

Club Municipal Management District Project Overview

The Club Municipal Management District (the "District") was created by House Bill 3859, which was passed by the 82nd Texas Legislature on June 17, 2011. Pursuant to Subchapter A, Chapter 372, Local Government Code, or Chapter 375, Local Government Code, the District may levy an assessment against property for improvement projects.

The District was created principally to finance certain public improvements (the "Authorized Improvements") that specially benefit assessed property in the District. On September 1, 2015, the District Board adopted an order to approve a Service and Assessment Plan for the District (the "Service and Assessment Plan") and levied special assessments (the "Special Assessments") on certain property within the District in accordance with the Assessment Roll attached as Appendix B to the Service and Assessment Plan. The Special 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 District issued the Club Municipal Management District Special Assessment Revenue Bonds, Series 2016 (Improvement Area #1 Project) in the aggregate amount of \$9,255,000 pursuant to the Act, adopted by the District Board on April 27, 2016, and an Indenture of Trust dated as of May 1, 2016 between the City and Wilmington Trust, N.A., as trustee.

All Special 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 Special 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 Special Assessments and the due dates of the Annual Installments of the Special 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 SPECIAL ASSESSMENTS LEVIED AGAINST ASSESSED PROPERTY, INCLUDING THE ANNUAL INSTALLMENT THEREOF, COULD RESULT IN FORECLOSURE OF SUCH PROPERTY.