

Summit Rock Public Improvement District

Project Overview

The Summit Rock Public Improvement District (the "District") was created by the City of Horseshoe Bay City Council on March 28, 2007, pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "Act"), and Resolution No. 07-03-20A 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 improvements (the "Authorized Improvements") that specially benefit assessed property in the District. All of the property in the District was located within the boundaries of the City of Horseshoe Bay (the "City") at the time of District creation. On December 11, 2007, the City Council adopted Ordinance No. ORD 07-12-11D that approved a Service and Assessment Plan for the District (the "Service and Assessment Plan") and levied special assessments (the "Special Assessments") on certain property within the District in accordance with the Assessment Roll attached as Appendix B to the Service and Assessment Plan. The Special Assessments may be prepaid in whole or in part at any time or may be paid in annual installments as provided by the Act and the Service and Assessment Plan.

The City levied Special Assessments, in the total amount of Twenty Million Seven Hundred Fifty Thousand Dollars (\$20,750,000) on all of the assessable property within the District to pay and/or reimburse actual costs of the Authorized Improvement as set forth in the applicable Service and Assessment Plan. The Special Assessments on each assessed property are payable in equal annual payments ("Annual Installments" over a period of fifteen (15) years after the sale of a lot to an end user. Each lot, dwelling unit and LUE within the District is subject to the Special Assessments.

All Special 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 Llano County Tax Office and are due and payable as provided on the Annual Installment assessment bill.** Annual Installment are expected to be billed and collected on the same schedule as property taxes. The Special 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 Special Assessments and the due dates of the Annual Installments of the Special Assessments may be obtained from 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.

FAILURE TO PAY THE SPECIAL 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
CITY OF HORSESHOE BAY, 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 Horseshoe Bay, 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 Summit Rock 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

STATE OF TEXAS

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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

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

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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

Summit Rock Public Improvement District **Summary of Projected Annual Installments**

Property Assessment and Annual Installment Information

For information regarding your property's outstanding PID Assessment, please have the Llano Central Appraisal District identification number or the property address available and visit:

<https://municap.com/states/texas/>

Current Annual Installment amount due and payment status

For information regarding the current amount billed and status of payment, please have the Llano Central Appraisal District identification number or the property address available and visit:

<https://www.co.llano.tx.us/page/llano.county.assessor.collector>

Additional Questions?

For additional information or questions regarding the PID, please contact MuniCap, Inc. at (469) 490-2800 or via email at txpid@municap.com.