

**Wells South Public Improvement District
Neighborhood Improvement Area #1 – Lot Size – 70 FT**

Project Overview

The Wells South Public Improvement District (the “District”) was created by the City of Celina City Council on July 14, 2015, pursuant to the Public Improvement District Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution No. 2015-34R 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 for the benefit of certain property in the PID, all of which is currently located within the extraterritorial jurisdiction of the City of Celina (the “City”) and will be annexed into the corporate limits of the City. A Service and Assessment Plan was accepted and approved by the City Council on December 7, 2015 pursuant to Ordinance No. 2015-66 (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 (Wells South Public Improvement District Neighborhood Improvement #1 Project) Special Assessment Revenue Bonds, Series 2015 in the aggregate amount of \$5,790,000 pursuant to the Act, an Ordinance No. 2015-68 adopted by the City Council on December 7, 2015 and an Indenture of Trust dated as of December 1, 2015 between the City, and the U.S. Bank National Association, as trustee.

All Neighborhood Improvement Area #1 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. Additionally, the City has agreed to commit the City’s ad valorem property taxes paid to be applied as a City Contributed Major Improvement Credit (the “CCMI Credit”) to reduce the Annual Installment due each year. The Neighborhood Improvement Area #1 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 #1 Assessments and the due dates of the Annual Installments of the Neighborhood Improvement Area #1 Assessments may be obtained from MuniCap, Inc., 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).

FAILURE TO PAY THE NEIGHBORHOOD IMPROVEMENT AREA #1 ASSESSMENTSS 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]

(Neighborhood Improvement Area #1 – Lot Size – 70' Lot)

(Outstanding Principal Assessment - \$22,018)

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 Wells South 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 \$22,018, 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.

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]

**Wells South Public Improvement District
Summary of Projected Annual Installments
Neighborhood Improvement Area #1**

**Lot Size
Outstanding Assessment**

**70' Lot
\$22,018**

Assessment Year Ending 09/01¹	Cumulative Outstanding Principal	NIA #1 Bond Principal²	NIA #1 Bond Interest²	Administrative Expenses³	Total Annual Installment
2021	\$22,018	\$366	\$1,349	\$146	\$1,861
2022	\$21,652	\$386	\$1,497	\$137	\$2,020
2023	\$21,266	\$406	\$1,471	\$140	\$2,017
2024	\$20,860	\$426	\$1,486	\$143	\$2,055
2025	\$20,434	\$447	\$1,415	\$146	\$2,007
2026	\$19,987	\$487	\$1,385	\$149	\$2,020
2027	\$19,500	\$508	\$1,352	\$152	\$2,011
2028	\$18,992	\$650	\$1,317	\$155	\$2,122
2029	\$18,342	\$670	\$1,273	\$158	\$2,101
2030	\$17,672	\$711	\$1,228	\$161	\$2,100
2031	\$16,961	\$751	\$1,180	\$164	\$2,096
2032	\$16,210	\$792	\$1,130	\$167	\$2,089
2033	\$15,418	\$853	\$1,076	\$171	\$2,100
2034	\$14,565	\$894	\$1,019	\$174	\$2,086
2035	\$13,671	\$954	\$958	\$178	\$2,090
2036	\$12,717	\$1,015	\$894	\$181	\$2,090
2037	\$11,701	\$1,076	\$825	\$185	\$2,086
2038	\$10,625	\$1,137	\$753	\$188	\$2,078
2039	\$9,488	\$1,198	\$676	\$192	\$2,066
2040	\$8,289	\$1,259	\$595	\$196	\$2,050
2041	\$7,030	\$1,340	\$510	\$200	\$2,050
2042	\$5,690	\$1,422	\$419	\$204	\$2,045
2043	\$4,268	\$1,503	\$324	\$208	\$2,034
2044	\$2,766	\$1,604	\$222	\$212	\$2,039
2045	\$1,161	\$1,161	\$114	\$216	\$1,491
Total		\$22,018	\$24,467	\$4,321	\$50,805

<p>1 - Example: Annual Installment for Assessment Year Ending 09/01/21 will be billed on or around 10/01/20 and payment is due by 01/31/21. Annual Installment for Assessment Year ending 2021 covers the period of 09/01/20 - 08/31/21.</p> <p>2 - The principal and interest amounts represent the final numbers of the Series 2016 NIA #1 Bonds and will not increase during the life of the bonds.</p> <p>3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.</p>

EXACT AMOUNT OF EACH ANNUAL INSTALLMENT WILL BE REFLECTED IN THE WELLS SOUTH PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN, AS THE SAME IS UPDATED EACH YEAR. THE WELLS SOUTH PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN MAY BE OBTAINED FROM THE CITY SECRETARY OF CELINA, TEXAS.