

**MOSAIC DISTRICT
COMMUNITY DEVELOPMENT AUTHORITY
(FAIRFAX COUNTY, VIRGINIA)**

**PRELIMINARY
REPORT ON THE COLLECTION OF THE ANNUAL PAYMENT
AND UPDATE OF THE SPECIAL ASSESSMENT ROLL
FOR ASSESSMENT YEAR 2026-2027**

February 16, 2026

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

**Mosaic District
Community Development Authority**

**Preliminary
Report on the Collection of the Annual Payment
and Update of the Special Assessment Roll
For Assessment Year 2026-2027**

INTRODUCTION

The Mosaic District Community Development Authority (the “CDA”) and the Mosaic District Community Development Authority district (the “CDA District”) were established pursuant to the ordinance adopted by the Fairfax County Board of Supervisors (the “Board of Supervisors”) on April 27, 2009, as amended by the ordinance dated April 27, 2010 (as amended, the “Ordinance”). At the request of the CDA, the Board of Supervisors has adopted the Rate and Method of Apportionment of Special Assessments (the “Rate and Method”) imposing special assessments on certain parcels of real property within the CDA District and providing for their collection by Fairfax County (the “County”) for use in paying the expenses of the CDA such as administrative expenses and debt service on the bonds.

The CDA issued the \$46,980,000 Revenue Bonds, Series 2011A and \$18,670,000 Revenue Bonds, Taxable Series 2011A-T (collectively, the “Series 2011 Bonds”) to finance the costs of improvements for the CDA District, which consisted of the construction of public roads and streetscaping, parks and open space, stormwater system improvements and other utility infrastructure, improvements to the Luther Jackson Middle School, and the construction of retail parking facilities available to the general public. On December 3, 2020, the CDA issued the \$37,765,000 Revenue Refunding Bonds, Series 2020A and the \$17,885,000 Revenue Refunding Bonds, Taxable Series 2020A-T (collectively, the “Series 2020 Bonds”) to defease the outstanding Series 2011 Bonds.

Pursuant to the Rate and Method, the special assessment is comprised of the Special Assessment Part A and the Special Assessment Part B. The Special Assessment Part A represents the portion of the special assessment pledged to repay the Series 2020 Bonds (the “Special Assessment Part A”). The Special Assessment Part A is payable annually as the Annual Installment Part A. The Special Assessment Part B represents the portion of the special assessment pledged to repay the Series 2011B Bonds had they been issued (the “Special Assessment Part B” and, together with the Special Assessment Part A, the “Special Assessment”). The Special Assessment Part B has been discharged. As such, no Annual Installment Part B is payable, and no Annual Payment Part B will be collected from parcels of assessed property in the CDA District in the current or any future assessment year.

Pursuant to the Rate and Method, the Special Assessment Part A is payable annually as the Annual Installment Part A. However, tax increment revenues may be available to apply to the repayment of the Series 2020 Bonds. As a result, it may not be necessary to collect the full amount of the Annual Installment Part A. The portion of the Annual Installment Part A required to be collected

each assessment year to repay the Series 2020 Bonds and to pay administrative expenses is the Annual Payment Part A.

This report explains the methodology used to calculate the Annual Payments Part A to be collected from parcels in the CDA District and to update the Special Assessment Roll for the 2026-2027 Assessment Year. The County has not yet adopted the real property tax rate for the 2026 tax year. As a result, this report is to be updated to the extent needed once the County has adopted the real property tax rate for the 2026 tax year.

Pursuant to the Rate and Method, the Board of Directors of the CDA shall update the Special Assessment Roll each assessment year to reflect:

- (i) The current parcels in the CDA District; (ii) the Special Assessments Part A and Part B allocated to each parcel, including any adjustments to the Special Assessments Part A and Part B; (iii) the Principal Portion of the Special Assessments Part A and Part B for each parcel; (iv) the Annual Installment Part A and Part B for each parcel for the assessment year; (v) the Annual Payment Part A and Part B for each parcel for the assessment year; (vi) prepayments of the Special Assessments Part A and Part B; (vii) termination of the collection of the Special Assessments Part A and Part B; and (viii) any other information helpful to the collection of the Special Assessments Part A and Part B.

The updated Special Assessment Roll is attached hereto as Appendices A-1 and A-2. Updates to the Special Assessment Roll are described herein.

The Special Assessment Roll identifies the Special Assessment Part A, the Annual Installment Part A and the Annual Payment Part A to be collected for the 2026-2027 Assessment Year. The estimated tax increment revenues (County Advanced Revenues), investment income earned on the Debt Service Reserve Fund in excess of the Debt Service Reserve Requirement, and the available balance of the Interest Account and the Revenue Fund will exceed annual debt service on the Series 2020 Bonds and administrative expenses for 2026-2027 Assessment Year. As a result, no Annual Payment Part A is to be collected on the assessed property within the CDA District for the 2026-2027 Assessment Year.

As mentioned previously, the Special Assessment Part B has been discharged. Accordingly, the balance of this report will not discuss the Annual Payment Part B.

Commencing with the Annual Payment to be collected in the 2011-2012 Assessment Year and for each following assessment year, the Administrator shall calculate and the CDA Board of Directors shall confirm the Annual Payment of the Special Assessments to be collected from each parcel. Accordingly, the Board of Directors is to approve the updated Special Assessment Roll, attached hereto as Appendices A-1 and A-2, and notify the Board of Supervisors that no Annual Payments are to be collected for the 2026-2027 Assessment Year.

TRUSTEE ACCOUNTS

The trustee for the Series 2020 Bonds is The Bank of New York Mellon Trust Company, N. A. (the “Trustee”). Table A below shows the fund and account balances as of December 31, 2024, disbursements, additional proceeds, transfers, investment income, and balances as of December 31, 2025.

Table A
Account Activity¹

Fund/Account	Account Balance as of 12/31/2024	Disbursements	Additional Proceeds	Transfers	Investment Income	Account Balance as of 12/31/25
Interest Account	\$263,627	\$1,592,747	\$0	\$1,422,471	\$13,441	\$106,792
Principal Account	\$39,037	\$3,235,000	\$0	\$3,235,001	\$1,670	\$40,707
Administrative Expense Fund	\$0	\$56,964	\$0	\$56,964	\$0	\$0
Revenue Fund	\$2,018,761	\$0	\$4,880,248	(\$4,427,924)	\$65,379	\$2,536,463
Delinquent Payments Fund	\$0	\$0	\$0	\$0	\$0	\$0
Rebate Account ³	\$0	\$0	\$0	\$67,080	\$2,321	\$69,401
Surplus Account	\$2,728,780	\$0	\$0	\$0	\$115,296	\$2,844,076
Debt Service Reserve Fund	\$5,096,498	\$0	\$0	(\$353,592)	\$208,939	\$4,951,846
2020A Bond Fund	\$0	\$0	\$0	\$0	\$0	\$0
2020A Net Proceeds Account	\$0	\$0	\$0	\$0	\$0	\$0
2020A Project Fund	\$0	\$0	\$0	\$0	\$0	\$0
2020A Redemption Account	\$0	\$0	\$0	\$0	\$0	\$0
2020A Taxable Bond Project Account ²	\$1	\$0	\$0	(\$1)	\$0	\$0
2020A Tax Exempt Bond Project Account	\$0	\$0	\$0	\$0	\$0	\$0
2020A Optional Redemption Subaccount	\$0	\$0	\$0	\$0	\$0	\$0
2020A Prepayment Subaccount	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$10,146,704	\$4,884,712	\$4,880,248	\$0	\$407,046	\$10,549,285

¹Amounts are shown rounded to the nearest dollar; however, calculations use unrounded dollar amounts before the totals are rounded to the nearest dollar.

²Account was closed as of September 2025.

³The CDA is subject to arbitrage rebate calculations on an annual basis, culminating every five year period with an amount to release to the IRS for said period. In 2025, \$67,080 was recommended to be transferred from the Debt Service Reserve Fund to the Rebate Account representing the fiscal year 2024 rebatable liability.

Interest Account:

- Disbursements from the Interest Account represent the payments of interest on the Series 2020A and Series 2020A-T Bonds.
- Transfers to the Interest Account represent County Advanced Revenues (tax increment revenues) transferred from the Revenue Fund and investment income in excess of the Debt

Service Reserve Requirement transferred from the Debt Service Reserve Fund.

Principal Account:

- The disbursement from the Principal Account represents the payment of principal due on the Series 2020 Bonds.
- Transfers to the Principal Account represent County Advanced Revenues (tax increment revenues) transferred from the Revenue Fund and the residual balance of the 2020A Taxable Bond Project Account per Section 6.3 of the Supplemental Indenture.

Administrative Expense Fund:

- Disbursements from the Administrative Expense Fund represent payments of administrative expenses.
- Transfers to the Administrative Expense Fund represent County Advanced Revenues (tax increment revenues) transferred from the Revenue Fund and a transfer of excess investment income from the Debt Service Reserve Fund for the eventual transfer to the Rebate Account per the 2024 rebatable arbitrage liability.
- The transfer from the Administrative Expense Fund represents the transfer of cumulative rebatable arbitrage liability to the Rebate Account per the 2024 arbitrage rebate calculation.

Revenue Fund:

- Additional proceeds to the Revenue Fund represent the receipt of County Advanced Revenues (tax increment revenues) which were appropriated by the Board of Supervisors and paid to the Trustee at the request of the CDA in accordance with the Amended and Restated Memorandum of Understanding (the “Memorandum of Understanding”).
- Transfers from the Revenue Fund represent transfers of County Advanced Revenues (tax increment revenues) to the Interest Account, Principal Account, and the Administrative Expense Fund.

Rebate Account

- The transfer to the Rebate Account represents a transfer from the Administrative Expense Fund for the 2024 cumulative rebatable arbitrage liability.

Debt Service Reserve Fund:

- The transfer from the Debt Service Reserve Fund represents a transfer of investment income in excess of the Debt Service Reserve Requirement to the Interest Account and to the Administrative Expense Account to cover the 2024 arbitrage rebate liability.

2020A Project Fund

- The transfer from the 2020A Project Fund represents the transfer of the balance of the 2020A Project Fund to the Principal Account per Section 6.3 of the Supplemental Indenture. This account was closed by the trustee in October 2025.

ANNUAL BUDGET – 2026 -2027 ASSESSMENT YEAR

A summary of the excess revenues over expenditures for the CDA for the 2026-2027 Assessment Year is provided in Table B on the following page. As more fully described herein, aggregate revenues and available funds are estimated to be equal to \$9,379,346 while the total expenditures are estimated to be equal to \$5,065,032. As a result, it is estimated that revenues will exceed expenses by \$4,314,314 ($\$9,379,346 - \$5,065,032 = \$4,314,314$) for the 2026-2027 Assessment Year. The amounts in the tables below are shown rounded to the nearest dollar; however, the cumulative calculations use unrounded amounts prior to rounding.

Table B
Mosaic District CDA Annual Budget

Revenues:	
Estimated County Advanced Revenues	\$8,343,783
Available balance of the Surplus Fund as of December 31, 2025	\$0
Estimated annual Debt Service Reserve Fund investment income	\$0
Surplus from prior year	\$1,035,563
Total revenues	\$9,379,346
Expenditures:	
Debt service:	
Series 2020A Bonds:	
Interest payment due on September 1, 2026	\$556,200
Interest payment due on March 1, 2027	\$556,200
Principal payment due on March 1, 2027	\$2,315,000
<i>Subtotal Series 2020A Bonds debt service</i>	<i>\$3,427,400</i>
Series 2020A-T Bonds:	
Interest payment due on September 1, 2026	\$160,659
Interest payment due on March 1, 2027	\$160,659
Principal payment due on March 1, 2027	\$1,130,000
<i>Subtotal Series 2020A-T Bonds debt service</i>	<i>\$1,451,317</i>
<i>Subtotal debt service</i>	<i>\$4,878,717</i>
Estimated administrative expenses	\$87,000
Contingency	\$99,314
Total expenditures	\$5,065,032
Excess of revenues over expenditures	\$4,314,314

The calculation of the amounts shown in Table B above are explained in detail in the section of the report entitled Annual Revenue Requirement Part A.

ANNUAL INSTALLMENT PART A

As mentioned previously, the Annual Installment Part A is the portion of the Special Assessment Part A set forth in the Special Assessment Roll Part A that may be collected each assessment year from all of the parcels of assessed property in the CDA District. The Annual Installment Part A imposed for collection in the 2026-2027 Assessment Year is equal to \$5,243,064 as shown in the updated Special Assessment Roll, attached hereto as Appendix A-1.

The Annual Installment Part A for each parcel is the portion of the Special Assessment Part A set forth in the Special Assessment Roll A that may be collected each assessment year from each parcel of assessed property in the CDA District. The Annual Installment Part A imposed for collection in the 2026-2027 Assessment Year for each of the parcels in the CDA District is shown in the updated Special Assessment Roll A, attached hereto as Appendix A-2.

The amount of the Annual Installment Part A for each parcel to be collected each year is the Annual Payment Part A.

ANNUAL PAYMENT PART A

The Annual Payment Part A shall be paid each year for any parcel for which the Special Assessment Part A has not been paid in full in an amount equal to lesser of (i) the Annual Installment Part A for the parcel and (ii) an amount calculated pursuant to the following formula:

$$a = b \times (c \div d)$$

Where the terms have the following meanings:

- a = the Annual Payment Part A for a parcel;
- b = the Annual Revenue Requirement Part A for the assessment year for which the Annual Payment Part A is being calculated;
- c = the Adjusted Annual Installment Part A for the parcel; and
- d = the Adjusted Annual Installment Part A for all of the parcels in the CDA District.

Annual Revenue Requirement Part A

Pursuant to the Rate and Method, the Annual Payment Part A is to be collected from each parcel of assessed property within the CDA District (except those parcels for which the Principal Portion of the Special Assessment Part A has been prepaid) each assessment year in a total amount equal to the Annual Revenue Requirement Part A.

The Rate and Method defines the Annual Revenue Requirement Part A as:

for any assessment year, the sum of: (i) debt service on the tax revenue bonds; (ii) periodic costs associated with the tax revenue bonds, including but not limited to, rebate payments and credit enhancement on the tax revenue bonds; (iii) administrative expenses; and (iv) a contingency as determined reasonable by the board of directors; less (v) tax increment revenues to be made available to the Authority by the County as provided for in the Memorandum of Understanding,

whether or not appropriated by the Board of Supervisors for such purposes; (vi) any credits to be applied under the bond indenture, such as capitalized interest or interest earnings on any account balances; and (vii) any other funds available to the Authority that may be applied to the Annual Revenue Requirement Part A.

The calculation of the Annual Revenue Requirement Part A is summarized in Table C on the following page. As shown in Table C, the estimated tax increment revenues (County Advanced Revenues) and available fund balances will exceed annual debt service on the Series 2020 Bonds and administrative expenses for the 2026-2027 Assessment Year. As a result, no Annual Payment Part A is to be collected on the assessed property within the CDA District for the 2026-2027 Assessment Year.

Table C
Summary of the Annual Revenue Requirement Part A

Expenses:	
Debt service:	
Series 2020A Bonds	
Interest payment due on September 1, 2026	\$556,200
Interest payment due on March 1, 2027	\$556,200
Principal payment due on March 1, 2027	\$2,315,000
<i>Subtotal Series 2020A Bonds debt service</i>	<i>\$3,427,400</i>
Series 2020A-T- Bonds	
Interest payment due on September 1, 2026	\$160,659
Interest payment due on March 1, 2027	\$160,659
Principal payment due on March 1, 2027	\$1,130,000
<i>Subtotal Series 2020A-T Bonds debt service</i>	<i>\$1,451,317</i>
<i>Subtotal debt service due on the Series 2020 Bonds</i>	<i>\$4,878,717</i>
Periodic costs associated with the Series 2020A Bonds	\$0
Estimated administrative expenses	\$87,000
Contingency	\$99,314
Total expenses	\$5,065,032
Available Funds:	
Estimated County Advanced Revenues	\$8,343,783
Available balance of the Surplus Fund	\$0
Estimated annual Debt Service Reserve Fund investment income	\$0
Surplus from prior year	\$1,035,563
Total available funds	\$9,379,346
Annual Revenue Requirement Part A	\$0

Debt Service

Debt service includes interest payments on the Series 2020A Bonds due on September 1, 2026, and March 1, 2027. Interest payments due on September 1, 2026, and March 1, 2027, in the amount of \$556,200 represent six months of interest on the \$27,810,000 outstanding Series 2020A Bonds. There is a principal payment due on the Series 2020A Bonds on March 1, 2027, in the amount of \$2,315,000. As a result, total debt service due on the Series 2020A Bonds is equal to \$3,427,400 ($\$556,200 + \$556,200 + \$2,315,000 = \$3,427,400$).

Debt service also includes interest payments on the Series 2020A-T Bonds due on September 1, 2026, and March 1, 2027. Interest payments due on September 1, 2026, and March 1, 2027, in the amount of \$160,659 represent six months of interest on the \$12,560,000 outstanding Series 2020A-T Bonds. There is a principal payment due on the Series 2020A-T Bonds on March 1, 2027, in the amount of \$1,130,000. As a result, total debt service due on the Series 2020A-T Bonds is equal to \$1,451,317 ($\$160,659 + \$160,659 + \$1,130,000 = \$1,451,317$).

As outlined above, total debt service to be paid on the Series 2020A Bonds for Assessment Year 2026-2027 is equal to \$3,427,400. Total debt service to be paid on the Series 2020A-T Bonds for Assessment Year 2026-2027 is equal to \$1,451,317. Accordingly, aggregate debt service due on the Series 2020 Bonds is equal to \$4,878,717 ($\$3,427,400 + \$1,451,317 = \$4,878,717$).

Periodic Costs Associated with the Series 2020 Bonds

The Annual Revenue Requirement Part A includes the periodic costs associated with the Series 2020A Bonds. There are no rebate payments, credit enhancement charges or other periodic costs anticipated to be due on the Series 2020 Bonds for the 2026-2027 Assessment Year.

Administrative Expenses

The estimated administrative expenses for Assessment Year 2026-2027 are shown in Table D below. As shown in Table D, administrative expenses for the 2026-2027 Assessment Year are equal to \$87,000.

Table D
Estimated Administrative Expenses

Trustee	\$3,000
CDA counsel	\$10,000
Administrator	\$38,000
Auditor	\$10,000
Contingency	\$26,000
Estimated administrative expenses (Assessment Year 2026-2027)	\$87,000

Contingency

A contingency, equal to 2.0% of annual expenses, equal to \$99,314, has been included in the Annual Revenue Requirement Part A for the 2026-2027 Assessment Year.

Estimated County Advanced Revenues

County Advanced Revenues are to be deposited into the Tax Increment Fund by the County and available to the CDA to repay the Series 2020 Bonds as provided for in the Memorandum of Understanding. The Memorandum of Understanding defines County Advanced Revenues as an amount equal to that portion of the real estate taxes on property within the CDA District that is attributable to the increased value between the current assessed value of each parcel and the base assessed value of such parcel, which the Board of Supervisors has agreed to pay to the CDA pursuant to the Memorandum of Understanding.

According to the Memorandum of Understanding, the January 1, 2007, base year aggregate assessed value of the property within the CDA District was equal to \$38,271,740. According to the Rate and Method, for purposes of calculating County Advanced Revenues for each parcel, the base year value shall be allocated to each parcel on the basis of the current assessed value of such parcel. The Real Estate Division of the County reports that the 2026 aggregate assessed value of the CDA District is equal to \$781,593,140. As shown in Table E below, the incremental assessed value is, therefore, equal to \$743,321,400 ($\$781,593,140 - \$38,271,740 = \$743,321,400$).

Table E
Estimated Tax Increment Revenues

2026 aggregate assessed value	\$781,593,140
Less: base year aggregate assessed value	\$38,271,740
<i>Subtotal incremental assessed value</i>	\$743,321,400
Estimated real property tax rate per \$100 of assessed value ¹	\$1.123
Estimated County Advanced Revenues for 2026 - 2027	\$8,343,783

¹The real property tax rate represents an estimate of the real property tax rate for tax year 2026. The above calculation will be updated to the extent needed once the tax year 2026 tax rate is finalized.

According to the Real Estate Division of the County, the real estate tax rate for the 2026 tax year has not yet been finalized. For purposes of preparing the preliminary Annual Assessment Report for the 2026-2027 Assessment Year, a real estate tax rate of \$1.123 per \$100 of assessed value has been used to estimate County Advanced Revenues for the 2026 tax year. This represents a slight decrease from the 2025 real estate tax rate of \$1.125 per \$100 of assessed value. Accordingly, and as shown above in Table E, based on the incremental assessed value in the CDA District and the real property tax rate, County Advanced Revenues are estimated to be equal to \$8,343,783 for the 2026-2027 Assessment Year, from which amount the County expects to pay County Advanced Revenues as needed to make the debt service payments. The aggregate estimated County Advanced Revenues for each parcel and in total are shown in Exhibit A, attached hereto.

Surplus Fund

Pursuant to Section 5(j)(3) of the Memorandum of Understanding and Section 7.1 of the Trust Indenture, a Surplus Fund was established for use in the event that funds are needed to pay debt service on the Series 2020 Bonds or a reimbursement is required pursuant to the Memorandum of Understanding. To fund the Surplus Fund, the Memorandum of Understanding requires that if the County Advanced Revenues available to the CDA exceed the portion of the Annual Installment Part A for such calendar year, such excess shall be deemed surplus (the “Surplus”). Any Surplus shall be deposited to the Surplus Fund to the extent needed to meet the required maximum funding limit for the Surplus Fund at such time. In the event that County Advanced Revenues in any year are less than amounts needed to pay debt service on the Series 2020 Bonds, funds may be withdrawn from the Surplus Fund for payment of debt service on the Series 2020 Bonds.

Pursuant to Section 5(j)(3) of the Memorandum of Understanding, any Surplus shall be deposited to the Surplus Fund unless the sum of the funds on deposit in the Surplus Fund, plus County Advanced Revenues projected to be available for debt service on the Series 2020 Bonds in the current year (the “Surplus Fund Coverage Ratio”), is at least equal to 1.5 times debt service on the Series 2020 Bonds. If the Surplus Fund Coverage Ratio for any year exceeds the required coverage ratio of 1.5 times debt service, the County shall not be required to deposit any Surplus in the Surplus Fund during that year.

As outlined in Table C, the aggregate debt service due on the Series 2020 Bonds for Assessment Year 2026-2027 is equal to \$4,878,717. As of December 31, 2025, the balance of the Surplus Fund was equal to \$2,844,076. The County Advanced Revenues are estimated to be equal to \$8,343,783 for Assessment Year 2026-2027. Accordingly, the sum of the available revenues is equal to \$11,187,859 ($\$2,844,076 + \$8,343,783 = \$11,187,859$). As shown in Table F below, this results in a Surplus Fund Coverage Ratio of 2.29x ($\$11,187,859 \div \$4,878,717 = 2.29x$) for the 2026-2027 Assessment Year. As a result, no deposit to the Surplus Fund is required pursuant to the Memorandum of Understanding. Instead, the Assessment Year 2026-2027 Surplus will be retained by the County.

Table F
Surplus Fund Coverage Ratio

Tax Revenue Bonds Debt Service:	
Series 2020A Bonds:	
Interest payment due on September 1, 2026	\$556,200
Interest payment due on March 1, 2027	\$556,200
Principal payment due on March 1, 2027	\$2,315,000
<i>Subtotal Series 2020A Bonds debt service</i>	<i>\$3,427,400</i>
Series 2020A-T Bonds:	
Interest payment due on September 1, 2026	\$160,659
Interest payment due on March 1, 2027	\$160,659
Principal payment due on March 1, 2027	\$1,130,000
<i>Subtotal Series 2020A-T Bonds debt service</i>	<i>\$1,451,317</i>
Total debt service	\$4,878,717
Available Funds:	
Balance of the Surplus Fund as of December 31, 2025	\$2,844,076
Estimated Tax Increment Revenues for Assessment Year 2026-2027	\$8,343,783
Total available funds	\$11,187,859
Surplus Fund Coverage Ratio	2.29x

Pursuant to Section 7.7 of the First Supplemental Indenture, at the written request of the CDA, the Trustee shall transfer to the County all or any portion of the amount on deposit in the Surplus Fund in excess of the amount necessary to be on deposit in the Surplus Fund. Such excess shall be equal to (A) the sum of (i) the funds on deposit in the Surplus Fund, plus (ii) the County Advanced Revenues projected to be available for debt service on the Series 2020 Bonds in such current year less (B) an amount equal to 1.5 times debt service on the Series 2020 Bonds in the then current year (“Calculation A”). Table G on the following page shows the calculation of the portion of the Surplus Fund available to be transferred to the County.

As shown in Table F, the debt service due on the Series 2020 Bonds for Assessment Year 2026-2027 is equal to \$4,878,717. As a result, funds in the amount of \$7,318,076 ($\$4,878,717 \times 1.5x = \$7,318,076$) are required to satisfy Calculation A. The sum of the funds on deposit in the Surplus Fund and the estimated County Advanced Revenues is equal to \$11,187,859 for Assessment Year 2026-2027. As a result, show in Table G, funds in the amount of \$3,869,783 ($\$11,187,859 - \$7,318,076 = \$3,869,783$) would be available for release under Calculation A.

The First Supplemental Indenture stipulates that no transfer from the Surplus Fund shall result in the remaining balance of the Surplus Fund, immediately after such transfer, being less than one-half of the scheduled principal and interest due on the Series 2020 Bonds in the following one-year period (“Calculation B”). The CDA has elected to base the calculation of Calculation B on the maximum annual debt service due on the Series 2020 Bonds rather than the debt service due for Assessment Year 2026-2027. The maximum annual debt service on the Series 2020 Bonds is equal to \$4,884,821. As a result, the amount required to be retained in the Surplus Fund is

\$2,442,411. As mentioned previously, the balance of the Surplus Fund is equal to \$2,884,076. Accordingly, funds in the amount of \$401,666 are available for release under Calculation B.

In accordance with the methodology in the First Supplemental Indenture, the portion of the Surplus Fund balance available for release to the County is equal to the lesser of the amounts calculated in Calculation A and Calculation B. As a result, as shown in Table G on the following page, the portion of the Surplus Fund balance available to be remitted to the County is equal to \$401,666.

Table G
Surplus Fund Release Amount

Test A - 150% Coverage with County Advanced Revenues and Surplus Fund Balance:	
Available Funds:	
Balance of the Surplus Fund as of December 31, 2025	\$2,844,076
Estimated Tax Increment Revenues for Assessment Year 2026-2027	\$8,343,783
<i>Total available funds</i>	<i>\$11,187,859</i>
Required Balance:	
Debt service due on the Series 2020 Bonds for Assessment Year 2026-2027	\$4,878,717
Coverage requirement	1.5x
<i>Required balance</i>	<i>\$7,318,076</i>
Surplus Fund release amount - Test A	\$3,869,783
Test B - 50% Coverage with Surplus Fund Balance:	
Balance of the Surplus Fund as of December 31, 2025	\$2,844,076
Required Balance:	
Maximum annual debt service on the Series 2020 Bonds	\$4,884,821
Portion of the maximum annual debt service required to be retained	50%
<i>Required balance</i>	<i>\$2,442,411</i>
Surplus Fund release amount - Test B	\$401,666
Surplus Fund release (lesser of Test A and Test B)	\$401,666

Pursuant to Section 5(j)(3) of the Memorandum of Understanding, any amounts remaining on deposit in the Surplus Fund after the Series 2020 Bonds have been repaid in full shall be transferred to the general fund of the County and shall be credited towards the reimbursement amount. Provided, however, that if, prior to two years following stabilization, any portion of the Annual Installment for a given calendar year was collected by the County from the Developer, the Surplus shall be used to reimburse the Developer for that portion of the Annual Installment applicable to the CDA’s bonds for such calendar year that was collected from the Developer by the County in accordance to the Rate and Method. No Annual Installment has been collected from parcels owned by the Developer since the issuance of such CDA bonds. As such, no reimbursement is required at this time.

Debt Service Reserve Fund Investment Income

Pursuant to the Trust Indenture, the Debt Service Reserve Requirement is an amount equal to the least of (i) the maximum principal and interest due on the bonds in the current or any future fiscal year, (ii) 10.0% of the original stated principal amount of the bonds and (iii) 125.0% of the average annual principal and interest due on the bonds in the current or any future fiscal year. Accordingly, the Debt Service Reserve Requirement for the Series 2020 Bonds is equal to the maximum annual debt service on the Series 2020 Bonds of \$4,884,821 (the “Debt Service Reserve Requirement”).

As of December 31, 2025, the balance in the Debt Service Reserve Fund was equal to \$4,951,846 which included the Debt Service Reserve Requirement of \$4,884,821 and investment income in

excess of the Debt Service Reserve Requirement in the amount of \$67,024. The balance of the Debt Service Reserve Fund is currently invested in a Western Asset Institutional Government money market fund, which was earning a rate of return of 3.78% as of December 31, 2025. At this rate of return, it is estimated that investment income in the amount of \$184,646 will be earned on the Debt Service Reserve Requirement from March 2, 2026, through March 1, 2027. However, to be conservative, no investment income has been included in the calculation of the Annual Revenue Requirement Part A. To the extent that investment income is earned during this period, it will be made available to pay interest due on the Series 2020 Bonds in accordance with Section 7.5(b) of the First Supplemental Trust Indenture.

Surplus from Prior Year

The surplus from the prior year that may be applied to reduce the Annual Revenue Requirement Part A for the 2026-2027 Assessment Year is shown in Table H on the following page.

Table H
Surplus from Prior Year

Expenses:	
Debt service:	
Series 2020A Bonds	
Interest payment due on March 1, 2026	\$600,700
Principal payment due on March 1, 2026	\$2,225,000
<i>Subtotal Series 2020A Bonds debt service</i>	<i>\$2,825,700</i>
Series 2020A-T- Bonds	
Interest payment due on March 1, 2026	\$170,198
Principal payment due on March 1, 2026	\$1,115,000
<i>Subtotal Series 2020A-T Bonds debt service</i>	<i>\$1,285,198</i>
<i>Total debt service</i>	<i>\$4,110,898</i>
Remaining administrative expenses for Assessment Year 2025-2026	\$45,423
Total expenses	\$4,156,321
Available Funds:	
Available balance of the Revenue Fund as of December 31, 2025	(\$2,536,463)
Available balance of the Surplus Fund as of December 31, 2025	\$0
Available balance of the Interest Account as of December 31, 2025	(\$106,792)
Available balance of the Principal Account as of December 31, 2025	(\$40,707)
County Advanced Revenues transferred to the Trustee on February 2026	(\$2,440,898)
Available balance of the Debt Service Reserve Fund as of December 31, 2025	(\$67,024)
Available balance of the Administrative Expense Fund as of December 31, 2025	\$0
Total available funds	(\$5,191,884)
(Surplus)/Deficit from prior year	(\$1,035,563)

The remaining debt service due for the 2025-2026 Assessment Year includes a semi-annual interest payment of \$600,700 on the Series 2020A Bonds. This payment equals interest for six months on the outstanding Series 2020A Bonds of \$30,035,000. There is a principal payment due on the Series 2020A Bonds on March 1, 2026, in the amount of \$2,225,000. As a result, total debt service due on the Series 2020A Bonds on March 1, 2026, is equal to \$2,825,700 (\$600,700 + \$2,225,000 = \$2,825,700).

Debt service remaining due for the 2025-2026 Assessment Year also includes a semi-annual interest payment of \$170,198 on the Series 2020A-T Bonds. This payment represents interest for six months on the \$13,675,000 outstanding Series 2020A-T Bonds. There is a principal payment due on the Series 2020A-T Bonds on March 1, 2026, in the amount of \$1,115,000. As a result, total debt service on the Series 2020A-T Bonds on March 1, 2026, is equal to \$1,285,198 (\$170,198+ \$1,115,000= \$1,285,198).

Administrative expenses for the 2025-2026 Assessment Year were estimated to be \$87,000. As of December 31, 2025, administrative expenses totaling \$41,577 have been paid by the Trustee for the 2025-2026 Assessment Year. Accordingly, as of December 31, 2025, there is an estimated \$45,423 ($\$87,000 - \$41,577 = \$45,423$) in unpaid administrative expenses remaining for the 2025-2026 Assessment Year.

According to the County Department of Tax Administration, actual County Advanced Revenues collected for the 2025 tax year were equal to \$4,881,796. From this amount, the County transferred to the Trustee an amount equal to \$2,440,898 on August 15, 2025. Accordingly, \$2,440,898 is available to be transferred in February 2026 for the payment of debt service. As of December 31, 2025, the balance in the Revenue Fund was equal to \$2,536,463. Pursuant to Section 7.2 of the Trust Indenture, these funds may be used to pay the remaining portions of the Annual Revenue Requirement Part A for the 2025-2026 Assessment Year and a portion of the Annual Revenue Requirement Part A for the 2026-2027 Assessment Year.

As mentioned above, as of December 31, 2025, the balance in the Debt Service Reserve Fund was equal to \$4,951,846, which included the Debt Service Reserve Requirement of \$4,884,821 and investment income in excess of the Debt Service Reserve Requirement in the amount of \$67,024. The amount on deposit in the Debt Service Reserve Fund in excess of the Debt Service Reserve Requirement may be transferred to the Interest Account of the Bond Fund and applied towards payment of semi-annual interest due on March 1, 2026, or at the option of the CDA, transferred to the Administrative Expense Fund.

As of December 31, 2025, the balance in the Interest Account was equal to \$106,792. These funds will be made available to pay a portion of the remaining debt service for the 2025-2026 Assessment Year.

As of December 31, 2025, the balance in the Administrative Expense Fund was equal to \$0. Accordingly, there are no funds in the Administrative Expense Fund available to pay a portion of the remaining administrative expenses for the 2025-2026 Assessment Year. The Administrative Expense Fund is expected to be funded to the extent needed by the Revenue Fund.

As shown in Table H, subtracting the available funds from the remaining expenses for Assessment Year 2025-2026 results in a surplus from the prior year of \$1,035,563 ($\$5,191,884 - \$4,156,321 = \$1,035,563$), which may be applied to reduce the Annual Revenue Requirement Part A for the 2026-2027 Assessment Year.

Summary of the Annual Revenue Requirement Part A

As shown in Table C, the estimated annual expenses for the CDA for the 2026-2027 Assessment Year are equal to \$5,065,032. The available funds, including estimated Tax Increment Revenues, are estimated to be equal to \$9,379,346. As a result, the Annual Revenue Requirement Part A is \$0 for the 2026-2027 Assessment Year.

SPECIAL ASSESSMENT ROLL

Pursuant to the Rate and Method, the Board of Directors of the CDA shall update the Special Assessment Roll from time to time in accordance with the provisions of the Rate and Method in

order to maintain records for the collection of Special Assessments. The Special Assessment Roll shall be updated each assessment year to reflect (i) the current parcels in the CDA District; (ii) the Special Assessments Part A and Part B allocated to each parcel, including any adjustments to the Special Assessments Part A and Part B; (iii) the Principal Portion of the Special Assessments Part A and Part B for each parcel; (iv) the Annual Installment Part A and Part B for each parcel for the assessment year; (v) the Annual Payment Part A and Part B for each parcel for the assessment year; (vi) prepayments of the Special Assessments Part A and Part B; (vii) termination of the collection of the Special Assessments Part A and Part B; and (viii) any other information helpful to the collection of the Special Assessments Part A and Part B.

Reduction in the Special Assessment

Pursuant to the Rate and Method, if the Board of Directors of the CDA resolves that the total actual costs to be incurred by the CDA, including the costs related to the issuance and repayment of the bonds, including refunding bonds, and administrative expenses are less than the total amount of Special Assessments, then the Board of Directors of the CDA shall reduce the Special Assessments such that the sum of the Special Assessments equals the total costs incurred or to be incurred.

The Rate and Method provides for the Special Assessments to be reduced by an equal percentage such that the sum of the resulting Special Assessments for every parcel equals the actual costs to be incurred by the CDA. The Principal Portion of Special Assessments shall be reduced in the same manner as the reduction in the Special Assessments such that the total of the Principal Portion of the Assessments is equal to the total principal of the outstanding related bonds and any bonds to be issued, including refunding bonds.

The Series 2011 Bonds were refunded by the Series 2020 Bonds to realize cost savings resulting from a reduction in interest rates. Following the refunding, the Special Assessment Part A and the Principal Portion of the Special Assessment Part A were reduced. The total Special Assessment Part A levy was reduced to reflect the actual principal and interest on the Series 2020 Bonds, including a 5.0% contingency included in the administrative expense component, following the refunding. Administrative expenses were adjusted to reflect actual estimated annual expenditures increasing at 2.0% per year. The Assessment Roll, attached hereto as Appendix A-1, reflects the reduction on the Series 2020 Bonds and adjustments to administrative expenses approved by the CDA on March 14, 2022. The Special Assessment Part A was reduced to \$78,915,592 to reflect the cost savings. The Special Assessment Part A and Principal Portion of the Special Assessment Part A per parcel have been reduced by an equal percentage to reflect the decrease in costs in accordance with the provisions of the Rate and Method.

Adjusted Annual Installment Part A

Pursuant to the Rate and Method, the Adjusted Annual Installment Part A for a parcel shall equal the Annual Installment Part A for such parcel less the Annual Part A Credit for the parcel.

Annual Part A Credit

Pursuant to the Rate and Method, the Annual Part A Credit for each parcel for each assessment year shall be equal to the estimated Tax Increment Revenues included in the calculation of the

Annual Revenue Requirement Part A for that assessment year produced by that parcel. For purposes of calculating the Tax Increment Revenues for each parcel, the base year tax revenues for each tax included in the Tax Increment Revenues shall be allocated to each parcel on the basis of the total of the tax revenues from which the Tax Increment Revenues are calculated.

The Annual Part A Credit for each parcel for each assessment year shall be an amount calculated pursuant to the following formula:

$$e = f - g - h$$

Where the terms have the following meanings:

- e = the Annual Part A Credit for a parcel;
- f = the real property taxes to be collected from the parcel as included in the calculation of the tax increment revenues for the assessment year;
- g = the Base Real Property Taxes as allocated to the parcel by the following formula; and
- h = any unpaid real property taxes for which the Annual Part A Credit was based in the previous assessment year for the parcel.

The Base Real Property Taxes allocated to a parcel shall be an amount calculated pursuant to the following formula:

$$j = k \times (m \div n)$$

Where the terms have the following meanings:

- j = the Base Real Property Taxes allocated to a parcel for an assessment year;
- k = the Base Real Property Taxes for the assessment year;
- m = the real property assessed value for the parcel as used to determine the real property taxes in the formula for the Annual Part A Credit for the parcel in the formula above; and
- n = the real property assessed value for all parcels as used to determine the tax increment revenues for that assessment year.

As shown above and in Exhibit A, the aggregate Tax Increment Revenues to be collected from all parcels in the CDA District are estimated to be equal to \$8,343,783. The Annual Part A Credit for each parcel is shown in Appendix A-2.

Summary of the Adjusted Annual Installment Part A

The Adjusted Annual Installment Part A for a parcel shall equal the Annual Installment Part A for such parcel less than the Annual Part A Credit for the parcel. As shown in Appendix A-1, the Annual Installment Part A for the 2026-2027 Assessment Year is equal to \$5,243,064. As shown in Appendix A-2, subtracting the Annual Part A Credit for each parcel from the Annual Installment Part A for each parcel results in an aggregate Adjusted Annual Installment Part A of \$322,922 for the 2026-2027 Assessment Year. (Please note that this is a per parcel calculation and since the

Adjusted Annual Installment Part A for a parcel can not be negative, the parcels for which negative values are calculated have been set equal to zero.)

Summary of the Annual Payment Part A

The Annual Payment Part A shall be an amount equal to lesser of (i) the Annual Installment Part A for the parcel and (ii) an amount calculated pursuant to the following formula:

$$a = b \times (c \div d)$$

Where the terms have the following meanings:

- a = the Annual Payment Part A for a parcel;
- b = the Annual Revenue Requirement Part A for the assessment year for which the Annual Payment Part A is being calculated;
- c = the Adjusted Annual Installment Part A for the parcel; and
- d = the Adjusted Annual Installment Part A for all parcels in the CDA District.

As shown in Table C, the Annual Revenue Requirement Part A for the 2026-2027 Assessment Year is equal to \$0. As a result, the Annual Payment Part A for the 2026-2027 Assessment Year is \$0.

Reapportionment of Special Assessments

According to Section C(2)(a) of the Rate and Method, “upon the subdivision of any parcel, the Special Assessment A of the parcel prior to the subdivision shall be reallocated to each new parcel in proportion to the Equivalent Units of each parcel and the Special Assessment A for the parcel prior to the subdivision.” In all cases, the Special Assessment Part A after the subdivision of a parcel shall equal the sum of the Special Assessment Part A before the subdivision of a parcel.

The reapportionment of Special Assessments shall be represented by the formula:

$$E = F \times (G \div H)$$

Where the terms have the following meanings:

- E = the Special Assessment for a new parcel “X” resulting from a subdivision;
- F = the Special Assessments for the new parcel or parcels existing immediately prior to the subdivision from which parcel “X” was subdivided;
- G = the Equivalent Units of parcel “X” as determined and described below; and
- H = the sum of the Equivalent Units of all parcels resulting from the subdivision of the prior parcel or parcels.

The computation of the Equivalent Units shall be made by the Administrator based on the information available regarding the parcel. The Administrator shall use consistent standards in preparing the calculations and shall prepare and keep in the records of the CDA the computations made according to Section C(2)(a) of the Rate and Method.

Equivalent Units are defined in accordance with Section B of the Rate and Method as the following:

Land Use Class 1	0. 64 per 1,000 SF of GFA
Land Use Class 2	1. 26 per 1,000 SF of GFA
Land Use Class 3	2. 11 per 1,000 SF of GFA
Land Use Class 4	0. 90 per 1,000 SF of GFA
Land Use Class 5	1. 23 per 1,000 SF of GFA
Land Use Class 6	0. 66 per room
Land Use Class 7	1. 00 per unit
Land Use Class 8	0. 36 per unit
Land Use Class 9	0. 69 per unit
Land Use Class 10	2. 78 per unit
Land Use Class 11	2. 53 per unit
Land Use Class 12	2. 25 per unit
Land Use Class 13	1. 88 per unit

According to the Rate and Method, the computation of Equivalent Units for each parcel shall be based on expected development in substantial conformance with the conceptual or final development plan as approved by the Board of Supervisors, which is expected to be measured by actual development, development plans, the legal maximum development allowed, the acreage of a parcel and reasonable density ratios, or other reasonable methods. The Equivalent Units are based on the expected development as provided by the developer's internal development plan. The Administrator has checked the FDPA application, which was approved on June 17, 2011, that amended the approved Conceptual or Final Development Plan (CDP/FDP) associated with RZ 2005-PR-041, and the Equivalent Units provided by the Developer's internal development plan is consistent with the Amended CDP/FDP.

According to the County tax records, there were no new parcel subdivisions of property within the CDA since the last assessment report presented on March 13, 2025. As a result, and as shown in Exhibit A and Appendix A-2, there are currently 159 parcels within the CDA District.

Summary of the Special Assessment Roll

The Special Assessment Roll as updated is attached hereto as Appendix A-1 and Appendix A-2. Appendix A-1 includes the tax year, principal, interest and administrative expenses and annual installment. Appendix A-2 includes the parcels in the CDA District, the Special Assessment Part A, the Principal Portion of the Special Assessment Part A, the Annual Installment Part A, the Annual Part A Credit and the Annual Payment Part A for each assessed parcel. The Annual Payment Part A for each assessed parcel shown in Appendix A-2 represents the Annual Installment Part A less the Annual Part A Credit for each assessed parcel, as explained above. Updates have been made to the Special Assessment Roll as described in the preceding sections.

Exhibit A

Appendices