

**Creeks of Legacy Public Improvement District
Phase #3 – Lot Type 3- 50 FT
Project Overview**

The Creeks of Legacy Public Improvement District (the “District”) was created by the City Council of the City of Celina on April 29, 2014, pursuant to the Public Improvement District Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution No. 2014-17R upon petition of the owners of the taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment within the District and the property owners who own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for Assessment by the District.

The District was created principally to finance certain public improvement projects for the residential development located within the boundaries of the City of Celina (the “City”). A Service and Assessment Plan was accepted and approved by the City Council on June 18, 2014, pursuant to Ordinance No. 2014-26 (the “Assessment Ordinance”), setting forth the plan for apportioning the costs of certain of the public improvement projects (the “Authorized Improvements”) to be assessed against properties in the District and for payment of Special Assessments with respect thereto.

The City issued the City of Celina Special Assessment Revenue Bonds, Series 2014 in the aggregate amount of \$6,575,000 (Creeks of Legacy Public Improvement District Phases #2-3 Major Improvement Project) (the “MIA Bonds”) pursuant to the Act, an ordinance adopted by the City Council, and an Indenture of Trust dated as of June 1, 2014 between the City, and the U.S. Bank, N.A. as trustee, to finance the costs of the Major Authorized Improvements within the District. The City also approved the City of Celina Special Assessment Revenue Bonds, Series 2020 in the aggregate amount of \$3,600,000 (Creeks of Legacy Public Improvement District Phase #3 Project) (the “Phase #3 Bonds”) pursuant to an ordinance adopted by the City Council to finance the costs of the Authorized Improvements in Phase #3.

Phase #3’s pro-rata share of the MIA Bonds and the Phase #3 Bonds are payable from Special Assessments levied against each parcel of property within Phase #3 of the District pursuant to the Assessment Ordinance adopted by the City Council. The Act provides that the special assessments (including any reassessment, the expense of collection and reasonable attorney’s fees, if incurred) are (a) a first and prior lien against the property assessed, superior to all other liens and claims except liens or claims for state, county, school district or municipality ad valorem property taxes whether now or hereafter payable, and (b) a personal liability of and charge against the owners of the property to the extent of their ownership regardless of whether the owners are named.

More information concerning the District, the Phase #3 Assessments and the due dates of the Annual Installments of the Phase #3 Assessments may be obtained from MuniCap, Inc., the District Administrator for the City, located at 600 E. John Carpenter Freeway, Suite 333, Irving, Texas 75062 and available by telephone at (469) 490-2800 or (866) 648-8482 (toll free).

FAILURE TO PAY THE PHASE #3 ASSESSMENTS LEVIED AGAINST ASSESSED PROPERTY, INCLUDING THE ANNUAL INSTALLMENT THEREOF, COULD RESULT IN FORECLOSURE OF SUCH PROPERTY.

**NOTICE OF OBLIGATION TO PAY
PUBLIC IMPROVEMENT DISTRICT ASSESSMENTS
TO THE CITY OF CELINA, TEXAS**

CONCERNING THE PROPERTY AT:

[INSERT STREET ADDRESS]

(Phase #3 – Lot Type 3 – 50’ Lot)

(Outstanding Principal Assessment - \$25,010)

As the purchaser of the real property located at the street address set forth above, you are obligated to pay assessments to the City of Celina, Texas, for public improvements undertaken for the benefit of the property within the Creeks of Legacy Public Improvement District created under Subchapter A, Chapter 372, Local Government Code, as amended.

THE PRINCIPAL AMOUNT OF THE ASSESSMENT AGAINST YOUR PROPERTY FOR PUBLIC IMPROVEMENTS IS \$25,010, WHICH MAY BE PAID IN FULL AT ANY TIME; HOWEVER, IF NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS WHICH WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

An estimate of the annual installments is attached; **however, it is only an estimate and is subject to change.** The exact amount of the annual installments, including the annual installments thereof, will be approved by the City Council. More information about the assessments, including the amounts and due dates, may be obtained from MuniCap, Inc., the PID Administrator.

Your failure to pay any assessment, or any annual installment thereof, may result in penalties and interest being added to what you owe and could result in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of the foregoing notice prior to the effective date of a binding contract for the purchase of the real property at the street address set forth above.

IN WITNESS WHEREOF, I have signed this certificate this _____, 20__.

[PURCHASER]

By: _____

Name: _____

Title: _____

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas

[NOTARY SEAL]

**Creeks of Legacy Public Improvement District
Phase 3 - Schedule of Projected Annual Installments**

**Lot Type
Outstanding Assessment
Equivalent Unit**

Lot Type 3 (50' Lot)
\$25,010
0.73

Assessment Year ending 09/01 ¹	Cumulative Outstanding Principal	Ph. #3 Bond Principal ²	Ph. #3 Bond Interest ²	MIA Bond Principal ³	MIA Bond Interest ³	Administrative Expenses ⁴	Total Annual Installment ⁵
2021	\$25,010	\$0	\$0	\$218	\$659	\$35	\$911
2022	\$24,792	\$111	\$771	\$218	\$693	\$136	\$1,930
2023	\$24,463	\$111	\$767	\$254	\$677	\$139	\$1,948
2024	\$24,097	\$111	\$762	\$254	\$659	\$142	\$1,928
2025	\$23,732	\$111	\$758	\$290	\$641	\$144	\$1,944
2026	\$23,330	\$134	\$753	\$290	\$618	\$147	\$1,942
2027	\$22,906	\$134	\$747	\$327	\$596	\$150	\$1,954
2028	\$22,446	\$111	\$742	\$363	\$570	\$153	\$1,940
2029	\$21,971	\$156	\$737	\$363	\$542	\$156	\$1,955
2030	\$21,453	\$134	\$731	\$399	\$514	\$159	\$1,937
2031	\$20,920	\$134	\$725	\$435	\$483	\$163	\$1,940
2032	\$20,350	\$156	\$719	\$472	\$449	\$166	\$1,962
2033	\$19,723	\$201	\$712	\$472	\$413	\$169	\$1,966
2034	\$19,050	\$201	\$702	\$508	\$374	\$173	\$1,958
2035	\$18,342	\$178	\$693	\$581	\$333	\$176	\$1,961
2036	\$17,583	\$201	\$684	\$617	\$286	\$179	\$1,967
2037	\$16,765	\$223	\$675	\$653	\$236	\$183	\$1,970
2038	\$15,889	\$245	\$664	\$690	\$183	\$187	\$1,968
2039	\$14,954	\$245	\$652	\$762	\$127	\$190	\$1,977
2040	\$13,947	\$267	\$641	\$798	\$65	\$194	\$1,966
2041	\$12,881	\$1,181	\$628	\$0	\$0	\$166	\$1,975
2042	\$11,700	\$1,248	\$570	\$0	\$0	\$169	\$1,987
2043	\$10,452	\$1,293	\$510	\$0	\$0	\$172	\$1,974
2044	\$9,160	\$1,359	\$447	\$0	\$0	\$176	\$1,982
2045	\$7,800	\$1,426	\$380	\$0	\$0	\$179	\$1,986
2046	\$6,374	\$1,493	\$311	\$0	\$0	\$183	\$1,987
2047	\$4,881	\$1,560	\$238	\$0	\$0	\$186	\$1,984
2048	\$3,321	\$1,627	\$162	\$0	\$0	\$190	\$1,979
2049	\$1,694	\$1,694	\$83	\$0	\$0	\$194	\$1,970
Total		\$16,046	\$16,962	\$8,964	\$9,119	\$4,757	\$55,848

¹ - Example: Assessment Year ending 2021 is anticipated to be billed around October 1, 2020 and due by January 31, 2021.

² - The principal and interest amounts are based on the Series 2020 Phase #3 Bonds final numbers and will not increase during the life of the bonds.

³ - The principal and interest amounts are based on Phase #3's pro rated shared of the Series 2014 MIA Bonds final numbers and will not increase during the life of the bonds.

⁴ - The Administrative Expenses shown include the estimated administration costs and will be updated in the Annual Service Plan Update.

⁵ - The projected Total Annual Installment does not include any TIRZ credit, if applicable.

THIS SCHEDULE IS AN ESTIMATE OF ANNUAL INSTALLMENT PAYMENTS AND IS SUBJECT TO CHANGE. THE EXACT AMOUNT OF EACH ANNUAL INSTALLMENT WILL BE REFLECTED IN THE CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN, AS THE SAME IS UPDATED EACH YEAR.

Creeks of Legacy Public Improvement District (PID)
& Reinvestment Zone Number One (TIRZ)

Example of TIRZ Credit Application

The property in the PID is also located in the City of Celina Tax Increment Reinvestment Zone No. 1. The City has committed to use approximately 47.6% of the annual incremental City ad valorem property taxes collected from a property in the current tax year as a credit (the “TIRZ Credit”) to reduce the PID annual installment of assessments due in the following year.

If a property owner is to receive a TIRZ Credit, the Annual Installment shown on their tax statement will be the projected Annual Installment shown in the attached schedule **LESS** any TIRZ Credit.

The following **hypothetical example** illustrates the application of the TIRZ Credit:

A) Estimates for illustration purposes:

Estimated prorated base year (2014) taxable value = \$1,000
Estimated current year (2021) taxable value = \$300,000
Estimated current (2021) incremental value = \$299,000 (i.e. \$300,000 - \$1,000)
Estimated current (2021) City tax rate per \$100 of taxable value = \$0.645
Estimated PID current (2021) annual installment of Assessment = \$911
Estimated PID next (2022) annual installment of Assessments = \$1,930

B) Estimated City incremental tax:

\$1,973 [i.e., $(\$299,000 \div 100) \times \$0.645 = \$1,929$]

C) Estimated TIRZ Credit:

\$918 (i.e., $\$1,929 \times 47.6\% = \918)¹

D) PID current annual installment due (2020):

\$911 with no prior year TIRZ Credit

E) Estimated PID next annual installment due (2021):

\$1,012 (i.e., $\$1,930 - \$918 = \$1,012$) after application of the \$918 TIRZ Credit

PLEASE NOTE THAT THE ABOVE CALCULATIONS ARE ONLY INTENDED TO ILLUSTRATE APPLICATION OF THE TIRZ CREDIT AND DO NOT REPRESENT ANY ACTUAL OR PROJECTED AMOUNTS OF TAXABLE VALUES, CITY TAX RATES AND PID ANNUAL INSTALLMENTS.

1–TIRZ Credits are capped at the total Major Improvement Area portion of each property’s annual installment.