

**Medina County
Legacy Hills Public Improvement District
Improvement Area #1 – Lot Type 1 – 50 Ft**

Project Overview

The Legacy Hills Public Improvement District (the “District”) was created by the Medina County Commissioner's Court (the “County” and the “Court”, respectively) on October 7, 2021, pursuant to the Public Improvement District Act, Texas Local Government Code, Subchapter A of Chapter 372, as amended (the “PID Act”), and Resolution No. 2021-10-7-1 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 the costs of certain public improvements for the benefit of property in such public improvement district (the “Authorized Improvements”), all of which is located within the boundaries of the County. On September 22, 2025, the Court adopted Ordinance No. 2025-09-22-01 that approved the Legacy Hills Public Improvement District Service and Assessment Plan, which levied Assessments on property located within Improvement Area #1 of the PID.

The Improvement Area #1 Assessments are secured by a \$7,901,000 Reimbursement Agreement (the "Improvement Area #1 Reimbursement Agreement") that will assist HK Schuchart Lake Ranch, LLC, the Developer, in financing a portion of the costs of the Improvement Area #1 Improvements.

All Assessments that are not paid in full will be billed in annual installments and collected each year by the County, or its designee, as provided in the Service and Assessment Plan. **Annual Installments are billed by the Medina 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 Improvement Area #1 Assessments and the due dates of the Annual Installments of the Improvement Area #1 Assessments may be obtained from MuniCap, Inc., the District Administrator for the County, 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 IMPROVEMENT AREA #1 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 COUNTY OF MEDINA, 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 County of Medina, Texas (the "County"), 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 Legacy Hills 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 County. The exact amount of each annual installment will be approved each year by the County Commissioners Court 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 County or MuniCap, Inc., the District Administrator for the County, 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 §

§

COUNTY OF _____ §

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

**Legacy Hills Public Improvement District
Summary of Projected Annual Installments
Improvement Area #1**

Lot Size	Lot Type 1 (50 ft)
Outstanding Assessment	\$17,214
Equivalent Units	1.00

Year¹	Cumulative Outstanding Principal	Reimbursement Agreement Principal²	Reimbursement Agreement Interest²	Administrative Expenses³	Total Annual Installment
2025	\$17,214	\$0	\$0	\$0	\$0
2026	\$17,214	\$187	\$1,298	\$89	\$1,574
2027	\$17,026	\$200	\$1,284	\$91	\$1,575
2028	\$16,826	\$211	\$1,269	\$92	\$1,572
2029	\$16,614	\$227	\$1,253	\$94	\$1,573
2030	\$16,388	\$240	\$1,236	\$96	\$1,571
2031	\$16,148	\$257	\$1,218	\$98	\$1,573
2032	\$15,891	\$272	\$1,198	\$100	\$1,571
2033	\$15,619	\$292	\$1,178	\$102	\$1,572
2034	\$15,327	\$312	\$1,156	\$104	\$1,571
2035	\$15,015	\$331	\$1,132	\$106	\$1,569
2036	\$14,684	\$355	\$1,107	\$108	\$1,571
2037	\$14,329	\$379	\$1,080	\$110	\$1,570
2038	\$13,950	\$405	\$1,052	\$113	\$1,570
2039	\$13,545	\$434	\$1,021	\$115	\$1,570
2040	\$13,111	\$464	\$989	\$117	\$1,570
2041	\$12,647	\$497	\$954	\$120	\$1,570
2042	\$12,150	\$532	\$916	\$122	\$1,570
2043	\$11,619	\$569	\$876	\$124	\$1,569
2044	\$11,050	\$610	\$833	\$127	\$1,570
2045	\$10,440	\$654	\$787	\$129	\$1,570
2046	\$9,786	\$699	\$738	\$132	\$1,569
2047	\$9,087	\$749	\$685	\$135	\$1,569
2048	\$8,338	\$804	\$629	\$137	\$1,570
2049	\$7,534	\$863	\$568	\$140	\$1,571
2050	\$6,671	\$926	\$503	\$143	\$1,572
2051	\$5,745	\$993	\$433	\$146	\$1,572
2052	\$4,752	\$1,065	\$358	\$149	\$1,572
2053	\$3,686	\$1,144	\$278	\$152	\$1,573
2054	\$2,542	\$1,227	\$192	\$155	\$1,573
2055	\$1,316	\$1,316	\$99	\$158	\$1,573
Total		\$17,214	\$26,318	\$3,603	\$47,135

1 - The collection of the 1st Annual Installment for an IA #1 Lot or Parcel shall commence upon the earlier of: (i) tax bills sent the 1st October following the submission of the deed(s) provided by the respective title company through June 30th of the respective year showing the transfer of ownership from the Developer to an unrelated owner, (ii) tax bills sent the 1st October after issuance of any Bond secured by the respective reimbursement agreement for an IA #1 Assessed Property, or (iii) tax bills sent the first October following the 2nd anniversary of the levy of Assessments on the IA #1 Assessed Property and due the following January 31st.

2 - The principal and interest amounts represent the final numbers of the Improvement Area #1 Reimbursement Agreement and will not increase during the life of the agreement. Interest is calculated through the principal payment date of each year.

3 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Update.

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 LEGACY HILLS PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN, AS THE SAME IS UPDATED EACH YEAR.

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.