

Josey Lane Public Improvement District Project Overview

The Josey Lane Public Improvement District (the “District”) was created by the City of Lewisville City Council on October 6, 2014, pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and a Resolution 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”) for the residential development located within the boundaries of the City of Lewisville (the “City”). A Service and Assessment Plan was accepted and approved by the City Council on December 15, 2014, pursuant to Ordinance No. 4144-12-2014 (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 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 approved the Reimbursement Agreement in the aggregate amount of \$17,738,000 pursuant to Ordinance No. 4140-12-2014 adopted by the City Council on December 15, 2014 to finance the costs of the Authorized Improvements.

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.