

Sutton Fields II Public Improvement District
Neighborhood Improvement Area #5A – Lot Type B – 60 Ft Lot
Phase #3A, #3B, #3C, #3D, & #3E of Development

Project Overview

The Sutton Fields II Public Improvement District (the “District”) was created by the City Council (the “City Council”) of the City of Celina (the “City”) on October 13, 2015, pursuant to the Public Improvement District Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution No. 2015-51R 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 improvement projects for the residential development located within the boundaries of the City of Celina and within the extraterritorial jurisdiction of the City. An Amended and Restated Service and Assessment Plan was accepted and approved by the City Council which set forth the plan for apportioning the costs of certain of the public improvement projects (the “Authorized Improvements”) to be assessed against properties in the Neighborhood Improvement Area #5A (“NIA #5A”) of the District and for payment of Special Assessments with respect thereto on July 13, 2021.

The City issued the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #2-5 Major Improvement Project) (the “NIA 2-5 Bonds”) in the aggregate amount of \$16,825,000 pursuant to the Act, Ordinance No. 2015-27 adopted by the City Council on November 10, 2015 and an Indenture of Trust dated as of December 1, 2015 between the City, and the U.S. Bank National Association (the “Trustee”), for which Neighborhood Improvement Area #5A (“NIA #5A”) property is subject to repay a prorated share of the Series 2015 NIA 2-5 Bonds.

On January 12, 2022, the City issued the \$20,784,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #5 Project) (the “NIA #5 Bonds”) pursuant to the Act, Ordinance No. 2022-116 adopted by the City Council on December 14, 2021 (the “Bond Ordinance”) and an Indenture of Trust dated as of January 1, 2022, by and between the City and the Trustee. The NIA #5 Bonds were issued to replace the NIA #5A Reimbursement Agreement and finance the cost applicable to the Neighborhood Improvement Area #5B Improvements.

The NIA #5 Bonds are payable from Special Assessments levied against each parcel of property within NIA #5 of the District pursuant to the Assessment Ordinance adopted by the City Council. The Act provides that the Special Assessments (including any reassessment, the expense of collection and reasonable attorney’s fees, if incurred) 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 municipality 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 that 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, TX 75062 and available by email at txpid@municap.com or by telephone at (469) 490-2800 or toll-free at (866) 648-8482.

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 II Public Improvement District
Schedule of Projected Annual Installments
Neighborhood Improvement Area #5A
Development Phases #3A, #3B, #3C, #3D, & #3E

Lot Type
Outstanding Assessment

B - 60 FT
\$30,962

Year ¹	Outstanding Principal Assessment	NIA #5 Bond Principal ²	NIA #5 Bond Interest ²	NIA #2-5 Bond Principal ³	NIA #2-5 Bond Interest ³	Administrative Expenses ⁴	Total Annual Installment ⁵
2022	\$30,962	\$170	\$974	\$222	\$741	\$127	\$2,234
2023	\$30,572	\$176	\$968	\$236	\$699	\$132	\$2,211
2024	\$30,160	\$179	\$962	\$258	\$679	\$135	\$2,212
2025	\$29,723	\$186	\$956	\$277	\$657	\$137	\$2,212
2026	\$29,261	\$189	\$950	\$301	\$633	\$140	\$2,212
2027	\$28,771	\$195	\$943	\$325	\$607	\$143	\$2,213
2028	\$28,251	\$201	\$936	\$353	\$579	\$146	\$2,214
2029	\$27,697	\$207	\$928	\$382	\$549	\$149	\$2,216
2030	\$27,107	\$217	\$921	\$412	\$516	\$152	\$2,217
2031	\$26,479	\$223	\$912	\$447	\$465	\$155	\$2,203
2032	\$25,809	\$232	\$904	\$483	\$428	\$158	\$2,205
2033	\$25,094	\$238	\$895	\$523	\$388	\$161	\$2,206
2034	\$24,332	\$247	\$885	\$567	\$345	\$164	\$2,209
2035	\$23,518	\$260	\$875	\$613	\$298	\$168	\$2,214
2036	\$22,645	\$269	\$865	\$664	\$248	\$171	\$2,217
2037	\$21,712	\$281	\$854	\$719	\$193	\$174	\$2,222
2038	\$20,712	\$291	\$843	\$778	\$134	\$178	\$2,224
2039	\$19,643	\$303	\$831	\$825	\$70	\$181	\$2,210
2040	\$18,515	\$1,364	\$819	\$0	\$0	\$158	\$2,342
2041	\$17,151	\$1,417	\$765	\$0	\$0	\$161	\$2,343
2042	\$15,734	\$1,469	\$708	\$0	\$0	\$165	\$2,342
2043	\$14,265	\$1,531	\$642	\$0	\$0	\$168	\$2,341
2044	\$12,734	\$1,599	\$573	\$0	\$0	\$171	\$2,343
2045	\$11,135	\$1,667	\$501	\$0	\$0	\$175	\$2,343
2046	\$9,468	\$1,738	\$426	\$0	\$0	\$178	\$2,343
2047	\$7,729	\$1,813	\$348	\$0	\$0	\$182	\$2,342
2048	\$5,917	\$1,890	\$266	\$0	\$0	\$185	\$2,342
2049	\$4,027	\$1,970	\$181	\$0	\$0	\$189	\$2,341
2050	\$2,057	\$2,057	\$93	\$0	\$0	\$193	\$2,342
Total		\$22,579	\$21,725	\$8,383	\$8,228	\$4,697	\$65,614

1 - Annual Installment billed during Year 2022 will be billed on or around 10/1/2022 and is due by 1/31/2023.
2 - The principal and interest amounts are based upon the pro rata share of NIA #5 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 based upon the pro rata share of the NIA #2-5 Bonds and will not increase during the life of the bonds. Interest amounts are calculated through the principal payment date of each year.
4 - The Administrative Expenses shown are estimates and will be updated each in the Annual Service Plan Update.
5 - The total annual installment does not include TIRZ credit, if any.

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 II PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN, AS THE SAME IS UPDATED EACH YEAR. THE SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN MAY BE OBTAINED FROM THE CITY SECRETARY OF CELINA, TEXAS.

Example of TIRZ Credit Application

The property in the PID is also located in the City of Celina Tax Increment Reinvestment Zone No. 8. The City has committed to use approximately 7.76% 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 (2017) taxable value = \$1,000

Estimated current year (2022) taxable value = \$328,000

Estimated current (2022) incremental value = \$327,000 (i.e. \$328,000 - \$1,000)

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

Estimated PID current (2022) annual installment of Assessment = \$2,234

Estimated PID next (2023) annual installment of Assessments = \$2,211

B) Estimated City incremental tax:

\$2,109 [i.e., $(\$327,000 \div 100) \times \$0.645 = \$2,109$]

C) Estimated TIRZ Credit:

\$164 (i.e., $\$2,109 \times 7.76\% = \164)

D) PID current annual installment due (2022):

\$2,234 with no prior year TIRZ Credit

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

\$2,047 (i.e., $\$2,211 - \$164 = \$2,047$) after application of the \$164 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.