

**TOWN OF ARGYLE  
ORDINANCE NO. 2020-16**

**HIGHLANDS PUBLIC IMPROVEMENT DISTRICT SUPPLEMENTAL SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL.**

**A SUPPLEMENTAL ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF ARGYLE UPDATING THE HIGHLANDS PUBLIC IMPROVEMENT DISTRICT OF THE TOWN OF ARGYLE SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL.**

**WHEREAS**, by Resolution 2016-07 adopted on April 26, 2016, after notice and a public hearing in the manner required by law, the Town Council of the Town of Argyle, Texas approved a resolution authorizing the creation of the Highlands Public Improvement District of the Town of Argyle; and

**WHEREAS**, the Town Council, pursuant to Section 372.016(b) of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "PID Act") PID Act, published notice of the Levy and Assessment Hearing in Denton Record Chronicle, a newspaper of general circulation in the Town; and

**WHEREAS**, on August 8, 2017, after notice and a public hearing conducted in the manner required by law, the Town Council adopted Ordinance No. 2017-16 approving the Highlands Public Improvement District Service and Assessment Plan and Assessment Roll and the levy of assessments on property in the District; and

**WHEREAS**, on August 22, 2017, the Town Council adopted Ordinance No. 2017-20, authorizing the issuance of bonds secured by the assessments levied pursuant to the Assessment Ordinance; and

**WHEREAS**, the Service and Assessment Plan and Assessment Roll is required to be reviewed and updated annually as described in Sections 372.013 and 372.014 of the PID Act; and

**WHEREAS**, the Town Council now desires to proceed with the adoption of this Ordinance for the Annual Service Plan Update and the updated Assessment Roll attached thereto, in conformity with the requirements of the PID Act; and

**WHEREAS**, the Town Council finds the passage of this Ordinance to be in the best interest for the citizens of Argyle.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF ARGYLE, TEXAS:**

**SECTION 1:** That all matters stated in the preamble are found to be true and correct and are incorporated herein as if copied in their entirety.

**SECTION 2:** That the Highlands Annual Service Plan Update and updated Assessment Roll attached hereto as *Attachement A* are hereby accepted as provided.

**SECTION 3:** If any portion of this Ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Ordinance without the invalid provision

**SECTION 4:** That this Ordinance shall be cumulative of all other Town Ordinances and all other provisions of other Ordinances adopted by the Town which are inconsistent with the terms or provisions of this Ordinance are hereby repealed.

**SECTION 5:** It is hereby declared to be the intention of the Town Council of the Town of Argyle, Texas, that sections, paragraphs, clauses and phrases of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared legally invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such legal invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this Ordinance since the same would have been enacted by the Town Council of the Town of Argyle without the incorporation in this Ordinance of any such legally invalid or unconstitutional, phrase, sentence, paragraph or section.

**SECTION 6:** This ordinance shall take effect immediately from and after its passage as the law in such case provides.

**PASSED AND APPROVED ON THIS 17<sup>TH</sup> DAY OF AUGUST, 2020.**

**APPROVED:**




**Cynthia Hermann, Mayor Pro Tem**

**APPROVED AS TO FORM:**

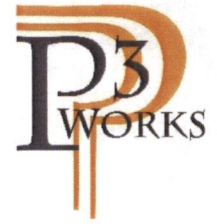


**Patricia Adams, Town Attorney**

**ATTEST:**



**Erika McComis, Town Secretary**



THE HIGHLANDS OF ARGYLE  
PUBLIC IMPROVEMENT DISTRICT NO. 1  
2020 ANNUAL SERVICE PLAN UPDATE

JUNE 23, 2020

## **INTRODUCTION**

Capitalized terms used in this Annual Service Plan Update shall have the meaning set forth in the Highlands of Argyle Public Improvement District No. 1 Service and Assessment Plan (the "SAP").

The PID was created pursuant to the Act by Resolution No. 2016-07 on April 26, 2016 by the Town to finance certain Authorized Improvements for the benefit of the property in the PID.

On August 22, 2017, the Town approved the SAP for the PID by adopting Ordinance No. 2017-16, which approved the levy of Special Assessments for Assessed Parcels within the PID and approved the Assessment Roll.

On August 14, 2018, the Town approved the Annual Service Plan Update for 2018 by adopting Ordinance No. 2018-12, which updated the Assessment Roll for 2018.

On June 25, 2019, the Town approved the Annual Service Plan Update for 2019 by adopting Ordinance No. 2019-16, which updated the Assessment Roll for 2019.

The SAP identified the Authorized Improvements to be provided by the PID, the cost of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the Property in the PID for the costs of the Authorized Improvements. Pursuant to the Act, the SAP shall be reviewed and updated annually. This document is the Annual Service Plan Update for 2020.

The Town also adopted an Assessment Roll identifying the Special Assessment on each Lot within the PID, based on the method of assessment identified in the SAP. This Annual Service Plan Update updates the Assessment Roll for 2020.

## LISTED EVENTS

See below for all listed events within the PID:

- The developer failed to pay any real property taxes due or Special Assessments levied and due on 98 single-family Lots owned by the developer within the PID before such taxes and Special Assessments became delinquent on February 1, 2019. The Administrator sent a delinquency notice on February 19, 2019 and the Developer paid all delinquent ad valorem taxes and Annual Installments of the Special Assessments on February 22, 2019.
- \$100,000 partial sinking fund redemption on July 19, 2019.

## PARCEL SUBDIVISION

The Lakes of Argyle final plat was filed and recorded with the County on February 23, 2018 and consisted of 138 Residential Lots.

## LOT AND HOME SALES

Per the Quarterly Report dated March 31, 2020, 73 Lots have been closed with Our Country Homes and South Gate Homes home builders, and the remaining 65 Lots are currently being negotiated with various home builders. Construction has begun on a total of 36 homes, of which 26 homes have been sold to end-users, 9 are under construction, and 1 is completed but not sold to an end-user. Since the 2019 Annual Service Plan Update, a total of 24 homes have completed construction.

See **Exhibit B** for the homebuyer disclosure.

## OUTSTANDING SPECIAL ASSESSMENT

The PID has an outstanding Special Assessment of \$5,565,000.00<sup>1</sup>

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<sup>1</sup> Net of \$100,000.00 principal payment due September 1, 2020 which will be paid with Annual Installments collected on January 31, 2020.

## ANNUAL INSTALLMENT DUE 1/31/2021

- **Principal and Interest** - The total principal and interest required for the Annual Installment is \$384,313.00.
- **Additional Interest** – The Additional Interest Reserve Requirement, as defined in the Indenture, is equal to \$306,075.00 and has not been met. As such, the Additional Interest Reserve Account will be funded with Additional Interest on the outstanding Special Assessment, resulting in an Additional Interest amount of \$27,825.00.
- **Administrative Expenses** - The cost of administering the PID, collecting the Annual Installments, dissemination agent fees, audit fees, and Trustee fees shall be paid for on a pro rata basis by each Lot based on the amount of outstanding Special Assessment remaining on the Lot. The total Administrative Expenses budgeted for the Annual Installment is \$49,323.20.

Due January 31, 2021	
Principal	\$ 105,000.00
Interest	279,313.00
Additional Interest	27,825.00
Administrative Expenses	49,323.20
<b>Total Annual Installment</b>	<b>\$ 461,461.20</b>

See **Exhibit C** for the debt service schedule for the PID Bonds as shown in the official statement.

## PREPAYMENT OF SPECIAL ASSESSMENTS IN FULL

No full prepayments of Special Assessments have occurred. See **Exhibit D** for the template of the Notice of Termination of Assessment.

## PARTIAL PREPAYMENTS OF SPECIAL ASSESSMENTS

No partial prepayments have occurred within the PID.

## BOND FUND

P3Works has reviewed the bond accounts related to the PID as of March 31, 2020 and each account contains the amount shown below:

Account:	3/31/2020 Balance
<b>Pledged Revenue Fund</b>	\$277,654.91
<b>Bond Fund</b>	
Capitalized Interest Account	\$2,581.24
Principal and Interest Account	\$22.96
<b>Project Fund</b>	
Improvement Account	\$1,203.48
Costs of Issuance Account	\$16,205.64
<b>Reserve Fund</b>	
Reserve Account	\$391,794.44
Additional Interest Reserve Account	\$57,711.74
<b>Redemption Fund</b>	\$0.00
<b>Rebate Fund</b>	\$0.00
<b>Administrative Fund</b>	\$23,550.85

## BUDGET FOR CONSTRUCTION OF AUTHORIZED IMPROVEMENTS

All Authorized Improvements identified in the SAP are complete and were accepted by the Town on July 30, 2018. All PID Bond proceeds used to finance the Authorized Improvements have been reimbursed to the Developer from the PID Bonds.

## SERVICE PLAN - FIVE YEAR BUDGET FORECAST

The Act requires the annual indebtedness and projected costs for the Authorized Improvements to be reviewed and updated in the Annual Service Plan Update, and the projection shall cover a period of not less than five years.

The Highlands of Argyle PID No. 1						
Annual Installment Due		1/31/2021	1/31/2022	1/31/2023	1/31/2024	1/31/2025
Principal		\$ 105,000.00	\$ 110,000.00	\$ 115,000.00	\$ 120,000.00	\$ 125,000.00
Interest		279,313.00	274,850.00	270,175.00	265,288.00	260,188.00
	(1)	\$ 384,313.00	\$ 384,850.00	\$ 385,175.00	\$ 385,288.00	\$ 385,188.00
Additional Interest	(2)	\$ 27,825.00	\$ 27,300.00	\$ 26,750.00	\$ 26,175.00	\$ 25,575.00
Administrative Expenses	(3)	\$ 49,323.20	\$ 50,309.66	\$ 51,315.86	\$ 52,342.17	\$ 53,389.02
<b>Total Annual Installment</b>	<b>(4) = (1) + (2) + (3)</b>	<b>\$ 461,461.20</b>	<b>\$ 462,459.66</b>	<b>\$ 463,240.86</b>	<b>\$ 463,805.17</b>	<b>\$ 464,152.02</b>

## EMINENT DOMAIN PREPAYMENT

If any portion of any Parcel of Assessed Property is taken from an owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a “**Taking**”), the portion of the Assessed Property that was taken or transferred (the “**Taken Property**”) shall be reclassified as Non-Benefitted Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property), (the “**Remaining Property**”) following the reclassification of the Taken Property as Non-Benefitted Property, subject to an adjustment of the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. The owner will remain liable to pay in Annual Installments, or payable as otherwise provided by this Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the Remaining Property, subject to an adjustment in the Annual Installments applicable to the Remaining Property after any required Prepayment as set forth below.

By way of illustration, if an owner owns 100 acres of Assessed Property subject to a \$100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefitted Property and the remaining 90 acres of Remaining Property shall be subject to the \$100 Assessment.

Notwithstanding the previous paragraphs in this subsection, if the owner notifies the Town and the Administrator that the Taking prevents the Remaining Property from being developed for any use which could support the Estimated Buildout Value requirement, the owner shall, upon receipt of the compensation for the Taken Property, be required to prepay the amount of the Assessment required to buy down the outstanding Assessment on the Remaining Property to support the Estimated Buildout Value requirement. The owner will remain liable to pay the Annual Installments on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

Notwithstanding the previous paragraphs in this subsection, the Assessments shall not, however, be reduced to an amount less than the outstanding PID Bonds.

## ASSESSMENT ROLL

The list of current Lots within the PID, the corresponding total Special Assessments, and current Annual Installment are shown on the Assessment Roll attached hereto as **Exhibit A**. The Lots

shown on the Assessment Roll will receive the bills for the 2020 Annual Installments which will be delinquent if not paid by January 31, 2021.

**EXHIBIT A – ASSESSMENT ROLL**

Property ID	Lot Type	Outstanding Special Assessment	Installment Due 1/31/2021
728885	Residential Lot	\$ 40,035.97	\$ 3,319.86
728886	Residential Lot	\$ 40,035.97	\$ 3,319.86
728887	Residential Lot	\$ 40,035.97	\$ 3,319.86
728888	Residential Lot	\$ 40,035.97	\$ 3,319.86
728889	Residential Lot	\$ 40,035.97	\$ 3,319.86
728890	Residential Lot	\$ 40,035.97	\$ 3,319.86
728891	Residential Lot	\$ 40,035.97	\$ 3,319.86
728892	Residential Lot	\$ 40,035.97	\$ 3,319.86
728893	Residential Lot	\$ 40,035.97	\$ 3,319.86
728894	Residential Lot	\$ 40,035.97	\$ 3,319.86
728895	Residential Lot	\$ 40,035.97	\$ 3,319.86
728896	Residential Lot	\$ 40,035.97	\$ 3,319.86
728897	Residential Lot	\$ 40,035.97	\$ 3,319.86
728898	Residential Lot	\$ 40,035.97	\$ 3,319.86
728899	Residential Lot	\$ 40,035.97	\$ 3,319.86
728900	Residential Lot	\$ 40,035.97	\$ 3,319.86
728901	Residential Lot	\$ 40,035.97	\$ 3,319.86
728902	Residential Lot	\$ 40,035.97	\$ 3,319.86
728903	Residential Lot	\$ 40,035.97	\$ 3,319.86
728904	HOA Lot	\$ -	\$ -
728905	Residential Lot	\$ 40,035.97	\$ 3,319.86
728906	Residential Lot	\$ 40,035.97	\$ 3,319.86
728907	Residential Lot	\$ 40,035.97	\$ 3,319.86
728908	Residential Lot	\$ 40,035.97	\$ 3,319.86
728909	HOA Lot	\$ -	\$ -
728910	HOA Lot	\$ -	\$ -
728911	Residential Lot	\$ 40,035.97	\$ 3,319.86
728912	Residential Lot	\$ 40,035.97	\$ 3,319.86
728913	Residential Lot	\$ 40,035.97	\$ 3,319.86
728914	Residential Lot	\$ 40,035.97	\$ 3,319.86
728915	Residential Lot	\$ 40,035.97	\$ 3,319.86
728916	Residential Lot	\$ 40,035.97	\$ 3,319.86
728917	Residential Lot	\$ 40,035.97	\$ 3,319.86
728918	Residential Lot	\$ 40,035.97	\$ 3,319.86
728919	Residential Lot	\$ 40,035.97	\$ 3,319.86
728920	Residential Lot	\$ 40,035.97	\$ 3,319.86
728921	Residential Lot	\$ 40,035.97	\$ 3,319.86
728922	Residential Lot	\$ 40,035.97	\$ 3,319.86
728923	Residential Lot	\$ 40,035.97	\$ 3,319.86
728924	Residential Lot	\$ 40,035.97	\$ 3,319.86

Property ID	Lot Type	Outstanding Special Assessment	Installment Due 1/31/2021
728925	Residential Lot	\$ 40,035.97	\$ 3,319.86
728926	Residential Lot	\$ 40,035.97	\$ 3,319.86
728927	Residential Lot	\$ 40,035.97	\$ 3,319.86
728928	Residential Lot	\$ 40,035.97	\$ 3,319.86
728929	Residential Lot	\$ 40,035.97	\$ 3,319.86
728930	Residential Lot	\$ 40,035.97	\$ 3,319.86
728931	HOA Lot	\$ -	\$ -
728932	HOA Lot	\$ -	\$ -
728933	Residential Lot	\$ 40,035.97	\$ 3,319.86
728934	Residential Lot	\$ 40,035.97	\$ 3,319.86
728935	Residential Lot	\$ 40,035.97	\$ 3,319.86
728936	Residential Lot	\$ 40,035.97	\$ 3,319.86
728937	Residential Lot	\$ 40,035.97	\$ 3,319.86
728938	Residential Lot	\$ 40,035.97	\$ 3,319.86
728940	Residential Lot	\$ 40,035.97	\$ 3,319.86
728941	Residential Lot	\$ 40,035.97	\$ 3,319.86
728942	Residential Lot	\$ 40,035.97	\$ 3,319.86
728943	Residential Lot	\$ 40,035.97	\$ 3,319.86
728944	HOA Lot	\$ -	\$ -
728946	HOA Lot	\$ -	\$ -
728947	Oversized Residential Lot	\$ 40,035.97	\$ 3,319.86
728948	Residential Lot	\$ 40,035.97	\$ 3,319.86
728949	Residential Lot	\$ 40,035.97	\$ 3,319.86
728950	Residential Lot	\$ 40,035.97	\$ 3,319.86
728951	Residential Lot	\$ 40,035.97	\$ 3,319.86
728952	Residential Lot	\$ 40,035.97	\$ 3,319.86
728953	Residential Lot	\$ 40,035.97	\$ 3,319.86
728954	Residential Lot	\$ 40,035.97	\$ 3,319.86
728955	Residential Lot	\$ 40,035.97	\$ 3,319.86
728956	Residential Lot	\$ 40,035.97	\$ 3,319.86
728957	Residential Lot	\$ 40,035.97	\$ 3,319.86
728958	Residential Lot	\$ 40,035.97	\$ 3,319.86
728959	Residential Lot	\$ 40,035.97	\$ 3,319.86
728960	Residential Lot	\$ 40,035.97	\$ 3,319.86
728961	Residential Lot	\$ 40,035.97	\$ 3,319.86
728962	HOA Lot	\$ -	\$ -
728964	HOA Lot	\$ -	\$ -
728965	HOA Lot	\$ -	\$ -
728966	HOA Lot	\$ -	\$ -
728967	HOA Lot	\$ -	\$ -

Property ID	Lot Type	Outstanding Special Assessment	Installment Due 1/31/2021
728968	HOA Lot	\$ -	\$ -
728969	Residential Lot	\$ 40,035.97	\$ 3,319.86
728970	Residential Lot	\$ 40,035.97	\$ 3,319.86
728971	Residential Lot	\$ 40,035.97	\$ 3,319.86
728972	Residential Lot	\$ 40,035.97	\$ 3,319.86
728973	Residential Lot	\$ 40,035.97	\$ 3,319.86
728974	Residential Lot	\$ 40,035.97	\$ 3,319.86
728975	Residential Lot	\$ 40,035.97	\$ 3,319.86
728976	Residential Lot	\$ 40,035.97	\$ 3,319.86
728978	Residential Lot	\$ 40,035.97	\$ 3,319.86
728979	Residential Lot	\$ 40,035.97	\$ 3,319.86
728980	Residential Lot	\$ 40,035.97	\$ 3,319.86
728981	Residential Lot	\$ 40,035.97	\$ 3,319.86
728982	Residential Lot	\$ 40,035.97	\$ 3,319.86
728983	Residential Lot	\$ 40,035.97	\$ 3,319.86
728984	Residential Lot	\$ 40,035.97	\$ 3,319.86
728985	Residential Lot	\$ 40,035.97	\$ 3,319.86
728986	Residential Lot	\$ 40,035.97	\$ 3,319.86
728987	Residential Lot	\$ 40,035.97	\$ 3,319.86
728988	Residential Lot	\$ 40,035.97	\$ 3,319.86
728989	Residential Lot	\$ 40,035.97	\$ 3,319.86
728990	Residential Lot	\$ 40,035.97	\$ 3,319.86
728991	Residential Lot	\$ 40,035.97	\$ 3,319.86
728992	Residential Lot	\$ 40,035.97	\$ 3,319.86
728993	Residential Lot	\$ 40,035.97	\$ 3,319.86
728994	Residential Lot	\$ 40,035.97	\$ 3,319.86
728995	Residential Lot	\$ 40,035.97	\$ 3,319.86
728996	HOA Lot	\$ -	\$ -
728997	Residential Lot	\$ 40,035.97	\$ 3,319.86
728998	Residential Lot	\$ 40,035.97	\$ 3,319.86
728999	Residential Lot	\$ 40,035.97	\$ 3,319.86
729000	Residential Lot	\$ 40,035.97	\$ 3,319.86
729001	Residential Lot	\$ 40,035.97	\$ 3,319.86
729002	Residential Lot	\$ 40,035.97	\$ 3,319.86
729003	Residential Lot	\$ 40,035.97	\$ 3,319.86
729004	Residential Lot	\$ 40,035.97	\$ 3,319.86
729005	Residential Lot	\$ 40,035.97	\$ 3,319.86
729006	Residential Lot	\$ 40,035.97	\$ 3,319.86
729007	Residential Lot	\$ 40,035.97	\$ 3,319.86
729008	Residential Lot	\$ 40,035.97	\$ 3,319.86

Property ID	Lot Type	Outstanding Special Assessment	Installment Due 1/31/2021
729009	Residential Lot	\$ 40,035.97	\$ 3,319.86
729010	Residential Lot	\$ 40,035.97	\$ 3,319.86
729011	Residential Lot	\$ 40,035.97	\$ 3,319.86
729012	Residential Lot	\$ 40,035.97	\$ 3,319.86
729013	Residential Lot	\$ 40,035.97	\$ 3,319.86
729014	Residential Lot	\$ 40,035.97	\$ 3,319.86
729015	Residential Lot	\$ 40,035.97	\$ 3,319.86
729016	Residential Lot	\$ 40,035.97	\$ 3,319.86
729017	Residential Lot	\$ 40,035.97	\$ 3,319.86
729018	Residential Lot	\$ 40,035.97	\$ 3,319.86
729019	Residential Lot	\$ 40,035.97	\$ 3,319.86
729020	Residential Lot	\$ 40,035.97	\$ 3,319.86
729021	Residential Lot	\$ 40,035.97	\$ 3,319.86
729022	Residential Lot	\$ 40,035.97	\$ 3,319.86
729023	Residential Lot	\$ 40,035.97	\$ 3,319.86
729024	Residential Lot	\$ 40,035.97	\$ 3,319.86
729026	Residential Lot	\$ 40,035.97	\$ 3,319.86
729027	Residential Lot	\$ 40,035.97	\$ 3,319.86
729028	Residential Lot	\$ 40,035.97	\$ 3,319.86
729029	Residential Lot	\$ 40,035.97	\$ 3,319.86
729030	Residential Lot	\$ 40,035.97	\$ 3,319.86
729031	Residential Lot	\$ 40,035.97	\$ 3,319.86
729032	Residential Lot	\$ 40,035.97	\$ 3,319.86
729033	Residential Lot	\$ 40,035.97	\$ 3,319.86
729034	Residential Lot	\$ 40,035.97	\$ 3,319.86
729035	Residential Lot	\$ 40,035.97	\$ 3,319.86
729036	Residential Lot	\$ 40,035.97	\$ 3,319.86
729037	Residential Lot	\$ 40,035.97	\$ 3,319.86
729038	Residential Lot	\$ 40,035.97	\$ 3,319.86
729039	Residential Lot	\$ 40,035.97	\$ 3,319.86
729040	Residential Lot	\$ 40,035.97	\$ 3,319.86
729041	Residential Lot	\$ 40,035.97	\$ 3,319.86
729042	Residential Lot	\$ 40,035.97	\$ 3,319.86
770633	TxDOT ROW	\$ -	\$ -
770634	TxDOT ROW	\$ -	\$ -
<b>Total</b>		<b>\$ 5,565,000.00</b>	<b>\$ 461,461.20</b>

**EXHIBIT B – HOMEBUYER DISCLOSURE**

*[Remainder of page intentionally left blank.]*

## THE HIGHLANDS OF ARGYLE PID NO. 1: HOMEBUYER DISCLOSURE

NOTICE OF OBLIGATION TO PAY  
PUBLIC IMPROVEMENT DISTRICT ASSESSMENTS  
TOWN OF ARGYLE, TEXAS

CONCERNING THE PROPERTY AT:

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STREET ADDRESS

PRINCIPAL ASSESSMENT: \$40,035.97

As the purchaser of the real property located at the street address set forth above, you are obligated to pay assessments to Denton County Texas, for the costs of a portion of public improvements (the "*Authorized Improvements*") undertaken for the benefit of the property within "*The Highlands of Argyle Public Improvement District No. 1*" (the "*District*") created under Subchapter A, Chapter 372, Local Government Code, as amended.

**THE PRINCIPAL OF THE ASSESSMENT AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS IS \$40,035.97, WHICH MAY BE PAID IN FULL AT ANY TIME; HOWEVER, IF NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS WHICH WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, ADMINISTRATIVE EXPENSES, AND DELINQUENCY COSTS.**

An estimate of the annual installments is attached; **however, it is only an estimate and is subject to change**. The exact amount of the annual installments, including the annual installments thereof, will be approved each year by the Town 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 Town Secretary of the Town of Argyle.

Your failure to pay any assessment, or any annual installment thereof, may result in penalties and interest being added to what you owe and could result in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of the foregoing notice prior to the effective date of a binding contract for the purchase of the real property at the street address set forth above.

IN WITNESS WHEREOF, I have signed this certificate this \_\_\_\_\_, 20\_\_.

**PURCHASER:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF TEXAS §

§

COUNTY OF DENTON §

The foregoing instrument was acknowledged before me by \_\_\_\_\_, known to me to be the person whose name is 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

STATE OF TEXAS §

§

COUNTY OF DENTON §

The foregoing instrument was acknowledged before me by \_\_\_\_\_, known to me to be the person whose name is 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

## PROJECTED ANNUAL INSTALLMENTS

Installment Due 1/31	Principal	Interest	Additional Interest	Administrative Expenses	Annual Installment
2021	\$ 755.40	\$ 2,009.45	\$ 200.18	\$ 354.84	\$ 3,319.86
2022	\$ 791.37	\$ 1,977.34	\$ 196.40	\$ 361.94	\$ 3,327.05
2023	\$ 827.34	\$ 1,943.71	\$ 192.45	\$ 369.18	\$ 3,332.67
2024	\$ 863.31	\$ 1,908.55	\$ 188.31	\$ 376.56	\$ 3,336.73
2025	\$ 899.28	\$ 1,871.86	\$ 183.99	\$ 384.09	\$ 3,339.22
2026	\$ 935.25	\$ 1,833.63	\$ 179.50	\$ 391.78	\$ 3,340.16
2027	\$ 971.22	\$ 1,793.88	\$ 174.82	\$ 399.61	\$ 3,339.54
2028	\$ 1,007.19	\$ 1,752.61	\$ 169.96	\$ 407.60	\$ 3,337.37
2029	\$ 1,079.14	\$ 1,702.25	\$ 164.93	\$ 415.76	\$ 3,362.07
2030	\$ 1,115.11	\$ 1,648.29	\$ 159.53	\$ 424.07	\$ 3,347.01
2031	\$ 1,187.05	\$ 1,592.54	\$ 153.96	\$ 432.55	\$ 3,366.10
2032	\$ 1,223.02	\$ 1,533.19	\$ 148.02	\$ 441.20	\$ 3,345.43
2033	\$ 1,294.96	\$ 1,472.04	\$ 141.91	\$ 450.03	\$ 3,358.93
2034	\$ 1,366.91	\$ 1,407.29	\$ 135.43	\$ 459.03	\$ 3,368.65
2035	\$ 1,438.85	\$ 1,338.94	\$ 128.60	\$ 468.21	\$ 3,374.60
2036	\$ 1,510.79	\$ 1,267.00	\$ 121.40	\$ 477.57	\$ 3,376.77
2037	\$ 1,582.73	\$ 1,191.46	\$ 113.85	\$ 487.12	\$ 3,375.17
2038	\$ 1,654.68	\$ 1,112.32	\$ 105.94	\$ 496.87	\$ 3,369.80
2039	\$ 1,762.59	\$ 1,025.45	\$ 97.66	\$ 506.80	\$ 3,392.51
2040	\$ 1,834.53	\$ 932.91	\$ 88.85	\$ 516.94	\$ 3,373.23
2041	\$ 1,942.45	\$ 836.60	\$ 79.68	\$ 527.28	\$ 3,386.00
2042	\$ 2,050.36	\$ 734.63	\$ 69.96	\$ 537.82	\$ 3,392.77
2043	\$ 2,158.27	\$ 626.98	\$ 59.71	\$ 548.58	\$ 3,393.54
2044	\$ 2,266.19	\$ 513.67	\$ 48.92	\$ 559.55	\$ 3,388.33
2045	\$ 2,374.10	\$ 394.70	\$ 37.59	\$ 570.74	\$ 3,377.13
2046	\$ 2,517.99	\$ 270.06	\$ 25.72	\$ 582.16	\$ 3,395.92
2047	\$ 2,625.90	\$ 137.86	\$ 13.13	\$ 593.80	\$ 3,370.69
<b>Total</b>	<b>\$ 40,035.97</b>	<b>\$ 34,829.21</b>	<b>\$ 3,380.40</b>	<b>\$ 12,541.69</b>	<b>\$ 90,787.27</b>

**Notes:**

The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Administrative Expenses, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

## EXHIBIT C – DEBT SERVICE SCHEDULE

### DEBT SERVICE REQUIREMENTS

The following table sets forth the anticipated debt service requirements for the Bonds:

<u>Year Ending (September 30)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018		\$ 271,822.92	\$ 271,822.92
2019	\$ 100,000	287,812.50	387,812.50
2020	100,000	283,562.50	383,562.50
2021	105,000	279,312.50	384,312.50
2022	110,000	274,850.00	384,850.00
2023	115,000	270,175.00	385,175.00
2024	120,000	265,287.50	385,287.50
2025	125,000	260,187.50	385,187.50
2026	130,000	254,875.00	384,875.00
2027	135,000	249,350.00	384,350.00
2028	140,000	243,612.50	383,612.50
2029	150,000	236,612.50	386,612.50
2030	155,000	229,112.50	384,112.50
2031	165,000	221,362.50	386,362.50
2032	170,000	213,112.50	383,112.50
2033	180,000	204,612.50	384,612.50
2034	190,000	195,612.50	385,612.50
2035	200,000	186,112.50	386,112.50
2036	210,000	176,112.50	386,112.50
2037	220,000	165,612.50	385,612.50
2038	230,000	154,612.50	384,612.50
2039	245,000	142,537.50	387,537.50
2040	255,000	129,675.00	384,675.00
2041	270,000	116,287.50	386,287.50
2042	285,000	102,112.50	387,112.50
2043	300,000	87,150.00	387,150.00
2044	315,000	71,400.00	386,400.00
2045	330,000	54,862.50	384,862.50
2046	350,000	37,537.50	387,537.50
2047	<u>365,000</u>	<u>19,162.50</u>	<u>384,162.50</u>
<b>Total</b>	<b><u>\$5,765,000</u></b>	<b><u>\$5,684,447.92</u></b>	<b><u>\$11,449,447.92</u></b>

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**EXHIBIT D – NOTICE OF ASSESSMENT TERMINATION**



P3Works, LLC  
9284 Huntington Square, Suite 100  
North Richland Hills, TX 76182

[Date]

Denton County Clerk's Office  
Honorable [County Clerk Name]  
Denton County Courts Building  
1450 East McKinney St, Denton, TX 76209

**Re: Towns of Argyle Lien Release Documents for Filing**

Dear Ms./Mr. [County Clerk Name],

Enclosed is a lien release that the Towns of Argyle is requesting to be filed in your office. Lien release for [insert legal description]. Recording Numbers: [Plat]. Please forward copies of the filed documents below:

Towns of Argyle  
Attn: [Town Secretary]  
308 Denton Street  
P.O. Box 609  
Argyle, TX 76226

Please contact me if you have any questions or need additional information.

Sincerely,  
[Signature]

P3Works, LLC  
P: (817) 393-0353  
[admin@p3-works.com](mailto:admin@p3-works.com)

**AFTER RECORDING RETURN TO:**

[Town Secretary Name]  
308 Denton Street  
P.O. Box 609  
Argyle, TX 76226

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

**FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN**

STATE OF TEXAS §  
KNOW ALL MEN BY THESE PRESENTS: §  
COUNTY OF DENTON §

**THIS FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN** (this "Full Release") is executed and delivered as of the Effective Date by the Towns of Argyle, Texas, a Texas Type A general law municipality.

**RECITALS**

**WHEREAS**, the governing body (hereinafter referred to as the "Town Council") of the Towns of Argyle, Texas (hereinafter referred to as the "Town"), is authorized by Chapter 372, Texas Local Government Code, as amended (hereinafter referred to as the "Act"), to create public improvement districts within the corporate limits and extraterritorial jurisdiction of the Town; and

**WHEREAS**, on or about April 26, 2016, the Town Council for the Town, approved Resolution No. 2016-07, creating The Highlands of Argyle Public Improvement District No. 1; and

**WHEREAS**, The Highlands of Argyle Public Improvement District No. 1 consists of approximately 111.41 contiguous acres within the corporate limits of the Town; and

**WHEREAS**, on or about August 22, 2017, the Town Council approved Resolution No. 2017-16, (hereinafter referred to as the "Assessment Ordinance") approving a service and assessment plan and assessment roll for the Property within the Highlands of Argyle Public Improvement District No. 1; and

**WHEREAS**, the Assessment Ordinance imposed an assessment in the amount of [amount] (hereinafter referred to as the "Lien Amount") for the following property:

[legal description], a subdivision in Denton County, Texas, according to the map or plat of record in Document/Instrument No. \_\_\_\_\_ of the Plat Records of Denton County, Texas (hereinafter referred to as the "Property"); and

**WHEREAS**, the property owners of the Property have paid unto the Town the Lien Amount.

**RELEASE**

**NOW THEREFORE**, the Town, the owner and holder of the Lien, Instrument No. \_\_\_\_\_, in the Real Property Records of Denton County, Texas, in the amount of the Lien Amount against the Property releases and discharges, and by these presents does hereby release and discharge, the above-described Property from said lien held by the undersigned securing said indebtedness.

**EXECUTED** to be **EFFECTIVE** this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**TOWNS OF ARGYLE, TEXAS,**

A Texas Type A general law municipality,

By: \_\_\_\_\_

[Administrator Name], Town Administrator

**ATTEST:**

\_\_\_\_\_  
[Secretary Name], Town Secretary

**STATE OF TEXAS**                    §  
   §  
**COUNTY OF DENTON**            §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by [Administrator Name], Town Administrator for the Towns of Argyle, Texas, a Texas Type A general law municipality, on behalf of said municipality.

\_\_\_\_\_  
Notary Public, State of Texas