easements to be approved by the Town), of the Facilities to connect to the Town. The Owner must design and construct the Facilities, including but not limited to the water transmission and distribution system(s) necessary to provide continuous and adequate service to customers in the Property in compliance with all statutory and regulatory requirements, including design and construction criteria and specifications of the Town, and in compliance with all applicable Town standards.

6.2 Property Acquisition. The Parties acknowledge that the Owner is responsible for the acquisition of certain off-site property rights and interests in order to allow certain Public Infrastructure to be constructed to serve the Property. Specifically, the Owner will need to acquire off-site property rights and interests for Rockhill Parkway roadway improvements, water improvements, and sewer improvements, the locations of which are generally depicted on **Exhibit F**. The Owner shall use commercially reasonable efforts, as determined by the Town Manager, to obtain any and all off-site right-of-way and/or easements as necessary for the construction of the off-site improvements described above. In the event that the Owner is unable to acquire all of the necessary right-of-way and/or easements within a three (3) month period, beginning upon delivery of written notice to the Town, then, as a condition to requiring the Owner to construct off-site improvements, the Town will use its eminent domain authority for right-of-way and easement acquisition to the extent allowed by law. All costs and expenses incurred by the Town in connection with such eminent domain actions and acquisition of such rights-of-way and easements including, but not limited to, settlements, court awards, damages, interest, expert witness fees, mediation fees, attorney's fees, deposition costs, copy charges, courier fees, postage and taxable costs of court shall be reimbursed to the Town by Owner as such costs are billed to the Town by the Town Attorney and within 20 calendar days after the Owner has been informed of such costs and expenses.

6.3 Second Water Line Timing. The Public Infrastructure, which includes the Facilities, may be constructed in phases. A second 12-inch water line connection to the Town's infrastructure shall be constructed by the Owner and accepted by the Town prior to the issuance of the 601st building permit for a structure within the Property.

6.4 Sewer. The Property will be served by the Town of Little Elm Wastewater Treatment Plant. The Owner is responsible for constructing the off-site sewer infrastructure necessary for the Property to be served by the Town of Little Elm Wastewater Treatment Plant.

6.5 Stub Outs. The Owner agrees to provide water and sanitary sewer "stub outs" for six lots adjacent to the Property, as shown on **Exhibit G**, at the time that the Public Infrastructure to the adjacent phase of development is installed.

6.6 Sewer and Water Mains. The Owner shall design and construct off-site water and sewer mains, as generally shown on **Exhibit H**, as the need for such infrastructure arises during the course of development of the Property.

6.7 CCN Acquisition and Transfer. The Owner shall cause the WCID to sell the CCNs to the Town following the closing of the first PID Bond issue. The Town will use PID Bond proceeds from the first PID Bond issue to acquire the CCNs at a price determined by the Services and Assessments Plan.

6.8 The Town's Water and Sewer Commitment. The Town commits that, upon acceptance of the Public Infrastructure required by this Agreement for water and sewer facilities, the Town will have sufficient capacity and transmission facilities to adequately serve the full development of the Property in accordance with this Agreement. The Town further agrees to reserve sufficient capacity in existing and future Town facilities to adequately serve the full development of the Property in accordance with this Agreement.

6.9 Administration of Construction of Public Infrastructure. The Parties agree that the Owner will be responsible to pay for all costs of the Public Infrastructure. The actual construction of the Public Infrastructure will be administered through a third party Construction Management Services contract for the Public Infrastructure and all other needed improvements, which Construction Management Services contract will be awarded by the Town through a request for qualifications process. The Public Infrastructure and all other needed improvements will be considered a Town project and the Town will own all such Public Infrastructure and all other needed improvements upon completion and acceptance.

6.10 Operation of the Facilities. If the Town accepts the Facilities, the Town shall operate the Facilities serving the Property and use the Facilities to provide service to all customers within the Town of Little Elm and as otherwise required by State law as the CCN holder. If accepted by the Town, the Town shall at all times maintain the Facilities, or cause the Facilities to be maintained, in good condition and working order in compliance with all applicable laws and ordinances and all applicable regulations, rules, policies, standards, and orders of any governmental entity with jurisdiction over same.


6.11 Service. The Town is not obligated to provide retail water or sewer service to any lot unless a subdivision plat for such lot has been appropriately approved and filed in the real property records of Denton County and all fees required pursuant to this Agreement have been paid with respect to such lot. The Town agrees to provide retail water and sewer service to the Property on the same terms and conditions that it serves other retail customers within the Town.

Executed by Owner and Town to effective on the Effective Date.

ATTEST

Name: Kathy Phillips
Title: Town Secretary

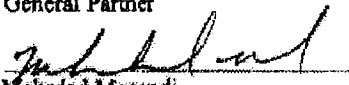
TOWN OF LITTLE ELM

By: 
Name: David Hillock
Title: Mayor
Date: 11-05-14

APPROVED AS TO FORM

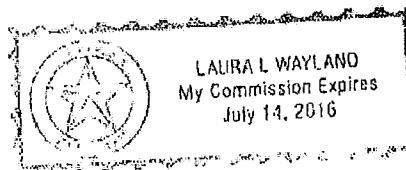
Name: Robert F. Brown
Title: Town Attorney

VALENCIA ON THE LAKE, L.P.
a Texas Limited Partnership

By: Valencia on the Lake G.P., L.L.C.
a Texas Limited Liability Company
Its: General Partner
By: 
Name: Mehrdad Moayed
Title: Manager
Date: 11/12/2013

THE STATE OF TEXAS §
COUNTY OF Dallas §

This instrument was acknowledged before me on the 12 day of Nov, 2013, by Mehrdad Moayed, the Manager of Valencia on the Lake, G.P., LLC, a Texas limited liability company, the general partner of Valencia on the Lake, L.P., a Texas limited partnership, on behalf of such limited partnership.




Notary Public, State of Texas

EXHIBIT A
Metes and Bounds Description of the Property

LEGAL DESCRIPTION
448.005 ACRES

BEING A TRACT OF LAND SITUATED IN THE S GUARRARA SURVEY, ABSTRACT NO. 456 AND THE T. RODRIGUEZ SURVEY, ABSTRACT NO. 1068, AND THE A. COOPER SURVEY, ABSTRACT NO. 250, IN DENTON COUNTY, TEXAS, AND BEING ALL OF A CALLED 448.136 ACRE TRACT OF LAND CONVEYED TO SASSAND ARCADEY HOLDINGS, L.P. BY DEED RECORDED IN DOCUMENT NUMBER 2006-326, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS. SAID 448.005 ACRE TRACT, WITH BEARING BASIS BEING GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE, NAD83, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A CORPS OF ENGINEERS MONUMENT STAMPED "J-818-1/1" FOUND FOR THE NORTHEAST CORNER OF AFORESAID 448.136 ACRE TRACT AND BEING ON THE WEST LINE OF A CALLED 34.4606 ACRE TRACT OF LAND CONVEYED TO DAVID J. KIRCH BY DEED RECORDED IN VOLUME 3060, PAGE 706, DEED RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 00 DEGREES 17 MINUTES 50 SECONDS WEST, ALONG THE EAST LINE OF AFORESAID 448.136 ACRE TRACT AND THE COMMON WEST LINES OF AFORESAID 34.4606 ACRE TRACT AND A CALLED 123.243 ACRE TRACT OF LAND CONVEYED TO THOMAS JAMES GEORGE AND ROBERT JOSEPH GEORGE BY DEED RECORDED IN VOLUME 853, PAGE 138, DEED RECORDS, DENTON, COUNTY, TEXAS, A DISTANCE OF 2121.00 FEET TO A POINT FOR CORNER;

THENCE SOUTH 01 DEGREES 54 MINUTES 55 SECONDS WEST, CONTINUING ALONG THE EAST LINE OF AFORESAID 448.136 ACRE TRACT AND THE COMMON WEST LINES OF AFORESAID 123.243 ACRE TRACT, A DISTANCE OF 516.18 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DIS STAMPED "J-819-9" (DISTURBED) FOUND FOR THE SOUTHWEST CORNER OF SAID 123.243 ACRE TRACT;

THENCE ALONG THE COMMON PROPERTY LINES OF AFORESAID 448.136 ACRE TRACT AND GARZA-LITTLE FILM RESERVOIR (LAKE LEWISVILLE) THE FOLLOWING COURSES AND DISTANCES:

SOUTH 05 DEGREES 05 MINUTES 39 SECONDS WEST, A DISTANCE OF 973.12 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-819-7B" FOUND FOR CORNER;

SOUTH 05 DEGREES 47 MINUTES 18 SECONDS WEST, A DISTANCE OF 188.48 FEET TO A CORPS OF ENGINEERS METAL FENCE CORNER POST STAMPED "JP-5A" FOUND FOR CORNER;

SOUTH 89 DEGREES 33 MINUTES 02 SECONDS WEST, A DISTANCE OF 201.77 FEET TO A CORPS OF ENGINEERS METAL FENCE CORNER POST STAMPED "JP-5J" FOUND FOR CORNER,

SOUTH 01 DEGREES 10 MINUTES 59 SECONDS EAST, A DISTANCE OF 197.53 FEET TO A CORPS OF ENGINEERS METAL FENCE CORNER POST STAMPED "JP-5K" FOUND FOR CORNER;

SOUTH 59 DEGREES 49 MINUTES 02 SECONDS WEST, A DISTANCE OF 157.90 FEET TO A CORPS OF ENGINEERS METAL FENCE CORNER POST STAMPED "JP-5L" FOUND FOR CORNER;

NORTH 33 DEGREES 19 MINUTES 52 SECONDS WEST, A DISTANCE OF 309.93 FEET TO A CORPS OF ENGINEERS METAL FENCE CORNER POST STAMPED "JP-5M" FOUND FOR CORNER;

SOUTH 66 DEGREES 04 MINUTES 16 SECONDS WEST, A DISTANCE OF 446.47 FEET TO A CORPS OF ENGINEERS METAL FENCE CORNER POST STAMPED "JP-5C" FOUND FOR CORNER;

NORTH 89 DEGREES 51 MINUTES 07 SECONDS WEST, A DISTANCE OF 730.16 FEET TO A CORPS OF ENGINEERS METAL FENCE CORNER POST STAMPED "JP-5D" FOUND FOR CORNER;

SOUTH 62 DEGREES 27 MINUTES 46 SECONDS WEST, A DISTANCE OF 369.89 FEET TO A CORPS OF ENGINEERS METAL FENCE CORNER POST STAMPED "JP-5E" FOUND FOR CORNER;

NORTH 30 DEGREES 01 MINUTES 04 SECONDS WEST, A DISTANCE OF 182.06 FEET TO A CORPS OF ENGINEERS METAL FENCE CORNER POST STAMPED "JP-SF" FOUND FOR CORNER;

NORTH 77 DEGREES 59 MINUTES 54 SECONDS WEST, A DISTANCE OF 203.73 FEET TO A CORPS OF ENGINEERS METAL FENCE CORNER POST STAMPED "JP-SG" FOUND FOR CORNER;

SOUTH 67 DEGREES 53 MINUTES 42 SECONDS WEST, A DISTANCE OF 253.97 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-809-2-3" FOUND FOR CORNER;

SOUTH 85 DEGREES 20 MINUTES 33 SECONDS WEST, A DISTANCE OF 1000.06 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-809-2-2" FOUND FOR CORNER;

SOUTH 60 DEGREES 03 MINUTES 52 SECONDS WEST, A DISTANCE OF 742.15 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-809-2-1" FOUND FOR CORNER;

THENCE NORTH 88 DEGREES 47 MINUTES 14 SECONDS WEST, A DISTANCE OF 900.19 FEET TO A 1/4 INCH ROD FOUND FOR A NORTHWEST CORNER OF A TRACT OF LAND CONVEYED TO ROBERT SPARKS BY DEED RECORDED IN VOLUME 820, PAGE 541, DEED RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 25 DEGREES 56 MINUTES 04 SECONDS WEST, ALONG THE WEST LINE OF AFORESAID ROBERT SPARKS TRACT, A DISTANCE OF 400.69 FEET TO A POINT FOR THE SOUTHWEST CORNER OF SAID ROBERT SPARKS TRACT AND THE BEING THE NORTHWEST CORNER OF THE SHORES AT LAKE LEWISVILLE AN ADDITION TO DENTON COUNTY, TEXAS BY PLAT RECORDED IN CABINET L, PAGE 386, PLAT RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 25 DEGREES 47 MINUTES 13 SECONDS WEST, ALONG THE WEST LINE OF AFORESAID THE SHORES AT LAKE LEWISVILLE, A DISTANCE OF 678.25 FEET TO A POINT FOR THE SOUTHWEST CORNER OF THE SAID SHORES AT LAKE LEWISVILLE AND BEING THE NORTHWEST CORNER OF A CALLED 2.4796 ACRE TRACT OF LAND CONVEYED TO ROBERT ERIC SEITZ AND WIFE, CHRISTY L. SEITZ BY DEED RECORDED IN COUNTY CLERK'S FILE NO. 2001-R0084339, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 26 DEGREES 32 MINUTES 44 SECONDS WEST, ALONG THE WEST LINE OF AFORESAID 2.4796 ACRE TRACT, A DISTANCE OF 163.19 FEET TO A 1 INCH IRON ROD FOUND FOR THE SOUTHWEST CORNER OF SAID 2.4796 ACRE TRACT AND BEING THE NORTHEAST CORNER OF A TRACT OF LAND CONVEYED TO CLIFFORD E. BURGERT AND WIFE, NORMA J. BURGERT BY DEED RECORDED IN VOLUME 603, PAGE 591, DEED RECORDS, DENTON COUNTY, TEXAS;

THENCE NORTH 53 DEGREES 24 MINUTES 02 SECONDS WEST, ALONG THE NORTHEAST LINE OF AFORESAID BURGERT TRACT, A DISTANCE OF 613.52 FEET TO A POINT FOR CORNER;

THENCE SOUTH 00 DEGREES 14 MINUTES 27 SECONDS WEST, ALONG THE WEST LINE OF AFORESAID BURGERT TRACT, A DISTANCE OF 1204.38 FEET TO A POINT FOR THE SOUTHWEST CORNER OF SAID BURGERT TRACT;

THENCE ALONG THE COMMON PROPERTY LINES OF AFORESAID 448.136 ACRE TRACT AND GARZA-LITTLE ELM RESERVOIR (LAKE LEWISVILLE) THE FOLLOWING COURSES AND DISTANCES:

SOUTH 88 DEGREES 47 MINUTES 31 SECONDS WEST, A DISTANCE OF 852.62 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "H-723-A" FOUND FOR CORNER;

SOUTH 01 DEGREES 35 MINUTES 41 SECONDS WEST, A DISTANCE OF 224.05 FEET TO A 1/4 INCH IRON ROD FOUND FOR CORNER;

SOUTH 41 DEGREES 04 MINUTES 06 SECONDS WEST, A DISTANCE OF 1034.72 FEET TO A 5/8 INCH IRON ROD FOUND FOR CORNER;

SOUTH 31 DEGREES 38 MINUTES 08 SECONDS EAST, A DISTANCE OF 43.78 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "H-725-6" FOUND FOR CORNER;

SOUTH 67 DEGREES 00 MINUTES 25 SECONDS WEST, A DISTANCE OF 399.76 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "H-725-5" FOUND FOR CORNER;

Exhibit A - Page 2

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NORTH 03 DEGREES 41 MINUTES 10 SECONDS EAST, A DISTANCE OF 799.90 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "H-725-4" FOUND FOR CORNER;

NORTH 54 DEGREES 21 MINUTES 53 SECONDS WEST, A DISTANCE OF 880.37 FEET TO A BROKEN CONCRETE MONUMENT WITH A BRASS DISC STAMPED "H-725-3" FOUND FOR CORNER;

NORTH 43 DEGREES 52 MINUTES 25 SECONDS EAST, PASSING AT A DISTANCE OF 470.45 FEET TO A BROKEN CONCRETE MONUMENT FOUND FOR WITNESS, CONTINUING A TOTAL DISTANCE OF 1470.92 FEET TO A POINT FOR CORNER;

NORTH 00 DEGREES 16 MINUTES 40 SECONDS EAST, A DISTANCE OF 841.00 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "H-725-1" FOUND CORNER;

SOUTH 89 DEGREES 24 MINUTES 13 SECONDS EAST, A DISTANCE OF 124.81 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-802-1" FOUND FOR CORNER;

NORTH 11 DEGREES 07 MINUTES 21 SECONDS EAST, A DISTANCE OF 189.76 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-802-1A" FOUND FOR CORNER;

NORTH 11 DEGREES 09 MINUTES 34 SECONDS EAST, A DISTANCE OF 1139.40 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-802-1B" FOUND FOR CORNER;

NORTH 11 DEGREES 07 MINUTES 01 SECONDS EAST, A DISTANCE OF 206.42 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-802-2" FOUND FOR CORNER;

SOUTH 67 DEGREES 02 MINUTES 47 SECONDS EAST, A DISTANCE OF 300.01 FEET TO A 1/4 INCH IRON ROD FOUND FOR CORNER;

NORTH 74 DEGREES 49 MINUTES 11 SECONDS EAST, A DISTANCE OF 490.87 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-807-1/1" FOUND FOR CORNER;

SOUTH 61 DEGREES 15 MINUTES 26 SECONDS EAST, A DISTANCE OF 373.27 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-807-1/2" FOUND FOR CORNER;

SOUTH 26 DEGREES 49 MINUTES 05 SECONDS EAST, A DISTANCE OF 699.90 FEET TO A 1/4 INCH IRON ROD FOUND FOR CORNER;

SOUTH 81 DEGREES 28 MINUTES 29 SECONDS EAST, A DISTANCE OF 666.26 FEET TO A POINT FOR CORNER;

NORTH 66 DEGREES 13 MINUTES 24 SECONDS EAST, A DISTANCE OF 1797.71 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-809-1/2" FOUND FOR CORNER;

NORTH 41 DEGREES 17 MINUTES 12 SECONDS EAST, A DISTANCE OF 667.01 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-809-1/3" FOUND FOR CORNER;

NORTH 31 DEGREES 23 MINUTES 34 SECONDS EAST, A DISTANCE OF 700.27 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-809-1/4" FOUND FOR CORNER;

NORTH 63 DEGREES 23 MINUTES 49 SECONDS EAST, A DISTANCE OF 273.07 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-840-1" FOUND FOR CORNER;

SOUTH 89 DEGREES 29 MINUTES 46 SECONDS EAST, A DISTANCE OF 229.83 FEET TO A POINT FOR CORNER;

NORTH 38 DEGREES 34 MINUTES 35 SECONDS EAST, A DISTANCE OF 1360.52 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-812-1" FOUND FOR CORNER;

NORTH 80 DEGREES 39 MINUTES 19 SECONDS EAST, A DISTANCE OF 243.94 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-812-3" FOUND FOR CORNER;

NORTH 59 DEGREES 22 MINUTES 33 SECONDS EAST, A DISTANCE OF 168.45 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-812-4" FOUND FOR CORNER;

NORTH 44 DEGREES 29 MINUTES 05 SECONDS EAST, A DISTANCE OF 399.34 FEET TO A 1/4 INCH IRON ROD FOUND FOR CORNER;

NORTH 28 DEGREES 23 MINUTES 26 SECONDS EAST, A DISTANCE OF 199.91 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-812-6" FOUND FOR CORNER;

NORTH 49 DEGREES 33 MINUTES 37 SECONDS EAST, A DISTANCE OF 500.13 FEET TO A CORPS OF ENGINEERS CONCRETE MONUMENT WITH A BRASS DISC STAMPED "J-812-7" FOUND FOR CORNER;

NORTH 77 DEGREES 57 MINUTES 14 SECONDS EAST, A DISTANCE OF 439.11 FEET TO THE POINT OF BEGINNING, AND CONTAINING 448.005 ACRES OF LAND, MORE OR LESS.

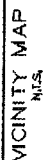


EXHIBIT B
BOUNDARY MAP FOR
VALENCIA ON THE LAKE
TOWN OF LITTLE FLM E.T.J.
DENTON COUNTY, TEXAS

PETTIT BARRAZA
ENGINEERING PLANNING SURVEYING
2847 CH. HOLYTRISTON AVE. #300
DALLAS, TEXAS 75235

Year	Number of Applications	Number of Admissions
1970	1,400	1,400
1971	1,400	1,400
1972	1,400	1,400
1973	1,400	1,400
1974	1,400	1,400
1975	1,400	1,400
1976	1,400	1,400
1977	1,400	1,400
1978	1,400	1,400
1979	1,400	1,400
1980	1,400	1,400
1981	1,400	1,400
1982	1,400	1,400
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1984	1,400	1,400
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2003	1,400	1,400
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2068	1,400	1,400
2069	1,400	1,400
2070	1,400	1,400
2071	1,400	1,400
2072	1,400	1,400
2073	1,400	

212-54-5

DATE: FEBRUARY 1961

20-15-00 0202