

Kaufman Public Improvement District No. 3 (Freeman Farm)
Lot Type 1 – 60 Ft.

Project Overview

On January 24, 2022, the City Council of the City of Kaufman, Texas (the “City”) passed and approved Resolution No. R-03-22 approving and authorizing the creation of Kaufman Public Improvement District No. 3 (the “PID”). Pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution 41-21 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 which is located within the corporate limits of the City. On September 30, 2024, the City Council adopted Ordinance 22-24 that approved a Service and Assessment Plan for the District (the "Service and Assessment Plan") and levied Special Assessments (the "Assessments") on certain property within the District in accordance with the Assessment Roll attached as Appendix G to the Service and Assessment Plan. The 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.

On September 30, 2024, the City issued the City of Kaufman, Texas Special Assessment Revenue Bonds, Series 2024 (Kaufman Public Improvement District No. 3 Project) (the “Series 2024 Bonds”) in the aggregate amount of \$2,898,000 pursuant to the Act, Ordinance No. 26-24 and is backed by the Assessments.

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 Kaufman 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 the 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, 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 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 KAUFMAN, 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 Kaufman, 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 Kaufman Public Improvement District No. 3 (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

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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

Kaufman Public Improvement District No. 3 (Freeman Farm)
Summary of Projected Annual Installments

Lot Size
Equivalent Unit
Outstanding Assessment

Lot Type 1 (60 Ft)
1.00
\$25,431

Year¹	Cumulative Outstanding Principal	Principal²	Interest²	Administrative Expenses³	Total Annual Installment
2026	\$25,431	\$473	\$1,477	\$372	\$2,322
2027	\$24,958	\$491	\$1,467	\$379	\$2,338
2028	\$24,466	\$518	\$1,439	\$387	\$2,344
2029	\$23,948	\$536	\$1,409	\$394	\$2,340
2030	\$23,412	\$554	\$1,379	\$402	\$2,335
2031	\$22,858	\$581	\$1,347	\$410	\$2,338
2032	\$22,278	\$607	\$1,313	\$419	\$2,339
2033	\$21,670	\$634	\$1,278	\$427	\$2,340
2034	\$21,036	\$661	\$1,242	\$436	\$2,338
2035	\$20,375	\$688	\$1,204	\$444	\$2,336
2036	\$19,687	\$724	\$1,164	\$453	\$2,341
2037	\$18,964	\$750	\$1,123	\$462	\$2,335
2038	\$18,213	\$786	\$1,080	\$471	\$2,337
2039	\$17,427	\$822	\$1,034	\$481	\$2,337
2040	\$16,606	\$858	\$987	\$490	\$2,335
2041	\$15,748	\$893	\$938	\$500	\$2,331
2042	\$14,855	\$938	\$886	\$510	\$2,335
2043	\$13,917	\$983	\$833	\$521	\$2,336
2044	\$12,934	\$1,027	\$776	\$531	\$2,334
2045	\$11,907	\$1,081	\$714	\$542	\$2,337
2046	\$10,826	\$1,134	\$650	\$552	\$2,336
2047	\$9,692	\$1,188	\$582	\$563	\$2,333
2048	\$8,504	\$1,251	\$510	\$575	\$2,335
2049	\$7,253	\$1,313	\$435	\$586	\$2,334
2050	\$5,940	\$1,376	\$356	\$598	\$2,330
2051	\$4,565	\$1,447	\$274	\$610	\$2,331
2052	\$3,117	\$1,519	\$187	\$622	\$2,328
2053	\$1,599	\$1,599	\$96	\$635	\$2,329
Total		\$25,431	\$26,181	\$13,773	\$65,385

- 1 - Annual Installment billing will commence during Year 2026 and will be billed on or around October of 2026 and payment is due by January 31, 2027.
- 2 - The principal and interest amounts represent the final numbers of the Series 2024 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 Updates.

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 KAUFMAN PUBLIC IMPROVEMENT DISTRICT NO. 3 ANNUAL SERVICE AND ASSESSMENT PLAN UPDATES. FOR ANY ADDITIONAL INQUIRIES ABOUT THE KAUFMAN PUBLIC IMPROVEMENT DISTRICT NO. 3, PLEASE CONTACT THE DISTRICT ADMINISTRATOR AT 866-648-8482.

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.