

**NOTICE OF INFORMATION  
FOR THE  
RANCHO SANTA TERESA PUBLIC IMPROVEMENT DISTRICT**

TO: The Prospective Purchaser of Real Property in the Rancho Santa Teresa Public Improvement District (collectively, the “District”)

This notice of information (this “Notice”) is given to you, a prospective purchaser of real property in the District (the “Property”), prior to your entering into a contract with the seller to purchase the Property. The seller or an agent or broker of the seller of the Property is required to give you this Notice, which may be in addition to other notices or disclosures that may be required by federal, state or local law, and may request that you sign a copy of this Notice to indicate that you have received and read a copy of this Notice.

1. The Property is within the District, which is a public improvement district formed pursuant to the Public Improvement District Act, NMSA 1978, §§ 5-11-1 to -27 (2001, as amended) (the “Act”), and City of Sunland Park, New Mexico (the “City”) Resolution No. 2022-37, adopted on July 19, 2022 and approving the formation of the District (the “Formation Resolution”). The Formation Resolution has been filed with the Doña Ana County Clerk. A copy of the Formation Resolution may also be reviewed at the office of the Sunland Park City Clerk.

2. The purpose of the District is to undertake certain “public infrastructure purposes” (as that term is defined in the Act) (the “Public Infrastructure Purposes”), including, but not limited to, financing certain “public infrastructure improvements” (as that term is defined in the Act) (the “Public Infrastructure Improvements”) through the sale of special levy bonds by the District. Debt service on those special levy bonds is to be satisfied through a special levy imposed on the Property and all other property in the District in accordance with the Rate and Method of Apportionment of Special Levy (defined in the Formation Resolution) as accepted and approved by the City in the Formation Resolution (the “Special Levy A”). The District may also finance all or a portion of the costs associated with (a) the Public Infrastructure Improvements, as well as other Public Infrastructure Purposes and the associated administrative costs of the District, from the collection of the Special Levy A, with or without the issuance of the District Bonds, either directly or through the satisfaction of subordinate bonds, subordinate promissory notes and other obligations of the District, and (b) providing “enhanced services” (as that term is defined in the Act) and the associated administrative costs of the District to be satisfied through an additional special levy imposed on the Property (the “Special Levy B” and together with the Special Levy A are collectively the “Special Levy”).

3. If you purchase the Property, you will be obligated to pay the Special Levy, once imposed, and, if applicable, any other property tax or special levy that may be imposed by the board of directors of the District (the “Board”).

4. The Special Levy, once imposed by the Board, and, if applicable, any other property tax or special levy that may be imposed by the Board are in addition to any other state, county or other local governmental taxes and assessments.

5. THE BOARD AUTHORIZED THE IMPOSITION OF A SPECIAL LEVY ON JULY 23, 2024, PURSUANT TO DISTRICT RESOLUTION NO. 2024-04 AND FILED AND RECORDED A "NOTICE OF IMPOSITION OF SPECIAL LEVY" ON JULY 30, 2024 IN THE REAL PROPERTY RECORDS OF DOÑA ANA COUNTY, NEW MEXICO AS DOCUMENT #2415930 (THE "NOTICE OF IMPOSITION OF SPECIAL LEVY"). THE MAXIMUM SPECIAL LEVY THAT IS AUTHORIZED TO BE IMPOSED ON THE PROPERTY IS IDENTIFIED IN THE NOTICE OF IMPOSITION OF SPECIAL LEVY, A COPY OF WHICH IS ATTACHED HERETO AS EXHIBIT 1 TO THIS NOTICE AND IS HEREBY INCORPORATED INTO AND MADE A PART OF THIS NOTICE.

6. THE DISTRICT IS NOT AUTHORIZED TO ISSUE GENERAL OBLIGATION BONDS AND NO GENERAL OBLIGATION BONDS HAVE BEEN ISSUED.

7. YOUR FAILURE TO PAY THE SPECIAL LEVY, ONCE IMPOSED BY THE BOARD, AND, IF APPLICABLE, ANY OTHER PROPERTY TAX OR SPECIAL LEVY THAT MAY BE IMPOSED BY THE BOARD COULD RESULT IN THE FORECLOSURE OF THE PROPERTY.

8. Additional information concerning the amount of the annual Special Levy assessment and the due dates of the Special Levy may be obtained from the District, whose office is located at the City of Sunland Park, 100 McNutt Road Suite A, Sunland Park, NM 88063-9200.

9. A feasibility study was completed as part of the formation of the District, and is also available from the District at the address noted above.

I (we) acknowledge that I (we) have read this Notice and received a copy of this Notice prior to entering into a contract to purchase the Property.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ at Doña Ana County, New Mexico.

Signature: \_\_\_\_\_  
Print Name \_\_\_\_\_

Signature: \_\_\_\_\_  
Print Name \_\_\_\_\_  
(additional signature, if required)

EXHIBIT 1 TO THE NOTICE

Notice of Imposition of Special Levy

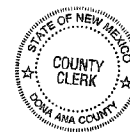
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NOTICE

JUL 30, 2024 03:00:10 PM

PAGES: 26

Deputy: Bernardine Caporale

Amanda López Askin, County Clerk, Dona Ana, NM



## RANCHO SANTA TERESA PUBLIC IMPROVEMENT DISTRICT

NOTICE OF IMPOSITION OF SPECIAL LEVY

NOTICE IS HEREBY GIVEN of the imposition of a special levy (“Special Levy”) by the Rancho Santa Teresa Public Improvement District (the “District”) on the real property located within the District (more particularly described in the attached Exhibit A, which is hereby incorporated into and made a part of this Notice). Pursuant to NMSA 1978, § 5-11-20.C (2013) the maximum annual amount of the Special Levy that may be imposed on each class of property in the District is identified in the Rate and Method of Apportionment of Special Levy (the “RMA”), which is attached hereto as Exhibit B and is hereby incorporated into and made a part of this Notice.

The Special Levy will be apportioned according to typical lot width and the amount of the annual Special Levy imposed would not exceed \$1,625 per year per residential lot (consisting of a Special Levy A and Special Levy B). The levy classification and corresponding maximum annual Special Levy amount applicable to each lot is shown on *Table 1* to the RMA.

In each year in which the Special Levy is imposed, the District will reapportion the Special Levy to the legal parcels established within the District and existing as of the time of reapportionment in accordance with the RMA. The Special Levy shall be imposed during each year in which special levy bonds, subordinated promissory notes, and/or any other obligations of the District are outstanding (collectively the “District Obligations”) or as otherwise necessary to fund the Special Levy Requirement (as defined in the RMA), and the Special Levy will be allocated to real property within the District in accordance with the following steps:<sup>1</sup>

1. First, the Annual Special Levy shall be collected from each Parcel of Developed Platted Property in equal percentages up to 100% of the applicable Maximum Annual Special Levy;
2. Second, if additional monies are needed to fund the Special Levy Requirement after the first step, the Annual Special Levy shall be collected from each Parcel of Undeveloped Platted Property in equal percentages up to 100% of the applicable Maximum Annual Special Levy; and
3. Third, if additional monies are needed to fund the Special Levy Requirement after the second step, the Annual Special Levy shall be collected from each Parcel of Undeveloped Property in equal percentages up to 100% of the applicable Maximum Annual Special Levy.

As provided in NMSA 1978, § 5-11-20.I (2013), the Special Levy constitutes a lien on property located within the District, having a priority coequal to the lien of property taxes. The Special Levy shall be subject to foreclosure by the District at any time after six months following written notice of delinquency to the owner of the real property to which the delinquency applies.

<sup>1</sup> Capitalized terms used in the following description of the apportionment of the Special Levy and not otherwise defined in this Notice shall have the meanings assigned to them in the RMA attached hereto as Exhibit B.

The lien shall include delinquencies, penalties and interest thereon at a rate not to exceed the maximum legal rate of interest per year and penalties otherwise applicable.

Pursuant to NMSA 1978, § 5-11-23.F (2001) and NMSA 1978, § 5-11-20.I (2013) and Section 4.N of City of Sunland Park, New Mexico Resolution No. 2020-21, adopted on March 17, 2020, the District has established the following foreclosure and redemption procedures (as set forth in paragraphs (i) through (x) below) for delinquent Special Levies (collectively the "Foreclosure Procedure"):

i. The District shall determine delinquent special levies, deliver notice regarding the delinquencies, and may institute foreclosure proceedings in the following manner:

(a) On or before December 15 and May 15 of each year in which the District Special Levy is in effect, the District's treasurer, or her designee, shall review the public records of Doña Ana County relating to the collection of the District Special Levy in order to identify the real property to which any District Special Levy delinquency applies.

(b) Within 60 days after identifying delinquencies in payment of the Special Levy in each year in which the Special Levy is in effect, the District shall provide written notice of delinquency ("**Notice**") to the owner of any parcel determined to be delinquent, which Notice shall state (1) the amount of the delinquency as of the date of the Notice, (2) that the delinquency, including applicable interest and penalties, must be cured within 180 days following the date of the Notice (the "**Notice Date**"), and (3) if the delinquency is not cured within that 180-day period, the District or its designee shall have the power to commence foreclosure proceedings with respect to the real property to which the delinquency applies.

(c) After the expiration of the 180-day period provided in a Notice, the District shall have the power to institute foreclosure proceedings with respect to all parcels or tracts for which a Notice has been provided and with respect to which a delinquency has not been cured.

ii. Any delinquent District Special Levy shall be foreclosed in the manner provided by law for the foreclosure of mortgages on real estate.

iii. In any action seeking the foreclosure of a special levy lien after District Bonds have been issued, if there is no other purchaser for the tract of land having a delinquent special levy, the District or the Trustee of the funds from which the District Bonds are to be paid, may:

(a) Purchase the tract or parcel sold at the foreclosure sale; and

(b) Bid, in lieu of cash, the amount of the District Special Levy, interest, penalties, attorneys' fees, and costs found by the court to be due and payable under the District Board's resolution and associated notice documents filed for record in the Doña Ana County Clerk's Office, Doña Ana County, New

Mexico, creating the lien and any cost taxed by the court in the foreclosure proceedings against the property ordered sold.

iv. Upon the purchase of the tract or parcel, title to the tract or parcel of land, subject to the right of redemption provided by paragraph (vi) of this section, vests in the trustee of the fund from which the special levy bonds are payable.

v. No real property shall be sold to satisfy a delinquent assessment until at least fifteen (15) days after the date of the order, judgment or decree of the court, within which time the owner of the tract or parcel of land may pay off the decree and avoid the sale.

vi. After the expiration of the fifteen (15) day period, the property may be sold at a public or private sale subject to the right of redemption.

vii. Any property sold under any order, judgment, or decree of court to satisfy the special levy lien may be redeemed at any time within one year of the date of sale by the owner or mortgage holder or other person having an interest, or their assigns, by repaying to the purchaser or her assign the amount paid plus interest from the date of purchase at a rate of twelve percent per year.

viii. The proceeds of the sale of the foreclosed tract or parcel of land at either a public or private sale shall be applied as follows:

(a) First, to the payment of costs in giving notice of the sale and of conducting the sale;

(b) Second, to costs and fees taxed against the tract or parcel of land in the foreclosure proceedings;

(c) Third, on a pro rata basis, to the indebtedness claimed under the special levy lien and any other lien on the property that has a priority coequal to the special levy lien;

(d) Fourth, after all costs, liens, assessments, and taxes are paid, to the former owner, mortgage holder or other parties having an interest in the tract or parcel, upon the foregoing person's providing satisfactory proof to the court of the interest and upon approval of the court.

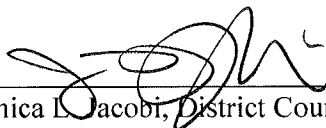
ix. Receipts for the satisfaction of the indebtedness claimed under the special levy lien shall be paid into the proper District fund for payment of the principal and interest on the special levy bonds, as well as costs of collection and other administrative expenses of the District.

x. No public rights of way or public property shall be subject to foreclosure pursuant to these foreclosure and redemption procedures.

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Executed this 30<sup>th</sup> day of July, 2024.

RANCHO SANTA TERESA  
PUBLIC IMPROVEMENT DISTRICT

By   
Jenica L. Jacobi, District Counsel

STATE OF NEW MEXICO        )  
  )  
  )        ss.  
COUNTY OF BERNALILLO    )

This record was acknowledged before me on the 30<sup>th</sup> day of July, 2024, by Jenica L. Jacobi, District Counsel of the Rancho Santa Teresa Public Improvement District.

  
Notary Public

(Seal)

Commission No.: 1103723

My commission expires: March 5, 2026

STATE OF NEW MEXICO  
NOTARY PUBLIC  
DINA R. VENN  
Commission Number 1103723  
My Commission Expires March 5, 2026

EXHIBIT A TO THE NOTICE

Rancho Santa Teresa Public Improvement District  
Legal Description and Boundary Map

All of the following property described by metes and bounds, including but not limited to that portion, which has been platted as:

Lots 1 through 25 of Block 1, Lots 1 through 24 of Block 2, Lots 1 through 23 of Block 3, Lots 1 through 24 of Block 4, Lots 1 through 25 of Block 5, Lots 1 through 23 of Block 6, Lots 1 through 32 of Block 7, Lots 1 through 20 of Block 8, Lots 1 through 37 of Block 9, Lots 1 through 34 of Block 10, Lots 1 and 2 of Block 11, Lots 1 through 19 of Block 12, Lots 1 and 2 of Block 13, Lots 1 through 26 of Block 14, and Lot 1 Block 15 of Rancho Santa Teresa Unit 1, as the same is shown and designated on the plat thereof filed in the Office of the County Clerk of Dona Ana County on January 25, 2023, as Reception No. 2301600.



**285.636 ACRE PARCEL  
SITUATE WITHIN  
SECTIONS 20 & 21, TOWNSHIP 28 SOUTH, RANGE 3 EAST  
NEW MEXICO PRINCIPAL MERIDIAN  
DOÑA ANA COUNTY, NEW MEXICO**

A certain parcel of land situate within Section 20 and 21, Township 28 South, Range 3 East, New Mexico Principal Meridian, Dona Ana County, New Mexico, and is being more particularly described by **METES AND BOUNDS** as follows:

Beginning at a 5/8" rebar with cap #5948 found at the most southerly corner of the parcel herein described, said rebar being on the west boundary of the Santa Teresa Grant, WHENCE, a found brass cap being stamped STD. Meander Corner No. 5, 1977, bears S 27°19'-16" E, a distance of 805.85 feet, and from whence a found USGLO brass cap at the intersection of the section line common to sections 28 and 33 and the west boundary of the Santa Teresa Grant bears S 19° 59'- 20" E, a distance of 4455.82 feet, said course is the Basis of Bearing of the parcel herein described;

**THENCE**, from **THE POINT OF BEGINNING**" N 27°-02'-06" W a distance of 226.23 feet along the west boundary of the Santa Teresa Grant to a found 5/8" rebar with yellow cap No. 5948,

**THENCE**, N 27°-26'-28" W, a distance of 201.72 feet to a 5/8" rebar with yellow cap No. 5948 found on the intersection of the section line common to sections 21 and 28, Township 28 South, Range 3 East, and the West Boundary of the Santa Teresa Grant;

**THENCE**, N 89°-45'-27" W a distance of 781.85 feet along the section line common to sections 21 and 28 to a set 5/8" rebar with yellow cap No. 5948 on the westerly side of the "Spanish Dagger" Golf Course;

**THENCE**, along the perimeter of the "Spanish Dagger" Golf Course the following 11 courses N 24° 50' 36" E, a distance of 648.48 feet to a brass cap stamped Golf Course No. 88;

**THENCE**, N 76° 21' 20" W, a distance of 348.80 feet to a found brass cap stamped Golf Course No. 87;

285.636 ACRE PARCEL – CONTINUED

**THENCE**, S 88° 17' 48" W, (Record S88°18'42" W) a distance of 209.06 feet to a found brass cap stamped Golf Course No. 86;

**THENCE**, S 51° 12' 40" W, a distance of 158.21 feet to a found brass cap stamped Golf Course No. 85;

**THENCE**, S 24° 31' 25" W, a distance of 474.92 feet to a found rebar with cap No.2257;

**THENCE**, S 81° 39' 39" W a distance of 238.04 feet to a found 5/8" rebar disturbed;

**THENCE**, N 84° 27' 39" W, a distance of 248.33 feet to a found brass cap stamped Golf Course No. 82;

**THENCE**, N 12° 15' 06" E, a distance of 385.47 feet to a found brass cap stamped Golf Course No. 81;

**THENCE**, N 39° 57' 05" W, a distance of 93.46 feet to a found rebar with cap No.2257;

**THENCE**, S 89° 49' 36" W, a distance of 401.65 feet to a found rebar with cap No.2257;

**THENCE**, N 89° 49' 36" W, a distance of 134.42 feet to a set 5/8" rebar with yellow cap No. 5948;

**THENCE**, leaving the perimeter of "Spanish Dagger" Golf Course, N 00° 15' 43" E, a distance of 1715.36 feet, 5/8" rebar with yellow cap No. 5948 found on the northerly right of way line of North Country Club Road;

**THENCE**, continuing along the northerly right of way line of North Country Club Road, N 74° 53' 37"W, a distance of 761.84 feet to a found 5/8 inch rebar with cap marked "SMELSR15519" marking a point of curve of the herein described parcel;

**THENCE**, 999.28 feet along the arc of a curve bearing to the left, said arc having a radius of 3069.01 feet, a central angle of 18°39' 21", and a chord which bears, N 84°10' 52"W, a distance of 994.88 feet to a found 5/8 inch rebar with cap marked "SMELSR15519" marking a point on curve of the herein described parcel;

**THENCE**, leaving the northerly right of way line of North Country Club Road, N 00° 06' 11" W, a distance of 790.92 feet a found 5/8 inch rebar with cap marked "SMELSR15519" marking a point on the southerly right of way line of Airport Road and northwest corner of the herein described parcel;

285.636 ACRE PARCEL – CONTINUED

**THENCE**, continuing along the southerly right of way line of Airport Road, N 73°47' 28" E, a distance of 1,121.04 feet to a rebar with cap #5948 found at an angle point of the parcel herein described;

**THENCE**, leaving the southerly right of way line of Airport Road, S 21° 12' 29" E, a distance of 186.18 feet to a rebar with cap #5948 set at an angle point of the parcel herein described;

**THENCE**, S 15° 15' 05" E, a distance of 259.89 feet to a 5/8" rebar with yellow cap No. 5948 set at an angle point of the parcel herein described;

**THENCE**, N 70° 22' 06" E, a distance of 1218.80 feet to a 5/8" rebar with yellow cap No. 5948 set at an angle point of the parcel herein described;

**THENCE**, N 73°48'38" E, a distance of 1107.15 feet to 5/8" rebar with cap No. 5948 found at a point on curve of this parcel;

**THENCE**, 245.76 feet along the arc of a curve bearing to the left, said curve having a central angle of 21°13'55", a radius of 663.19 feet, and a long chord that bears S 52° 37' 47" E, a distance of 244.35 feet, to a 5/8" rebar with a yellow cap No. 5948 found at a point of tangency of this parcel;

**THENCE**, S 63° 28' 53" E, a distance of 432.88 feet to 5/8" rebar with cap No. 5948 found at a point of curve of this parcel;

**THENCE**, 181.94 feet along the arc of a curve bearing to the right, said curve having a central angle of 15°02'31", a radius of 693.03 feet, and a long chord that bears S 56° 10' 53" E, a distance of 181.42 feet to a 5/8" rebar with a yellow cap No. 5948 found at a point of tangency of this parcel;

**THENCE**, S 48° 47' 27" E, a distance of 276.73 feet to 5/8" rebar with cap No. 5948 found at an angle point of this parcel;

**THENCE**, S 49° 09' 24" E, a distance of 1409.61 feet to 5/8" rebar with cap No. 5948 found at an angle point of this parcel;

**THENCE**, N 38° 09' 02" E, a distance of 222.76 feet to a found RR Iron on the westerly Right-Of-Way line of New Mexico State Road No. 273 and angle point of this parcel;

**THENCE**, S 48° 48' 12" E, a distance of 98.67 feet to a found RR Iron on the westerly Right-Of-Way line of New Mexico State Road No. 273 and angle point of this parcel;

**THENCE**, S 38° 09' 12" W, a distance of 207.80 feet to a 5/8" rebar with cap No. 5948 set at an angle point of this parcel;

285.636 ACRE PARCEL – CONTINUED

**THENCE**, S 03° 30' 38" E, a distance of 180.85 feet to a 5/8" rebar with cap No. 5948 set at a point on the northerly right of way line of an entry road with a 85.00 foot wide right of way;

**THENCE**, continuing along the northerly right of way line of said 85.00 foot wide entry road, N 86° 29' 22" E, a distance of 191.16 feet to a 5/8" rebar with cap No. 5948 set at a point of curve;

**THENCE**, 362.08 feet along the arc of a curve bearing to the left, said curve having a central angle of 45°20'42", a radius of 457.50 feet, and a long chord that bears N 63° 49' 01" E, a distance of 352.70 feet to a 5/8" rebar with a yellow cap No. 5948 found at a point of tangency;

**THENCE**, N 41° 08' 40" E, a distance of 50.60 feet to a 5/8" rebar with cap No. 5948 set on the westerly right of way line of McNutt Road (150' ROW);

**THENCE**, continuing along the westerly right of way line of McNutt Road, S 48° 48' 23" E, a distance of 85.00 feet to a 5/8" rebar with cap No. 5948 set on the southerly right of way line of said 85.00 foot wide entry road;

**THENCE**, leaving the westerly right of way line of McNutt Road, and continuing along the southerly right of way line of said 85 foot wide entry road, S 41° 08' 40" W, a distance of 50.53 feet to a 5/8" rebar with cap No. 5948 set on a point of curve;

**THENCE**, 429.35 feet along the arc of a curve bearing to the right, said curve having a central angle of 45°20'42", a radius of 542.50 feet, and a long chord that bears S 63° 49' 01" W, a distance of 418.23 feet to a 5/8" rebar with a yellow cap No. 5948 found at a point of tangency, said point being on the north boundary line of Franklin View Estates Phase 1;

**THENCE**, S 86° 29' 22" W, a distance of 195.62 feet to a 5/8" rebar with yellow cap No. 5948 found at an angle point of this parcel;

**THENCE**, S 03° 28' 56" E, a distance of 210.44 feet to a 5/8" rebar with yellow cap No. 5948 found at an angle point of this parcel;

**THENCE**, S 86° 37' 46" W, a distance of 782.10 feet to a 5/8" rebar found at an angle point of this parcel;

**THENCE**, N 41° 36' 56" W, a distance of 36.28 feet to a 5/8" rebar found at an angle point of this parcel;

**THENCE**, S 48°31'13" W, a distance of 15.00 feet to a 5/8" rebar found at an angle point of this parcel;

## 285.636 ACRE PARCEL – CONTINUED

**THENCE**, S 40° 18' 50" E, a distance of 34.34 feet to a 5/8" rebar with cap No. 17779 found at an angle point of this parcel;

**THENCE**, S 22° 24' 27" W, a distance of 245.59 feet to a 5/8" rebar with cap No. 5948 found at the southwest corner of Lot 64 Franklin View Estates Phase 2;

**THENCE**, leaving the boundary Franklin View Estates Phase 2, S 22° 25' 30" W, a distance of 290.05 feet to a 5/8" rebar with cap found on the north right of way line of Heritage Palms Road (150' ROW);

**THENCE**, continuing along the north right of way line of Heritage Palms Road S 67° 28' 59" E a distance of 150.31 feet to a 5/8" rebar with cap No. 5948 found at the southeast corner of the Santa Teresa Fire Station property;

**THENCE**, S 67° 24' 26" E, a distance of 149.14 feet to a 5/8" rebar with cap No. 5948 found at an angle point of this parcel;

**THENCE**, S 22° 18' 29" W, a distance of 149.39 feet to a 5/8" rebar found at the intersection of the easterly Right-Of-Way line of Teresa Paseo Drive and the westerly boundary line of El Mirador Subdivision;

**THENCE**, continuing along the easterly Right-Of-Way line of Teresa Paseo Drive, S 22° 27' 51" W, a distance of 238.92 feet to a 5/8" rebar with cap No. 10472, at a point of curve;

**THENCE**, 820.02 feet along the arc of a curve to the left and along the boundary of El Mirador Subdivision, said curve having a central angle of 07°31.55" a radius of 6237.84 and a chord that bears S18°14'54"W, a distance of 819.43 feet to a found 5/8" rebar on the westerly boundary line of El Mirador Subdivision;

**THENCE**, S14°08'25"W, a distance of 502.93 feet along the westerly boundary line of El Mirador Subdivision to "THE POINT OF BEGINNING" of the parcel herein described containing gross area of 12,444,786 gross square feet or 285.69 gross acres of land **MORE OR LESS**;

**EXCEPTING** from the above described 285.69 acres, the following 2500 square foot parcel of land filed as Instrument 1800125 (LRG Well S-8) and being more particularly described by **METES AND BOUNDS** as follows:

285.636 ACRE PARCEL – CONTINUED

Beginning at the center of a 12” diameter well casing from WHENCE a found 1” pipe being the closing corner of Sections 21 and 28, T 28 S, R 3 E, and the West Boundary of the Santa Teresa Grant bears S 08°17’12” W a distance of 3,032.03 feet;

**THENCE**, from “**THE POINT OF BEGINNING**” DUE NORTH, a distance of 25.00 feet to an angle point of the parcel herein described;

**THENCE**, DUE EAST, a distance of 25.00 feet to the northeast corner of the parcel herein described;

**THENCE**, DUE SOUTH, a distance of 50.00 feet to the southeast corner of the parcel herein described;

**THENCE**, DUE WEST, a distance of 50.00 feet to the southwest corner of the parcel herein described;

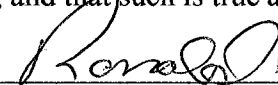
**THENCE**, DUE NORTH, a distance of 50.00 feet to the northwest corner of the parcel herein described;

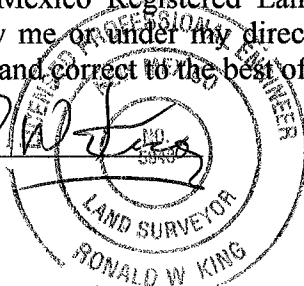
**THENCE**, DUE EAST, a distance of 25.00 to “**THE POINT OF BEGINNING**” of the parcel herein described containing 2, 500 square feet of land **MORE OR LESS**;

Leaving a net area of 12,442,286 net square feet or 285.636 net acres of land **MORE OR LESS**.

\*CERTIFICATE \*

I, Ronald W. King, New Mexico Registered Land Surveyor, hereby certify that this legal description was prepared by me or under my direct supervision from field notes of an actual survey, and that such is true and correct to the best of my knowledge and belief.

  
Ronald W, King  
N.M.P.E. & L.S. N.O. 5948  
Job# 1043-007



11-17-2021  
Date:

EXHIBIT B TO THE NOTICE

Rate and Method of Apportionment of Special Levy

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL LEVY FOR  
RANCHO SANTA TERESA PUBLIC IMPROVEMENT DISTRICT  
CITY OF SUNLAND PARK, COUNTY OF DOÑA ANA  
STATE OF NEW MEXICO**

An Annual Special Levy shall be levied, extended, and collected in the Rancho Santa Teresa Public Improvement District (hereinafter referred to as the "PID" or the "District") each Fiscal Year, in an amount determined by the District Board or its designee through the application of the procedures described below. All of the real property in the PID, unless exempted by the provisions hereof, shall be subject to the Annual Special Levy for the purposes, to the extent, and in the manner herein provided.

**A DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"100% Veteran Exemption"** means the exemption set forth in Section 7-37-5.1, NMSA 1978.

**"Act"** means the Public Improvement District Act, being Sections 5-11-1 through 5-11-27, NMSA 1978.

**"Administrative Expenses"** means the actual or reasonably estimated costs permitted in accordance with the Act and directly related to the administration of the PID as determined by the District Board or its designee, including but not limited to, the costs of funding elections for new directors to the District Board; computing the Annual Special Levies and preparing the collection schedules (whether by the District Board or designee thereof or both); the costs of collecting the Annual Special Levies (whether by the County, or otherwise); the costs of remitting the Annual Special Levies to the Trustee for any Indebtedness; the costs of the Trustee (including its legal counsel) in the discharge of the duties or remitted to the City to fund Enhanced Services, as applicable, required of it under any Indenture; the costs of the District or designee in complying with arbitrage rebate requirements, or responding to questions from the SEC or IRS pertaining to the Bonds or any audit from the SEC or IRS pertaining to the Bonds, if any; the costs of the District or designee in complying with the disclosure requirements of applicable federal and state securities laws and of the Act, including, but not limited to, public inquiries regarding the Annual Special Levies; and the costs associated with the release of funds from any escrow account. Administrative Expenses shall also include amounts advanced for any administrative purpose of the District including the costs of prepayment of the Annual Special Levy A; recordings related to the prepayment, discharge or satisfaction of the Annual Special Levy A; and the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Annual Special Levies and the reasonable fees of legal counsel to the District incurred in connection with the foregoing.

**"Administrator"** means the designee of the District Board responsible for determining the Special Levy A Requirement and Special Levy B Requirement, and coordinating the billing and collection of the Annual Special Levies.

**"Annual Special Levy" or "Annual Special Levies"** means the sum of the Annual Special

Levy A and the Annual Special Levy B collected in each Fiscal Year from each Parcel of Levyable Property.

**"Annual Special Levy A"** means the special levy collected in each Fiscal Year for each Parcel of Levyable Property pursuant to Section D to fund the Special Levy A Requirement.

**"Annual Special Levy B"** means the special levy collected in each Fiscal Year for each Parcel of Levyable Property pursuant to Section E to fund the Special Levy B Requirement.

**"Association Property"** means any property in the District owned by or dedicated to a property owner association, including any master or sub-association, exclusive of any property on which Dwelling Units are or may be constructed.

**"Bonds"** means any bonds, including refunding bonds, or New Mexico Finance Authority Public Project Revolving Fund loans, whether in one or more series, secured by the Annual Special Levy A.

**"City"** means the City of Sunland Park, New Mexico.

**"County"** means the County of Doña Ana, New Mexico.

**"Developed Platted Property"** means all Platted Property for which (i) the Final Plat was recorded by the January 1 preceding the Fiscal Year for which the Annual Special Levy is being collected and (ii) a certificate of occupancy permit has been issued by the April 30 preceding the Fiscal Year for which the Annual Special Levy is being collected.

**"Development Agreement"** means the development agreement entered into by and between the City, District, and LBG Properties, LLC on July 19, 2022.

**"District Board"** means the governing body of the District.

**"Dwelling Unit" or "DU"** means a residential dwelling unit.

**"Enhanced Services"** means the ongoing services, maintenance and operations or enhanced services of parks and trail system open space within the boundaries of the PID set forth in Section 4.F of the Development Agreement.

**"Exempt Property"** means all property exempt from the Annual Special Levy pursuant to Section H.

**"Final Plat"** means a final plat or final subdivision of land that is approved by the City and recorded with the County.

**"Fiscal Year"** means the 12-month period starting July 1 and ending June 30.

**"Indebtedness"** means any Bonds, notes, and/or other obligations of the District secured by the Annual Special Levy A, including reimbursement obligations, and authorized pursuant to Sections 10 and 20 of the Act.

**"Indenture"** means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Indebtedness are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

**"Levyable Property"** means all property within the District which is not Exempt Property

or which has not prepaid the Maximum Annual Special Levy A in full pursuant to Section I.

**"Maximum Annual Special Levy A"** means the maximum Annual Special Levy A, determined in accordance with Section B and Section C that can be levied by the District Board in any Fiscal Year on any Parcel of Levyable Property.

**"Maximum Annual Special Levy B"** means the maximum Annual Special Levy B, determined in accordance with Section B and Section C that can be levied by the District Board in any Fiscal Year on any Parcel of Levyable Property.

**"Parcel"** means a lot or parcel within the boundaries of the District that is assigned a uniform property code as shown on a Cadastral Map; provided, however, that solely for the purpose of levying the Annual Special Levy on Undeveloped Property, "Parcel" shall include the Residential Lots that are not yet platted but that are otherwise shown on Appendix A of the PID General Plan.

**"Parcel Map"** means an official map of the County designating parcels by uniform property code.

**"Platted Property"** means all Residential Lots for which a Final Plat was recorded by the January 1 preceding the Fiscal Year for which the Annual Special Levy is being collected.

**"Preliminary Plat"** means a preliminary plat of subdivision which has been approved by the City.

**"Public Property"** means all property in the District owned by or dedicated to the federal government, the State of New Mexico, the County, the City, School Districts, or any local government or other public agency.

**"Residential Lot"** means a Parcel of Levyable Property for which a building permit (i) may and is anticipated to be issued without any further subdivision of the Parcel or (ii) has been issued for a Dwelling Unit.

**"Special Levy A Requirement"** means that amount, not to exceed the Total Maximum Annual Special Levy A Levies, determined by the District Board or its designee as required in any Fiscal Year for the District to pay and/or reimburse amounts advanced to pay its: (1) Administrative Expenses, (2) debt service and/or payments on any Indebtedness, (3) an amount equal to the anticipated delinquent Annual Special Levy A levies and any anticipated shortfall in Annual Special Levy A levies resulting from the 100% Veteran Exemption, all as determined by the District Board or the Administrator, (4) any amount required to replenish any reserve fund established in connection with such Indebtedness, (5) the costs of credit enhancement and fees for instruments that serve as the basis of a reserve fund in lieu of cash related to any such Indebtedness, (6) for acquisition and/or construction of authorized public infrastructure improvements, and (7) for costs incurred in connection with the formation of the District.

**"Special Levy B Requirement"** means that amount, not to exceed the Total Maximum Annual Special Levy B Levies, determined by the City or its designee as required in any Fiscal Year to pay: (1) all or a portion of the costs of the City associated with providing the Enhanced Services, as reported by the City to the District no later than May 1st of the prior Fiscal Year, (2) an amount equal to the anticipated delinquent Annual Special Levy B levies and any anticipated shortfall in Annual Special Levy B levies resulting from the

Disabled Veteran Exemption, all as determined by the District Board or the Administrator, and (3) the Administrative Expenses associated with and/or allocated to the foregoing clauses (1) and (2).

"Total Maximum Annual Special Levy A Levies" means for any Fiscal Year the sum of the Maximum Annual Special Levy A for such Fiscal Year for each Parcel within the District. The Total Maximum Annual Special Levy A Levies for the District may be adjusted as a result of prepayments, revisions to Appendix A, and/or revisions pursuant to Section C.2 herein.

"Total Maximum Annual Special Levy B Levies" means for any Fiscal Year the sum of the Maximum Annual Special Levy B for such Fiscal Year for each Parcel within the District. The Total Maximum Annual Special Levy B Levies for the District may be adjusted as a result of revisions to Appendix A.

"Trustee" means the trustee or fiscal agent under the Indenture.

"Undeveloped Platted Property" means Platted Property not classified as Developed Platted Property.

"Undeveloped Property" means all Levyable Property that is not classified as Developed Platted Property or Undeveloped Platted Property.

**B CLASSIFICATION OF PROPERTY**

On or about May 1 of each Fiscal Year, all property within the District shall be classified as Exempt Property or Levyable Property. All Levyable Property shall be classified in accordance with Appendix A and assigned to one of the levy classifications shown in Table 1 based on lot type. Parcels in each of the levy classifications shall be further classified as Developed Platted Property, Undeveloped Platted Property, or Undeveloped Property.

**C MAXIMUM ANNUAL SPECIAL LEVY**

The Maximum Annual Special Levy A and the Maximum Annual Special Levy B for a Parcel of Levyable Property shall be determined pursuant to Section C.1 below, adjusted pursuant to Sections C.2 and C.3 as applicable.

**C.1 Maximum Annual Special Levy A and Maximum Annual Special Levy B**

Subject to Sections C.2 and C.3 below, the Maximum Annual Special Levy A and the Maximum Annual Special Levy B applicable to each Parcel of Levyable Property shall be determined by reference to Appendix A and Table 1. Prior to the recordation of the Final Plat, the Maximum Annual Special Levy A and the Maximum Annual Special Levy B for a Parcel of Levyable Property shall be determined by multiplying the expected number and classification of Dwelling Units for such Parcel, as determined from Appendix A, by the corresponding Maximum Annual Special Levy A and Maximum Annual Special Levy B amounts set forth in Table 1 below.

**Table 1: Maximum Annual Special Levy A and Maximum Annual Special Levy B**

Levy Classification	Anticipated Residential Dwelling Units	Maximum Annual Special Levy A	Maximum Annual Special Levy B
(1) Single-Family Detached Lot	1,286	\$1,509/DU	\$116/DU

***C.2 Revision to Maximum Annual Special Levy A or Prepayment Required Due to the Reduction in Total Maximum Annual Special Levy A Levies***

If at any time after Bonds has been issued the District Board or the Administrator determines that there has been or will be a reduction in the Total Maximum Annual Special Levy A Levies for the District as a result of an amendment to Appendix A, or other event, which reduces the Total Maximum Annual Special Levy A Levies such that the annual debt service coverage ratio on any issued and outstanding Bonds is less than that specified in the Indenture, then at the discretion of the District Board, only in compliance with the Act, either (i) if permitted by law, the Maximum Annual Special Levy A for the Parcel(s) for which such a reduction has or will occur shall be revised pursuant to C.2.a below to compensate for the reduction or (ii) a prepayment shall be made pursuant to C.2.b below. Each year's annual debt service coverage ratio, if applicable, shall be determined in accordance with the Indenture.

***C.2.a Adjusted Maximum Annual Special Levy A***

If the District Board determines that the Maximum Annual Special Levy A for the District shall be increased to compensate for the reduction, the then applicable Maximum Annual Special Levy A for the subject Parcel(s) shall be increased by multiplying such Maximum Annual Special Levy by a quotient calculated as follows:

- 1st. Calculate the then applicable Maximum Annual Special Levy A Levies for the subject Parcel(s), taking into consideration the changes resulting in the reduction;
- 2nd. Calculate the sum of the estimated Administrative Expenses and the required debt service coverage ratio multiplied by the annual payments on the outstanding Bonds;
- 3rd. Subtract the then Total Maximum Annual Special Levy A Levies for the District from the amount calculated in the 2<sup>nd</sup> step;
- 4th. The numerator is equal to the sum of the amounts from the 1<sup>st</sup> and 3<sup>rd</sup> steps; and
- 5th. The denominator is equal to the amount from the 1<sup>st</sup> step.

The District Board shall take such steps as appropriate to record notice of any such change.

***C.2.b Prepayment of Reduction***

If the District Board determines that the reduction in the Maximum Annual Special Levy A Levies shall be prepaid, such prepayment amount shall be computed pursuant to Section I, with the following modifications:

- The difference between the Maximum Annual Special Levy A Levies required to satisfy the debt service coverage requirements set forth in the Indenture and the amount to which the Maximum Annual Special Levy A Levies have been reduced shall serve be substituted for the term Maximum Annual Special Levy A when computing the Prepaid Special Levy A.

### ***C.3 Appendix A Amendments***

Appendix A may be amended pursuant to an executed certificate, the form of which is attached as Appendix B. Any amendment to Appendix A approved by the District Board shall be recorded with the County Clerk.

## **D APPORTIONMENT OF THE ANNUAL SPECIAL LEVY A**

Commencing with Fiscal Year 2023-2024 and for each following Fiscal Year, the District Board shall apportion the Annual Special Levy A to each Parcel of Levyable Property in accordance with the procedure set forth below, provided the Annual Special Levy A for any Residential Lot does not exceed its Maximum Annual Special Levy A.

### ***D.1 Prior to the Issuance of Bonds***

The Annual Special Levy A shall be collected from each Parcel of Platted Property in equal percentages up to 100% of the applicable Maximum Annual Special Levy A until the Annual Special Levy A Levies equal the Special Levy A Requirement. There will be no Annual Special Levy A collected from Undeveloped Property.

### ***D.2 After Issuance of Bonds***

The Annual Special Levy A shall be collected from each Parcel of Levyable Property, not to exceed its Maximum Annual Special Levy A, sufficient to fund the Special Levy A Requirement in accordance with the following steps:

First: The Annual Special Levy A shall be collected from each Parcel of Developed Platted Property in equal percentages up to 100% of its applicable Maximum Annual Special Levy A;

Second: If additional monies are needed to fund the Special Levy A Requirement after the first step, the Annual Special Levy A shall be collected from each Parcel of Undeveloped Platted Property in equal percentages up to 100% of its applicable Maximum Annual Special Levy A; and

Third: If additional monies are needed to fund the Special Levy A Requirement after the second step, the Annual Special Levy A shall be collected from each Parcel of Undeveloped Property in equal percentages up to 100% of its applicable Maximum Annual Special Levy A.

Equal percentages means the Annual Special Levy A for each Parcel of Developed Platted Property, computed as a percentage of its applicable Maximum Annual Special Levy A, is the same as for all other Parcels of Developed Platted Property; the Annual Special Levy A for each Parcel of Undeveloped Platted Property, computed as a percentage of its applicable Maximum Annual Special Levy A, is the same as for all other Parcels of Undeveloped Platted Property; and the Annual Special Levy A for each Parcel of Undeveloped Property, computed as a percentage of its applicable Maximum Annual Special Levy A, is the same as for all other Parcels of Undeveloped Property.

## **E APPORTIONMENT OF THE ANNUAL SPECIAL LEVY B**

Commencing with Fiscal Year 2023-2024 and for each following Fiscal Year, the District Board shall apportion the Annual Special Levy B to each Parcel of Levyable Property in accordance with the procedure set forth below, provided the Annual Special Levy B for any Residential Lot does not exceed its Maximum Annual Special Levy B.

The Annual Special Levy A shall be collected from each Parcel of Levyable Property, not to exceed its Maximum Annual Special Levy B, sufficient to fund the Special Levy B Requirement in accordance with the following steps:

First: The Annual Special Levy B shall be collected from each Parcel of Developed Platted Property in equal percentages up to 100% of its applicable Maximum Annual Special Levy B;

Second: If additional monies are needed to fund the Special Levy B Requirement after the first step, the Annual Special Levy B shall be collected from each Parcel of Undeveloped Platted Property in equal percentages up to 100% of its applicable Maximum Annual Special Levy B; and

Third: If additional monies are needed to fund the Special Levy B Requirement after the second step, the Annual Special Levy B shall be collected from each Parcel of Undeveloped Property in equal percentages up to 100% of its applicable Maximum Annual Special Levy B.

Equal percentages means the Annual Special Levy B for each Parcel of Developed Platted Property, computed as a percentage of its applicable Maximum Annual Special Levy B, is the same as for all other Parcels of Developed Platted Property; the Annual Special Levy B for each Parcel of Undeveloped Platted Property, computed as a percentage of its applicable Maximum Annual Special Levy B, is the same as for all other Parcels of Undeveloped Platted Property; and the Annual Special Levy B for each Parcel of Undeveloped Property, computed as a percentage of its applicable Maximum Annual Special Levy B, is the same as for all other Parcels of Undeveloped Property.

#### **F MANNER OF COLLECTION**

The Annual Special Levy shall constitute a lien on the property subject thereto which shall have priority co-equal to the lien of general *ad valorem* property taxes. The Annual Special Levy will be billed by the County in the same manner and at the same time as general *ad valorem* property taxes and will appear as a separate item on the property tax bill for real property within the District as that property is identified on the tax roll on January 1 of each year in which the Annual Special Levy is in effect. As provided in the Act, the District has established foreclosure remedies which shall apply following nonpayment of the Annual Special Levy, which are referred to in the Notice of Imposition of Special Levy. Under those procedures, the Annual Special Levy is subject to foreclosure by the District beginning 6 months after written notice of delinquency is provided to the owner of the real property to which the delinquency applies. The lien of the Annual Special Levy includes delinquencies, penalties and interest thereon at a rate not to exceed the maximum legal rate of interest per year and penalties otherwise applicable.

#### **G TERM**

The Annual Special Levy A will remain in place while the PID is in operation. Notwithstanding the foregoing, after all Indebtedness of the District is fully repaid the Annual Special Levy A will only be imposed by the PID for the sole purpose of paying the Administrative Expenses.

The Annual Special Levy B will remain in place while the City provides the Enhanced Services.

## H EXEMPTIONS

Property exempt from the Annual Special Levy consists of (i) Association Property and (ii) Public Property.

The Annual Special Levy shall be imposed on all property identified by the County as being subject to the 100% Veteran Exemption but, assuming the 100% Veteran Exemption has been lawfully enacted by the New Mexico Legislature and the applicable disabled veteran property owner or the surviving spouse of the disabled veteran property owner is actually entitled to receive such exemption, the District shall not seek to collect the Annual Special Levy from such property in such Fiscal Year.

## I PREPAYMENT

Prior to issuance of Bonds, no prepayments of the Maximum Annual Special Levy A shall be allowed. After issuance of Bonds, the non-Administrative Expenses portion of the Maximum Annual Special Levy A (the "Annual Special Levy A Bonded Component") for the current and all remaining Fiscal Years through the final term of the Annual Special Levy A for any Parcel may be prepaid in full and the obligation of the Parcel to pay the Annual Special Levy A Bonded Component that has been prepaid permanently satisfied as described herein, provided that a prepayment may be made only if there are no outstanding delinquent Annual Special Levy A Levies with respect to such Parcel and all other Parcels under the same ownership at the time of prepayment. An owner of a Parcel intending to prepay the Annual Special Levy A Bonded Component shall provide the District Board with written notice of intent to prepay in full such portion of the Maximum Annual Special Levy. Within 30 days of receipt of such written notice, the District Board or its designee shall notify such owner of the prepayment amount necessary to permanently satisfy the obligation to pay the Annual Special Levy A Bonded Component for such Parcel (the "Prepayment"), the Administrative Expenses portion of the Annual Special Levy A (the Annual Special Levy A Administrative Expenses Component") that will remain in place while the PID is in operation, and the date through which such prepayment shall be valid.

The term of the Annual Special Levy B will remain in place indefinitely, so long as the District provides Enhanced Services. As such, the Maximum Annual Special Levy B for the current and all future Fiscal Years cannot be calculated by the City and as such, may not be prepaid.

A Prepayment means an amount equal to (a) the sum of (1) Principal, (2) Premium, (3) Defeasance, and (4) Fees minus (b) the sum of (1) the Reserve Fund Credit and (2) the Capitalized Interest Credit, if provided for in the Indenture, where the terms "Principal," "Premium," "Defeasance," "Fees," "Reserve Fund Credit," and "Capitalized Interest Credit" have the following meanings:

**"Principal"** means the principal amount of Bonds to be redeemed and equals the quotient derived by dividing (i) the then applicable Maximum Annual Special Levy A for the Parcel intending to prepay by (ii) the corresponding Maximum Annual Special Levy A Levies for the District, (and excluding from (ii) any Maximum Annual Special Levy A Levies which have been previously prepaid), and multiplying the quotient by the principal amount of outstanding Bonds.

**"Premium"** means an amount equal to the Principal multiplied by the applicable redemption premium, if any, for any Bonds so redeemed with the proceeds of any such prepayment.

"**Defeasance**" means the amount needed to pay interest on any Bonds to be redeemed until the earliest redemption date for the outstanding Bonds less any Annual Special Levy A Levies heretofore paid for such Parcel and available to pay interest on the redemption date for the Bonds.

"**Fees**" equal the expenses of the District associated with the Prepayment as calculated by the District Board or its designee and include, but are not limited to, the costs of computing the Prepayment, the costs of amending any Annual Special Levy A previously enrolled with the County, the costs of redeeming the Bonds, and the costs of recording and publishing any notices to evidence the prepayment of the non-Administrative Expenses portion of the Maximum Annual Special Levy A and the redemption of Bonds.

"**Reserve Fund Credit**" shall equal the lesser of (i) the Reserve Fund Requirement (as such term is defined in the Indenture) multiplied by a fraction the numerator of which is equal to the Principal and denominator of which is equal to the outstanding Bonds or (ii) an amount determined by subtracting the Reserve Requirement in effect after the redemption and/or retirement of the Bonds from the balance in the Reserve Fund (as such term is defined in the Indenture) on the prepayment calculation date, provided that the amount determined is not less than zero.

"**Capitalized Interest Credit**" shall equal the reduction in interest payable on the Bonds from the redemption date for the Bonds to be redeemed and/or retired from proceeds of the Principal to the end of the capitalized interest period, as determined by the District Board or its designee. No capitalized interest credit is given if the redemption and/or retirement date for the Bonds redeemed and/or retired from the Prepayment is after the capitalized interest period.

The sum of the amounts calculated in the preceding steps shall be paid to the District and shall be used to (a) pay interest and principal on Bonds to the date of redemption and/or retirement, (b) redeem and/or retire Bonds in accordance with the Indenture, (c) pay or reimburse the cost of public improvements, and (d) pay Fees associated with the Prepayment. Upon the receipt of the Prepayment by the District and the deposit of such funds with the Trustee, the obligation to pay the Annual Special Levy A Bonded Component for such Parcel shall be deemed to be permanently satisfied. The Administrator shall cause a notice of cancellation of the Annual Special Levy A Bonded Component for such Parcel to be recorded.

Notwithstanding the foregoing, the Annual Special Levy A Administrative Expenses Component, calculated in connection with the Prepayment and disclosed to the owner making the Prepayment, together with the Annual Special Levy B, shall continue to be levied thereafter on such Parcel.

**J AMENDMENTS**

This Rate and Method of Apportionment of Special Levy may be amended pursuant to and to the extent permitted by the Act. The District Board may make clarifications with respect to this Rate and Method of Apportionment of Special Levy without further notice under the Act and without notice to owners of property within the District in order to (i) clarify or correct minor inconsistencies in the matters set forth herein, and/or (ii) provide for lawful procedures for the collection and enforcement of the Annual Special Levy so as to ensure the efficient collection of the Annual Special Levy for the benefit of the owners of the

Indebtedness and the District, respectively.

No amendment shall be approved by the District Board if it violates any other agreement binding upon the District and unless and until it has (i) found and determined that the amendment is necessary and appropriate and does not materially adversely affect the rights of the owners of the Indebtedness or the District Board has obtained the consent of 100.00% of the owners of the Indebtedness and (ii) received an opinion from bond counsel to the effect that the amendment does not violate the Act, and is authorized pursuant to the terms of the Indenture and this Rate and Method of Apportionment of Special Levy.

**APPENDIX A**  
**LEVY CLASSIFICATIONS**  
**RANCHO SANTA TERESA PUBLIC IMPROVEMENT DISTRICT**

**APPENDIX B**  
**CERTIFICATE TO AMEND APPENDIX A OF THE RATE AND METHOD**  
**OF APPORTIONMENT OF THE SPECIAL LEVY**  
**RANCHO SANTA TERESA PUBLIC IMPROVEMENT DISTRICT**

By execution hereof, the undersigned acknowledges, on behalf of the District Board of the PID approval of this certificate and modification of Appendix A of the RMA as set forth in this certificate.

DISTRICT BOARD

By: \_\_\_\_\_  
Administrator Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

**AMENDED APPENDIX A  
AMENDED LEVY CLASSIFICATIONS  
RANCHO SANTA TERESA PUBLIC IMPROVEMENT DISTRICT**

**DATE: \_\_\_\_\_**

**LEGAL DESCRIPTION OF PROPERTY TO WHICH  
THE AMENDED APPENDIX A APPLIES  
RANCHO SANTA TERESA PUBLIC IMPROVEMENT DISTRICT**

