

**Jackson Ridge Public Improvement District
Phase #1 – Lot Type 2 – 50 FT Lot**

Project Overview

The Jackson Ridge Public Improvement District (the “District”) was created by the City Council of the City of Aubrey (the “City Council”) on June 25, 2015, pursuant to the Public Improvement District Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution No. 709-15 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 city limits of the City of Aubrey (the “City”). A Service and Assessment Plan was accepted and approved by the City Council on November 17, 2015, pursuant to Ordinance No. 581-16 (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 City issued the City of Aubrey (Jackson Ridge Public Improvement District Phase #1 Project) Special Assessment Revenue Bonds, Series 2015 (the “Series 2015 Bonds”) in the aggregate amount of \$13,460,000 pursuant to the Act, an Ordinance No. 582-16 adopted by the City Council of the City of Aubrey (the “City Council”) on November 17, 2015 and an Indenture of Trust dated as of December 1, 2015 between the City, and the Wilmington Trust, N.A. as trustee. The City also approved the Jackson Ridge Public Improvement District Phase #1 Reimbursement Agreement (the “Reimbursement Agreement”) in the aggregate amount of \$4,500,000 pursuant to Ordinance No. 581-16 adopted by the City Council on November 17, 2015 to finance the remaining costs of the Authorized Improvements.

Mustang Special Utility District (“MSUD”) will be servicing the district for water services as agreed upon in June 2017 by MSUD and the Jackson Ridge PID. Therefore, the costs of authorized water improvements financed with bond proceeds are anticipated to be redeemed on November 1, 2018. This redemption results in a lowering of the original assessment due per property owner and is reflected by the principal reduction between years 2018 and 2019.

On February 29, 2024, the City issued the City of Aubrey (Jackson Ridge Public Improvement District Phase #1 and Phase #2 Assessments) Special Assessment Revenue Refunding Bonds, Series 2024 (the “Series 2024 Refunding Bonds”) in the aggregate principal amount of \$23,239,000 pursuant to the Act, and Ordinance No. 821-24 adopted by the City Council on January 25, 2024, and an Indenture of Trust dated as of January 15, 2024, between the City and the Trustee. The Series 2024 Refunding Bonds were issued to refund the Phase #1 Bonds relating to the Phase #1 Projects, the Phase #2 Bonds relating to the Phase #2 Improvements, and the portion of the Phases #2-3 Major Improvement Bonds relating to the Phase #2 Major Improvements.

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 Denton 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 amount of the assessment and the due dates of that assessment 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 telephone at (469) 490-2800 or toll-free at (866) 648-8482 and email at txpid@municap.com.

Failure to pay the assessments could result in a lien on and the foreclosure of the 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

**Jackson Ridge Public Improvement District
Summary of Projected Annual Installments
Phase #1**

Parcel	Lot Type 2 (50' Lot)
Outstanding Assessment	\$23,529
Total Equivalent Units	0.83

Year ¹	Outstanding Assessment Amount	Bond Principal ²	Bond Interest ²	Administrative Expenses ³	MSUD Contract Revenue Credit	Total Annual Installment ¹
2024	\$23,529	\$667	\$1,294	\$79	(\$161)	\$1,879
2025	\$22,862	\$698	\$1,257	\$80	(\$161)	\$1,875
2026	\$22,164	\$732	\$1,219	\$81	(\$161)	\$1,871
2027	\$21,432	\$769	\$1,179	\$82	(\$161)	\$1,869
2028	\$20,663	\$805	\$1,136	\$83	(\$160)	\$1,864
2029	\$19,859	\$844	\$1,092	\$83	(\$160)	\$1,860
2030	\$19,014	\$886	\$1,046	\$84	(\$160)	\$1,856
2031	\$18,128	\$930	\$997	\$85	(\$159)	\$1,853
2032	\$17,198	\$976	\$946	\$86	(\$159)	\$1,849
2033	\$16,222	\$1,024	\$892	\$87	(\$159)	\$1,844
2034	\$15,198	\$1,074	\$836	\$88	(\$159)	\$1,839
2035	\$14,123	\$1,127	\$777	\$89	(\$158)	\$1,833
2036	\$12,997	\$1,183	\$715	\$89	(\$158)	\$1,829
2037	\$11,814	\$1,239	\$650	\$90	(\$158)	\$1,822
2038	\$10,574	\$1,302	\$582	\$91	(\$157)	\$1,818
2039	\$9,272	\$1,365	\$510	\$92	(\$156)	\$1,811
2040	\$7,907	\$1,434	\$435	\$93	(\$156)	\$1,806
2041	\$6,473	\$1,503	\$356	\$94	(\$156)	\$1,797
2042	\$4,970	\$1,578	\$273	\$95	(\$155)	\$1,791
2043	\$3,392	\$1,655	\$187	\$96	(\$154)	\$1,784
2044	\$1,737	\$1,737	\$96	\$97	(\$154)	\$1,775
Total		\$23,529	\$16,474	\$1,844	(\$3,322)	\$38,525

- 1 - Annual Installment billed by the Denton County Tax Office during Year 2024 will be billed on or around 10/01/24 and payment is due by 01/31/25.
- 2 - The principal and interest amounts represent the final numbers of the Series 2024 Bonds and will not increase during the life of the bonds.
- 3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.

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 JACKSON RIDGE PUBLIC IMPROVEMENT DISTRICT ANNUAL SERVICE AND ASSESSMENT PLAN UPDATE.

Property Owners may choose to prepay their Assessment at any time. Effective January 1, 2024, for any single-family parcel prepaying an Assessment, a \$500 fee will be included in the total payoff amount to cover recording 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.

Example of TIRZ Credit Application

The property in the PID is also located in the City of Aubrey Tax Increment Reinvestment Zone No. 1. The City has committed to use approximately 38.75% 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 (2015) taxable value = \$1,000

Estimated current year (2024) taxable value = \$237,500

Estimated current (2024) incremental value = \$236,500 (i.e. \$237,500 - \$1,000)

Estimated current (2024) City tax rate per \$100 of taxable value = \$0.464928

Estimated PID current (2024) annual installment of Assessment = \$622

Estimated PID next (2025) annual installment of Assessments = \$650

B) Estimated City incremental tax:

\$1,100 [i.e., $(\$236,500 \div 100) \times \$0.464928 = \$1,100$]

C) Estimated TIRZ Credit:

\$426 (i.e., $\$1,100 \times 38.75\% = \426)

D) Estimated PID current annual installment due (2024):

\$622 with no prior year TIRZ Credit

E) Estimated PID next annual installment due (2025):

\$224 (i.e., $\$650 - \$426 = \$224$) after application of the \$426 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.