

The North Parkway Municipal Management District No. 1 Lot Type 3 – 40 FT Lot

Project Overview

In 2019, the North Parkway Municipal Management District No. 1 (the “District”) was created by Dynavest Joint Venture, LLC, through the acts of the 86th Texas Legislature for the primary use of facilitating the construction and continued maintenance of quality mixed-use residential and commercial development to benefit the residents of the District. The District Legislature empowers the District to levy special assessments to fund public improvements that benefit all or a substantial portion of the District.

The \$81,175,000 North Parkway Municipal Management District No. 1 Special Assessment Revenue Bonds, Series 2021 (Major Improvement Project) (the “Initial Major Improvement Bonds”) were issued by the District pursuant to Chapter 3986, Texas Special District Laws Code (the “District Legislation”) and PID Act, an order adopted by the Board of Directors (the “Board of Directors”) on October 6, 2021, and an Indenture of Trust, dated October 1, 2021, entered into by and between the District and Wilmington Trust, National Association (the “Trustee”).

On August 26, 2022, the District also issued the North Parkway Municipal Management District No. 1 Special Assessment Revenue Bonds, Series 2022 (Major Improvement Project #2) (the “Additional Major Improvement”) in the aggregate amount of \$32,225,000, pursuant to the District Legislation and an order adopted by the Board of Directors on August 15, 2022, and an Indenture of Trust, dated August 1, 2022, entered into by and between the District and the Trustee to finance the costs of certain public improvements for the benefit of property in the District (the “Additional Major Improvements”).

The Initial Major Improvement Bonds and Additional Major Improvement Bonds were issued to finance the costs of certain public improvements for the benefit of property in the District (the “Major Improvements”), all of which is located within the city limits of the City of Celina (the “City”).

The Initial Major Improvement Bonds and Additional Major Improvement Bonds are payable from the Assessments levied against each parcel of Assessed Property within the District pursuant to the Assessment Ordinance and in accordance with the Service and Assessment Plan. The Act provides that the 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.

On December 15, 2023, the District issued the Single Family Defined Area No. 1 Unlimited Tax Road Bonds, Series 2023 (the “Road Bonds”) in the aggregate amount of \$3,055,000 pursuant to (i) Article III, Section 52 of the Texas Constitution; the general laws of the State of Texas, particularly Chapters 49 and 54 of the Texas Water Code, as amended and Chapter 375, Texas Government Code, as amended and Chapter 3986, Texas Special District Local Laws Code; (ii) an order authorizing the issuance of the Road Bonds adopted by the Board of Directors of the District on the date of the sale of the Road Bonds; and (iii) an election held within the Single Family Defined Area on May 6, 2023. The Road Bonds constitute the first series of unlimited tax bonds issued by the District for the purpose of acquiring or constructing a road system for the benefit of property in the Single Family Defined Area (the “Single Family Defined Area Road System”). The Road Bonds are payable from the ad valorem taxes levied against all taxable property within the Single Family Defined Area of the District.

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. **District Annual Installments and Single Family Defined Area taxes are billed by the Collin County Tax Office and are due and payable as provided on the Collin County Tax Office tax 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 the Annual Installments of the 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 ASSESSMENTS AND TAXES LEVIED AGAINST ASSESSED PROPERTY, INCLUDING THE ANNUAL INSTALLMENT THEREOF, COULD RESULT IN FORECLOSURE OF SUCH PROPERTY.

NOTICE TO PURCHASER OF SPECIAL TAXING OR ASSESSMENT DISTRICT

The real property, described below, that you are about to purchase is located within the boundaries of NORTH PARKWAY MUNICIPAL MANAGEMENT DISTRICT NO. 1, a political subdivision of the State of Texas created and operating under the provisions of Chapter 3986, Texas Special District Local Laws Code; Chapters 372 and 375, Texas Local Government Code; and Chapters 49 and 54, Texas Water Code, all as amended (the "District") and may be subject to District taxes or assessments. The District was originally created as the North Celina Municipal Management District No. 3, but on June 2, 2021, a Notice of Name Change was filed renaming the District. The District may, subject to voter approval, impose taxes and bonds. The District may impose an unlimited rate of tax in payment of such bonds. In addition, on February 13, 2023, the Board of Directors of the District (the "Board") approved the creation of the District Single Family Defined Area No. 1 (the "SF Defined Area No. 1") pursuant to a Resolution and Section 54.804-54.812 of the Texas Water Code in order to apply separately, differently, equitably, and specifically the District's taxing power and lien authority to SF Defined Area No. 1. The District may exercise its authority without holding an election on the matter. Any unpaid taxes are personal obligation of the person that owned the property at the time of imposition and is secured by a lien on the property.

Voters of the SF Defined Area No. 1 of the District have authorized the following principal amount of bonds to be issued by the District:

<u>Election Date</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Issued to Date</u>	<u>Remaining Unissued</u>
5/6/2023	Utility Bonds	\$194,327,781	-	\$194,327,781
5/6/2023	Utility Bonds Refunding	\$242,909,762	-	\$242,909,762
5/6/2023	Road Bonds	\$246,277,730	\$23,605,000	\$219,567,730
5/6/2023	Road Bonds Refunding	\$307,847,162	-	\$307,847,162

The current total rate of the District property tax is \$0.408000 on each \$100 of assessed valuation, which is comprised of: (i) a property tax rate of \$0.00 on each \$100 of assessed valuation on all property in the District, and (ii) a property tax rate of \$0.408000 on each \$100 of assessed valuation on property within SF Defined Area No. 1 of the District.

The District also has assessment authority separate from any other taxing or assessment authority and may levy special assessments 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 District created under Subchapter A, Chapter 372, Local Government Code. The amount of the District assessment on the real property that you are about to purchase is generally equivalent to a tax rate of \$0.3021 on each \$100 of assessed valuation, which is comprised of: (i) an "Assessment Part A" of \$0.2119 on each \$100 of assessed valuation, and (ii) an "Assessment Part B" of \$0.0902 on each \$100 of assessed valuation based on average home prices shown in the Service and Assessment plan. 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.

The District has previously issued the following: (i) \$81,175,000 Special Assessment Revenue Bonds, Series 2021 (Major Improvement Project); (ii) \$13,300,000 Contract Revenue Bonds, Series 2021 (Legacy Hills Public Improvement District Phase #1A-1B Improvements); and (iii) \$32,225,000 Special Assessment Revenue Bonds, Series 2022 (Major Improvement Project #2).

AN ASSESSMENT AND TAX HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS. THE ASSESSMENT PORTION 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 District. The exact amount of each annual installment will be approved each year by the Board 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 District or MuniCap, Inc., the District Administrator, 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.

The District is located wholly within the corporate boundaries of the City of Celina, Texas (the "City"). The City and the District overlap, but may not provide duplicate services or improvements. Property located in the City and the District is subject to taxation by the City and the District.

The purpose of this District is to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under Chapter 3986, Special District Local Laws Code and to accomplish the public purposes set out in Sections 52 and 52-A, Article III and Section 59, Article XVI, Texas Constitution and other powers granted under Chapter 3986, Special District Local Laws Code. The cost of District facilities are not included in the purchase price of your property. The legal description of the property which you are acquiring is as follows:

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ANNUALLY ESTABLISHES TAX RATES. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

[SIGNATURE PAGE TO FOLLOW]

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 hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property or at closing of purchase of the real property.

Date: _____

Signature of Purchaser

Signature of Purchaser

STATE OF TEXAS

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§

COUNTY OF _____

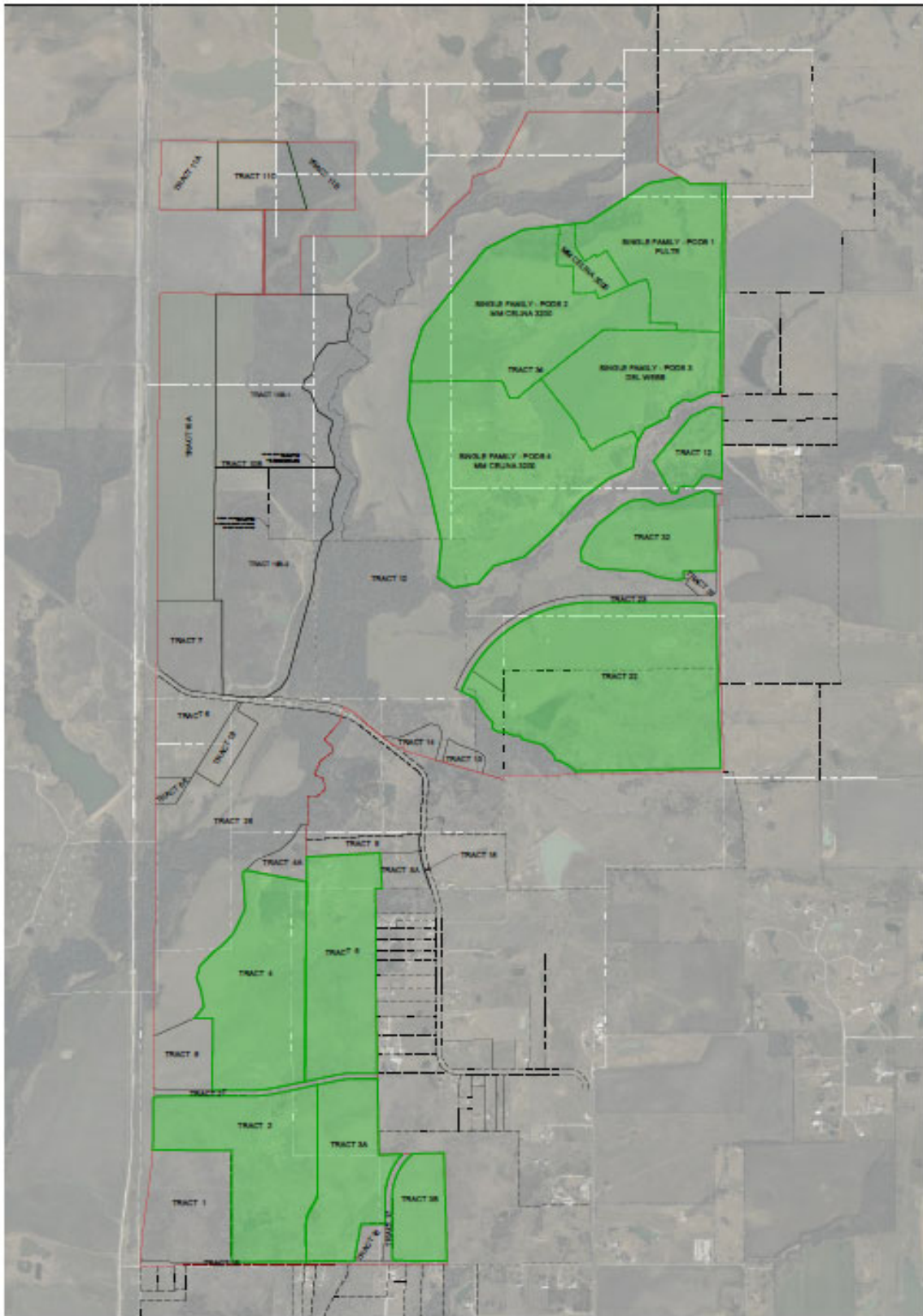
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The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, 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

EXHIBIT A
MAP OF SF DEFINED AREA No. 1



**North Parkway Municipal Management District
Summary of Projected Annual Installments**

**Lot Type
Equivalent Units
Assessment**

Lot Type 3 (40 Ft)
0.67
\$12,958

***VALUES REPORTED DO NOT INCLUDE THE DISTRICT SINGLE FAMILY DEFINED AREA NO. 1 TAX OR LEGACY HILLS PID ASSESSMENTS**

Year¹	Cumulative Outstanding Principal	Initial MIA Bond Principal²	Initial MIA Bond Interest²	Additional MIA Bond Principal³	Additional MIA Bond Interest³	Administrative Expenses⁴	Total Annual Installment
2026	\$12,958	\$193	\$464	\$67	\$218	\$25	\$967
2027	\$12,698	\$202	\$482	\$71	\$227	\$21	\$1,003
2028	\$12,425	\$211	\$472	\$74	\$223	\$21	\$1,002
2029	\$12,140	\$221	\$462	\$79	\$219	\$22	\$1,002
2030	\$11,840	\$231	\$452	\$83	\$214	\$22	\$1,002
2031	\$11,526	\$241	\$441	\$88	\$209	\$23	\$1,002
2032	\$11,197	\$254	\$428	\$92	\$204	\$23	\$1,001
2033	\$10,851	\$267	\$415	\$98	\$198	\$24	\$1,001
2034	\$10,486	\$280	\$401	\$103	\$192	\$24	\$1,001
2035	\$10,102	\$295	\$386	\$109	\$186	\$24	\$1,000
2036	\$9,698	\$310	\$371	\$115	\$179	\$25	\$1,000
2037	\$9,273	\$326	\$354	\$122	\$172	\$25	\$999
2038	\$8,825	\$342	\$337	\$128	\$165	\$26	\$999
2039	\$8,354	\$360	\$319	\$136	\$157	\$26	\$998
2040	\$7,859	\$379	\$300	\$144	\$148	\$27	\$998
2041	\$7,337	\$398	\$281	\$151	\$140	\$28	\$997
2042	\$6,787	\$419	\$259	\$160	\$130	\$28	\$997
2043	\$6,208	\$442	\$236	\$169	\$120	\$29	\$996
2044	\$5,596	\$466	\$211	\$179	\$110	\$29	\$995
2045	\$4,951	\$491	\$186	\$189	\$99	\$30	\$994
2046	\$4,271	\$518	\$159	\$200	\$87	\$30	\$993
2047	\$3,553	\$546	\$130	\$211	\$74	\$31	\$992
2048	\$2,796	\$575	\$100	\$224	\$61	\$32	\$992
2049	\$1,997	\$606	\$69	\$237	\$47	\$32	\$991
2050	\$1,154	\$639	\$35	\$250	\$32	\$33	\$990
2051	\$265	\$0	\$0	\$265	\$17	\$7	\$289
Total		\$9,212	\$7,750	\$3,746	\$3,826	\$667	\$25,201

1 - Annual Installment billed by the Collin County Tax Office during Year 2026 will be billed on or around 10/01/26 and payment is due by 01/31/27.

2 - The principal and interest amounts represent the final numbers of the Initial Major Improvement Area Bonds and includes 0.5% Additional Interest for debt service reserves. Interest amounts are calculated through the principal payment date of each year.

3 - The principal and interest amounts represent the final numbers of the Additional Major Improvement Area Bonds and includes 0.5% Additional Interest for debt service reserves. Interest amounts are calculated through the principal payment date of each year.

4 - 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 NORTH PARKWAY MUNICIPAL MANAGEMENT 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.