

Creeks of Legacy Public Improvement District Project Overview

The Creeks of Legacy Public Improvement District (the “District”) was created by the City Council of the City of Celina on April 29, 2014, pursuant to the Public Improvement District Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution No. 2014-17R 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 boundaries of the City of Celina (the “City”). A Service and Assessment Plan was accepted and approved by the City Council on June 18, 2014, pursuant to Ordinance No. 2014-26 (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 Celina (Creeks of Legacy Public Improvement District Phase #1 Project) Special Assessment Revenue Bonds, Series 2014 in the aggregate amount of \$8,750,000 pursuant to the Act, an Ordinance No. 2014-29 adopted by the City Council on June 18, 2014 and an Indenture of Trust dated as of June 1, 2017 between the City, and the U.S. Bank, N.A. as trustee. The City also approved the Phase #1 Reimbursement Agreement in the aggregate amount of \$3,750,000 pursuant to Ordinance No. 2014-31 adopted by the City Council on June 18, 2014 to finance the remaining costs of the Authorized Improvements in Phase #1.

The Series 2014 Bonds and the Phase #1 Reimbursement Agreement are payable from special assessments levied against each parcel of property within Phase #1 of the District pursuant to the Assessment Ordinance adopted by the City Council. The Act provides that the special assessments (including any reassessment, the expense of collection and reasonable attorney’s fees, if incurred) 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 municipality 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 1800 Valley View Lane, Suite 240-8, Farmers Branch, Texas, 75234 and available by telephone at (469) 892-7299.

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

INSTRUCTIONS

CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT

CITY OF CELINA, TEXAS

FORM OF REQUIRED NOTICES

SECTION 5.014 TEXAS PROPERTY CODE NOTICE: Section 5.014 of the Texas Property Code requires that a seller of residential real property that is located in a public improvement district and that consists of not more than one dwelling unit shall give to the purchaser of the property written notice of the district in substantially the form set forth on page 2 and labeled "SECTION 5.014 TEXAS PROPERTY CODE NOTICE." The seller is required to deliver the notice to the purchaser before the effective date of an executory contract binding the purchaser to purchase the property. The notice may be given separately, as part of the contract during negotiations, or as part of any other notice the seller delivers to the purchaser. If the notice is included as part of the executory contract or another notice, the title of the required notice, the references to the street address, the date in the notice, and the purchaser's signature may be omitted.

SECTION 5.014 TEXAS PROPERTY CODE NOTICE

**NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT
DISTRICT ASSESSMENT TO THE CITY OF CELINA, TEXAS,
CONCERNING THE PROPERTY AT THE FOLLOWING STREET
ADDRESS:**

As the purchaser of the above-described parcel of real property you are hereby notified that the property is located within the City of Celina, Texas (the "City"), and within the boundaries of Creeks of Legacy Public Improvement District (the "District"). You are further notified that the City has levied an assessment against the parcel in the amount of \$33,351. You may pay the assessment in full at any time, plus interest through the date of payment, or you may elect to pay the assessment in annual installments until the earlier of (i) the date the assessment is paid in full, plus interest, or (ii) year 31. The amount of each annual installment is determined by the City Council and may vary from year to year based on variations in interest, collection costs, administrative costs, and delinquency costs. The unpaid principal amount of the assessment as of the date of this notice is \$33,351, and the estimated amount of the next annual installment is \$2,963. The City may issue bonds in the future secured by the assessment and the annual installments; however, the issuance of the bonds will not increase the assessment.

As the purchaser of the above-described parcel of real property, you are obligated to pay an assessment to the City of Celina, Texas, for an improvement project undertaken by a public improvement district under Subchapter A, Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the City of Celina, Texas, which levied the assessment.

The amount of the assessment is subject to change. Your failure to pay the assessment could result in a lien on and the foreclosure of your property.

Date: _____

Signature of Purchaser(s): _____

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ADDRESS:**

As the purchaser of the above-described parcel of real property you are hereby notified that the property is located within the City of Celina, Texas (the "City"), and within the boundaries of Creeks of Legacy Public Improvement District (the "District"). You are further notified that the City has levied an assessment against the parcel in the amount of \$29,349. You may pay the assessment in full at any time, plus interest through the date of payment, or you may elect to pay the assessment in annual installments until the earlier of (i) the date the assessment is paid in full, plus interest, or (ii) year 31. The amount of each annual installment is determined by the City Council and may vary from year to year based on variations in interest, collection costs, administrative costs, and delinquency costs. The unpaid principal amount of the assessment as of the date of this notice is \$29,349, and the estimated amount of the next annual installment is \$2,607. The City may issue bonds in the future secured by the assessment and the annual installments; however, the issuance of the bonds will not increase the assessment.

As the purchaser of the above-described parcel of real property, you are obligated to pay an assessment to the City of Celina, Texas, for an improvement project undertaken by a public improvement district under Subchapter A, Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the City of Celina, Texas, which levied the assessment.

The amount of the assessment is subject to change. Your failure to pay the assessment could result in a lien on and the foreclosure of your property.

Date: _____

Signature of Purchaser(s): _____

INSTRUCTIONS

CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT

CITY OF CELINA, TEXAS

FORM OF REQUIRED NOTICES

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SECTION 5.014 TEXAS PROPERTY CODE NOTICE

**NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT
DISTRICT ASSESSMENT TO THE CITY OF CELINA, TEXAS,
CONCERNING THE PROPERTY AT THE FOLLOWING STREET
ADDRESS:**

As the purchaser of the above-described parcel of real property you are hereby notified that the property is located within the City of Celina, Texas (the "City"), and within the boundaries of Creeks of Legacy Public Improvement District (the "District"). You are further notified that the City has levied an assessment against the parcel in the amount of \$24,347. You may pay the assessment in full at any time, plus interest through the date of payment, or you may elect to pay the assessment in annual installments until the earlier of (i) the date the assessment is paid in full, plus interest, or (ii) year 31. The amount of each annual installment is determined by the City Council and may vary from year to year based on variations in interest, collection costs, administrative costs, and delinquency costs. The unpaid principal amount of the assessment as of the date of this notice is \$24,347, and the estimated amount of the next annual installment is \$2,163. The City may issue bonds in the future secured by the assessment and the annual installments; however, the issuance of the bonds will not increase the assessment.

As the purchaser of the above-described parcel of real property, you are obligated to pay an assessment to the City of Celina, Texas, for an improvement project undertaken by a public improvement district under Subchapter A, Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the City of Celina, Texas, which levied the assessment.

The amount of the assessment is subject to change. Your failure to pay the assessment could result in a lien on and the foreclosure of your property.

Date: _____

Signature of Purchaser(s): _____

Creeks of Legacy PID
Assessment Per Lot - Phase 1 Assessed Property

Lot Type	Lot Type 1 (70' Lot)
Total Assessment	\$33,351
Total Equivalent Units	1.00

Assessment Year	Cummulative Principal	Principal ¹	Interest ¹	Administrative Expenses ²	Total Annual Installment
2014	\$33,351	\$0	\$355	\$93	\$448
2015	\$33,351	\$0	\$2,351	\$211	\$2,562
2016	\$33,351	\$400	\$2,351	\$212	\$2,963
2017	\$32,951	\$400	\$2,325	\$217	\$2,943
2018	\$32,551	\$467	\$2,300	\$243	\$3,009
2019	\$32,084	\$467	\$2,170	\$241	\$2,878
2020	\$31,617	\$534	\$2,140	\$240	\$2,913
2021	\$31,083	\$534	\$2,106	\$238	\$2,878
2022	\$30,550	\$600	\$2,072	\$236	\$2,908
2023	\$29,949	\$600	\$2,034	\$234	\$2,868
2024	\$29,349	\$667	\$1,996	\$232	\$2,894
2025	\$28,682	\$667	\$1,953	\$229	\$2,849
2026	\$28,015	\$734	\$1,911	\$227	\$2,871
2027	\$27,281	\$800	\$1,864	\$224	\$2,888
2028	\$26,481	\$867	\$1,813	\$221	\$2,901
2029	\$25,614	\$934	\$1,757	\$217	\$2,909
2030	\$24,680	\$1,001	\$1,695	\$214	\$2,910
2031	\$23,679	\$1,067	\$1,629	\$209	\$2,906
2032	\$22,612	\$1,134	\$1,558	\$205	\$2,897
2033	\$21,478	\$1,201	\$1,483	\$200	\$2,884
2034	\$20,277	\$1,267	\$1,399	\$195	\$2,862
2035	\$19,010	\$1,401	\$1,311	\$190	\$2,901
2036	\$17,609	\$1,467	\$1,213	\$184	\$2,864
2037	\$16,142	\$1,601	\$1,110	\$178	\$2,889
2038	\$14,541	\$1,668	\$998	\$171	\$2,837
2039	\$12,874	\$1,801	\$882	\$164	\$2,846
2040	\$11,073	\$1,934	\$756	\$156	\$2,846
2041	\$9,138	\$2,068	\$620	\$147	\$2,835
2042	\$7,070	\$2,201	\$480	\$138	\$2,819
2043	\$4,869	\$2,335	\$331	\$128	\$2,793
2044	\$2,535	\$2,535	\$172	\$117	\$2,823
Total	\$33,351	\$33,351	\$47,133	\$6,110	\$86,594

1 - The principal and interest amounts are based on the Series 2014 Phase #1A Bonds final numbers and.
The Phase #1 Reimbursement Agreement amounts.

2 - The Administrative Expenses shown include the estimated district administration and assessment
collection costs and the additional 0.5% interest to be collected for authorized PID uses.

Creeks of Legacy PID
Assessment Per Lot - Phase 1 Assessed Property

Lot Type	Lot Type 2 (60' Lot)
Total Assessment	\$29,349
Total Equivalent Units	0.88

Assessment Year	Cummulative Principal	Principal ¹	Interest ¹	Administrative Expenses ²	Total Annual Installment
2014	\$29,349	\$0	\$312	\$82	\$394
2015	\$29,349	\$0	\$2,069	\$186	\$2,254
2016	\$29,349	\$352	\$2,069	\$187	\$2,607
2017	\$28,997	\$352	\$2,046	\$191	\$2,590
2018	\$28,645	\$411	\$2,024	\$214	\$2,648
2019	\$28,234	\$411	\$1,910	\$212	\$2,533
2020	\$27,823	\$470	\$1,883	\$211	\$2,564
2021	\$27,353	\$470	\$1,853	\$209	\$2,532
2022	\$26,884	\$528	\$1,823	\$208	\$2,559
2023	\$26,355	\$528	\$1,790	\$206	\$2,524
2024	\$25,827	\$587	\$1,756	\$204	\$2,547
2025	\$25,240	\$587	\$1,719	\$202	\$2,507
2026	\$24,653	\$646	\$1,681	\$200	\$2,526
2027	\$24,007	\$704	\$1,640	\$197	\$2,542
2028	\$23,303	\$763	\$1,595	\$194	\$2,553
2029	\$22,540	\$822	\$1,547	\$191	\$2,560
2030	\$21,718	\$880	\$1,492	\$188	\$2,560
2031	\$20,838	\$939	\$1,434	\$184	\$2,557
2032	\$19,899	\$998	\$1,371	\$180	\$2,550
2033	\$18,901	\$1,057	\$1,305	\$176	\$2,538
2034	\$17,844	\$1,115	\$1,231	\$172	\$2,518
2035	\$16,729	\$1,233	\$1,153	\$167	\$2,553
2036	\$15,496	\$1,291	\$1,067	\$162	\$2,520
2037	\$14,205	\$1,409	\$977	\$156	\$2,542
2038	\$12,796	\$1,467	\$878	\$151	\$2,496
2039	\$11,329	\$1,585	\$776	\$144	\$2,505
2040	\$9,744	\$1,702	\$665	\$137	\$2,504
2041	\$8,042	\$1,820	\$546	\$129	\$2,495
2042	\$6,222	\$1,937	\$422	\$121	\$2,481
2043	\$4,285	\$2,054	\$291	\$112	\$2,458
2044	\$2,231	\$2,231	\$151	\$103	\$2,485
Total	\$29,349	\$41,477	\$5,377	\$76,203	

1 - The principal and interest amounts are based on the Series 2014 Phase #1A Bonds final numbers and.
The Phase #1 Reimbursement Agreement amounts.

2 - The Administrative Expenses shown include the estimated district administration and assessment
collection costs and the additional 0.5% interest to be collected for authorized PID uses.

Creeks of Legacy PID
Assessment Per Lot - Phase 1 Assessed Property

Lot Type	Lot Type 3 (50' Lot)
Total Assessment	\$24,346
Total Equivalent Units	0.73

Assessment Year	Cummulative Principal	Principal ¹	Interest ¹	Administrative Expenses ²	Total Annual Installment
2014	\$24,346	\$0	\$259	\$68	\$327
2015	\$24,346	\$0	\$1,716	\$154	\$1,870
2016	\$24,346	\$292	\$1,716	\$155	\$2,163
2017	\$24,054	\$292	\$1,697	\$159	\$2,148
2018	\$23,762	\$341	\$1,679	\$177	\$2,197
2019	\$23,421	\$341	\$1,584	\$176	\$2,101
2020	\$23,080	\$390	\$1,562	\$175	\$2,127
2021	\$22,691	\$390	\$1,537	\$174	\$2,101
2022	\$22,301	\$438	\$1,513	\$172	\$2,123
2023	\$21,863	\$438	\$1,485	\$171	\$2,094
2024	\$21,425	\$487	\$1,457	\$169	\$2,113
2025	\$20,938	\$487	\$1,426	\$167	\$2,080
2026	\$20,451	\$536	\$1,395	\$166	\$2,096
2027	\$19,915	\$584	\$1,361	\$163	\$2,108
2028	\$19,331	\$633	\$1,323	\$161	\$2,117
2029	\$18,698	\$682	\$1,283	\$159	\$2,123
2030	\$18,016	\$730	\$1,238	\$156	\$2,124
2031	\$17,286	\$779	\$1,189	\$153	\$2,121
2032	\$16,507	\$828	\$1,138	\$150	\$2,115
2033	\$15,679	\$876	\$1,083	\$146	\$2,105
2034	\$14,803	\$925	\$1,021	\$143	\$2,089
2035	\$13,877	\$1,023	\$957	\$139	\$2,118
2036	\$12,855	\$1,071	\$885	\$134	\$2,091
2037	\$11,784	\$1,169	\$810	\$130	\$2,109
2038	\$10,615	\$1,217	\$729	\$125	\$2,071
2039	\$9,398	\$1,315	\$644	\$119	\$2,078
2040	\$8,083	\$1,412	\$552	\$114	\$2,077
2041	\$6,671	\$1,509	\$453	\$107	\$2,070
2042	\$5,161	\$1,607	\$350	\$100	\$2,058
2043	\$3,555	\$1,704	\$241	\$93	\$2,039
2044	\$1,850	\$1,850	\$126	\$85	\$2,061
Total		\$24,346	\$34,407	\$4,460	\$63,214

1 - The principal and interest amounts are based on the Series 2014 Phase #1A Bonds final numbers and.
The Phase #1 Reimbursement Agreement amounts.

2 - The Administrative Expenses shown include the estimated district administration and assessment
collection costs and the additional 0.5% interest to be collected for authorized PID uses.

Example of TIRZ Credit Application

The property in the PID is also located in the City of Celina Tax Increment Reinvestment Zone No. 1. The City has committed to use approximately 47.6% 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 (2014) taxable value = \$1,000

Estimated current year (Yr 1) taxable value = \$300,000

Estimated current (Yr 1) incremental value = \$299,000 (i.e. \$300,000 - \$1,000)

Estimated current (Yr 1) City tax rate per \$100 of taxable value = \$0.66

Estimated PID current (Yr 1) annual installment of Assessment = \$2,900

Estimated PID next (Yr 2) annual installment of Assessments = \$2,950

B) Estimated City incremental tax:

\$1,973 [i.e., $(\$299,000 \div 100) \times \$0.66 = \$1,973$]

C) Estimated TIRZ Credit:

\$939 (i.e., $\$1,973 \times 47.6\% = \939)

D) PID current annual installment due (Yr 1):

\$2,900 with no prior year TIRZ Credit

E) Estimated PID next annual installment due (Yr 2):

\$2,011 (i.e., $\$2,950 - \$939 = \$2,011$) after application of the \$939 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.