

**Jackson Ridge Public Improvement District
Phase #2 – Lot Type 1 – 60 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 for Phases #2-3 of the District was accepted and approved by the City Council on November 17, 2015, setting forth the plan for apportioning the costs of certain Authorized Improvements to be assessed on a pro-rata basis against properties within Phases #2-3 of the District and for payment of the special assessments with respect thereto.

A Service and Assessment Plan for Phase #2 of the District was accepted and approved by the City Council on October 23, 2018, pursuant to Ordinance No. 647-18 (the “Assessment Ordinance”), setting forth the plan for apportioning the costs of certain public improvement projects (the “Authorized Improvements”) to be assessed against properties in the District and for payment of special assessments with respect thereto. Mustang Special Utility District (“MSUD”) will be servicing the district for water and sewer services as agreed upon in June 2017 by MSUD and the Jackson Ridge PID.

The City issued the City of Aubrey (Jackson Ridge Public Improvement District Phases #2-3 Major Improvement Project) Special Assessment Revenue Bonds, Series 2015 (the “Series 2015 Bonds”) in the aggregate principal amount of \$10,255,000 pursuant to the Act, and Ordinance No. 583-16 adopted by the City Council on November 17, 2015 and an Indenture of Trust dated as of December 1, 2015 between the City and Wilmington Trust N.A. as trustee. The City also issued the City of Aubrey (Jackson Ridge Public Improvement District Phase #2 Project) Special Assessment Revenue Bonds, Series 2018 (the “Series 2018 Bonds”) in the aggregate amount of \$9,425,000 pursuant to the Act, and Ordinance No. 649-18 adopted by the City Council on October 23, 2018 and an Indenture of Trust dated as of November 1, 2018 between the City and Wilmington Trust, N.A. as trustee.

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. 822-24 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 Phase #2’s portion of the Series 2015 Bonds relating to the Phases #2-3 Major Improvements and Phase #2’s direct improvement costs.

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 East 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 #2**

Parcel
Outstanding Assessment
Total Equivalent Units

Lot Type 1 (60' Lot)
\$27,936
1.00

Year ¹	Outstanding Assessment Amount	Bond Principal ²	Bond Interest ²	Administrative Expenses ³	MSUD Contract Revenue Credit	Total Annual Installment ¹
2024	\$27,936	\$920	\$1,537	\$100	(\$249)	\$2,308
2025	\$27,016	\$963	\$1,486	\$101	(\$248)	\$2,303
2026	\$26,053	\$1,011	\$1,433	\$102	(\$248)	\$2,298
2027	\$25,042	\$1,061	\$1,377	\$103	(\$247)	\$2,294
2028	\$23,981	\$1,114	\$1,319	\$104	(\$247)	\$2,290
2029	\$22,867	\$1,168	\$1,258	\$105	(\$247)	\$2,284
2030	\$21,699	\$1,226	\$1,193	\$106	(\$246)	\$2,279
2031	\$20,473	\$1,285	\$1,126	\$107	(\$245)	\$2,274
2032	\$19,188	\$1,350	\$1,055	\$109	(\$245)	\$2,268
2033	\$17,838	\$1,414	\$981	\$110	(\$245)	\$2,260
2034	\$16,424	\$1,483	\$903	\$111	(\$243)	\$2,254
2035	\$14,941	\$1,557	\$822	\$112	(\$243)	\$2,248
2036	\$13,384	\$1,636	\$736	\$113	(\$242)	\$2,243
2037	\$11,748	\$1,714	\$646	\$114	(\$242)	\$2,233
2038	\$10,034	\$1,800	\$552	\$115	(\$240)	\$2,227
2039	\$8,234	\$1,889	\$453	\$116	(\$239)	\$2,219
2040	\$6,345	\$1,152	\$349	\$118	\$0	\$1,618
2041	\$5,193	\$1,207	\$286	\$119	\$0	\$1,611
2042	\$3,987	\$1,266	\$219	\$120	\$0	\$1,605
2043	\$2,721	\$1,328	\$150	\$121	\$0	\$1,599
2044	\$1,393	\$1,393	\$77	\$122	\$0	\$1,591
Total		\$27,936	\$17,957	\$2,329	(\$3,917)	\$44,305

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 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.

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.