

## **Wells South Public Improvement District 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 issued 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 222 West Las Colinas Blvd, Suite 1650E, Irving, Texas 75039 and available by telephone at (972) 444-2519 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.**