

**Edgewood Creek Public Improvement District
Phase #1 – Lot Size – 50 Ft.**

Project Overview

Edgewood Creek Public Improvement District (the “District”) was created by the City of Celina City Council on May 12, 2020, pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution No. 2020-33R 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 was located within the extraterritorial jurisdiction 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 January 12, 2021, the City Council adopted Ordinance No. 2021-02 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 2021 (Edgewood Creek Public Improvement District Project) in the aggregate amount of \$4,465,000 pursuant to the Act, Ordinance No. 2021-05 adopted by the City Council on January 12, 2021 and an Indenture of Trust dated as of January 1, 2021 between the City and U.S. Bank National Association, as trustee. The City also approved the Phase #1 Reimbursement Agreement in the aggregate amount of \$4,497,757 pursuant to an Ordinance adopted by the City Council on January 12, 2021 to finance the remaining costs of the Authorized Improvements in Phase #1.

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 600 E. John Carpenter Freeway, Suite 150, Irving, Texas 75062 and available by telephone at (469) 490-2800 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.

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 Edgewood Creek Public Improvement District (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

**Edgewood Creek Public Improvement District
Summary of Projected Annual Installments**

Lot Size
Assessment

50 Ft Lots
\$29,531

Year ¹	Cumulative Outstanding Principal	Phase #1 Bond Principal ²	Phase #1 Bond Interest ²	Phase #1 R.A. Principal ³	Phase #1 R.A. Interest ³	Administrative Expenses ⁴	Total Annual Installment ⁵
2022	\$29,531	\$316	\$699	\$249	\$672	\$121	\$2,056
2023	\$28,966	\$316	\$615	\$259	\$660	\$123	\$1,973
2024	\$28,391	\$332	\$604	\$272	\$648	\$126	\$1,983
2025	\$27,787	\$332	\$593	\$286	\$636	\$128	\$1,976
2026	\$27,169	\$349	\$583	\$302	\$623	\$131	\$1,988
2027	\$26,517	\$365	\$570	\$316	\$609	\$134	\$1,993
2028	\$25,836	\$382	\$556	\$332	\$595	\$136	\$2,001
2029	\$25,122	\$382	\$542	\$349	\$579	\$139	\$1,991
2030	\$24,391	\$399	\$527	\$365	\$564	\$142	\$1,997
2031	\$23,627	\$415	\$512	\$385	\$547	\$145	\$2,004
2032	\$22,826	\$432	\$495	\$402	\$529	\$147	\$2,005
2033	\$21,993	\$449	\$476	\$425	\$511	\$150	\$2,011
2034	\$21,119	\$465	\$457	\$445	\$491	\$153	\$2,012
2035	\$20,208	\$482	\$437	\$468	\$471	\$156	\$2,015
2036	\$19,258	\$498	\$417	\$492	\$450	\$160	\$2,016
2037	\$18,268	\$532	\$396	\$515	\$427	\$163	\$2,032
2038	\$17,222	\$548	\$373	\$542	\$404	\$166	\$2,033
2039	\$16,132	\$565	\$350	\$568	\$379	\$169	\$2,031
2040	\$14,999	\$598	\$326	\$598	\$353	\$173	\$2,048
2041	\$13,803	\$615	\$300	\$625	\$326	\$176	\$2,042
2042	\$12,564	\$648	\$273	\$658	\$297	\$180	\$2,055
2043	\$11,258	\$681	\$244	\$691	\$267	\$183	\$2,066
2044	\$9,886	\$714	\$213	\$724	\$235	\$187	\$2,074
2045	\$8,448	\$731	\$181	\$761	\$202	\$191	\$2,066
2046	\$6,956	\$764	\$148	\$801	\$168	\$195	\$2,075
2047	\$5,391	\$797	\$114	\$841	\$131	\$198	\$2,081
2048	\$3,753	\$847	\$78	\$880	\$93	\$202	\$2,100
2049	\$2,026	\$880	\$40	\$1,145	\$52	\$206	\$2,324
Total		\$14,834	\$11,192	\$14,933	\$12,601	\$4,601	\$58,161

- 1 - Example: Annual Installment billed during Year 2022 will be billed on or around 10/01/22 and payment is due by 01/31/23.
2 - The principal and interest amounts represent the final numbers of the Series 2021 Bonds and will not increase during the life of the Bonds. Interest amounts are calculated through the principal payment date of each year.
3 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$4,494,757 and will not increase during the life of the Reimbursement Agreement. Interest amounts are calculated through the principal payment date of each year.
4 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Update.

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 EDGEWOOD CREEK PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN, AS THE SAME IS UPDATED EACH YEAR.

Edgewood Creek Public Improvement District (PID)
& Reinvestment Zone Number Twelve (TIRZ)

Example of TIRZ Credit Application

The property in the PID is also located in the City of Celina Tax Increment Reinvestment Zone No. 12. The City has committed to use approximately 47% of the annual incremental City ad valorem property taxes collected from a property in the current tax year as a credit (the “TIRZ Credit”) to reduce the PID annual installment of assessments due in the following year. The following hypothetical example illustrates the application of the TIRZ Credit:

A) Estimates for illustration purposes:

Estimated prorated base year (2020) taxable value = \$1,000
Estimated current year (2022) taxable value = \$300,000
Estimated current (2022) incremental value = \$299,000 (i.e. \$300,000 - \$1,000)
Estimated current (2022) City tax rate per \$100 of taxable value = \$0.645
Estimated PID current (2022) annual installment of Assessment = \$2,056
Estimated PID next (2023) annual installment of Assessments = \$1,973

B) Estimated City incremental tax:

\$1,929 [i.e., $(\$299,000 \div 100) \times \$0.645 = \$1,929$]

C) Estimated TIRZ Credit:

\$907 (i.e., $\$1,929 \times 47\% = \907)

D) PID current annual installment due (2022):

\$2,056 with no prior year TIRZ Credit

E) Estimated PID next annual installment due (2023):

\$1,066 (i.e., $\$1,973 - \$907 = \$1,066$) after application of the \$907 TIRZ Credit

PLEASE NOTE THAT THE ABOVE CALCULATIONS ARE ONLY INTENDED TO ILLUSTRATE APPLICATION OF THE TIRZ CREDIT AND DO NOT REPRESENT ANY ACTUAL OR PROJECTED AMOUNTS OF TAXABLE VALUES, CITY TAX RATES AND PID ANNUAL INSTALLMENTS.