

**Lakes at Mustang Ranch Public Improvement District
Phase #2 – Lot Size – 50 FT**

Project Overview

The Lakes at Mustang Ranch Public Improvement District (the “District”) was created by the City Council of the City of Celina on March 10, 2008, pursuant to the Public Improvement District Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution No. 2008-06R 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 City of Celina (the “City”). A Service and Assessment Plan was accepted and approved by the City Council on January 13, 2015, pursuant to Ordinance No. 2015-02 (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 (Lakes at Mustang Ranch Public Improvement District Phases #2-9 Major Improvement Project) Special Assessment Revenue Bonds, Series 2015 in the aggregate amount of \$13,150,000 pursuant to the Act, an Ordinance No. 2015-05 adopted by the City Council on January 13, 2015 and an Indenture of Trust dated as of January 1, 2015 between the City, and the U.S. Bank, N.A. as trustee. The City also approved the Phase #2 Reimbursement Agreement in the aggregate amount of \$5,300,000 pursuant to an Ordinance adopted by the City Council on December 13, 2016 to finance the remaining costs of the Authorized Improvements in Phase #2.

The Series 2015 Bonds and the Phase #2 Reimbursement Agreement are payable from special assessments levied against each parcel of property within Phase #2 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 #2 Assessments and the due dates of the Annual Installments of the Phase #2 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 #2 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 #2 – Lot Type 6 – 50’ Lot)

(Outstanding Principal Assessment - \$19,956)

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 Lakes at Mustang Ranch 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 \$19,956, 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 the District Administrator for the City, located at 600 E. John Carpenter Fwy, Suite 333, Irving, Texas 75062 and available by telephone at (469) 490-2800 or (866) 648-8482 (toll free) and email at txpid@municap.com.

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.

Lakes at Mustang Ranch Public Improvement District
Schedule of Projected Annual Installments
Phase #2

Lot Type
Equivalent Units
Outstanding Assessment

Type 6 (50 Ft)
0.48
\$19,956

Assessment Year ending 9/1 ¹	Cumulative Outstanding Assessment	MIA Bond Principal ²	MIA Bond Interest ²	MIA R.A. Principal ³	MIA R.A. Interest ³	Ph. 2 R.A. Principal ³	Ph. 2 R.A. Interest ³	Administrative Expenses ⁴	Total Annual Installment
2021	\$19,956	\$173	\$409	\$40	\$115	\$222	\$1,051	\$67	\$2,077
2022	\$19,520	\$187	\$407	\$62	\$112	\$234	\$1,031	\$65	\$2,098
2023	\$19,037	\$200	\$396	\$67	\$108	\$245	\$1,011	\$66	\$2,093
2024	\$18,524	\$213	\$384	\$73	\$104	\$245	\$654	\$67	\$1,741
2025	\$17,993	\$213	\$371	\$73	\$99	\$257	\$640	\$69	\$1,722
2026	\$17,449	\$227	\$357	\$78	\$94	\$278	\$625	\$70	\$1,729
2027	\$16,866	\$240	\$342	\$90	\$89	\$290	\$609	\$71	\$1,731
2028	\$16,246	\$253	\$326	\$96	\$84	\$313	\$592	\$72	\$1,736
2029	\$15,584	\$280	\$310	\$101	\$77	\$323	\$573	\$74	\$1,738
2030	\$14,880	\$293	\$292	\$107	\$71	\$346	\$554	\$75	\$1,738
2031	\$14,134	\$301	\$273	\$69	\$64	\$358	\$534	\$76	\$1,675
2032	\$13,406	\$328	\$252	\$72	\$60	\$379	\$513	\$78	\$1,681
2033	\$12,627	\$341	\$230	\$79	\$55	\$402	\$491	\$79	\$1,677
2034	\$11,805	\$367	\$207	\$86	\$50	\$423	\$467	\$80	\$1,681
2035	\$10,929	\$380	\$182	\$92	\$44	\$447	\$442	\$82	\$1,670
2036	\$10,009	\$407	\$157	\$99	\$38	\$468	\$416	\$83	\$1,667
2037	\$9,037	\$433	\$129	\$109	\$32	\$503	\$389	\$85	\$1,679
2038	\$7,992	\$459	\$100	\$115	\$25	\$524	\$359	\$86	\$1,668
2039	\$6,894	\$498	\$69	\$125	\$18	\$556	\$328	\$88	\$1,683
2040	\$5,714	\$526	\$35	\$150	\$10	\$591	\$296	\$89	\$1,697
2041	\$4,447	\$0	\$0	\$0	\$0	\$624	\$261	\$68	\$953
2042	\$3,823	\$0	\$0	\$0	\$0	\$657	\$224	\$69	\$950
2043	\$3,166	\$0	\$0	\$0	\$0	\$1,538	\$186	\$70	\$1,794
2044	\$1,628	\$0	\$0	\$0	\$0	\$1,628	\$96	\$71	\$1,795
Total		\$6,321	\$5,228	\$1,784	\$1,350	\$11,851	\$12,343	\$1,799	\$40,675

1 - Example: Annual Installment for year 2021 will be billed on or around 10/01/20 and payment is due by 01/31/21. Annual Installments for Assessment Year ending 2021 cover the period of 09/01/20 - 08/31/21.
2 - The principal and interest amounts represent the Phase 2 proportional share of debt service requirements of the Series 2015 Phases #2-9 MI Bonds and the Phases #2-9 Reimbursement Agreement.
3 - The principal and interest amounts represent the estimated debt service requirements of the Phase #2 Reimbursement Agreement.
4 - Administrative expenses are estimated and will be updated each year in the Annual Service Plan Update.

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 LAKES AT MUSTANG RANCH PUBLIC IMPROVEMENT DISTRICT ANNUAL SERVICE PLAN UPDATES. FOR ANY ADDITIONAL INQUIRIES ABOUT THE DISTRICT, PLEASE CONTACT THE ADMINISTRATOR AT 866-648-8482.