

Sutton Fields East Public Improvement District
Phase #1 – Lot Type 1 – 60 Ft Lot
Project Overview

The Sutton Fields East Public Improvement District (the “District”) was created by the City of Celina City Council on October 12, 2021, pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution No. 2021-96R 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. On January 11, 2022 the City Council adopted Ordinance No. 2022-11 that approved a Service and Assessment Plan for the District (the "Service and Assessment Plan") and levied special assessments (the "Phase #1 Assessments") on certain property within Phase #1 in accordance with the Phase #1 Assessment Roll attached as Appendix G to the Service and Assessment Plan. The Phase #1 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 2022 (Sutton Fields East Public Improvement District Phase #1 Project) in the aggregate amount of \$8,060,000 pursuant to the Act, Ordinance No. 2022-12 adopted by the City Council on January 11, 2022, and an Indenture of Trust dated as of February 1, 2022, between the City and U.S. Bank National Association, as trustee (the “Phase #1 Bonds”). The City also approved the Phase #1 Reimbursement Agreement in the aggregate amount of \$1,100,000 pursuant to Ordinance No. 2022-12 adopted by the City Council on January 11, 2022, to finance the remaining costs of the Authorized Improvements in Phase #1.

The Phase #1 Bonds and Phase #1 Reimbursement Agreement are payable from the Phase #1 Assessments levied against each parcel of Assessed Property within Phase #1 of 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 Fourteen, City of Celina, Final Project and Finance Plan" (the "TIRZ Plan") and the "TIRZ Agreement" relating to the Sutton Fields East development (the "TIRZ Agreement"); and, the City has agreed, subject to the terms of the TIRZ Plan and TIRZ Agreement, to apply 13.22% 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 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.

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

**Sutton Fields East Public Improvement District
Summary of Projected Annual Installments
Phase #1**

Lot Type
Outstanding Assessment
Equivalent Units

60 Ft Lot
\$43,378
1.00

Year¹	Cumulative Outstanding Principal	Bond Principal²	Bond Interest²	R.A. Principal³	R.A. Interest³	Administrative Expenses⁴	Total Annual Installment⁵
2022	\$43,378	\$0	\$191	\$90	\$230	\$217	\$728
2023	\$43,288	\$796	\$1,694	\$95	\$226	\$222	\$3,032
2024	\$42,398	\$819	\$1,664	\$99	\$222	\$226	\$3,030
2025	\$41,479	\$848	\$1,633	\$104	\$217	\$231	\$3,033
2026	\$40,527	\$871	\$1,601	\$109	\$213	\$235	\$3,030
2027	\$39,547	\$900	\$1,569	\$114	\$208	\$240	\$3,030
2028	\$38,534	\$933	\$1,532	\$118	\$203	\$245	\$3,031
2029	\$37,482	\$966	\$1,493	\$123	\$198	\$250	\$3,030
2030	\$36,393	\$999	\$1,453	\$133	\$192	\$255	\$3,032
2031	\$35,261	\$1,037	\$1,412	\$137	\$186	\$260	\$3,033
2032	\$34,087	\$1,075	\$1,369	\$142	\$180	\$265	\$3,032
2033	\$32,870	\$1,118	\$1,321	\$147	\$174	\$270	\$3,030
2034	\$31,605	\$1,165	\$1,271	\$156	\$167	\$276	\$3,035
2035	\$30,284	\$1,212	\$1,218	\$161	\$161	\$281	\$3,033
2036	\$28,911	\$1,260	\$1,164	\$170	\$153	\$287	\$3,034
2037	\$27,481	\$1,312	\$1,107	\$175	\$146	\$293	\$3,033
2038	\$25,994	\$1,364	\$1,048	\$185	\$138	\$298	\$3,033
2039	\$24,445	\$1,416	\$987	\$194	\$130	\$304	\$3,031
2040	\$22,835	\$1,478	\$923	\$199	\$122	\$310	\$3,031
2041	\$21,159	\$1,534	\$856	\$208	\$113	\$317	\$3,029
2042	\$19,416	\$1,601	\$787	\$218	\$104	\$323	\$3,032
2043	\$17,597	\$1,662	\$715	\$227	\$94	\$329	\$3,028
2044	\$15,708	\$1,733	\$638	\$237	\$84	\$336	\$3,028
2045	\$13,738	\$1,809	\$558	\$246	\$74	\$343	\$3,030
2046	\$11,683	\$1,885	\$475	\$260	\$63	\$350	\$3,032
2047	\$9,537	\$1,965	\$387	\$270	\$51	\$357	\$3,030
2048	\$7,302	\$2,051	\$297	\$284	\$39	\$364	\$3,034
2049	\$4,968	\$2,136	\$202	\$294	\$27	\$371	\$3,029
2050	\$2,538	\$2,226	\$103	\$313	\$14	\$378	\$3,033
Total		\$38,169	\$29,669	\$5,209	\$4,126	\$8,432	\$85,605

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| <p>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.</p> <p>2 - The principal and interest amounts represent the final numbers of the Series 2022 Phase #1 Bonds and will not increase during the life of the bonds. Interest amounts are calculated through the principal payment date of each year.</p> <p>3 - The principal and interest amounts represent the final numbers of the Phase #1 Reimbursement Agreement and will not increase during the life of the reimbursement agreement. Interest amounts are calculated through the principal payment date of each year.</p> <p>4 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.</p> <p>5 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount, if applicable.</p> |
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**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 SUTTON FIELDS
EAST PUBLIC IMPROVEMENT DISTRICT ANNUAL SERVICE AND ASSESSMENT PLAN UPDATE.**

Example of TIRZ Credit Application

The property in the PID is also located in the City of Celina Tax Increment Reinvestment Zone No. 14. The City has committed to use approximately 13.22% 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 (2021) taxable value = \$1,000

Estimated current year (2022) taxable value = \$378,000

Estimated current (2022) incremental value = \$377,000 (i.e. \$378,000 - \$1,000)

Estimated current (2022) City tax rate per \$100 of taxable value = \$0.645

Estimated PID current (2022) annual installment of Assessment = \$728

Estimated PID next (2023) annual installment of Assessments = \$3,032

B) Estimated City incremental tax:

\$2,432 [i.e., $(\$377,000 \div 100) \times \$0.645 = \$2,432$]

C) Estimated TIRZ Credit:

\$322 (i.e., $\$2,432 \times 13.22\% = \322)

D) PID current annual installment due (2022):

\$728 with no prior year TIRZ Credit

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

\$2,710 (i.e., $\$3,032 - \$322 = \$2,710$) after application of the \$322 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.