



VG-373-2024-85332

Denton County
Juli Luke
County Clerk

Instrument Number: 85332

Real Property Recordings

ORDINANCE

Recorded On: August 09, 2024 09:58 AM

Number of Pages: 37

" Examined and Charged as Follows: "

Total Recording: \$169.00

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 85332
Receipt Number: 20240809000167
Recorded Date/Time: August 09, 2024 09:58 AM
User: Torey P
Station: Station 22

Record and Return To:

TOWN OF FLOWER MOUND
2121 CROSS TIMBERS RD
FLOWER MOUND TX 75028



STATE OF TEXAS
COUNTY OF DENTON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

Juli Luke
County Clerk
Denton County, TX

TOWN OF FLOWER MOUND, TEXAS

ORDINANCE NO. 32-24

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, APPROVING THE ANNUAL UPDATE OF THE SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL(S) FOR THE RIVERWALK PUBLIC IMPROVEMENT DISTRICT NO. 1 IN ACCORDANCE WITH TEXAS LOCAL GOVERNMENT CODE §372.013 AS AMENDED; CONTAINING A CUMMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on August 19, 2013, the Town Council of the Town of Flower Mound, Texas ("TOWN") approved Ordinance No. 20-13 establishing the Riverwalk Public Improvement District No. 1 ("the PID") in accordance with the provisions of Chapter 372 of the Texas Local Government Code (the "Public Improvement District Assessment Act" or "the PID Act"); and

WHEREAS, the Town has heretofore levied assessments against property within the PID, pursuant to Ordinance No. 27-14 which ordinance also approved the Riverwalk Public Improvement District No. 1 Service and Assessment Plan and Assessment Roll, dated as of May 15, 2014 (the "Service and Assessment Plan and Assessment Roll"); and

WHEREAS, the Service and Assessment Plan and Assessment Roll is required to be reviewed and updated annually as described in Sections 372.013 and 372.014 of the PID Act (the "Annual Service Plan Update"); and

WHEREAS, the Annual Service Plan Update, attached hereto as Exhibit A, including the Assessment Roll attached thereto, update the Service and Assessment Plan and Assessment Roll to reflect prepayments, property divisions and changes to the budget allocation for the PID that occur during the year, if any; and

WHEREAS, the Town Council desires and finds it to be in the public interest to adopt this Ordinance approving and adopting the Annual Service Plan Update and the updated Assessment Roll attached thereto, in compliance with the PID Act.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, THAT:

SECTION 1

All of the above premises are hereby found to be true and correct legislative and factual findings of the Town of Flower Mound, and they are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2

The Riverwalk Public Improvement District No. 1 Annual Service Plan Update, attached hereto as "Attachment 1" and incorporated herein by reference, inclusive of the updated

ORDINANCE NO. 32-24

Assessment Roll contained therein and made a part thereof, are hereby accepted and approved.

SECTION 3

The provisions of this ordinance are to be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent with or in conflict with any of the provisions of this ordinance are hereby expressly repealed to the extent of any such inconsistency or conflict.

SECTION 4

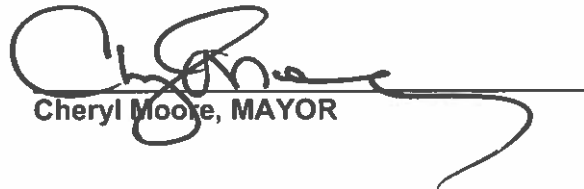
Should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Ordinance as a whole.

SECTION 4

This Ordinance shall take effect immediately after its passage and the publication of the caption, as the law and charter in such case provide. The Town Secretary shall cause this Ordinance to be filed with the county clerk in each county in which all or a part of the PID is located not later than seven (7) days after the date the governing body of the Town approves this Annual Service Plan Update.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, ON THIS 5th DAY OF AUGUST, 2024.

APPROVED:


Cheryl Moore, MAYOR

ATTEST:



~~Theresa Scott~~, TOWN SECRETARY
ANNE CARNES DEPUTY

**RIVERWALK
PUBLIC IMPROVEMENT DISTRICT NO. 1**

TOWN OF FLOWER MOUND, TEXAS

**ANNUAL SERVICE PLAN UPDATE
(ASSESSMENT YEAR 9/1/24 - 8/31/25)**

**AS APPROVED BY TOWN COUNCIL ON:
AUGUST 5, 2024**

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

RIVERWALK
PUBLIC IMPROVEMENT DISTRICT NO. 1

ANNUAL SERVICE PLAN UPDATE
(ASSESSMENT YEAR 9/1/24 – 8/31/25)

TABLE OF CONTENTS

I. INTRODUCTION	1
II. UPDATE OF THE SERVICE PLAN	3
A. UPDATED SOURCES AND USES FOR PUBLIC IMPROVEMENTS.....	3
B. FIVE YEAR SERVICE PLAN	4
C. STATUS OF DEVELOPMENT	5
D. SERIES 2021 REFUNDING ANALYSIS.....	5
E. ANNUAL BUDGET.....	7
F. ANNUAL INSTALLMENTS PER UNIT	10
G. BOND REDEMPTION RELATED UPDATES	11
III. UPDATE OF THE ASSESSMENT PLAN	12
IV. UPDATE OF THE ASSESSMENT ROLL	13
A. PARCEL UPDATES.....	13
B. PREPAYMENT OF ASSESSMENTS	14
APPENDIX A - PID MAP	
APPENDIX B - PREPAID PARCELS	
APPENDIX C - ASSESSED VALUE	
APPENDIX D - ASSESSMENT ROLL - 2024-25	
APPENDIX E - PID ASSESSMENT NOTICE	

I. INTRODUCTION

The Riverwalk Public Improvement District No. 1 (the “PID”) was created pursuant to the PID Act and a resolution of the Town Council on April 19, 2013 to finance certain public improvement projects for the benefit of the property in the PID. The Town of Flower Mound, Texas Special Assessment Revenue Bonds, Series 2014 (Riverwalk Public Improvement District No. 1) (the “Series 2014 Bonds”) in the aggregate principal amount of \$16,000,000 were issued to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the public improvements provided for the benefit of the property in the PID. The Town of Flower Mound, Texas Special Assessment Revenue Refunding Bonds, Series 2021 (Riverwalk Public Improvement District No. 1) (the “Series 2021 Refunding Bonds”) in the aggregate principal amount of \$14,635,000 were issued to refinance the Series 2014 Bonds.

A service and assessment plan (the “Service and Assessment Plan”) was prepared at the direction of the Town identifying the public improvements (the “Authorized Improvements”) to be provided by the PID, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the PID for the costs of the Authorized Improvements. The Service and Assessment Plan was updated for the Series Refunding 2021 Bonds on February 9, 2021 (the “Updated Service and Assessment Plan”). Pursuant to Chapter 372, Texas Local Government Code, the Updated Service and Assessment Plan must be reviewed and updated annually. This document is the annual update of the Updated Service and Assessment Plan for 2024-25 (the “Annual Service Plan Update”).

The Town also adopted an assessment roll (the “Assessment Roll”) identifying the Assessments on each Parcel within the PID, based on the method of assessment identified in the Updated Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Roll for 2024-25.

Effective September 1, 2021, the Texas legislature passed House Bill 1543 as an amendment to the PID Act, requiring, among other things, (i) all Service and Assessment Plans and Annual Service Plan Updates be approved through Town ordinance or order to be filed with the county clerk of each county in which all or part of the PID is located within seven days and (ii) include a copy of the notice form required by Section 5.014 of the Texas Property Code (the “PID Assessment Notice”) as disclosure of the obligation to pay PID Assessments. In light of these amendments to the PID Act, this Annual Service Plan Update includes a copy of the PID Assessment Notice as Appendix E and a copy of this Annual Service Plan Update will be filed with the county clerk in each county in which all or a part of the PID is located not later than seven (7) days after the date the governing body of the Town approves this Annual Service Plan Update.

Section 372.013 of the PID Act, as amended, stipulates that a person who proposes to sell or otherwise convey real property that is located in the PID, except in certain situations described in the PID Act, shall first give to the purchaser of the property a copy of the completed PID Assessment Notice. The PID Assessment Notice shall be given to a prospective purchase before the execution of a binding contract of purchase and sale, either separately or as an addendum or

paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller providing the required notice, the purchaser, subject to certain exceptions described in the PID act, is entitled to terminate the contract.

The PID Assessment Notice shall be executed by the seller and must be filed in the real property records of the County in which the property is located at the closing of the purchase and sale of the property.

Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Updated Service and Assessment Plan as updated from time to time.

(The remainder of this page is intentionally left blank)

II. UPDATE OF THE SERVICE PLAN

A. UPDATED SOURCES AND USES FOR PUBLIC IMPROVEMENTS

According to the Developer's Quarterly Improvement Implementation Report dated as of December 30, 2020, the actual costs of the Authorized Improvements were equal to \$12,910,000.

As described in the Developer's Quarterly Improvement Implementation Report dated as of December 30, 2020, the Authorized Improvements were accepted by the Town on December 8, 2020.

Table II-A-1 on the following page summarizes the updated sources and uses of funds required to (1) construct the Authorized Improvements, (2) establish the PID, and (3) issue the Series 2014 Bonds.

For additional PID development-related information, refer to the link below:

<https://emma.msrb.org/P11616629-P11246324-P11670397.pdf>

(The remainder of this page is intentionally left blank)

Table II-A-1
Sources and Uses of Funds

Sources of Funds	Final Budget	Actual Costs¹	Variance
Bond par amount	\$16,000,000	\$16,000,000	\$0
Other funding sources	\$0	\$0	\$0
Total Sources	\$16,000,000	\$16,000,000	\$0
Uses of Funds			
Authorized Improvements			
Road improvements	\$7,210,000	\$7,210,000	\$0
Water distribution system improvements	\$1,190,000	\$1,190,000	\$0
Sanitary sewer improvements	\$830,000	\$830,000	\$0
Storm drainage improvements	\$2,065,000	\$2,065,000	\$0
Miscellaneous	\$1,615,000	\$1,615,000	\$0
<i>Subtotal</i>	<i>\$12,910,000</i>	<i>\$12,910,000</i>	<i>\$0</i>
Bond issuance costs	\$3,090,000	\$3,090,000	\$0
Total Uses	\$16,000,000	\$16,000,000	\$0

¹ – According to the Developer’s Quarterly Improvement Implementation Report dated as of December 31, 2020.

Authorized Improvement Cost Variances

As stated in Table II-A-1 above, there are no significant variances to be reported at this time.

B. FIVE YEAR SERVICE PLAN

According to the PID Act, a service plan must cover a period of five years.

For additional PID development and improvement related information, refer to the link provided in Section II.A. of this report.

The actual budget for the Authorized Improvements is shown in Section II.A of this report and the Annual Installments expected to be collected for these costs are shown by Table II-B-1 on the following page.

Table II-B-1
Projected Annual Installments (2014-2030)

Assessment Year ending 09/01	Annual Projected Cost	Annual Projected Indebtedness	Sources other than Bonds	Projected Annual Installments^{1,2}
2014-2024	\$16,000,000	\$14,635,000	\$0	\$12,313,165
2025	\$0	\$0	\$0	\$1,004,144
2026	\$0	\$0	\$0	\$999,778
2027	\$0	\$0	\$0	\$1,002,015
2028	\$0	\$0	\$0	\$1,000,560
2029	\$0	\$0	\$0	\$1,003,633
2030	\$0	\$0	\$0	\$1,001,072
Total	\$16,000,000	\$14,635,000	\$0	\$18,324,367

1 – Assessment years ending 2014 through 2025 reflect actual Annual Installments and are net of capitalized interest and include applicable investment fund income and applicable credits, if any. Assessment years 2026 through 2030 reflect projected Annual Installments and will be updated in future Annual Service Plan Updates.

2 – Projected Annual Installments for Assessments Years ending 2014-2021 were for the Series 2014 Bonds and projected Annual Installments for Assessment Years 2022-2030 are for the Series 2021 Refunding Bonds.

C. STATUS OF DEVELOPMENT

According to the Town, greater than 95 percent of the total building permits expected to be issued within the PID have been issued as of June 30, 2024. Pursuant to Section 4 (a)(vi) of the Continuing Disclosure Agreement of the Issuer, the Town is no longer responsible for reporting the number of new homes completed in the PID in the Annual Service Plan Update.

See Appendix C for 2024 assessed values of all Parcels within the PID.

D. SERIES 2021 REFUNDING ANALYSIS

The Series 2021 Refunding Bonds were issued in February 2021 refunding the Series 2014 Bonds. At the time of refunding, the total projected outstanding principal, interest, and additional interest reserve amounts for the Series 2014 Bonds were \$14,600,000, \$13,592,500, and \$989,800, respectively. The total projected outstanding principal, interest, and additional interest reserve amounts for the Series 2021 Refunding Bonds are \$14,335,000, \$7,348,206, and \$346,075, respectively. As a result, the total projected savings from the 2021 refunding of the Series 2014 Bonds is \$7,153,019. See Table II-D-1 on the following page for a summary of the refunding savings.

Table II-D-1
Refunding Savings Analysis (Cumulative)

	Principal	Interest	Additional Interest Reserve	Total
Series 2014 Bonds	\$14,600,000	\$13,592,500	\$989,800	\$29,182,300
Series 2021 Refunding Bonds ¹	\$14,335,000	\$7,348,206	\$346,075	\$22,029,281
Net Refunding Related Savings	\$265,000	\$6,244,294	\$643,725	\$7,153,019

¹ – Totals include projected principal, interest, and additional interest reserve amounts from assessment year ending 9/1/2022 through 9/1/2043.

The projected average Annual Installment savings per Equivalent Unit for outstanding projected Annual Installments is shown in Table II-D-2 on the following page.

(The remainder of this page is intentionally left blank)

Table II-D-2
Summary of Refunding Savings (Per Equivalent Unit)

Assessment Year ending 08/31	Series 2014 Projected Annual Installments^{1,2}	Series 2021 Projected Annual Installments^{1,3}	Projected Annual Installment Savings
2025	\$2,153	\$1,537	\$615
2026	\$2,114	\$1,534	\$580
2027	\$2,075	\$1,537	\$538
2028	\$2,037	\$1,535	\$502
2029	\$2,149	\$1,539	\$610
2030	\$2,100	\$1,536	\$565
2031	\$2,049	\$1,539	\$511
2032	\$1,998	\$1,541	\$457
2033	\$2,097	\$1,539	\$558
2034	\$2,035	\$1,537	\$499
2035	\$2,125	\$1,541	\$583
2036	\$2,052	\$1,536	\$516
2037	\$2,131	\$1,538	\$592
2038	\$2,048	\$1,541	\$507
2039	\$2,113	\$1,534	\$579
2040	\$2,016	\$1,541	\$475
2041	\$2,063	\$1,539	\$525
2042	\$2,099	\$1,534	\$565
2043	\$1,980	\$1,535	\$445
Total	\$39,434	\$29,213	\$10,222

1 – Projected Annual Installment amounts include principal, interest, additional interest for reserves, and collection costs.

2 – The Series 2014 Bonds Annual Installments include interest calculated at an average effective interest rate of 6.67 percent.

3 - The Series 2021 Refunding Bonds Annual Installments include interest calculated at an average effective interest rate of 3.81 percent.

E. ANNUAL BUDGET

Annual Installments

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty (30) Annual Installments of principal and interest beginning with the tax year following the issuance of the Series 2014 Bonds. The Series 2021 Refunding Bonds were issued in February 2021 to refund the Series 2014 Bonds. Nineteen (19) Annual Installments remain outstanding for the Series 2021 Refunding Bonds.

Pursuant to the Updated Service and Assessment Plan, each Assessment shall bear interest at the rate on the Series Bonds commencing with the issuance of the Series Bonds. The effective interest rate on the Bonds is 3.60 percent for 2024-25. The Additional Interest Reserve was fully funded at the closing of the Series 2021 Refunding Bonds and the Town will not begin collecting Additional Interest until it is required to be collected pursuant to Section 6.7(b) of the applicable Indenture. These payments, the “Annual Installments” of the Assessments, shall be billed by the Town, or any other party designated by the Town, in 2024 and will be delinquent on February 1, 2025.

Pursuant to the Updated Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2024-25 and the Annual Collection Costs to be collected from each Parcel. Annual Collection Costs shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that is payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under an applicable Assessment Ordinance or Indenture of Trust, such as capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service on the Series Bonds will be paid from the collection of the Annual Installments. In addition, Annual Collection Costs are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments and other district administration expenses. The additional interest collected with the Annual Installments will be used to pay the prepayment and delinquency reserve amounts as described in the Updated Service and Assessment plan and applicable Indenture of Trust.

Annual Installments to be Collected for 2024-25

The budget for the PID will be paid from the collection of Annual Installments of the Assessments on the Assessed Property collected for 2024-25 as shown by Table II-E-1 on the following page.

(The remainder of this page is intentionally left blank)

Table II-E-1
Budget for the Annual Installments
to be Collected for 2024-25

Descriptions	Series 2021 Refunding Bonds
Interest payment on March 1, 2025	\$230,072
Interest payment on September 1, 2025	\$230,072
Principal payment on September 1, 2025	\$505,000
<i>Subtotal debt service on bonds</i>	<i>\$965,144</i>
Annual collection costs	\$39,000
<i>Subtotal Expenses</i>	<i>\$1,004,144</i>
Available reserve fund income	\$0
Available collection costs account	\$0
<i>Subtotal funds available</i>	<i>\$0</i>
Annual Installment to be collected	\$1,004,144

Debt Service Payments

Annual Installments to be collected for principal and interest include interest due on March 1, 2025 in the amount of \$230,072 and on September 1, 2025, in the amount of \$230,072, which equal interest on the outstanding Assessments balance of \$12,796,344 for six months each and an effective interest rate of 3.60 percent. Annual Installments to be collected include a principal amount of \$505,000 due on September 1, 2025. As a result, the total principal and interest due in 2024-25 is estimated to be equal to \$965,144.

Annual Collection Costs

Annual Collection Costs for the PID include the annual administrative expenses. The administrative expenses include the Trustee, Dissemination Agent, Administrator, and contingency fees. As shown in Table II-E-2 below, the total administrative expenses to be collected for 2024-25 are estimated to be \$39,000.

Table II-E-2
Administrative Budget Breakdown

Description	2024-25 Estimated Budget (9/1/24-8/31/25)
Administrator	\$26,000
Trustee	\$7,000
Dissemination Agent	\$3,500
Contingency	\$2,500
Total	\$39,000

Available Reserve Fund Income

As of June 30, 2024, there is not a significant excess balance in the Reserve Fund. As a result, there is no Reserve Fund income anticipated to be available to reduce the 2024-25 Annual Installment.

Available Administrative Expense Account

As of June 30, 2024, there was \$41,104 in administrative expense funds available. The available balance is anticipated to be used for future administrative expenses. As a result, there are no funds anticipated to be available in the Administrative Expense Fund to reduce the 2024-25 Annual Installment.

F. ANNUAL INSTALLMENTS PER UNIT

According to the Updated Service and Assessment Plan, the Annual Installments shall be collected in an amount sufficient to pay (i) principal and interest on the Bonds, (ii) to fund the Prepayment Reserve Account and the Delinquency Reserve Account, and (iii) to cover administrative expenses of the PID.

According to the revised development plan, 662.76 total Equivalent Units were estimated to be built within the PID. According to the Trustee, fourteen Parcels representing 12.80 Equivalent Units have prepaid their Assessments in full, lowering the total outstanding Equivalent Units to 649.96. The Annual Installment due to be collected per Equivalent Unit within the PID for 2024-25 is shown in Table II-F-1 below.

**Table II-F-1
Annual Installment Per Unit**

Budget Item	Net Budget Amount ¹	Annual Installment per Equivalent Unit ²
Principal	\$505,000.00	\$776.97
Interest	\$460,144.00	\$707.95
Annual Collection Costs	\$39,000.00	\$60.00
Total	\$1,004,144.00	\$1,544.92

1 – Refer to Table II-E-1 of this report for additional budget details.

2 – Based on the current outstanding 649.96 Equivalent Units.

The Annual Installment due to be collected from each Land Use Class in the PID for 2024-25 is shown in Table II-F-2 on the following page.

Table II-F-2
Annual Installment per Unit

Land Use Class	Annual Installment Per Equivalent Unit	Equivalent Unit Factor	Annual Installment Per Unit
1 - Single Family Villa	\$1,544.92	1.00	\$1,544.92
2 - Interior Townhome	\$1,544.92	0.90	\$1,383.75
3 - Multi-Family	\$1,544.92	0.24	\$370.78
4 - Assisted Living	\$1,544.92	0.21	\$324.43
6 - Retail ¹	\$1,544.92	0.69	\$1,066.00
7 - Office ¹	\$1,544.92	0.46	\$710.67
8 - Hotel	\$1,544.92	0.20	\$308.98
9 - Periphery Townhome	\$1,544.92	0.76	\$1,179.76

¹ - Retail and office lots are billed on a per 1,000 square foot basis.

The list of Parcels within the PID, the number of units to be developed on the current residential Parcels, the corresponding total Equivalent Units, the total outstanding Assessment, the annual principal and interest, the Annual Collection Costs, and the Annual Installment to be collected for 2024-25 are shown in the Assessment Roll Summary attached hereto as Appendix D.

G. BOND REDEMPTION RELATED UPDATES

The Series 2014 Bonds were refunded in February 2021 and the Series 2021 Refunding Bonds were issued to refinance the Series 2014 Bonds. Pursuant to Section 4.3 of the Indenture of Trust for the Series 2021 Refunding Bonds, the Town reserves the right and option to redeem Series 2021 Refunding Bonds maturing on or after September 1, 2036, before their scheduled maturity dates, in whole or in part, on any date on or after **September 1, 2031**, such redemption date or dates to be fixed by the Town, at the Redemption Price of par plus accrued and unpaid interest to the date of redemption.

The Administrator has conducted a preliminary evaluation of the current refunding market conditions, recent PID bond refunding transactions, and other relevant factors. Based on this preliminary evaluation, the Administrator believes a refunding of the Series 2021 Refunding Bonds does not appear viable at this time. The Administrator will continue to monitor the refunding market conditions, applicable PID bond refunding transactions, and other relevant factors to determine if refunding becomes viable in the future and will inform the Town accordingly.

III. UPDATE OF THE ASSESSMENT PLAN

The Updated Service and Assessment Plan adopted by the Town Council provided that the PID Costs shall be allocated to the Assessed Property equally on the basis of the number of residential dwelling units anticipated to be built on each Parcel once such property is fully developed, and that such method of allocation will result in the imposition of equal shares of the PID Costs to Parcels similarly benefited.

According to the Developer, the initial plan for a single category of townhomes in the PID has been revised to include two townhome categories based on the location of such townhomes with respect to the amenity area. As a result, Land Use Class 2 has been updated as follows and a new land use class (“Land Use Class 9”) has been created for the second category of townhomes as follows:

“Land Use Class 2” means lots identified as such on the Assessment Roll, which are referred to as townhomes in the CBD and being generally lots for an attached single-family dwelling unit on individually platted lots adjacent to the River Walk amenity area.

“Land Use Class 9” means lots identified as such on the Assessment Roll, which are referred to as townhomes in the CBD and being generally lots for an attached single-family dwelling unit on individually platted lots located along the outer periphery of the CBD.

(The remainder of this page is intentionally left blank.)

IV. UPDATE OF THE ASSESSMENT ROLL

Pursuant to the Updated Service and Assessment Plan, the Assessment Roll shall be updated each year to reflect:

The identification of each Parcel as Benefited Property, Assessed Property, and Non-Assessed Property; (ii) the Assessment for each Parcel, including any adjustments authorized by the Updated Service and Assessment Plan or in the Act; (iii) the Principal Portion of the Assessment for each Parcel, including any adjustments authorized by this Updated Service and Assessment Plan or in the Act; (iv) the Annual Installment for the Parcel for the year (if the Assessment is payable in installments); and (v) payments of the Assessment, if any, as provided by Section VI.C of the Updated Service and Assessment Plan.

The Assessment Roll summary is shown in Appendix D. Each Parcel in the PID is identified, along with the Assessment on each Parcel and the Annual Installment to be collected from each Parcel. Assessments are to be reallocated for the subdivision of any Parcels.

A. PARCEL UPDATES

According to the Updated Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

- A = the Assessment for each new subdivided Parcel.
- B = the Assessment for the Parcel prior to subdivision.
- C = the equivalent units to be built on each newly subdivided Parcel
- D = the sum of the equivalent units to be built on all of the new subdivided Parcels

The calculation of the estimated number of units to be built on a Parcel shall be performed by the Administrator and confirmed by the Town Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

According to the Developer, Parcel 757920 is an open space parcel and should be a Non-Assessed Property. As a result of common ownership, the property owner has requested that the Assessment on Parcel 757920 be reallocated to Parcels 757921 and 757922. See Table IV-A-1 on the following page for the Assessment prior to and after reallocation.

Table IV-A-1
Assessment Reallocation - Parcel 757920

Prior to Reallocation				After Reallocation			
Parcel	Land Use Type	Equivalent Units	Outstanding Assessment	Parcel ¹	Land Use Type	Equivalent Units	Outstanding Assessment
757920	Open Space	16.74	\$329,509	757920	Open Space	0.00	\$0.00
757921	Office	13.68	\$269,331	757921	Office	22.05	\$434,086
757922	Various	37.50	\$738,345	757922	Various	45.87	\$903,100
Total		67.92	\$1,337,186			67.92	\$1,337,186

¹ - Parcels 757920, 757921, and 757922 share common ownership. Assessment reallocated pursuant to the landowner's request on July 16, 2024.

B. PREPAYMENT OF ASSESSMENTS

According to the Trustee, fourteen (14) Parcels have prepaid their Assessments in full as of June 30, 2024. Please see Appendix B for a complete list of Parcels that have prepaid their Assessments in full.

The complete Assessment Roll is available for review at Flower Mound Town Hall, located at 2121 Cross Timbers Road, Flower Mound, Texas 75028.

APPENDIX A
PID MAP

Appendix D
Assessment Roll Summary - Riverwalk PID
2024-25

Parcel	Lot Size	Lot Type	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Administrative Expense	Annual Installment
563269	Retail	6	25.39	\$499,913.11	\$19,728.77	\$17,976.37	\$1,523.61	\$39,228.74
655447	Multi-Family	3	85.92	\$1,691,577.44	\$66,757.08	\$60,827.41	\$5,155.50	\$132,739.99
705216	Retail	6	12.08	\$237,730.42	\$9,381.89	\$8,548.54	\$724.54	\$25,619.50
	Office	7	4.51	\$88,752.69	\$3,502.57	\$3,191.46	\$270.50	
705222	Retail	6	4.14	\$81,507.57	\$3,216.65	\$2,930.93	\$248.41	\$6,395.99
711952	Assisted Living	4	52.50	\$1,033,610.52	\$40,790.81	\$37,167.58	\$3,150.18	\$81,108.58
744740	Retail	6	14.49	\$285,276.50	\$11,258.26	\$10,258.25	\$869.45	\$22,385.97
744741	Retail	6	8.97	\$176,599.74	\$6,969.40	\$6,350.35	\$538.23	\$13,857.98
757920	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
757921	Office	6	22.05	\$434,085.93	\$17,130.94	\$15,609.29	\$1,322.98	\$34,063.21
757922	Various	Various	45.87	\$903,100.73	\$35,640.32	\$32,474.59	\$2,752.42	\$70,867.33
757923	Hotel	8	19.80	\$389,818.82	\$15,383.96	\$14,017.49	\$1,188.07	\$30,589.52
966339	Retail	6	20.84	\$410,254.78	\$16,190.46	\$14,752.35	\$1,250.35	\$53,513.12
	Office	7	13.80	\$271,691.91	\$10,722.16	\$9,769.77	\$828.05	
1011391	Retail	6	5.18	\$101,884.47	\$4,020.81	\$3,663.66	\$310.52	\$10,979.78
	Office	7	1.93	\$38,036.87	\$1,501.10	\$1,367.77	\$115.93	
496684	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
649981	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
649982	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
649992	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
649993	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
649994	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
649996	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
652930	Single Family Villa	1	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID
652931	Single Family Villa	1	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID
652932	Single Family Villa	1	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID
652933	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652934	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652935	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652936	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652937	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652938	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652939	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652940	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652941	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652942	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652943	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652944	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652945	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652946	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652947	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652948	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652949	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652950	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652951	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652952	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652953	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652954	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652955	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652956	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652957	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652958	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652959	Single Family Villa	1	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID
652963	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652964	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652965	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652966	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
652967	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93

APPENDIX D
ASSESSMENT ROLL SUMMARY – 2024-25

APPENDIX E
PID ASSESSMENT NOTICE

Parcel	Lot Size	Lot Type	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Administrative Expense	Annual Installment
715616	Interior Townhome	2	0.90	\$17,633.85	\$695.91	\$634.10	\$53.74	\$1,383.75
715617	Interior Townhome	2	0.90	\$17,633.85	\$695.91	\$634.10	\$53.74	\$1,383.75
715618	Interior Townhome	2	0.90	\$17,633.85	\$695.91	\$634.10	\$53.74	\$1,383.75
715619	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
715620	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
715621	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
715622	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
744723	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
744724	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
744725	Single Family Villa	1	1.00	\$19,687.82	\$776.97	\$707.95	\$60.00	\$1,544.93
744738	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
744739	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
744742	0	Non-Assessed	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			649.96	\$12,796,344.43	\$505,000.00	\$460,143.55	\$39,000.00	\$1,004,143.55

PID Assessment Notice

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO
THE TOWN OF FLOWER MOUND, TEXAS
CONCERNING THE FOLLOWING PROPERTY

[insert property address]

As the purchaser of the real property described above, you are obligated to pay assessments to the Town of Flower Mound, Texas (the "Town"), 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 Riverwalk Public Improvement District (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 Town. The exact amount of each annual installment will be approved each year by the Town Council 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 Town or MuniCap, Inc., the District Administrator for the Town, 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
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