

The Columns Public Improvement District Project Overview

The Columns Public Improvement District (the "District") was created by the City of Celina City Council on November 14, 2017, pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "Act"), and Resolution No. 2017-203R 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 to finance certain public improvements (the "Authorized Improvements") that specially benefit assessed property in the District. All of the property in the District is located within the boundaries of the City of Celina (the "City") at the time of District creation and was subsequently annexed into the corporate limits of the City. On April 10, 2018 the City Council adopted Ordinance No. 2018-18 that approved a Service and Assessment Plan for the District (the "Service and Assessment Plan") and levied special assessments (the "Assessments") on certain property within the District in accordance with the Assessment Roll attached as Appendix D to the Service and Assessment Plan. The 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 City issued the City of Celina Special Assessment Revenue Bonds, Series 2018 (The Columns Public Improvement District Project) in the aggregate amount of \$6,470,000 pursuant to the Act, Ordinance No. 2018-17 adopted by the City Council on April 10, 2018 and an Indenture of Trust dated as of April 1, 2018 between the City and U.S. Bank National Association, as trustee. The City also approved the Reimbursement Agreement in the aggregate amount of \$1,030,000 pursuant to Ordinance No. 2018-17 adopted by the City Council on April 10, 2018 to finance the remaining costs of the Authorized Improvements.

The Series 2018 Bonds and the Reimbursement Agreement are payable from the Assessments levied against each parcel of Assessed Property within the District pursuant to the Assessment Ordinance and in accordance with the Service and Assessment Plan. Additionally, as more fully described in the Service and Assessment Plan, the City has approved "Reinvestment Zone Number Nine, City of Celina, Final Project and Finance Plan" (the "TIRZ Plan") and the "TIRZ Agreement" relating to the Columns development (the "TIRZ Agreement"); and, the City has agreed, subject to the terms of the TIRZ Plan and TIRZ Agreement, to apply 34.20% of the annual City ad valorem taxes collected for this property as an offset against the following year's Annual Installment of the Assessment.

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