

The Legacy Municipal Management District Retail/Commercial S.F.

Project Overview

The 88th Texas Legislature passed House Bill 5405 approving and authorizing the conversion of Legacy Water Control and Improvement District to Legacy Municipal Management District (the “District”), codified as Chapter 4008, Texas Special District Local Laws Code (the “District Act”), and, pursuant to Subchapter D of the District Act, empowering the District to levy and impose assessments and, pursuant to Section 4008.0503(b) of the District Act, to issue bonds secured by assessments to finance the costs of certain public improvements for the benefit of property in the District, all of which is located within the boundaries of Webb County, Texas (the “County”).

On May 14, 2025, the District and the SE Legacy Development Company, LLC (the “Developer”), entered into a Development Agreement (the “Improvement Area #2 Reimbursement Agreement”), which the Developer agrees to fund certain actual costs of Authorized Improvements and the District agrees to reimburse the Developer for a portion of such actual costs.

On December 19, 2025, the Board of Directors (the “Board”) approved the Service and Assessment Plan, levying Assessments on Improvement Area #2 (the “Improvement Area #2 Assessments”) of the District in an aggregate principal amount of \$31,533,800 to finance, refinance, provide or otherwise assist in the acquisition, construction, and maintenance of the public improvements provided for the benefit of the property in Improvement Area #2.

On April 2, 2026, the Board approved the Amended and Restated Service and Assessment Plan, updating for a revised development plan for Improvement Area #1 and Improvement Area #2.

The Improvement Area #2 Assessments are payable from the Assessments levied against each parcel of Assessed Property within the District pursuant to the Assessment Order and in accordance with the Amended and Restated Service and Assessment Plan. The District 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.

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 Amended and Restated Service and Assessment Plan. **District Annual Installments are billed by the Webb County Tax Office and are due and payable as provided on the Webb 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.**

AFTER RECORDING RETURN TO:

NOTICE TO PURCHASER OF SPECIAL TAXING OR ASSESSMENT DISTRICT

LEGACY MUNICIPAL MANAGEMENT DISTRICT

IMPROVEMENT AREA # _____

LAND USE CLASS _____

PRINCIPAL ASSESSMENT \$ _____ *

*EXCLUDES VARIABLE OPERATIONS AND
MAINTENANCE ASSESSMENT

The legal description of the property which you are acquiring is as follows:

As the purchaser of the real property described above, you are obligated to pay assessments to the Legacy Municipal Management District, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") and any administrative, operation and maintenance costs of the District, undertaken for the benefit of the property within Improvement Area # _____ of the Legacy Municipal Management District (the "District") created under the provisions of V.T.C.A., Special District Local Laws Code, Chapter 4008; Chapter 375, Texas Local Government Code, as amended; and Chapter 49, Texas Water Code, as amended. Webb County has no responsibility with regard to the levy and collection of the assessments.

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. YOU ACKNOWLEDGE THAT NOTICE HAS BEEN PROPERLY RECEIVED AND HEREBY WAIVE ANY CLAIM OR SUIT FOR DAMAGES UNDER CHAPTER 375, TEXAS LOCAL GOVERNMENT CODE OR CHAPTER 5, TEXAS PROPERTY CODE.

The real property, that you are about to purchase is located in the District and may be subject to District taxes or assessments. The District may, subject to voter approval, impose taxes and issue bonds. The District may impose an unlimited rate of tax in payment of such bonds. The District does not currently impose an ad valorem tax. The District may impose assessments and issue bonds and impose an assessment in payment of such bonds. The District has not previously issued any bonds payable wholly or partly from property taxes or assessments. The District does not currently impose a standby fee.

The amount of the District assessment for Improvement Area #___ on the real property that you are about to purchase is \$_____. You are also obligated to pay an assessment for the operation and maintenance of the Authorized Improvements (the "Operations and Maintenance Assessment") which is variable and is calculated annually based on the actual costs of the operation and maintenance of the Authorized Improvements. The Service and Assessment Plan for the District will be updated annually with information regarding the Operations and Maintenance Assessment.

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.

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.

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 AND/OR DISTRICT ADMINISTRATOR TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

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 4008, 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 4008, Special District Local Laws Code. The cost of District facilities is not included in the purchase price of your property.

[SIGNATURE AND ACKNOWLEDGEMENT PAGE(S) FOLLOWING]

The undersigned seller acknowledges providing the foregoing notice to the potential purchaser at or before the execution of a binding contract for the purchase of the real property described above.

DATE: _____

DATE: _____

SIGNATURE OF SELLER

SIGNATURE OF SELLER

The undersigned purchaser acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described above or at closing of purchase of the real property described above.

DATE: _____

DATE: _____

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

NOTE: THIS IS THE SIGNATURE PAGE FOR INITIAL NOTICE TO PURCHASER AT OR BEFORE THE EXECUTION OF A BINDING CONTRACT FOR THE PURCHASE OF THE REAL PROPERTY DESCRIBED ABOVE.

The undersigned seller acknowledges providing a separate copy of the foregoing notice including the current information to purchaser at the closing of the purchase of the real property described above.

DATE: _____

DATE: _____

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

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§

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.

Given under my hand and seal of office on this _____, 20____.

Notary Public, State of Texas

NOTE: THIS IS THE SELLER SIGNATURE PAGE FOR FINAL NOTICE TO PURCHASER AT THE CLOSING FOR THE PURCHASE OF THE REAL PROPERTY DESCRIBED ABOVE.

The undersigned purchaser acknowledges receiving a separate copy of the foregoing notice including the current information from seller at the closing of the purchase of the real property described above.

DATE: _____

DATE: _____

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

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§

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.

Given under my hand and seal of office on this _____, 20____.

Notary Public, State of Texas

NOTE: THIS IS THE PURCHASER SIGNATURE PAGE FOR FINAL NOTICE TO PURCHASER AT THE CLOSING FOR THE PURCHASE OF THE REAL PROPERTY DESCRIBED ABOVE.

**Legacy Municipal Management District
Summary of Projected Annual Installments
Improvement Area #2**

Lot Type
Assessment
GSF

Retail /Commercial S.F
\$3,845.39
1,000

Year¹	Outstanding Assessment	Principal²	Interest²	Administrative Expenses³	Total Annual Installment
2026	\$3,845	\$51	\$240	\$15	\$306
2027	\$3,795	\$53	\$237	\$16	\$306
2028	\$3,741	\$56	\$234	\$16	\$306
2029	\$3,685	\$60	\$230	\$16	\$306
2030	\$3,626	\$63	\$227	\$16	\$306
2031	\$3,563	\$66	\$223	\$17	\$306
2032	\$3,496	\$70	\$219	\$17	\$306
2033	\$3,426	\$74	\$214	\$18	\$306
2034	\$3,352	\$78	\$210	\$18	\$306
2035	\$3,274	\$83	\$205	\$18	\$306
2036	\$3,192	\$87	\$199	\$19	\$305
2037	\$3,104	\$93	\$194	\$19	\$306
2038	\$3,012	\$98	\$188	\$19	\$305
2039	\$2,914	\$104	\$182	\$20	\$305
2040	\$2,810	\$110	\$176	\$20	\$305
2041	\$2,700	\$116	\$169	\$21	\$305
2042	\$2,584	\$123	\$161	\$21	\$305
2043	\$2,461	\$130	\$154	\$21	\$306
2044	\$2,331	\$138	\$146	\$22	\$305
2045	\$2,193	\$146	\$137	\$22	\$306
2046	\$2,046	\$155	\$128	\$23	\$306
2047	\$1,891	\$164	\$118	\$23	\$306
2048	\$1,727	\$174	\$108	\$24	\$306
2049	\$1,553	\$185	\$97	\$24	\$306
2050	\$1,368	\$196	\$85	\$25	\$306
2051	\$1,172	\$208	\$73	\$25	\$306
2052	\$964	\$220	\$60	\$26	\$306
2053	\$744	\$234	\$47	\$26	\$306
2054	\$510	\$248	\$32	\$27	\$306
2055	\$263	\$263	\$16	\$27	\$306
Total		\$3,845	\$4,709	\$618	\$9,173

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| <p>1 - Annual Installment billed by the Webb County Tax Office during Year 2026 will be billed on or around 10/1/2026 and payment is due by 1/31/2027.</p> <p>2 - The principal and interest amounts represent the debt service requirements of the Improvement Area #2 Reimbursement Agreement will not increase during the life of the bonds. Interest amounts are calculated through the principal payment date of each year.</p> <p>3 - Administrative expenses are estimated and will be updated each year in the Annual Service Plan Update.</p> |
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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 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.