

TERM SHEET
TRAVIS COUNTY, TEXAS
WILDHORSE RANCH PUBLIC IMPROVEMENT DISTRICT
8/5/16

The following limitations and performance standards shall apply to the Wildhorse Ranch Public Improvement District ("the PID") as agreed to by Titan Capital Investment Group, LLC and its affiliates (collectively, "Titan"), and Travis County, Texas ("the County") in connection with the development of the proposed Wildhorse Ranch mixed-use master planned community ("the Project"):

COMMUNITY BENEFITS

1. **Generate Primary Employment** – The mixed use nature of the Project is expected to include more than 1,500,000 square feet of commercial and office space offering significant long-term, full-time employment opportunities.
2. **Promote Affordable Housing for Persons of Low to Moderate Income** – With over 4,300 residential units to be developed throughout the Project, Titan will provide a broad range of housing choices that will be attractive to a wide spectrum of income levels, including single family attached and detached housing for moderate income families (100%-200% MFI) and multiunit rental housing for low to moderate income families (100% MFI or below) and to work closely with the Travis County Affordable Housing Policy Committee to agree upon specific numbers of units, mix of units, income levels, and phasing. Titan will convey requirements to builders to comply with affirmative marketing practices and data collection which will be updated annually, as directed by the County. The parcel(s) of land for affordable multi-family housing development will be those determined by the parties as those most advantageous for identified affordability tools such as tax credits.
3. **Advance Approved Master Plans** – The Project furthers the Travis County Land, Water & Transportation Plan, Imagine Austin, and the Draft Austin Strategic Housing Plan.
4. **Create or Enhance Parks, Hike and Bike Trails, Recreational Facilities, Open Space** – The Project will construct improved playgrounds and playscapes along public roadways and trails that provide all-age and all-accessible public land uses, such as multi-use play fields for activities such as soccer, softball, baseball, basketball and lacrosse, as well as additional public recreational facilities such as swim centers. The project will also construct public hike and bike trails and dedicate land to the county for open space.
5. **Promote Multi-Modal Transportation Options** - The Project includes planned connections to Capital Metro routes, including the construction of joint use facilities on Titan's donation of at least 5 acres for such use. This donation will ensure an efficient transportation network while the extensive planned public trail network will provide

alternative transportation options such as bicycles and mass transit for residents and employees to move around Wildhorse Ranch and the greater community. Titan will also work with the County, the City and Capital Metro to identify additional improvements that will enhance Multi-Modal Transportation Options but will not require amendments to the existing PUD for the Project.

6. **Promote Public Education Programs and Facilities** – The planned construction of two schools within the Project’s boundaries will expand the educational options for the area and stimulate creative public uses of school facilities after hours. The Project includes the donation of land to Manor ISD for the schools.
7. **Provide Improvements to the County Public Roadway Network** – The Project will allow the construction of the Wildhorse Connector Phase 1 early in the development of the Wildhorse PID, meeting a long-term need for east/west connectivity in the eastern portion of the County. In addition, the major arterials within the development will be built to meet the requirements of Capital Metro buses.
8. **Better Builder Program** - Titan has committed to work in good faith to implement better builder program requirements for the public improvements funded by the PID bonds, including worker safety, fair wages and other related issues for the Wildhorse project. In addition, Titan will exceed those standards by implementing better builder program requirements to include the privately funded horizontal construction (roads, utilities) within the PID.

SUPERIOR URBAN DESIGN

The Project will provide superior urban design features that promote multimodal transportation, mixed income housing, and mixed-use development that creates a sense of place and raises the opportunity of the area for residents of Wildhorse Ranch and its neighbors.

PUBLIC IMPROVEMENTS

The public improvements to be funded by the PID revenue bonds, which will not exceed \$65 million over several issuances includes:

1. One-third share of the cost of the Wildhorse Connector Road plus the costs of other public roadway improvements
2. The costs of the Austin to Manor Trail for which the benefits can be allocated to the Project
3. The costs of the proposed Gilleland Creek Trail for which the benefits can be allocated to the Project
4. The cost of other public trails and parks, and 1-3 public amenity centers including features such as swimming pools or splash pads in the Project
5. Water and wastewater infrastructure that is not otherwise reimbursed by the City
6. Water quality/stormwater detention infrastructure

FINANCING CRITERIA

1. Maximum Authorized Improvements (including hard costs, soft costs, contingencies, and a construction management fee but excluding costs of PID formation and PID bond costs of issuance) for the PID over several issuances: \$65,000,000
2. Maximum equivalent tax rate per \$100 of build out assessed value for PID annual installments: \$0.35

MISCELLANEOUS

1. A Service and Assessment Plan for the District must be approved by Travis County before bonds can be approved and issued by the Travis County Development Authority for the District.
2. It is agreed that the cost for the construction of the planned Wildhorse Connector Road ("the Connector") will be funded one-third by the PID funds allocable to Titan, one-third by the County using 2011 Voter Authorized Bonds and one-third by the City of Austin ("the City"). Titan and the County will work together to assist the City in identifying available financing mechanisms for the City's share of the costs for the Connector.
3. No General Obligation or Certificate of Obligation bonds will be utilized by the County to fund the PID projects except as described in #2 above.
4. The PID Bond Indenture will contain language precluding the County from making any debt service payments for the PID Bonds other than from available special assessment revenues.
5. Titan, its assignees, and the County agree that all proposed future PID bond issues, if any, will be subject to approval by the County Commissioners Court but that the terms outlined here will apply.
6. Bond terms will be negotiated at the time of issue based on current market conditions.
7. It is agreed that the improvements to be funded by the PID are limited to those defined as Authorized Improvements under Texas Local Government Code Section 372.003:
 - a) Streets and sidewalks;
 - b) Public safety and security services;
 - c) Water, wastewater, health and sanitation, and drainage facilities
 - d) Acquisition of rights of way;
 - e) Art;

- f) Creation of pedestrian malls;
 - g) Erection of fountains, lighting, and signs;
 - h) Landscaping and other aesthetics;
 - i) Library facilities;
 - j) Mass transit;
 - k) Park, recreation and cultural facilities;
 - l) Parking facilities; and
 - m) Affordable housing.
8. It is agreed that the improvements to be funded by the PID may be limited further beyond that allowed under #6 above to those specifically included in the PID agreements.
9. Special assessments on any given portion of the property may be adjusted in connection with subsequent bond issues as long as the maximum annual assessment rate is not exceeded, and the special assessments are determined in accordance with the Service and Assessment Plan. Special assessments on any portion of the property will bear a direct proportionate relationship to the special benefit of the public improvements to that improvement area.
10. The PID will be responsible for payment of all of the County's and Travis County Development Authority's reasonable and customary costs and expenses.
11. It is agreed that all principal landowners will provide any required continuing disclosure obligations associated with the issuance of PID Bonds as required under the Bond Indenture or any other regulatory agreement or regulatory agency.
12. This term sheet shall remain in place until such time and date that a Final Financing Agreement is executed by the County, Titan and/or their assignees.