

**Wells South Public Improvement District
Neighborhood Improvement Area #2 – 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 Major Improvement Area Project) Special Assessment Revenue Bonds, Series 2015 (the “Series 2015 MIA Bonds”) in the aggregate amount of \$8,040,000 pursuant to the Act, an Ordinance No. 2015-67 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, for which Neighborhood Improvement Area #2 (“NIA #2”) property is subject to repay a prorated share of the Series 2015 MIA Bonds. Additionally, the City approved the PID Reimbursement Agreement for NIA #2 specific costs in the aggregate amount of \$2,125,000 pursuant to the Act, and an ordinance adopted by the City Council on July 10, 2018.

On September 30, 2020, the City issued the \$3,195,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2020 (Wells South Public Improvement District Neighborhood Areas #2-3 Project) (the “NIA #2-3 Bonds”), were issued by the City pursuant to the Public Improvement District Act, Chapter 372, Texas Local Government Code, an ordinance adopted by the City Council on September 8, 2020 (the “Bond Ordinance”) and an Indenture of Trust (the “Indenture”) dated as of September 1, 2020 by and between the City and U.S. Bank, National Association (the “Trustee”). The NIA #2-3 Bonds were issued to replace NIA #2 Reimbursement Agreement and finance the cost applicable to the Neighborhood Improvement Area #3 Improvements.

All NIA #2 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 NIA #2 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 NIA #2 Assessments and the due dates of the Annual Installments of the NIA #2 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 #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]

(Neighborhood Improvement Area #2 – Lot Size – 70' Lot)

(Outstanding Principal Assessment - \$20,004)

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 \$20,004, 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 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.

**Wells South Public Improvement District
Summary of Projected Annual Installments
Neighborhood Improvement Area #2**

Lot Size 70 FT Lot
Outstanding Assessment \$20,004

*Annual Installments **ARE NOT** collected in arrears. Annual Installments are collected for the period 09/01/XXXX - 08/31/XXXX*

Assessment Year ending 09/01 ¹	Cumulative Outstanding Principal	NIA #2 Bond Principal ²	NIA #2 Bond Interest ²	MIA Bond Principal ³	MIA Bond Interest ³	Administrative Expenses ⁴	Total Annual Installment
2021	\$20,004	\$319	\$404	\$106	\$661	\$227	\$1,718
2022	\$19,579	\$255	\$489	\$112	\$653	\$231	\$1,740
2023	\$19,212	\$255	\$481	\$122	\$644	\$236	\$1,738
2024	\$18,835	\$255	\$474	\$133	\$634	\$240	\$1,736
2025	\$18,447	\$255	\$466	\$143	\$624	\$245	\$1,733
2026	\$18,048	\$255	\$458	\$154	\$612	\$250	\$1,730
2027	\$17,639	\$255	\$449	\$165	\$600	\$255	\$1,724
2028	\$17,219	\$191	\$440	\$207	\$557	\$260	\$1,655
2029	\$16,820	\$191	\$433	\$228	\$534	\$265	\$1,653
2030	\$16,401	\$191	\$426	\$244	\$517	\$271	\$1,650
2031	\$15,965	\$255	\$419	\$260	\$499	\$276	\$1,710
2032	\$15,449	\$255	\$408	\$282	\$479	\$282	\$1,705
2033	\$14,913	\$255	\$396	\$298	\$458	\$287	\$1,694
2034	\$14,360	\$255	\$385	\$319	\$436	\$293	\$1,688
2035	\$13,786	\$255	\$373	\$345	\$412	\$299	\$1,685
2036	\$13,185	\$255	\$362	\$367	\$386	\$305	\$1,674
2037	\$12,564	\$255	\$350	\$393	\$359	\$311	\$1,668
2038	\$11,915	\$255	\$339	\$425	\$329	\$317	\$1,665
2039	\$11,235	\$319	\$327	\$452	\$297	\$324	\$1,719
2040	\$10,465	\$319	\$313	\$489	\$263	\$330	\$1,714
2041	\$9,657	\$319	\$299	\$521	\$227	\$337	\$1,702
2042	\$8,817	\$319	\$284	\$563	\$188	\$343	\$1,697
2043	\$7,935	\$319	\$270	\$600	\$145	\$350	\$1,685
2044	\$7,016	\$319	\$255	\$648	\$100	\$357	\$1,680
2045	\$6,049	\$383	\$241	\$691	\$52	\$364	\$1,731
2046	\$4,975	\$1,148	\$224	\$0	\$0	\$314	\$1,686
2047	\$3,827	\$1,212	\$172	\$0	\$0	\$320	\$1,704
2048	\$2,615	\$1,276	\$118	\$0	\$0	\$327	\$1,720
2049	\$1,339	\$1,339	\$60	\$0	\$0	\$333	\$1,733
Total		\$11,736	\$10,115	\$8,267	\$10,667	\$8,550	\$49,337

1 - 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. Annual Installment for Assessment Year ending 2021 covers the period of 09/01/20 - 08/31/21.
2 - The principal and interest amounts represent the NIA #2 proportionate share of the the Series 2020 NIA #2-3 Bonds and additional half-percent (0.50%) interest for prepayment and delinquency reserve as allowed per the PID Act and will not increase during the life of the bonds.
3 - The principal and interest amounts represent the NIA #2 proportionate share of the Series 2015 MIA Bonds and additional half-percent (0.50%) interest for prepayment and delinquency reserve as allowed per the PID Act and will not increase during the life of the bonds.
4 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.

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 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.