

**Lakes at Mustang Ranch Public Improvement District**  
**Phase #3 – Lot Type 3 – 86 Ft Lot**  
**Project Overview**

The Lakes at Mustang Ranch Public Improvement District (the “District”) was created by the City Council of the City of Celina on March 10, 2008, pursuant to the Public Improvement District Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution No. 2008-06R 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 of Celina (the “City”). A Service and Assessment Plan was accepted and approved by the City Council on January 13, 2015, pursuant to Ordinance No. 2015-02 and updated for Phase #3 on December 10, 2019 (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 (Lakes at Mustang Ranch Public Improvement District Phase #2-9 Project) Special Assessment Revenue Bonds, Series 2015 in the aggregate amount of \$13,130,000 pursuant to the Act, and Ordinance No. 2015-03 adopted by the City Council on January 13, 2015 and an Indenture of Trust dated as of January 1, 2015 between the City, and the U.S. Bank, N.A. as trustee. The City entered into the Lakes at Mustang Phases #2-9 Reimbursement Agreement in the aggregate amount of \$5,000,000 pursuant to the Act, and Resolution No. 2015-01R. The City entered into the Lakes at Mustang Phase #3 Reimbursement Agreement in the aggregate amount of \$3,700,000 pursuant to Ordinance 2019-51 approved by the City Council on December 10, 2019, to finance the costs of the Authorized Improvements in Phase #3.

The City refinanced the Series 2015 Bonds, and replaced the Phases #2-9 Reimbursement Agreement and Phase #3 Reimbursement Agreement in 2025 with the Special Assessment Revenue Refunding and Improvement Bonds, Series 2025 (The Lakes at Mustang Ranch Public Improvement District Major Improvement Area and Phases #2-7 Project) (the "Series 2025 Bonds") in the aggregate amount of \$33,926,000 on January 14, 2025, which resulted in reduced projected annual installments for property owners.

Phase #3's portion of the Series 2025 Bonds are payable from special assessments levied against each parcel of property within Phase #3 of the District pursuant to the Assessment Ordinances adopted by the City Council and in accordance with the SAP.

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 Collin 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

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, Texas 75062 and available by telephone at (469) 490-2800 or (866) 648-8482 (toll free) and by email at [txpid@municap.com](mailto:txpid@municap.com).

**FAILURE TO PAY THE PHASE #3 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 CELINA, 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 Celina, 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 Lakes at Mustang Ranch 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](mailto: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

**Lakes at Mustang Ranch Public Improvement District**  
**Schedule of Projected Annual Installments**  
**Phase #3**

**Lot Type**  
**Outstanding Assessment**  
**Equivalent Units**

**Lot Type 3 (86 Ft Lot)**  
**\$33,224**  
**0.83**

| Year <sup>1</sup> | Outstanding Assessment | MIA Refunding Principal <sup>2</sup> | MIA Refunding Interest <sup>2</sup> | Phase Direct Principal <sup>2</sup> | Phase Direct Interest <sup>2</sup> | Administrative Expenses <sup>3</sup> | Total Annual Installment |
|-------------------|------------------------|--------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|--------------------------------------|--------------------------|
| 2026              | \$33,224               | \$547                                | \$525                               | \$460                               | \$1,118                            | \$212                                | \$2,861                  |
| 2027              | \$32,218               | \$574                                | \$593                               | \$476                               | \$1,214                            | \$216                                | \$3,073                  |
| 2028              | \$31,168               | \$627                                | \$563                               | \$468                               | \$1,188                            | \$220                                | \$3,067                  |
| 2029              | \$30,073               | \$638                                | \$532                               | \$508                               | \$1,162                            | \$225                                | \$3,065                  |
| 2030              | \$28,927               | \$664                                | \$498                               | \$532                               | \$1,134                            | \$229                                | \$3,058                  |
| 2031              | \$27,731               | \$707                                | \$463                               | \$549                               | \$1,105                            | \$234                                | \$3,058                  |
| 2032              | \$26,475               | \$731                                | \$426                               | \$581                               | \$1,075                            | \$239                                | \$3,053                  |
| 2033              | \$25,163               | \$780                                | \$388                               | \$589                               | \$1,043                            | \$243                                | \$3,044                  |
| 2034              | \$23,793               | \$802                                | \$348                               | \$637                               | \$1,011                            | \$248                                | \$3,047                  |
| 2035              | \$22,353               | \$839                                | \$305                               | \$662                               | \$976                              | \$253                                | \$3,035                  |
| 2036              | \$20,853               | \$881                                | \$261                               | \$694                               | \$940                              | \$258                                | \$3,034                  |
| 2037              | \$19,278               | \$928                                | \$215                               | \$718                               | \$902                              | \$263                                | \$3,026                  |
| 2038              | \$17,633               | \$992                                | \$167                               | \$726                               | \$863                              | \$269                                | \$3,016                  |
| 2039              | \$15,914               | \$1,031                              | \$116                               | \$766                               | \$823                              | \$274                                | \$3,010                  |
| 2040              | \$14,117               | \$0                                  | \$0                                 | \$2,106                             | \$781                              | \$237                                | \$3,123                  |
| 2041              | \$12,011               | \$0                                  | \$0                                 | \$2,202                             | \$672                              | \$242                                | \$3,116                  |
| 2042              | \$9,809                | \$0                                  | \$0                                 | \$2,315                             | \$551                              | \$247                                | \$3,113                  |
| 2043              | \$7,494                | \$0                                  | \$0                                 | \$2,420                             | \$424                              | \$251                                | \$3,096                  |
| 2044              | \$5,073                | \$0                                  | \$0                                 | \$2,541                             | \$292                              | \$256                                | \$3,089                  |
| 2045              | \$2,532                | \$0                                  | \$0                                 | \$2,532                             | \$152                              | \$262                                | \$2,946                  |
| <b>Total</b>      |                        | <b>\$10,741</b>                      | <b>\$5,399</b>                      | <b>\$22,483</b>                     | <b>\$17,427</b>                    | <b>\$4,880</b>                       | <b>\$60,930</b>          |

- 1 - Annual Installment billed by the Collin County Tax Office during Year 2026 will be billed on or around 10/1/2026 and payment is due by 1/31/2027.  
2 - The principal and interest amounts represent the Phase #2 proportional share of debt service requirements of the MIA Refunding Bonds and Improvement Bonds and will not increase during the life of the bonds. Interest amounts are calculated through the principal payment date of each year and include additional interest of one-half of one percent for debt service reserves.  
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 LAKES AT MUSTANG RANCH 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.