Sutton Fields II Public Improvement District
Neighborhood Improvement Area #5A – Lot Type C – 50 Ft Lot
Phase #3A, #3B, #3C, #3D, & #3E of Development

Project Overview

The Sutton Fields II Public Improvement District (the "District") was created by the City Council (the "City Council") of the City of Celina (the "City") on October 13, 2015, pursuant to the Public Improvement District Act, Texas Local Government Code, Chapter 372, as amended (the "Act"), and Resolution No. 2015-51R 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 and within the extraterritorial jurisdiction of the City. An Amended and Restated Service and Assessment Plan was accepted and approved by the City Council which set forth the plan for apportioning the costs of certain of the public improvement projects (the "Authorized Improvements") to be assessed against properties in the Neighborhood Improvement Area #5A ("NIA #5A") of the District and for payment of Special Assessments with respect thereto on July 13, 2021.

The City issued the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #2-5 Major Improvement Project) (the "NIA 2-5 Bonds) in the aggregate amount of $16,825,000 pursuant to the Act, Ordinance No. 2015-27 adopted by the City Council on November 10,2015 and an Indenture of Trust dated as of December 1, 2015 between the City, and the U.S. Bank National Association (the "Trustee"), for which Neighborhood Improvement Area #5A ("NIA #5A") property is subject to repay a prorated share of the Series 2015 NIA 2-5 Bonds. The City refinanced the Series 2015 Bonds by issuing refunding bonds, the City of Celina (Sutton Fields II Public Improvement District Major Improvement Area Project) Special Assessment Revenue Refunding Bonds, Series 2024 in the aggregate amount of $13,563,000 on August 13, 2024, which resulted in reduced projected annual installments for property owners.

On January 12, 2022, the City issued the $20,784,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2022 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #5 Project) (the "NIA #5 Bonds") pursuant to the Act, Ordinance No. 2022-116 adopted by the City Council on December 14, 2021 (the "Bond Ordinance") and an Indenture of Trust dated as of January 1, 2022, by and between the City and the Trustee. The NIA #5 Bonds were issued to replace the NIA #5A Reimbursement Agreement and finance the cost applicable to the Neighborhood Improvement Area #5B Improvements.

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 District, the Assessments and the due dates of that Annual Installments of the Assessments may be obtained from MuniCap, Inc., the District Administrator for the City, located at 600 E. John Carpenter Freeway, Suite 150, Irving, TX 75062 and available by email at txpid@municap.com or by telephone at (469) 490-2800 or toll-free at (866) 648-8482.

FAILURE TO PAY THE 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 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 Sutton Fields II 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 §
§
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 §
§
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

Sutton Fields II Public Improvement District
Schedule of Projected Annual Installments
Neighborhood Improvement Area #5A
Development Phases #3A, #3B, #3C, #3D, & #3E

Lot Type	C - 50 FT
Outstanding Assessment	$25,286

Year[1]	Outstanding Principal Assessment	NIA #5 Bond Principal[2]	NIA #5 Bond Interest[2]	NIA #2-5 Bond Principal[3]	NIA #2-5 Bond Interest[3]	Administrative Expenses[4]	Total Annual Installment[5]
2026	$25,286	$160	$780	$349	$337	$122	$1,748
2027	$24,777	$165	$798	$366	$354	$124	$1,807
2028	$24,247	$170	$792	$384	$334	$127	$1,807
2029	$23,693	$175	$786	$403	$313	$129	$1,807
2030	$23,114	$183	$779	$422	$291	$132	$1,806
2031	$22,509	$188	$772	$444	$267	$135	$1,806
2032	$21,877	$196	$765	$463	$243	$137	$1,805
2033	$21,218	$202	$757	$487	$218	$140	$1,803
2034	$20,529	$209	$749	$511	$191	$143	$1,803
2035	$19,809	$220	$741	$536	$163	$146	$1,805
2036	$19,053	$228	$732	$563	$133	$149	$1,805
2037	$18,263	$238	$723	$590	$102	$152	$1,805
2038	$17,435	$246	$713	$619	$70	$155	$1,803
2039	$16,570	$256	$703	$647	$36	$158	$1,800
2040	$15,666	$1,154	$693	$0	$0	$134	$1,981
2041	$14,512	$1,199	$647	$0	$0	$137	$1,982
2042	$13,314	$1,243	$599	$0	$0	$139	$1,982
2043	$12,070	$1,296	$543	$0	$0	$142	$1,981
2044	$10,775	$1,353	$485	$0	$0	$145	$1,983
2045	$9,422	$1,411	$424	$0	$0	$148	$1,982
2046	$8,011	$1,471	$361	$0	$0	$151	$1,982
2047	$6,540	$1,534	$294	$0	$0	$154	$1,982
2048	$5,007	$1,599	$225	$0	$0	$157	$1,981
2049	$3,408	$1,667	$153	$0	$0	$160	$1,981
2050	$1,740	$1,740	$78	$0	$0	$163	$1,982
Total		**$18,503**	**$15,094**	**$6,783**	**$3,051**	**$3,577**	**$47,008**

1 - Annual Installment billed by the Denton County Tax Office during Year 2026 will be billed on or around 10/1/2026 and is due by 1/31/2027.
2 - The principal and interest amounts are based upon the pro rata share of NIA #5 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 - The principal and interest amounts are based upon the pro rata share of the NIA #2-5 Refunding 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.
4 - The Administrative Expenses shown are estimates and will be updated each in the Annual Service Plan Update.
5 - The total annual installment does not include TIRZ credit, if any.

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 SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN, AS THE SAME IS UPDATED EACH YEAR. THE SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN MAY BE OBTAINED FROM THE CITY SECRETARY OF CELINA, TEXAS.

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 Celina Tax Increment Reinvestment Zone No. 8. The City has committed to use approximately 7.76% 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.

If a property owner is to receive a TIRZ Credit, the Annual Installment shown on their tax statement will be the projected Annual Installment shown in the attached schedule **LESS** any TIRZ Credit.

The following **hypothetical example** illustrates the calculation of a TIRZ Credit:

A) Estimates for illustration purposes:

Estimated prorated base year (2015) taxable value = $1,000
Estimated current year (2026) taxable value = $375,000
Estimated current (2026) incremental value = $374,000 (i.e. $375,000 - $1,000)
Estimated current (2026) City tax rate per $100 of taxable value = $0.571677
Estimated PID current (2026) annual installment of Assessment = $1,748
Estimated PID next (2027) annual installment of Assessments = $1,807

B) **Estimated** City incremental tax:

$2,138 [i.e., ($374,000 ÷ 100) × $0.571677 = $2,138]

C) **Estimated** TIRZ Credit:

$166 (i.e., $2,138 × 7.76% = $166)

D) PID current annual installment due (2026):

$1,748 with no prior year TIRZ Credit

E) **Estimated** PID next annual installment due (2027):

$1,641 (i.e., $1,807 - $166 = $1,641) after application of the $166 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.