CHALK HILL
PUBLIC IMPROVEMENT DISTRICT NO. 2

CITY OF CELINA, TEXAS

ANNUAL SERVICE PLAN UPDATE
(ASSESSMENT YEAR 9/1/22 - 8/31/23)

AS APPROVED BY CITY COUNCIL ON:
AUGUST 9, 2022

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

CHALK HILL
PUBLIC IMPROVEMENT DISTRICT NO. 2

ANNUAL SERVICE PLAN UPDATE
(ASSESSMENT YEAR 9/1/22 – 8/31/23)

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I. INTRODUCTION

The Chalk Hill Public Improvement District No. 2 (the "PID") was created pursuant to the PID Act and a resolution of the City of Celina City Council (the "City") on December 12, 2017 to finance certain public improvement projects for the benefit of the property in the PID.

On March 23, 2018, the City approved issuance of the City of Celina, Texas Special Assessment Revenue Bonds, Series 2018 (Chalk Hill Public Improvement District No. 2 Phase #1 Project) (the "Phase #1 Bonds") in the aggregate principal amount of $4,325,000 and the City of Celina, Texas Special Assessment Revenue Bonds, Series 2018 (Chalk Hill Public Improvement District No. 2 Phases #2-3 Major Improvement Project) (the "Phases #2-3 Major Improvement Bonds") in the aggregate principal amount of $3,690,000, to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the public improvements provided for the benefit of the property in the PID.

A service and assessment plan dated March 23, 2018 (the "Service and Assessment Plan") was prepared at the direction of the City identifying the public improvements (the "Authorized Improvements") to be provided by the PID, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the PID for the costs of the Authorized Improvements. Pursuant to the PID Act, the Service and Assessment Plan must be reviewed and updated annually. This document is the annual update of the Service and Assessment Plan for 2022-23 (the "Annual Service Plan Update").

The City also adopted an assessment roll for the PID attached as Appendix C to the Service and Assessment Plan (the "Assessment Roll") identifying the assessments on each Parcel within the PID, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Roll for 2022-23.

The Texas legislature passed House Bill 1543 as an amendment to the PID Act, requiring, among other things, (i) all Service and Assessment Plans and Annual Service Plan Updates be approved through City ordinance or order to be filed with the county clerk of each county in which all or part of the PID is located within seven days and (ii) include a copy of the notice form required by Section 5.014 of the Texas Property Code (the "PID Assessment Notice") as disclosure of the obligation to pay PID Assessments. In light of these amendments to the PID Act, this Annual Service Plan Update includes a copy of the PID Assessment Notice as Appendix F and copy of this Annual Service Plan Update will be filed with the county clerk in each county in which all or a part of the PID us located not later than seven (7) days after the date the governing body of the City approves this Annual Service Plan Update.

Section 372.013 of the PID Act, as amended, stipulates that a person who proposes to sell or otherwise convey real property that is located in the PID, except in certain situation described in the PID Act, shall first give to the purchaser of the property a copy of the completed PID Assessment Notice. The PID Assessment Notice shall be given to a prospective purchase before

the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller provided the required notice, the purchaser, subject to certain exceptions described in the PID act, is entitled to terminate the contract.

The PID Assessment Notice shall be executed by the seller and must be filed in the real property records of the County in which the property is located at the closing of the purchase and sale of the property.

Capitalized terms shall have the meanings set forth in the Service and Assessment Plan unless otherwise defined herein.

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II. UPDATE OF THE SERVICE PLAN

A. UPDATED SOURCES AND USES FOR PUBLIC IMPROVEMENTS

Phase #1 Sources and Uses

Pursuant to the original Service and Assessment Plan adopted on March 23, 2018, the initial total estimated costs of the Phase #1 Improvements, including the proportional share of the Major Improvement costs, were equal to $4,278,270. As described in the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2021, the actual costs of the Phase #1 Authorized Improvements, including the proportional share of the Phases #2-3 Major Improvement costs, were equal to $4,414,653. The Major Improvements were completed and accepted in the fourth quarter of 2020.

Table II-A on the following page summarizes the updated sources and uses of funds required to (1) construct the Phase #1 Improvements, (2) establish the PID, and (3) issue Phase #1 Bonds. The actual costs spent to date of the Phase #1 Improvements were provided by the Developer in the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2021. For additional Phase #1 development-related information, refer to the link below:

https://emma.msrb.org/P21479397-P21147084-P21560722.pdf

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Table II-A
Updated Sources and Uses of Funds - Phase #1

Sources of Funds	Initial Estimated Budget	Actual Amount Spent[1]	Variance
Par amount	$4,325,000	$4,325,000	$0
Other funding sources	$1,062,620	$1,199,003	$136,383
Total Sources	**$5,387,620**	**$5,524,003**	**$136,383**
Uses of Funds			
Phase #1 Improvements			
Road improvements	$1,129,129	$1,151,859	$22,730
Water distribution system improvements	$450,627	$473,357	$22,730
Sanitary sewer improvements	$545,213	$567,943	$22,730
Storm drainage improvements	$536,513	$559,243	$22,730
Other soft and miscellaneous costs	$193,558	$216,291	$22,733
Subtotal: Phase #1 Improvements	*$2,855,040*	*$2,968,693*	*$113,653*
Major Improvements			
Road improvements	$297,629	$302,175	$4,546
Water distribution system improvements	$92,866	$97,412	$4,546
Sanitary sewer improvements	$622,405	$626,951	$4,546
Storm drainage improvements	$196,063	$200,609	$4,546
Other soft and miscellaneous costs	$214,267	$218,813	$4,546
Subtotal: Authorized Improvements	*$1,423,230*	*$1,445,960*	*$22,730*
Bond Issuance Costs			
Capitalized interest	$374,683	$374,683	$0
Reserve fund	$330,313	$330,313	$0
Administrative expense fund	$30,000	$30,000	$0
Other costs of issuance including underwriter's discount	$369,354	$369,354	$0
Subtotal: Bond Issuance Costs	*$1,104,349*	*$1,104,349*	*$0*
Agricultural exemption foreclosure reserve	$5,000	$5,000	$0
Total Uses	**$5,387,620**	**$5,524,003**	**$136,383**

[1]According to the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2021.

Phase #1 Cost Variances

As stated in Table II-A above, there is a significant variance of $136,383 between the initial estimated budget and the actual amount spent. The net increase in actual costs were funded by the Developer.

Phases #2-3 Major Improvement Area Sources and Uses

Pursuant to the original Service and Assessment Plan adopted on March 23, 2018, the initial total estimated costs of the Major Improvements were equal to $3,997,736, of which $1,423,230 in Major Improvements costs were allocated to Phase #1 and $2,574,506 in remaining Major Improvement costs were allocated to Phases #2-3. As described in the Developer's Quarterly Improvement Implementation Reports dated as of June 30, 2021, the actual costs of the Major Improvements were equal to $4,100,187, of which $1,445,960 in Major Improvement costs were allocated to Phase #1 and $2,654,227 in remaining Major Improvement costs were allocated to Phases #2-3. The Major Improvements were completed and accepted in the fourth quarter of 2020.

Table II-B below summarizes the updated sources and uses of funds required to (1) construct the Major Improvements, (2) establish the PID, and (3) issue Phases #2-3 Major Improvement Bonds. The actual costs spent to date for the Phases #2-3 Major Improvements were provided by the Developer in the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2021. For additional Phases #2-3 development-related information, refer to the link below:

https://emma.msrb.org/P21479402-P21147086-P21560724.pdf

Table II-B
Updated Sources and Uses of Funds - Phases #2-3 Major Improvement Area

Sources of Funds	Initial Estimated Budget	Actual Amount Spent[1]	Variance
Par amount	$3,690,000	$3,690,000	$0
Other funding sources	$113,882	$193,603	$79,721
Total Sources	**$3,803,882**	**$3,883,603**	**$79,721**
Uses of Funds			
Major Improvements			
Road improvements	$538,387	$554,331	$15,944
Water distribution system improvements	$167,987	$183,931	$15,944
Sanitary sewer improvements	$1,125,878	$1,141,822	$15,944
Storm drainage improvements	$354,662	$370,606	$15,944
Other soft and miscellaneous costs	$387,592	$403,537	$15,945
Subtotal: Authorized Improvements	*$2,574,506*	*$2,654,227*	*$79,721*
Bond Issuance Costs			
Capitalized interest	$583,315	$583,315	$0
Reserve fund	$296,150	$296,150	$0
Administrative expense fund	$25,000	$25,000	$0
Other costs of issuance including underwriter's discount	$319,911	$319,911	$0
Subtotal: Bond Issuance Costs	*$1,224,376*	*$1,224,376*	*$0*
Agricultural exemption foreclosure reserve	$5,000	$5,000	$0
Total Uses	**$3,803,882**	**$3,883,603**	**$79,721**

[1]According to the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2021.

Phases #2-3 Major Improvement Area Cost Variances

As stated in Table II-B on the previous page, there is a significant variance of $79,721 between the initial estimated budget and the actual amount spent. The net increase in actual costs were funded by the Developer.

B. Five Year Service Plan

According to the PID Act, a service plan must cover a period of five years. All the Authorized Improvements are expected to be built within a period of five years. The actual costs of the Authorized Improvements are shown in Section II.A of this report, and the indebtedness expected to be incurred for these costs is shown in Table II-C below.

Table II-C
Annual Projected Costs and Annual Projected Indebtedness
Assessment Years 2022 through 2028[1]

Assessment Year Ending 9/01	Phase #1 Projected Annual Installments	Phase #2-3 Projected Annual Installments
2019-2022	$1,157,697	$739,724
2023	$365,486	$343,600
2024	$381,822	$339,667
2025	$382,436	$340,955
2026	$377,725	$341,898
2027	$378,028	$337,496
2028	$383,007	$338,106
Total	**$3,426,201**	**$2,781,445**

[1]Assessment years ending 2019 through 2023 reflect actual Annual Installments and are net of applicable reserve fund income, capitalized interest and TIRZ Credits. Assessment years 2024 through 2028 reflect projected Annual Installments and are subject to change.

C. Status of Development

According to the City, one-hundred and forty-seven (147) building permits have been issued for Phase #1 of the PID as of June 30, 2022, representing 93.63 percent of the total building permits expected to be issued within Phase #1 (157 total residential units within Phase #1). As of the same date, one-hundred and eighteen (118) certificates of occupancy have been issued by the City for Phase #1 of the PID, representing 75.16 percent of the total certificates of occupancy expected to be issued within Phase #1.

According to the Phases #2-3 Developer's Quarterly Improvement Implementation Report dated May 31, 2022, the estimated number of lots expected to be constructed within Phases #2-3 changed to 283, which represents a loss of one residential lot originally estimated to be developed. The Developer also reported that the loss of the one lot was caused by City development requirements related to a roadway exit. According to the Phases #2-3 Developer's Quarterly Improvement Implementation Report dated June 30, 2022, the estimated buildout date of all homes in Phases #2-3 is July 2023.

See Table II-D below for the status of completed homes within the PID as of June 30, 2022.

Table II-D
Status of Development[1]

Phase	Status	Total for Fiscal Years 2018-2020[1]	Total as of June 30, 2021[1]	Total as of June 30, 2022[1]
Phase #1	Completed Homes	0	14	118
Phases #2-3	Completed Homes	0	0	0

[1]According to the City report of Certificates of Occupancy issued as of June 30, 2022.

D. ANNUAL BUDGET – PHASE #1

Phase #1 - Annual Installments – 2022-23

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty Annual Installments of principal and interest beginning with the tax year following the issuance of the Phase #1 Bonds, of which twenty-six (26) Annual Installments remain outstanding.

Pursuant to the Service and Assessment Plan, each Assessment shall bear interest at the rate on the Phase #1 Bonds commencing with the issuance of the Phase #1 Bonds. The effective interest rate on the Phase #1 Bonds is 6.25 percent per annum. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the effective interest rate on the Phase #1 Bonds (6.25 percent) plus an additional interest of one-half of one percent (to be used for funding the Prepayment Reserve and Delinquency Reserve) equals 6.75 percent and is used to calculate the interest on the Assessments. These payments, the "Annual Installments" of the Assessments, shall be billed by the City in 2022 and will be delinquent on February 1, 2023.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2022-23 and the administrative expenses to be collected from each Parcel. Administrative expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Service and Assessment Plan and Trust Indenture, such as the Tax Increment Reinvestment Zone No. 10, City of Celina, Texas (the "TIRZ No. 10") incremental taxes available to the PID (the "TIRZ Annual Credit Amount"), capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Phase #1 Bonds from the collection of the Annual Installments on the assessed property. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments. The additional interest collected with the Annual Installments will be used to pay the prepayment and delinquency reserve amounts as described in the Service and Assessment Plan and applicable Trust Indenture.

Phase #1 Annual Installments to be Collected for 2022-23

The budget for Phase #1 of the PID will be paid from the collection of Annual Installments of the Assessments on the assessed property collected for 2022-23 as shown in Table II-E below.

Table II-E
Budget for the Phase #1 Annual Installments to be Collected for 2022-23

Descriptions	Phase #1 Bonds
Debt Service Payments	
Interest payment on March 1, 2023	$128,538
Interest payment on September 1, 2023	$128,538
Principal payment on September 1, 2023	$70,000
Subtotal debt service on bonds	*$327,076*
Administrative Expenses	$36,000
Excess interest for prepayment and delinquency reserves	$20,566
Subtotal Expenses	*$383,642*
Available TIRZ Annual Credit Amount	($18,156)
Available capitalized interest account	$0
Available Administrative Expense account	$0
Subtotal funds available	*($18,156)*
Annual Installments	**$365,486**

Debt Service Payments

Annual Installments to be collected for principal and interest include interest due on March 1, 2023 in the amount of $128,538 and on September 1, 2023 in the amount of $128,538, which equal interest on the outstanding Assessments balance of $4,113,217 for six months each and an effective interest rate of 6.25 percent. Annual Installments to be collected include a principal amount of $70,000 due on September 1, 2022. As a result, total principal and interest to be collected for the Phase #1 Bonds in 2022-23 is estimated to be equal to $327,076.

Administrative Expenses

Administrative expenses include the City, Trustee, Administrator, auditor, tax office, Dissemination Agent, auditor expenses and contingency fees. As shown in Table II-F on the

following page, the total administrative expenses to be collected for 2022-23 are estimated to be $36,000.

Table II-F
Phase #1 Administrative Budget Breakdown

Description	2022-23 Estimated Budget (9/1/22-8/31/23)
City	$5,000
PID Administrator	$22,000
Trustee	$2,750
Auditor	$1,000
Tax Office	$1,000
Dissemination Agent	$1,000
Contingency	$3,250
Total	**$36,000**

Available TIRZ Credit

According to the City, there have been TIRZ incremental revenues collected in 2021 in the total amount of $18,156 that are available to be used as a TIRZ Credit in 2022-23 for the respective Parcels within Phase #1. This TIRZ Credit amount is allocated based upon the amount of TIRZ increment generated by each Parcel within Phase #1 and each Parcel that has an outstanding Phase #1 Assessment balance as of September 1, 2022. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis. As a result, the TIRZ credit obligation for Phase #1 is $18,156 as shown in Appendix D-2 of this report.

Available Reserve Fund Income

As of June 30, 2022, there were a significant amount of funds above the Reserve Fund Requirement. As a result, there is no reserve fund credit anticipated to be available to pay a portion of the Phase #1 Bonds debt service in 2022-23.

Available Capitalized Interest Account

As of June 30, 2022, and in accordance with Section 6.4(c) of the Trust Indenture, all Capitalized Interest funds have been fully expended. As a result, there is no credit to reduce the Phase #1 2022-23 Annual Installment.

Available Administrative Expense Account

As of June 30, 2022, there are $25,788 in available funds to pay Phase #1 administrative expenses. Approximately $25,788 of the current balance is anticipated to be used for the payment of current year administrative expenses through January 31, 2023. As a result, there are no funds anticipated

to be available in the Administrative Expense Fund to reduce the Phase #1 2022-23 Annual Installment.

E. Annual Installments Per Unit – Phase #1

According to the Service and Assessment Plan, the Annual Installments shall be collected in an amount sufficient to pay (i) principal and interest on the Phase #1 Bonds, (ii) to fund the prepayment reserve and delinquency reserve, and (iii) to cover Administrative Expenses of Phase #1 of the PID.

According to the Developer, 157 units are estimated to be built within Phase #1 of the PID. According to the Trustee's records, one Parcel has prepaid the Phase #1 Assessment in full as of July 31, 2022. As a result, the total outstanding units within Phase #1 of the PID is 156. Accordingly, the net principal and interest portion of Annual Installment to be collected from each unit will be $2,228.47 (i.e. ($70,000 + $277,642 ÷ 156.00 = $2,228.47) and the Administrative Expenses to be collected from each unit will be $230.77 (i.e. $36,000 ÷ 156.00 = $230.77). As a result, the total Annual Installment to be collected from each unit within Phase #1 will be $2,460.36 (i.e. $2,228.47 + $230.77 = $2,459.24). The Annual Installment to be collected from each Parcel within Phase #1 is calculated by multiplying the Annual Installment for each unit of $2,459.24 by the total estimated number of units for each Parcel in Phase #1, less the applicable TIRZ Credit, if any, as shown in Appendix D-1.

The Annual Installment due to be collected from each Land Use Class in Phase #1 for 2022-23 is shown in Table II-G below.

Table II-G
Annual Installment Per Unit – Phase #1

Land Use Class	Annual Installment Per Unit[1]
50 Ft	$2,459.24

[1]Annual Installment per Unit represents the gross Annual Installment to be billed and does not reflect applicable Phase #1 TIRZ Credits.

The list of Parcels within Phase #1 of the PID, the estimated number of units to be developed on the current residential Parcels, the total Assessment, the Annual Assessment, the Administrative Expenses and the Annual Installment to be collected for 2022-23 are shown in the Phase #1 Assessment Roll summary attached hereto as Appendix D-1.

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F. ANNUAL BUDGET – PHASES #2-3 MAJOR IMPROVEMENT AREA

Phases #2-3 Major Improvement Area - Annual Installments to be Collected for 2022-23

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty annual installments of principal and interest beginning with the tax year following the issuance of the Phases #2-3 Major Improvement Bonds, of which twenty-six (26) Annual Installments remain outstanding.

Pursuant to the Service and Assessment Plan, each Assessment shall bear interest at the rate on the Bonds commencing with the issuance of the Phases #2-3 Major Improvement Bonds. The effective interest rate on the Phases #2-3 Major Improvement Bonds is 6.625 percent. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the effective interest rate on the Phases #2-3 Major Improvement Bonds (6.625 percent) plus an additional interest of one-half of one percent (to be used for funding the Prepayment Reserve and Delinquency Reserve) equals 7.125 percent is used to calculate the interest on the Assessments. These payments, the "Annual Installments" of the Assessments, shall be billed by the City in 2022 and will be delinquent on February 1, 2023.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2022-23 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under an applicable Trust Indenture, such as TIRZ Credit, capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Phases #2-3 Major Improvement Bonds from the collection of the Annual Installments. In addition, administrative expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments. The additional interest collected with the Annual Installments will be used to pay the prepayment and delinquency reserve amounts as described in the Service and Assessment Plan and applicable Trust Indenture.

Phases #2-3 Major Improvement Area Annual Installments to be collected for 2022-23

The budget for Phase #2-3 of the PID will be paid from the collection of Annual Installments collected for 2022-23 as shown in Table II-H on the following page.

Table II-H
Budget for the Phases #2-3 Major Improvement Area
Annual Installments to be Collected for 2022-23

Descriptions	Phases #2-3 Major Improvement Bonds
Debt Service Payments	
Interest payment on March 1, 2023	$118,753
Interest payment on September 1, 2023	$118,753
Principal payment on September 1, 2023	$55,000
Subtotal debt service on bonds	*$292,506*
Administrative Expenses	$35,000
Excess interest for prepayment and delinquency reserves	$17,925
Subtotal Expenses	*$345,431*
Available TIRZ Annual Credit Amount	($1,831)
Available capitalized interest account	$0
Available Administrative Expense account	$0
Subtotal funds available	*($1,831)*
Annual Installments	**$343,600**

Debt Service Payments

Annual Installments to be collected for principal and interest include interest due on March 1, 2023 in the amount of $118,753 and on September 1, 2023 in the amount of $118,753 which equal interest on the outstanding Phases #2-3 Assessments balance of $3,585,000 for six months each and an effective interest rate of 6.625 percent. Annual Installments to be collected include a principal amount of $55,000 due on September 1, 2023. As a result, total principal and interest to be collected for the Phases #2-3 Major Improvement Bonds in 2022-23 is estimated to be equal to $292,506.

Administrative Expenses

Administrative expenses include the City, Trustee, Administrator, auditor, tax office, Dissemination Agent expenses and contingency fees. As shown in Table II-I on the following page, the total administrative expenses to be collected for 2022-23 are estimated to be $35,000.

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Table II-I
Phases #2-3 Major Improvement Area
Administrative Budget Breakdown

Description	2022-23 Estimated Budget (9/1/22-8/31/23)[1]
City	$5,000
PID Administrator	$20,000
Trustee	$2,750
Auditor	$1,000
Tax Office	$1,000
Dissemination Agent	$1,000
Contingency	$5,250
Total	**$35,000**

Available TIRZ Credit

According to the City, there have been TIRZ incremental revenues collected in 2021 in the total amount of $1,831 that are available to be used as a TIRZ Credit in 2022-23 for the respective Parcels within Phase #1. This TIRZ Credit amount is allocated based upon the amount of TIRZ increment generated by each Parcel within Phase #1 and each Parcel that has an outstanding Phase #1 Assessment balance as of September 1, 2022. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis. As a result, the TIRZ credit obligation for Phase #1 is $1,831 as shown in Appendix E-2 of this report.

Available Reserve Fund Income

As of June 30, 2022, there were a significant amount of funds above the Reserve Fund Requirement. As a result, there is no reserve fund credit anticipated to be available to pay a portion of the Phases #2-3 Major Improvement Bonds debt service in 2022-23.

Available Capitalized Interest Account

As of June 30, 2022, and in accordance with Section 6.4(c) of the Trust Indenture, all Capitalized Interest funds have been fully expended. As a result, there is no credit to reduce the Phases #2-3 2022-23 Annual Installment.

Available Administrative Expense Account

As of June 30, 2022, there are $18,254 in available funds to pay Phases #2-3 administrative expenses. Approximately $18,254 of the current balance is anticipated to be used for the payment of current year administrative expenses through January 31, 2022. As a result, there are no funds anticipated to be available in the Administrative Expense Fund to reduce the Phase #2-3 2022-23 Annual Installment.

G. ANNUAL INSTALLMENTS PER UNIT – PHASES #2-3

According to the Service and Assessment Plan, the Annual Installments shall be collected in an amount sufficient to pay (i) principal and interest on the Phases #2-3 Major Improvement Area Bonds, (ii) to fund the prepayment reserve and delinquency reserve, and (iii) to cover Administrative Expenses of the Phase #2-3 Major Improvement Area of the PID.

According to the Developer, 284 units are estimated to be built within the Phases #2-3 Major Improvement Area of the PID. Accordingly, the principal and interest portion of Annual Installment to be collected from each unit will be $1,093.07 (i.e. $55,000 + 255,431 ÷ 284.00 = $1,093.07) and the Administrative Expenses to be collected from each unit will be $123.24 (i.e. $35,000 ÷ 284.00 = $123.24). As a result, the total Annual Installment to be collected from each unit within the Phases #2-3 Major Improvement Area will be $1,216.31 (i.e. $1,093.07 + $123.24 = $1,216.31). The Annual Installment to be collected from each Parcel within the Phases #2-3 Major Improvement Area is calculated by multiplying the Annual Installment for each unit of $1,216.31 by the total estimated number of units for each Parcel in the Phases #2-3 Major Improvement Area, less the applicable TIRZ Credit, if any, as shown in Appendix E-2.

The Annual Installment due to be collected from each Land Use Class in the Phases #2-3 Major Improvement Area for 2022-23 is shown in Table II-J below.

Table II-J
Phases #2-3 Major Improvement Area
Annual Installment Per Unit

Land Use Class	Annual Installment Per Unit
50 Ft	$1,216.31

[1]Annual Installment per Unit represents the gross Annual Installment to be billed and does not reflect applicable Phase #1 TIRZ Credits.

The list of Parcels within the Phases #2-3 Major Improvement Area of the PID, the estimated number of units to be developed on the current residential Parcels, the total Assessment, the Annual Assessment, the Administrative Expenses and the Annual Installment to be collected for 2022-23 are shown in the Assessment Roll summary attached hereto as Appendix E-1.

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H. BOND REDEMPTION RELATED UPDATES

Phase #1 Bonds

The Phase #1 Bonds were issued in 2018. Pursuant to Section 4.3 of each respective Trust Indenture, the City reserves the right and option to redeem the Phase #1 Bonds before their scheduled maturity dates, in whole or in part, on any interest payment date on or after **September 1, 2028**, such redemption date or dates to be fixed by the City, at the redemption prices and dates shown in the applicable Trust Indenture.

The Administrator has conducted a preliminary evaluation of the current refunding market conditions, recent PID bond refunding transactions, and other relevant factors. Based on this preliminary evaluation, the Administrator believes a refunding of the Phase #1 Bonds do not appear viable at this time. The Administrator will continue to monitor the refunding market conditions, applicable PID bond refunding transactions, and other relevant factors to determine if refunding becomes viable in the future and will inform the City accordingly.

Phases #2-3 Major Improvement Bonds

The Phases #2-3 Major Improvement Bonds were issued in 2018. Pursuant to Section 4.3 of each respective Trust Indenture, the City reserves the right and option to redeem the Phases #2-3 Major Improvement Bonds before their scheduled maturity dates, in whole or in part, on any interest payment date on or after **September 1, 2028**, such redemption date or dates to be fixed by the City, at the redemption prices and dates shown in the applicable Trust Indenture.

The Administrator has conducted a preliminary evaluation of the current refunding market conditions, recent PID bond refunding transactions, and other relevant factors. Based on this preliminary evaluation, the Administrator believes a refunding of the Phases #2-3 Major Improvement Bonds do not appear viable at this time. The Administrator will continue to monitor the refunding market conditions, applicable PID bond refunding transactions, and other relevant factors to determine if refunding becomes viable in the future and will inform the City accordingly.

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III. UPDATE OF THE ASSESSMENT PLAN

The Service and Assessment Plan adopted by the City Council provided that the Authorized Improvement costs shall be allocated to the Assessed Property equally on the basis of the number of residential dwelling units anticipated to be built on each Parcel once such property is fully developed, and that such method of allocation will result in the imposition of equal shares of the Authorized Improvement costs to Parcels similarly benefited.

Assessment Methodology

This method of assessing property, as updated in prior Annual Service Plan Updates, has not been changed and Assessed Property will continue to be assessed as provided for in the Service and Assessment Plan.

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IV. UPDATE OF THE ASSESSMENT ROLL

Pursuant to the original Service and Assessment Plan, the Assessment Rolls shall be updated each year to reflect:

> (i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.H of this Service and Assessment Plan.

The updated Assessment Rolls are shown in Appendix D-1 and E-1 of this report. Each Parcel in the PID is identified, along with the Assessment on each Parcel and the Annual Installment to be collected from each Parcel. Assessments are to be reallocated for the subdivision of any Parcels.

A. PARCEL UPDATES

According to the Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for each new subdivided Parcel.

B = the Assessment for the Parcel prior to subdivision.

C = the estimated number of units to be built on each newly subdivided Parcel

D = the sum of the estimated number of units to be built on all of the new subdivided Parcels

The calculation of the estimated number of units to be built on a Parcel shall be performed by the Administrator and confirmed by the City Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

According to the Developer and the Collin Central Appraisal District records, Phase #1 of the PID was completely subdivided in 2020, and the Assessments allocated proportionally according to Lot Type. The final plat recorded on October 15, 2020 and was subdivided from Parcel 2779860.

B. PREPAYMENT OF ASSESSMENTS

As of June 30, 2022, one Parcel has prepaid their Phase #1 Assessment in full. See Appendix B for a more information related to this prepaid Parcel.

According to the Trustee, an extraordinary optional redemption of the Phase #1 Bonds, in the aggregate amount of $25,000, occurred July 1, 2022, based on prepaid Phase #1 Assessments received.

The complete Assessment Rolls are available for review at the City Hall, located at 142 N. Ohio, Celina, Texas 75009.

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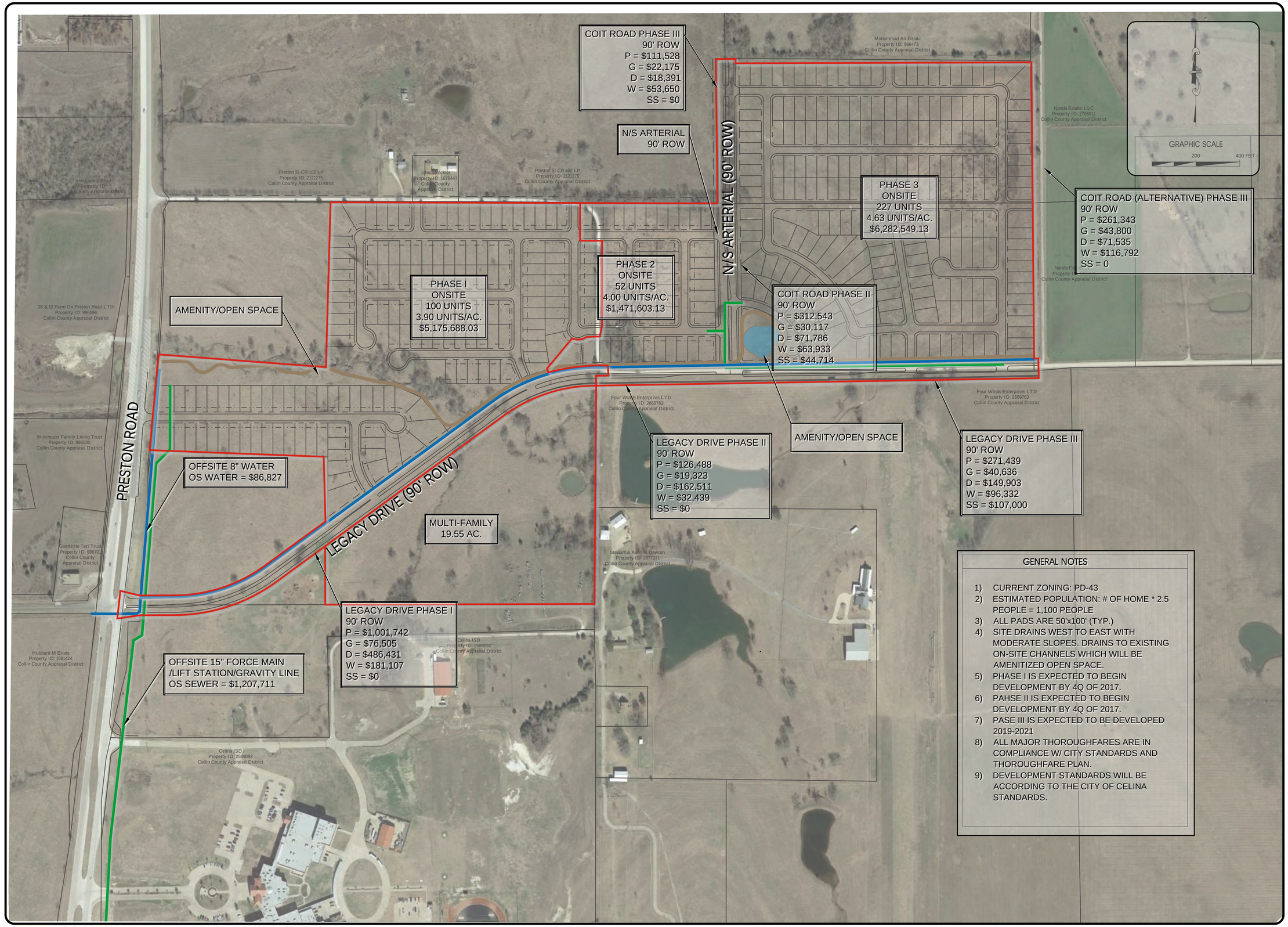
APPENDIX A
CHALK HILL PID MAP



kirkman ENGINEERING

EXHIBIT C

CHALK HILL CONCEPT PLAN

CELINA, TEXAS

GENERAL NOTES

1) CURRENT ZONING: PD-43
2) ESTIMATED POPULATION: # OF HOME * 2.5 PEOPLE = 1,100 PEOPLE
3) ALL PADS ARE 50'x100' (TYP.)
4) SITE DRAINS WEST TO EAST WITH MODERATE SLOPES. DRAINS TO EXISTING ON-SITE CHANNELS WHICH WILL BE AMENITIZED OPEN SPACE.
5) PHASE I IS EXPECTED TO BEGIN DEVELOPMENT BY 4Q OF 2017.
6) PAHSE II IS EXPECTED TO BEGIN DEVELOPMENT BY 4Q OF 2017.
7) PASE III IS EXPECTED TO BE DEVELOPED 2019-2021
8) ALL MAJOR THOROUGHFARES ARE IN COMPLIANCE W/ CITY STANDARDS AND THOROUGHFARE PLAN.
9) DEVELOPMENT STANDARDS WILL BE ACCORDING TO THE CITY OF CELINA STANDARDS.

SHEET:
V1.0

6/15/17 | CEN15001

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APPENDIX B
PREPAID PARCELS

Appendix B
LIST OF PREPAID PARCELS

Phase	Parcel ID	Prepayment Date	Amount	Full/Partial
Phase #1	2825716	December 2021	$26,783	Full

APPENDIX C
2022 ASSESSED VALUES PER PHASE

Appendix C

Chalk Hill No. 2 Public Improvement District

2022 Assessed Value Per Phase

Phase	Parcels	2022 Assessed Value[1]
Phase #1	157	$33,886,411
Phases #2-3	284	$4,434,216
Total	441	$38,320,627

[1]Parcel assessed values are in accordance with Collin Central Appraisal District online records as of June 28, 2022.

APPENDIX D-1
PHASE #1 ASSESSMENT ROLL SUMMARY – 2022-23

Appendix D-1
Phase #1 Assessment Roll Summary 2022-23

Parcel	Lot Size	Lot Type	Outstanding Assessments	Principal	Interest	Excess Interest for Reserves	Administrative Expenses	TIRZ Credit	2022-23 Annual Installment
2825382	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825557	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825558	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825559	50	1	$26,367	$449	$1,648	$132	$231	($138)	$2,322
2825560	50	1	$26,367	$449	$1,648	$132	$231	($137)	$2,323
2825561	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825562	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825563	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825564	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825565	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825566	50	1	$26,367	$449	$1,648	$132	$231	($213)	$2,247
2825567	50	1	$26,367	$449	$1,648	$132	$231	($221)	$2,238
2825568	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825569	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825570	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825571	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825572	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825573	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825574	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825575	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825576	50	1	$26,367	$449	$1,648	$132	$231	($113)	$2,347
2825577	50	1	$26,367	$449	$1,648	$132	$231	($113)	$2,347
2825578	50	1	$26,367	$449	$1,648	$132	$231	($129)	$2,330
2825579	50	1	$26,367	$449	$1,648	$132	$231	($150)	$2,309
2825580	50	1	$26,367	$449	$1,648	$132	$231	($150)	$2,309
2825581	50	1	$26,367	$449	$1,648	$132	$231	($129)	$2,330
2825582	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825583	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825584	50	1	$26,367	$449	$1,648	$132	$231	($113)	$2,347
2825585	Open Space	0	$0	$0	$0	$0	$0	$0	$0
2825586	Open Space	0	$0	$0	$0	$0	$0	$0	$0
2825591	50	1	$26,367	$449	$1,648	$132	$231	($304)	$2,156
2825592	50	1	$26,367	$449	$1,648	$132	$231	($326)	$2,133
2825593	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825594	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825595	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825596	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825597	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825598	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825599	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825600	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825601	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825602	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825603	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825604	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825605	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825606	50	1	$26,367	$449	$1,648	$132	$231	($90)	$2,369
2825607	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825608	50	1	$26,367	$449	$1,648	$132	$231	($101)	$2,358
2825609	50	1	$26,367	$449	$1,648	$132	$231	($136)	$2,323
2825610	50	1	$26,367	$449	$1,648	$132	$231	($164)	$2,296
2825611	Open Space	0	$0	$0	$0	$0	$0	$0	$0
2825612	Open Space	0	$0	$0	$0	$0	$0	$0	$0
2825617	50	1	$26,367	$449	$1,648	$132	$231	($129)	$2,330
2825634	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825635	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825636	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825637	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825638	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825639	50	1	$26,367	$449	$1,648	$132	$231	($101)	$2,358
2825640	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363

Appendix D-1
Phase #1 Assessment Roll Summary 2022-23

Parcel	Lot Size	Lot Type	Outstanding Assessments	Principal	Interest	Excess Interest for Reserves	Administrative Expenses	TIRZ Credit	2022-23 Annual Installment
2825641	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825642	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825643	50	1	$26,367	$449	$1,648	$132	$231	($113)	$2,347
2825644	50	1	$26,367	$449	$1,648	$132	$231	($129)	$2,330
2825645	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825646	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825647	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825648	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825649	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825650	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825651	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825652	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825653	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825654	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825665	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825666	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825667	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825668	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825669	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825670	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825671	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825672	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825673	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825674	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825675	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825676	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825677	50	1	$26,367	$449	$1,648	$132	$231	($101)	$2,358
2825695	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825696	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825697	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825698	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825699	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825700	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825701	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825702	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825703	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825704	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825705	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825706	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825707	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825708	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825711	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825712	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825713	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825714	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825715	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825716	50	1	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID
2825717	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825718	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825719	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825720	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825721	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825722	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825725	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825726	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825727	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825728	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825729	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825730	50	1	$26,367	$449	$1,648	$132	$231	($216)	$2,243
2825731	50	1	$26,367	$449	$1,648	$132	$231	($250)	$2,210
2825732	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363

Appendix D-1
Phase #1 Assessment Roll Summary 2022-23

Parcel	Lot Size	Lot Type	Outstanding Assessments	Principal	Interest	Excess Interest for Reserves	Administrative Expenses	TIRZ Credit	2022-23 Annual Installment
2825733	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825734	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825735	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825736	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825737	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825738	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825739	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825740	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825741	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825742	50	1	$26,367	$449	$1,648	$132	$231	($202)	$2,257
2825743	50	1	$26,367	$449	$1,648	$132	$231	($212)	$2,247
2825744	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825745	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825746	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825747	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825748	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825749	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825751	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825752	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825753	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825754	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825755	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825756	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825757	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825758	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825759	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825760	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825761	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825762	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825763	50	1	$26,367	$449	$1,648	$132	$231	($122)	$2,337
2825764	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825765	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825766	Open Space	0	$0	$0	$0	$0	$0	$0	$0
2825767	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825768	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825769	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825770	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825771	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825772	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825773	50	1	$26,367	$449	$1,648	$132	$231	($96)	$2,363
2825774	Open Space	0	$0	$0	$0	$0	$0	$0	$0
			$4,113,217	**$70,000**	**$257,076**	**$20,566**	**$36,000**	**($18,156)**	**$365,486**

APPENDIX D-2
PHASE #1 TIRZ CREDIT CALCULATION

Appendix D-2
Phase #1 TIRZ Credit Calculation

Parcel	Units	Base Year Taxes Paid	2021 Taxes Paid	2021 Tax Increment	2022-23 TIRZ Credit Revenue	2022-23 TIRZ Credit
2825382	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825557	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825558	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825559	1	$44.66	$447.28	$402.62	($137.70)	($137.70)
2825560	1	$44.66	$443.79	$399.13	($136.50)	($136.50)
2825561	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825562	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825563	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825564	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825565	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825566	1	$44.66	$666.48	$621.82	($212.66)	($212.66)
2825567	1	$44.66	$691.12	$646.46	($221.09)	($221.09)
2825568	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825569	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825570	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825571	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825572	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825573	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825574	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825575	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825576	1	$44.66	$373.84	$329.18	($112.58)	($112.58)
2825577	1	$44.66	$373.84	$329.18	($112.58)	($112.58)
2825578	1	$44.66	$422.60	$377.94	($129.26)	($129.26)
2825579	1	$44.66	$482.98	$438.32	($149.91)	($149.91)
2825580	1	$44.66	$482.98	$438.32	($149.91)	($149.91)
2825581	1	$44.66	$422.60	$377.94	($129.26)	($129.26)
2825582	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825583	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825584	1	$44.66	$373.84	$329.18	($112.58)	($112.58)
2825585	0	$0.00	$0.00	$0.00	$0.00	$0.00
2825586	0	$0.00	$0.00	$0.00	$0.00	$0.00
2825591	1	$44.66	$932.70	$888.04	($303.71)	($303.71)
2825592	1	$44.66	$998.81	$954.15	($326.32)	($326.32)
2825593	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825594	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825595	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825596	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825597	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825598	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825599	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825600	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825601	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825602	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825603	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825604	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825605	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825606	1	$44.66	$308.83	$264.17	($90.35)	($90.35)
2825607	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825608	1	$44.66	$341.33	$296.67	($101.46)	($101.46)
2825609	1	$44.66	$442.73	$398.07	($136.14)	($136.14)

Parcel	Units	Base Year Taxes Paid	2021 Taxes Paid	2021 Tax Increment	2022-23 TIRZ Credit Revenue	2022-23 TIRZ Credit
2825610	1	$44.66	$523.22	$478.56	($163.67)	($163.67)
2825611	0	$0.00	$0.00	$0.00	$0.00	$0.00
2825612	0	$0.00	$0.00	$0.00	$0.00	$0.00
2825617	1	$44.66	$422.60	$377.94	($129.26)	($129.26)
2825634	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825635	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825636	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825637	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825638	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825639	1	$44.66	$341.33	$296.67	($101.46)	($101.46)
2825640	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825641	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825642	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825643	1	$44.66	$373.84	$329.18	($112.58)	($112.58)
2825644	1	$44.66	$422.60	$377.94	($129.26)	($129.26)
2825645	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825646	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825647	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825648	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825649	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825650	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825651	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825652	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825653	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825654	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825665	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825666	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825667	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825668	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825669	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825670	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825671	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825672	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825673	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825674	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825675	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825676	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825677	1	$44.66	$341.33	$296.67	($101.46)	($101.46)
2825695	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825696	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825697	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825698	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825699	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825700	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825701	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825702	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825703	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825704	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825705	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825706	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825707	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825708	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825711	1	$44.66	$402.48	$357.82	($122.38)	($122.38)

Parcel	Units	Base Year Taxes Paid	2021 Taxes Paid	2021 Tax Increment	2022-23 TIRZ Credit Revenue	2022-23 TIRZ Credit
2825712	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825713	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825714	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825715	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825716	1	$44.66	PREPAID	PREPAID	PREPAID	PREPAID
2825717	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825718	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825719	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825720	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825721	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825722	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825725	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825726	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825727	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825728	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825729	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825730	1	$44.66	$677.19	$632.53	($216.33)	($216.33)
2825731	1	$44.66	$774.77	$730.11	($249.70)	($249.70)
2825732	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825733	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825734	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825735	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825736	1	$44.66	$325.07	$280.41	($95.90)	($95.90)
2825737	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825738	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825739	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825740	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825741	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825742	1	$44.66	$635.70	$591.04	($202.14)	($202.14)
2825743	1	$44.66	$664.97	$620.31	($212.15)	($212.15)
2825744	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825745	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825746	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825747	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825748	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825749	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825751	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825752	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825753	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825754	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825755	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825756	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825757	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825758	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825759	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825760	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825761	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825762	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825763	1	$44.66	$402.48	$357.82	($122.38)	($122.38)
2825764	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825765	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825766	0	$0.00	$0.00	$0.00	$0.00	$0.00
2825767	1	$44.66	$325.08	$280.42	($95.90)	($95.90)

Parcel	Units	Base Year Taxes Paid	2021 Taxes Paid	2021 Tax Increment	2022-23 TIRZ Credit Revenue	2022-23 TIRZ Credit
2825768	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825769	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825770	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825771	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825772	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825773	1	$44.66	$325.08	$280.42	($95.90)	($95.90)
2825774	0	$0.00	$0.00	$0.00	$0.00	$0.00
Total	**157**	**$7,011.12**	**$60,055.49**	**$53,089.03**	**($18,156.45)**	**($18,156.45)**

APPENDIX E-1
PHASES #2-3 MAJOR IMROVEMENT ASSESSMENT ROLL SUMMARY – 2022-23

Appendix E-1
Phases #2-3 Assessment Roll Summary 2022-23

Parcel	Estimated No. of Units	Oustanding Assessments	Principal	Interest	Excess Interest for Reserves	Administrative Expenses	TIRZ Annual Credit Amount	2022-23 Annual Installment
997522	123	$1,552,658	$23,820	$102,864	$7,763	$15,158	($1,831)	$147,775
2779860	55	$694,278	$10,651	$45,996	$3,471	$6,778	$0	$66,897
986507	106	$1,338,063	$20,528	$88,647	$6,690	$13,063	$0	$128,929
Total	**284**	**$3,585,000**	**$55,000**	**$237,506**	**$17,925**	**$35,000**	**($1,831)**	**$343,600**

APPENDIX E-2
PHASES #2-3 MAJOR IMROVEMENT TIRZ CREDIT CALCULATION

Appendix E-2

Phases #2-3 Major Improvement TIRZ Credit Calculation

Parcel	Estimated Number of Units	2021 Taxes Paid[1]	Base Year Taxes Paid[1]	2021 Tax Increment	2022-23 TIRZ Credit
997522	123	$5,380.69	$26.28	$5,354.41	$1,831.21
2779860	55	$21.54	$2,456.13	$0.00	$0.00
986507	106	$0.00	$21.03	$0.00	$0.00
Total	**284**	**$5,402.23**	**$2,503.44**	**$5,354.41**	**$1,831.21**

[1]Base Year tax amounts and 2020 tax amounts paid are allocated based on proportion of Parcel subdivided within and outside of Phases #2-3.

APPENDIX F
PID ASSESSMENT NOTICE

PID Assessment Notice

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO CITY OF CELINA, TEXAS
CONCERNING THE FOLLOWING PROPERTY

[insert property address]

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Celina, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the Chalk Hill Public Improvement District No. 2 (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City. The exact amount of each annual installment will be approved each year by the City Council in the Annual Service Plan Update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City or MuniCap, Inc., the District Administrator for the City, located at 600 E. John Carpenter Fwy, Suite 150, 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 may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

Date: _____

_____ _____
Signature of Seller Signature of Seller

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____

_____ _____
Signature of Purchaser Signature of Purchaser

STATE OF TEXAS §
§
COUNTY OF _____ §

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are 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