

**Eules Midtown Public Improvement District
Land Use Class 3- Row House
Project Overview**

The Eules Midtown Public Improvement District (the “District”) was created by the City Council of the City of Eules on August 25, 2015, pursuant to the Public Improvement District Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution No. 15-1471 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 corporate limits of the City of Eules (the “City”). A Service and Assessment Plan was accepted and approved by the City Council on January 26, 2016, pursuant to an ordinance (the “Assessment Ordinance”), setting forth the plan for apportioning the costs of certain of the public improvement projects (the “Authorized Improvements”) to be assessed against properties in the District and for payment of special assessments with respect thereto. The Service and Assessment Plan was amended and approved by the city council on January 22, 2019 (the “Amended Service and Assessment Plan”) to incorporate changes to the original development plan.

The City issued the City of Eules Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2016 (the “Certificates of Obligation”) in the aggregate amount of \$16,450,000 pursuant to the Constitution and general laws of the State of Texas, specifically Subchapter C of Chapter 271, and an ordinance passed by the City Council on January 26, 2016. The Certificates of Obligation are dated as of January 1, 2016.

The Certificates of Obligation are payable from special assessments levied against each parcel of property within the District pursuant to the Assessment Ordinance adopted by the City Council. Additionally, as more fully described in the Service and Assessment Plan, the City has approved "Reinvestment Zone Number Four, City of Eules, Final Project and Finance Plan" (the "TIRZ Plan") and the "TIRZ Agreement" relating to the Eules Midtown development (the "TIRZ Agreement"); and, the City has agreed, subject to the terms of the TIRZ Plan and TIRZ Agreement, to apply a percentage 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 billed by the Tarrant County Tax Office 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 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, application of the TIRZ credit offset, 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) and email at txpid@municap.com.

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

PID Assessment Notice

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO
THE CITY OF EULESS, 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 City of Euless, Texas (the "City"), 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 Euless Midtown 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 City. The exact amount of each annual installment will be approved each year by the City 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 City or MuniCap, Inc., the District Administrator for the City, 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 _____

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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

**Eules Midtown Public Improvement District
Schedule of Projected Annual Installments**

Land Use Class	3 - Residential - Row Houses
Outstanding Assessment (per unit)	\$23,821
Equivalent Unit	0.65

Year ¹	Cumulative Outstanding Assessment	C.O. Principal ²	C.O. Interest ²	Annual Collection Costs ³	Total Annual Installment ⁴
2024	\$23,821	\$1,132	\$732	\$190	\$2,054
2025	\$22,689	\$1,160	\$700	\$194	\$2,054
2026	\$21,530	\$1,197	\$773	\$189	\$2,160
2027	\$20,333	\$1,235	\$732	\$185	\$2,151
2028	\$19,098	\$1,272	\$688	\$181	\$2,141
2029	\$17,826	\$1,309	\$644	\$176	\$2,129
2030	\$16,517	\$1,347	\$598	\$171	\$2,116
2031	\$15,170	\$1,394	\$551	\$166	\$2,111
2032	\$13,776	\$1,431	\$502	\$161	\$2,094
2033	\$12,346	\$1,478	\$452	\$156	\$2,085
2034	\$10,868	\$1,515	\$400	\$150	\$2,066
2035	\$9,353	\$1,562	\$347	\$144	\$2,054
2036	\$7,791	\$1,618	\$291	\$139	\$2,047
2037	\$6,173	\$1,665	\$232	\$132	\$2,029
2038	\$4,508	\$1,721	\$172	\$126	\$2,019
2039	\$2,787	\$1,777	\$107	\$120	\$2,004
2040	\$1,010	\$1,010	\$23	\$113	\$1,146
		\$23,821	\$7,946	\$2,693	\$34,460

- 1 - Example: The Annual Installment billed by the Tarrant County Tax Office during Year 2024 will be billed on 10/01/24 and payment is due by 01/31/25.
- 2 - The principal and interest amounts are estimated based on the final CO numbers and will not increase during the life of the CO. Interest amounts are calculated through the principal payment date of each year.
- 3 - The Annual Collection Costs shown include the estimated district administration and assessment collection costs, and the additional 0.5% interest to be collected for prepayment reserve and delinquency reserves. The actual Administrative Expense amounts will be updated each year in the Annual Service Plan Update.
- 4 - Total Annual Installment does not include any TIRZ credit, if applicable.

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.

Eules Midtown Public Improvement District (PID)
& Reinvestment Zone No. 4 (TIRZ)

The property in the PID is also located in the City of Euless Tax Increment Reinvestment Zone No. 4. Various taxing jurisdictions have committed to use a portion of their annual incremental 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.

If a property owner is to receive a TIRZ Credit, the Annual Installment shown on their tax statement will be the projected Annual Installment shown in the attached schedule **LESS** any TIRZ Credit.

Please see below for a summary of the percentage of annual ad valorem tax that each participating taxing jurisdiction has committed:

Real Property Tax 2023 Tax Rates ¹ <i>(per \$100 of taxable value)</i>		Committed Participation Percentage ²	
City of Euless	\$0.457500	75%	\$0.343125
Tarrant County	\$0.194500	75%	\$0.145875
JPS County Hospital	\$0.194500	50%	\$0.097250
Tarrant County College	\$0.112170	50%	\$0.056085
	\$0.958670		\$0.642335

1 – The tax rates included in the table above reflect 2023 tax rates as reported on <https://www.eulesstx.gov/departments/finance/tax-information>, which are subject to change.

2 – Committed participation percentages shown in the table above are as reported in the TIRZ No. 4 Project and Financing Plan.

For additional information regarding the exact amount of TIRZ Credit for a specific parcel, refer to the property search feature on the Municap website: <https://municap.clearbasinsystems.com/disclaimer>. The applicable amount of TIRZ Credit will be reviewed and approved each year by the City Council in the Annual Service Plan Update for the District.

More information about the TIRZ Credit may be obtained from MuniCap, Inc., available by telephone at (469) 490-2800 or (866) 648-8482 (toll free) and email at txpid@municap.com.

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