

**CITY OF NORTH LAS VEGAS, NEVADA
DEPOSIT AND REIMBURSEMENT AGREEMENT
PROPOSED SPECIAL IMPROVEMENT DISTRICT**

This DEPOSIT AND REIMBURSEMENT AGREEMENT (this “**Agreement**”) is made and entered into as of _____, 2021 by and between the CITY OF NORTH LAS VEGAS, NEVADA (the “**City**”), and D.R. HORTON, INC., a Delaware corporation (the “**Developer**”).

WHEREAS, the Developer has requested that the City conduct proceedings pursuant to the provisions of Nevada Revised Statutes Chapter 271 to form a Special Improvement District within the City (the “**District**”), to levy special assessments, and to issue one or more series of bonds (the “**Bonds**”) to provide for the construction, acquisition, or furnishing of certain public improvements benefitting the properties in the District;

WHEREAS, the Developer owns, or is under contract to buy, all of the real property that is included within the boundaries of the proposed District;

WHEREAS, the Developer has agreed to advance funds to be used by the City to pay costs and expenses associated with the formation of the District, the levy of assessments, and the issuance of Bonds, such advances being subject to reimbursement or credit upon a successful issuance of the Bonds or the termination or abandonment of such proceedings as provided herein; and

WHEREAS, the parties hereto wish to enter into this Agreement to define the terms and conditions under which funds will be advanced by and reimbursed to the Developer.

NOW THEREFORE, the parties, for mutual consideration, agree as follows:

SECTION 1. The Developer shall advance funds (the “**Funds**”) to the Finance Director as provided in Section 4 hereof, which Funds shall be used by the City to pay costs generally described in Section 2 hereof. If the Funds are not advanced in accordance with Section 4 hereof, the City shall not proceed with the issuance of Bonds.

SECTION 2. The Finance Director shall use the Funds to pay costs and expenses, if any, incidental to or associated with the formation of the District, the levy of the assessments, and the issuance of Bonds (collectively, “**Financing Costs**”), including, without limitation, costs and expenses relating to the following, as applicable: (a) the property appraisal, (b) the absorption study, (c) noticing and publication expenses, (d) the assessment engineer, (e) District, assessment, and Bond administration, (f) the City’s Bond Counsel, (g) Zions Public Finance, as the City’s Municipal Advisor, and (h) the City’s personnel and out-of-pocket costs. The scope of work and terms and conditions of the agreements for the foregoing advisors and special services, with the exception of the City’s Bond Counsel, will be subject to the Finance Director’s and the City Attorney’s approval or as outlined in agreements that will be on file in the Finance Director’s office and available for inspection and review by the Developer. The Finance

Director shall maintain records of the payment of all Financing Costs and keep such records on file and available for inspection and review by the Developer in the Finance Director's office. The Developer shall not have access to inspect or review the invoices for the City's Bond Counsel, but upon the request of the Developer, the City shall provide a summary of the amounts paid to Bond Counsel.

SECTION 3. The Developer acknowledges and agrees that all consultants to be compensated pursuant to this Agreement shall be retained by the City for the benefit of the City. The Developer may retain its own consultants and/or legal counsel, but consultants or legal counsel retained by the Developer shall not be eligible for reimbursement pursuant to Section 5.

SECTION 4. The Developer shall deposit with the Finance Director the initial amount of \$150,000 within five (5) business days after this Agreement is executed and delivered by the City. As additional Moneys are required, the Finance Director shall make demand upon the Developer, and the Developer shall deposit such additional Moneys with the Finance Director within five (5) business days of receipt of such demand. The Finance Director shall cause all Moneys received from the Developer to be deposited into a separate interest-bearing maintained by or at the direction of the Finance Director. All interest or other amounts earned on Moneys in such account shall be held in such account for the payment of Financing Costs or otherwise as set forth in Section 5 hereof.

SECTION 5. If the District proceedings are unsuccessful and are terminated or abandoned prior to the issuance of the Bonds, the Finance Director shall transfer to the Developer all Funds, including any interest earnings thereon, then on deposit in the account established and maintained pursuant to Section 4 hereof, exclusive of Funds necessary to pay Financing Costs or portions thereof that have been actually incurred, are not payable contingent upon the successful issuance of the Bonds, and are due and owing as of the date of such termination or abandonment.

The Developer shall have the following options upon the successful issuance of the Bonds:

- A. The Developer may direct the City to reimburse the Developer for the Funds, and the interest thereon, previously advanced by the Developer from the proceeds of the Bonds;
- B. The Developer may direct the City to return unexpended Funds, and the interest thereon, to Developer; or
- C. The Developer may direct the City to do any combination of the above.

SECTION 6. This Agreement does not in any way create an obligation or commitment that the City will proceed with the issuance of the Bonds, and the City expressly reserves the right to terminate or abandon the proceedings at any time prior to the issuance of the

Bonds, if in the City's sole discretion, it deems such termination or abandonment to be in the best interests of the City.

SECTION 7. This Agreement shall be binding on the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in the City of North Las Vegas, Nevada, as of the date and year first herein above written.

CITY OF NORTH LAS VEGAS, NEVADA

John J. Lee, Mayor
City of North Las Vegas, Nevada

Jackie Rodgers, Acting City Clerk
City of North Las Vegas, Nevada

APPROVED AS TO FORM:

Micaela Moore, City Attorney

D.R. HORTON, INC.

By: _____
Name: _____
Title: _____