

NOTICE TO PURCHASER OF SPECIAL TAXING OR ASSESSMENT DISTRICT

The real property, described below, that you are about to purchase is located within the boundaries of NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1, a political subdivision of the State of Texas created and operating under the provisions of Chapter 3986, Texas Special District Local Laws Code; Chapters 372 and 375, Texas Local Government Code; and Chapters 49 and 54, Texas Water Code, all as amended (the "District") and may be subject to District taxes or assessments. The District was originally created as the North Celina Municipal Management District No. 3, but on June 2, 2021, a Notice of Name Change was filed renaming the District. The District may, subject to voter approval, impose taxes and bonds. The District may impose an unlimited rate of tax in payment of such bonds. In addition, on February 13, 2023, the Board of Directors of the District (the "Board") approved the creation of the District Single Family Defined Area No. 1 (the "SF Defined Area No. 1") pursuant to a Resolution and Section 54.804-54.812 of the Texas Water Code in order to apply separately, differently, equitably, and specifically the District's taxing power and lien authority to SF Defined Area No. 1. The District may exercise its authority without holding an election on the matter. Any unpaid taxes are personal obligation of the person that owned the property at the time of imposition and is secured by a lien on the property.

Voters of the SF Defined Area No. 1 of the District have authorized the following principal amount of bonds to be issued by the District:

<u>Election Date</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Issued to Date</u>	<u>Remaining Unissued</u>
5/6/2023	Utility Bonds	\$194,327,781	-	\$194,327,781
5/6/2023	Utility Bonds Refunding	\$242,909,762	-	\$242,909,762
5/6/2023	Road Bonds	\$246,277,730	\$3,105,000	\$243,172,730
5/6/2023	Road Bonds Refunding	\$307,847,162	-	\$307,847,162

The current total rate of the District property tax is \$0.408000 on each \$100 of assessed valuation, which is comprised of: (i) a property tax rate of \$0.00 on each \$100 of assessed valuation on all property in the District, and (ii) a property tax rate of \$0.408000 on each \$100 of assessed valuation on property within SF Defined Area No. 1 of the District.

The District also has assessment authority separate from any other taxing or assessment authority and may levy special assessments 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. The amount of the District assessment on the real property that you are about to purchase is generally equivalent to a tax rate of \$0.3021 on each \$100 of assessed valuation, which is comprised of: (i) an "Assessment Part A" of \$0.2119 on each \$100 of assessed valuation, and (ii) an "Assessment Part B" of \$0.0902 on each \$100 of assessed valuation. 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.

The District has previously issued the following: (i) \$81,175,000 Special Assessment Revenue Bonds, Series 2021 (Major Improvement Project); (ii) \$13,300,000 Contract Revenue Bonds, Series 2021 (Legacy Hills Public Improvement District Phase #1A-1B Improvements); and (iii) \$32,225,000 Special Assessment Revenue Bonds, Series 2022 (Major Improvement Project #2).

AN ASSESSMENT AND TAX HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS. THE ASSESSMENT PORTION 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 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.

The District is located wholly within the corporate boundaries of the City of Celina, Texas (the "City"). The City and the District overlap, but may not provide duplicate services or improvements. Property located in the City and the District is subject to taxation by the City and the District.

The purpose of this District is to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under Chapter 3986, Special District Local Laws Code and to accomplish the public purposes set out in Sections 52 and 52-A, Article III and Section 59, Article XVI, Texas Constitution and other powers granted under Chapter 3986, Special District Local Laws Code. The cost of District facilities are not included in the purchase price of your property. The legal description of the property which you are acquiring is as follows:

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ANNUALLY ESTABLISHES TAX RATES. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

[SIGNATURE PAGE TO FOLLOW]

Date: _____

Signature of Seller

Signature of Seller

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

The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property or at closing of purchase of the real property.

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