

**Wells North Public Improvement District
Neighborhood Improvement Area #3 – Lot Size – 70 Ft.**

Project Overview

The Wells North Public Improvement District (the “District”) was created by the City of Celina City Council on February 9, 2016, pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution No. 2016-12R 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 improvements (the “Authorized Improvements”) that specially benefit assessed property in the District. All of the property in the District was located within the extraterritorial jurisdiction of the City of Celina (the “City”) at the time of District creation and was subsequently annexed into the corporate limits of the City. On March 29, 2016, the City Council adopted Ordinance No. 2016-19 that approved a Service and Assessment Plan for the District (the "Service and Assessment Plan") and levied special assessments (the "Major Improvement Area Assessments") on certain property within the Major Improvement Area in accordance with the Major Improvement Area Assessment Roll attached as Appendix B to the Service and Assessment Plan. The Major Improvement Area Assessments may be prepaid in whole or in part at any time or may be paid in annual installments as provided by the Act and the Service and Assessment Plan.

The City issued the City of Celina (Wells North Public Improvement District Major Improvement Area Project) Special Assessment Revenue Bonds, Series 2016 (the “Series 2016 MIA Bonds”) in the aggregate amount of \$3,235,000 pursuant to the Act, Ordinance No. 2016-21 adopted by the City Council on March 29, 2016 and an Indenture of Trust dated as of April 1, 2016 between the City, and the U.S. Bank National Association, as trustee, for which Neighborhood Improvement Area #3 (“NIA #3”) property is subject to repay a prorated share of the Series 2016 MIA Bonds. Additionally, the City approved the NIA #3 Reimbursement Agreement for NIA #3 specific costs in the aggregate amount of \$995,000 pursuant to the Act, and an ordinance adopted by the City Council on May 12, 2020.

On October 13, 2020, the City issued the \$3,060,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2020 (Wells North Public Improvement District Neighborhood Areas #3-4 Project) (the “NIA #3-4 Bonds”) pursuant to the Act, Ordinance No. 2020-94 adopted by the City Council on October 13, 2020 (the “Bond Ordinance”) and an Indenture of Trust dated as of October 1, 2020 by and between the City and U.S. Bank, National Association, as trustee. The NIA #3-4 Bonds were issued to replace NIA #3 Reimbursement Agreement and finance the cost applicable to the Neighborhood Improvement Area #4 Improvements.

Neighborhood Improvement Area #3 Assessments that are not paid in full will be billed in annual installments and collected each year by the City, or its designee, as provided in the Service and Assessment Plan. Annual Installments are due and payable as provided on the annual installment assessment bill. Annual installments are expected to be billed and collected on the same schedule as property taxes. The Neighborhood Improvement Area #3 Assessments, including the annual installments thereof, 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 other political subdivision 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 Neighborhood Improvement Area #3 Assessments and the due dates of the Annual Installments of the Neighborhood Improvement Area #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 NEIGHBORHOOD IMPROVEMENT AREA #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 SPECIAL ASSESSMENTS
TO THE CITY OF CELINA, TEXAS**

CONCERNING THE PROPERTY AT:

[INSERT STREET ADDRESS]

(Neighborhood Improvement Area #3 – Lot Size – 70' Lot)

(Outstanding Special Assessment Principal - \$23,610)

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

THE PRINCIPAL AMOUNT OF THE SPECIAL ASSESSMENT AGAINST YOUR PROPERTY FOR PUBLIC IMPROVEMENTS IS \$23,610, 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 Special 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

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§

COUNTY OF _____

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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]

**Wells North Public Improvement District
Summary of Projected Annual Installments
Neighborhood Improvement Area #3**

**Lot Size
Assessment**

**70' Lot
\$23,610**

Assessment Year Ending 09/01¹	Cumulative Outstanding Principal	NIA #3 Bond Principal²	NIA #3 Bond Interest²	MIA Bond Principal³	MIA Bond Interest³	Additional Interest⁴	Administrative Expenses⁵	Total Annual Installment
2021	\$23,610	\$518	\$510	\$130	\$300	\$78	\$394	\$1,931
2022	\$22,960	\$342	\$612	\$137	\$343	\$115	\$417	\$1,967
2023	\$22,480	\$342	\$604	\$148	\$336	\$112	\$422	\$1,965
2024	\$21,990	\$342	\$595	\$148	\$330	\$110	\$427	\$1,952
2025	\$21,500	\$342	\$587	\$159	\$323	\$107	\$432	\$1,950
2026	\$20,999	\$428	\$578	\$159	\$315	\$105	\$437	\$2,022
2027	\$20,412	\$428	\$564	\$169	\$308	\$102	\$442	\$2,013
2028	\$19,816	\$428	\$550	\$180	\$299	\$99	\$447	\$2,003
2029	\$19,208	\$428	\$536	\$190	\$290	\$96	\$453	\$1,993
2030	\$18,590	\$428	\$522	\$201	\$280	\$93	\$458	\$1,982
2031	\$17,961	\$428	\$509	\$211	\$269	\$90	\$463	\$1,970
2032	\$17,322	\$428	\$493	\$211	\$258	\$87	\$469	\$1,945
2033	\$16,683	\$428	\$476	\$222	\$247	\$83	\$471	\$1,927
2034	\$16,033	\$428	\$460	\$243	\$235	\$80	\$472	\$1,919
2035	\$15,362	\$428	\$444	\$254	\$223	\$77	\$474	\$1,899
2036	\$14,681	\$428	\$428	\$264	\$209	\$73	\$476	\$1,879
2037	\$13,989	\$513	\$412	\$275	\$195	\$70	\$478	\$1,944
2038	\$13,201	\$513	\$393	\$296	\$180	\$66	\$480	\$1,928
2039	\$12,391	\$513	\$374	\$307	\$164	\$62	\$482	\$1,901
2040	\$11,572	\$513	\$355	\$328	\$147	\$58	\$484	\$1,884
2041	\$10,731	\$513	\$335	\$338	\$129	\$54	\$486	\$1,856
2042	\$9,879	\$513	\$315	\$360	\$110	\$49	\$488	\$1,835
2043	\$9,006	\$513	\$294	\$381	\$91	\$45	\$490	\$1,814
2044	\$8,112	\$599	\$274	\$402	\$70	\$41	\$492	\$1,877
2045	\$7,112	\$599	\$250	\$423	\$48	\$36	\$494	\$1,849
2046	\$6,090	\$599	\$226	\$444	\$24	\$30	\$497	\$1,820
2047	\$5,047	\$1,198	\$202	\$0	\$0	\$25	\$382	\$1,806
2048	\$3,849	\$1,198	\$154	\$0	\$0	\$19	\$382	\$1,753
2049	\$2,652	\$1,283	\$106	\$0	\$0	\$13	\$382	\$1,784
2050	\$1,369	\$1,369	\$55	\$0	\$0	\$7	\$382	\$1,812
Total		\$17,023	\$12,214	\$6,587	\$5,724	\$2,083	\$13,551	\$57,182

- 1 - Example: Annual Installment for Assessment Year ending 09/01/2021 will be billed on or around 10/01/20 and payment is due by 01/31/21.
- 2 - The principal and interest amounts represent the prorated amount of the Series 2020 NIA #3-4 Bonds allocated to NIA #3 and will not increase during the life of the bonds. The current outstanding NIA #3 principal amount equals the amount reflected in the Amended and Restated Service and Assessment Plan that was approved on October 13, 2020 plus the NIA #3 pro-rata principal due for Assessment Year ending 09/01/2021.
- 3 - The principal and interest amounts represent the prorated amount of the Series 2016 MIA Bonds allocated to NIA #3 and will not increase during the life of the bonds.
- 4 - Additional interest represent an additional 0.5% interest collected that is permitted to be collected to fund Prepayment and Delinquency Reserve Accounts pursuant to the PID Act. Additional interest is only collected on the outstanding principal of the MIA Bonds.
- 5 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.
- 6 - Total Annual Installment for 2021 covers the period of 09/01/2020 - 08/31/2021.

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 WELLS NORTH PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN, AS THE SAME IS UPDATED EACH YEAR.