

Club Municipal Management District No. 1
Improvement Area #1
Lot Type 1 – Lake Front Lot

Project Overview

The Club Municipal Management District (the “District”) was created by House Bill 3859, which was passed by the 82nd Texas Legislature on June 17, 2011. Pursuant to Subchapter A, Chapter 372, Local Government Code, or Chapter 375, Local Government Code, the District may levy an assessment against property for improvement projects.

The District was created principally to finance certain public improvements (the “Authorized Improvements”) that specially benefit assessed property in the District. On September 1, 2015, the District Board adopted an order to approve a Service and Assessment Plan for the District (the "Service and Assessment Plan") and levied assessments (the "Improvement Area #1 Assessments") on certain property within the District in accordance with the Assessment Roll attached as Appendix B to the Service and Assessment Plan. The Improvement Area #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 District issued the Club Municipal Management District Special Assessment Revenue Bonds, Series 2016 (Improvement Area #1 Project) in the aggregate amount of \$9,255,000 pursuant to the Act, adopted by the District Board on April 27, 2016, and an Indenture of Trust dated as of May 1, 2016 between the District and Wilmington Trust, N.A., as trustee. The District also approved the Reimbursement Agreement in the aggregate amount of \$3,245,000 to finance the remaining costs of the Authorized Improvements.

All Improvement Area #1 Assessments that are not paid in full will be billed in annual installments and collected each year by the District, or its designee, as provided in the Service and Assessment Plan. **Annual Installments are billed by the Rockwall Central Appraisal District and 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 Improvement Area #1 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 Improvement Area #1 Assessments and the due dates of the Annual Installments of the Improvement Area #1 Assessments may be obtained from MuniCap, Inc., the District Administrator, 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) and email at txpid@municap.com.

FAILURE TO PAY THE IMPROVEMENT AREA #1 ASSESSMENTS LEVIED AGAINST ASSESSED PROPERTY, INCLUDING THE ANNUAL INSTALLMENT THEREOF, COULD RESULT IN FORECLOSURE OF SUCH PROPERTY.

Assessment Notice

NOTICE OF OBLIGATION TO PAY MUNICIPAL MANAGEMENT DISTRICT ASSESSMENT
TO THE CLUB MUNICIPAL MANAGEMENT DISTRICT NO. 1
CONCERNING THE FOLLOWING PROPERTY

[insert property address]

As the purchaser of the real property described above, you are obligated to pay assessments to the Club Municipal Management District No. 1 (the "District"), 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 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 District. The exact amount of each annual installment will be approved each year by the Board of Directors 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 District or MuniCap, Inc., the District Administrator, 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

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§

COUNTY OF _____

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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

**Club Municipal Management District No. 1
Schedule of Projected Annual Installments
Improvement Area #1**

**Lot Type
Equivalent Units
Outstanding Assessment**

Lot Type 1 (Lake Front Lots)
1.00
\$107,875

Tax Year¹	Cumulative Outstanding Principal	Bond Principal²	Bond Interest²	R.A. Principal³	R.A. Interest³	Administrative Expenses⁴	Total Annual Installment
2023	\$107,875	\$1,439	\$5,485	\$483	\$1,776	\$884	\$10,066
2024	\$105,953	\$1,490	\$5,462	\$586	\$1,769	\$902	\$10,209
2025	\$103,877	\$1,593	\$5,369	\$586	\$1,735	\$920	\$10,203
2026	\$101,698	\$2,004	\$5,270	\$678	\$1,701	\$938	\$10,591
2027	\$99,016	\$2,107	\$5,144	\$771	\$1,662	\$957	\$10,641
2028	\$96,138	\$2,312	\$5,013	\$863	\$1,618	\$976	\$10,782
2029	\$92,962	\$2,415	\$4,857	\$863	\$1,564	\$995	\$10,694
2030	\$89,684	\$2,621	\$4,693	\$966	\$1,510	\$1,015	\$10,806
2031	\$86,097	\$2,775	\$4,517	\$966	\$1,450	\$1,036	\$10,743
2032	\$82,356	\$2,929	\$4,329	\$1,059	\$1,389	\$1,056	\$10,762
2033	\$78,368	\$3,083	\$4,132	\$1,059	\$1,323	\$1,077	\$10,674
2034	\$74,226	\$3,289	\$3,923	\$1,151	\$1,257	\$1,099	\$10,719
2035	\$69,787	\$3,494	\$3,701	\$1,244	\$1,185	\$1,121	\$10,745
2036	\$65,049	\$3,751	\$3,457	\$1,346	\$1,104	\$1,143	\$10,802
2037	\$59,951	\$3,905	\$3,194	\$1,346	\$1,016	\$1,166	\$10,629
2038	\$54,699	\$4,162	\$2,921	\$1,429	\$929	\$1,190	\$10,630
2039	\$49,108	\$4,419	\$2,629	\$1,531	\$836	\$1,213	\$10,630
2040	\$43,158	\$4,728	\$2,320	\$1,624	\$736	\$1,238	\$10,646
2041	\$36,806	\$5,036	\$1,989	\$1,727	\$631	\$1,262	\$10,645
2042	\$30,043	\$5,344	\$1,637	\$1,912	\$519	\$1,288	\$10,699
2043	\$22,788	\$5,653	\$1,263	\$2,004	\$394	\$1,313	\$10,627
2044	\$15,131	\$6,012	\$867	\$2,107	\$264	\$1,340	\$10,590
2045	\$7,012	\$5,388	\$446	\$1,624	\$127	\$1,366	\$8,951
Total		\$79,951	\$82,618	\$27,924	\$26,496	\$25,495	\$242,483

- 1 - Example: Annual Installment for Tax Year 2023 will be billed by the Rockwall Central Appraisal District on or around 10/01/23 and payment is due by 01/31/24.
- 2 - The principal and interest amounts represent the final numbers of the Series 2016 Bonds and will not increase during the life of the bonds. Interest is calculated through the principal payment date of each year.
- 3 - The principal and interest amounts represent the numbers of the Improvement Area #1 Reimbursement Agreement and will not increase during the life of the agreement. Interest is 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 CLUB MUNICIPAL MANAGEMENT DISTRICT SERVICE AND ASSESSMENT PLAN, AS THE SAME IS UPDATED EACH YEAR.

Property Owners may choose to prepay their Assessment at any time. Effective January 1, 2024, for any single-family residential parcel prepaying an Assessment, a \$500 fee will be included in the total payoff amount to cover processing and other lien release related filing expenses. If interested in prepaying an Assessment, please contact MuniCap by telephone at (469) 490-2800 or email at txpid@municap.com.