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Denton County
Juli Luke
County Clerk

Instrument Number: 131790

Real Property Recordings

ORDINANCE

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STATE OF TEXAS
COUNTY OF DENTON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

Juli Luke
County Clerk
Denton County, TX

**TOWN OF ARGYLE
ORDINANCE NO. 2022-16**

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 **Attachment 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 6TH DAY OF SEPTEMBER 2022.

APPROVED:



Bryan Livingston, Mayor

ATTEST:


Erika McComis, Town Secretary



ATTACHMENT "A"
THE HIGHLANDS OF ARGYLE PID #1
ANNUAL SERVICE PLAN UPDATE

THE HIGHLANDS OF ARGYLE
PUBLIC IMPROVEMENT DISTRICT NO. 1

2022 ANNUAL SERVICE AND ASSESSMENT PLAN UPDATE

SEPTEMBER 6, 2022

PREPARED FOR:
City of Argyle
308 Denton Street
Argyle, Texas 76226

PREPARED BY:
30 Three Sixty Public Finance, Inc.
5860 Owens Avenue, Suite 210
Carlsbad, CA 92008



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Exhibit A	Assessment Roll
Exhibit B	Form of PID Disclosure
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I. Introduction



The Highlands of Argyle Public Improvement District No. 1 (the "PID") was created pursuant to the Act by Resolution No. 2016-07 on April 26, 2016 by the Town of Argyle (the "Town") to finance certain Authorized Improvements for the benefit of the property in the PID. On August 22, 2017, the Town approved the Highlands of Argyle Public Improvement District No. 1 Service and Assessment Plan ("SAP") by adopting Ordinance No. 2017-16, which approved the levy of Special Assessments for Assessed Parcels within the PID and approved the Assessment Roll.

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. 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. Special assessment revenue bonds in the principal amount of \$5,765,000 were issued in September 2017 (the "Series 2017 Bonds") pursuant to Ordinance 2017-20 (the "Bond Ordinance") approved by the Town on August 22, 2017.

Pursuant to Sections 372.013, 372.014, and 372.016 of the PID Act, this update of the SAP (the "Annual Service and Assessment Plan Update" or "SAP Update") includes an update to the service plan, an update to the assessment plan, and an updated 2022 assessment roll (the "2022 Assessment Roll") identifying the assessments on each Assessed Parcel, based on the method of assessment set forth in the SAP and pursuant to this Annual Service and Assessment Plan Update.

II. Defined Terms



"Act" means the "Public Improvement District Assessment Act," being Chapter 372 "Improvement Districts in Municipalities and Counties," Subchapter A "Public Improvement Districts," Sections 372.001 through 372.041 of the Local Government Code of the State of Texas, as amended.

"Actual Costs" mean, with respect to Authorized Improvements, the actual costs paid or incurred by or on behalf of owners and developers of the Property: (1) to plan, finance, design, acquire, construct, install, and dedicate such improvements to the Town; (2) to prepare plans, specifications (including bid packages), contracts, and as-built drawings; (3) to obtain zoning, licenses, plan approvals, permits, inspections, and other governmental approvals; (4) to acquire easements and other right-of-way; (5) for third party professional consulting services including, but not limited to, engineering, surveying, geotechnical, land planning, architectural, landscaping, legal, accounting, and appraisals; (6) of labor, materials, equipment, fixtures, payment and performance bonds and other construction security, and insurance premiums; (7) of fees charged by the Town or any other political subdivision or governmental authority; and (8) to implement, administer, and manage the above-described activities including, but not limited to, a construction management fee equal to four percent (4%) of construction costs if managed by or on behalf of the owners or developers. Actual Costs shall not include general contractor's fees in an amount that exceeds a percentage equal to the percentage of work completed or construction management fees in an amount that exceeds an amount equal to the construction management fee amortized in approximately equal monthly installments over the term of the applicable construction management contract. Amounts expended for costs described in subsections (3), (4), (5), (7) above shall be excluded from the amount upon which the general contractor and construction management fees are calculated.

"Additional Interest" means the 0.50% additional interest charged on Special Assessments pursuant to Section 372.018 of the Act.

"Additional Interest Reserve" means the reserve account administered by the Town in accordance with the provisions of Section 6.7 of the Indenture and into which the Additional Interest is deposited.

"Additional Interest Requirement" means an amount equal to five and one-half percent (5.5%) of the principal amount of the outstanding PID Bonds.

"Administrative Expenses" mean the actual or budgeted costs and expenses related to the creation and operation of the PID, the issuance and sale of PID Bonds, and the construction of the Authorized Improvements, including, but not limited to, costs and expenses for: (1) the Administrator; (2) legal counsel, engineers, accounts, financial advisors, and other consultants engaged by the Town; (3) calculating, collecting, and maintaining records with respect to Special Assessments and Annual Installments; (4) preparing and maintaining records with respect to Assessment Rolls and Annual SAP Updates; (5) issuing, paying, and redeeming PID Bonds; (6) investing or depositing Special Assessments and Annual Installments; (7) complying with this SAP and the Act with respect to the issuance and sale of PID Bonds, including continuing disclosure requirements; (8) the paying agent/registrar and Trustee in connection with PID Bonds, including their respective legal counsel; and (9) administering the construction of the Authorized Improvements. Administrative Expenses collected but not expended in any year shall be carried forward and applied to reduce Administrative Expenses for subsequent years.

II. Defined Terms



"Administrator" means the person or independent firm designated by the Town Council to perform the duties and obligations of the "Administrator" in this SAP Update.

"Annual Installment" means the annual installment payments of a Special Assessment calculated by the Administrator and approved by the Town Council, including: (1) principal; (2) interest; (3) Administrative Expenses; and (4) the Additional Interest that funds Prepayment Costs and Delinquent Collection Costs.

"Annual Service Plan Update" means an update to the Service Plan prepared no less frequently than annually by the Administrator and approved by the Town Council.

"Assessed Parcel" means any Lot against which a Special Assessment is levied.

"Assessment Ordinance" means the ordinance adopted by the Town Council in accordance with the Act that levies the Special Assessments.

"Authorized Improvements" mean improvements authorized by Section 372.003 of the Act including those listed in Section III herein.

"Authorized Improvements Costs" mean the estimated costs of the Authorized Improvements as shown in Table III-3.

"Delinquent Collection Costs" mean, for a Lot, interest, penalties, and other costs and expenses authorized by the Act that directly or indirectly relate to the collection of delinquent Special Assessments, delinquent Annual Installments, or any other delinquent amounts due pursuant to the SAP and this SAP Update, including costs and expenses to foreclose liens.

"Final Plat" means the Final Plat of Lakes of Argyle.

"HOA Lots" means any portion of the Property owned by or dedicated to a homeowner or property owner association including, but not limited to Lot 36, Block A; Lot 1, Block B, Lot 1; Lot 2, Block C; Lot 1, Block E; Lot 20, Block F; Lot 1, Block G; Lot 1, Block H; Lot 1, Block L; Lot 1, Block M Lot 13; Lot 1, Block P; Block Q Lot 2; Lot 1, Block R; and Lot 2, Block S.

"Lot" means a portion of the Property described by "Lot" and "Block" on the Final Plat.

"Non-Benefited Property" means Lots (or any other portions of the Property) that receive no special benefit from the Authorized Improvements, including Public Property and the HOA Lots.

"Oversized Residential Lot" means the Lot shown as Lot 1, Block S on the Final Plat.

"Owner" means The Lakes of Argyle, LLC and any successor owner of the Property or any portion thereof.

"PID" is defined in Section I above.

II. Defined Terms



"PID Bonds" means the Town of Argyle, Texas, Special Assessment Revenue Bonds, Series 2017 (The Highlands of Argyle Public Improvement District No. 1 Project) secured by Special Assessments.

"PID Bond Indenture" means an Indenture of Trust, as the same may be amended from time to time, between the Town and the Trustee setting forth terms and conditions related to the PID Bonds.

"Prepayment Costs" mean, to the extent allowed by the Act: (1) interest, penalties, costs, and expenses, if any, resulting from the prepayment of a Special Assessment; and (2) third-party costs and expenses, if any, paid or incurred by the Town and resulting from the prepayment of a Special Assessment.

"Property" means approximately 111.41 acres within the corporate limits of the Town: (1) just southwest of the Old Town area; (2) south of Old Justin Road; (3) West of U.S. Highway 377 along and adjacent to the Texas & Pacific Railroad Company; and (4) north of Harpole Road.

"Public Property" means real property, whether conveyed or dedicated in fee simple, as an easement, license, or otherwise, to the Federal Government, to Denton County, to the Town, or to any other political subdivision, public or government agency, or public utility. Public Property includes the following public parkland to be dedicated to the Town: Lot 1, Block A; Lot 41, Block A; and Lot 1, Block C.

"Reimbursement Agreement" means the PID Reimbursement Agreement – The Highlands of Argyle Public Improvement District No. 1, effective August 8, 2017, between the Town and the Owner, as the developer of the Authorized Improvements.

"Residential Lots" mean the following 138 Lots as shown on the Final Plat: Lots 2-29, Block A; Lots 30-35, Block A; Lots 37-40, Block A; Lots 1-14, Block D; Block F; Lots 1-12; Lots 21-24, Block F; Lots 1-14, Block J; Lots 1-12, Block K; Lots 1-17, Block N; Lots 1-19, Block Q; and Lots 14-21, Block Q.

"Special Assessment" means an assessment levied against a Lot pursuant to the Act.

"Town Council" means the governing body of the Town.

"Trustee" means the trustee (or successor trustee) under a PID Bond Indenture.

"Zoning Ordinance" means Ordinance No. 2015-21 adopted by the Town Council on September 22, 2015.

Section 372.013 of the PID Act requires that the annual service plan update (i) define the annual indebtedness and the projected costs for the improvements and (ii) cover a period of at least five (5) years.

A. PID Indebtedness

The sources and uses of funds for the Series 2017 Bonds are shown below in Table III-1. Other than Refunding Bonds, the City has covenanted not to issue any additional bonds secured by the Assessments Special so long as the Series 2017 Bonds are outstanding. However, the City has reserved the right, subject to the provisions in the Indenture, to issue additional obligations under other indentures, assessment ordinances, or similar agreements or other obligations which do not constitute or create a lien on the trust estate for and are not payable by the revenues pledged to the Series 2017 Bonds.

TABLE III-1 TOWN OF ARGYLE THE HIGHLANDS OF ARGYLE PUBLIC IMPROVEMENT DISTRICT NO. 1 SERIES 2017 BONDS SOURCES AND USES OF FUNDS	
SOURCES OF FUNDS	
BOND PROCEEDS	\$5,765,000
USES OF FUNDS	
PROJECT FUND	\$4,686,965
DEBT SERVICE RESERVE	\$387,812
CAPITALIZED INTEREST	\$271,823
COSTS OF ISSUANCE	\$388,400
ADMINISTRATIVE FUND	\$30,000
TOTAL USES	\$5,765,000

Projected annual PID cashflows for the five-year period ending 2026 are shown in Table III-2 on the following page.



TABLE III-2					
TOWN OF ARGYLE					
THE HIGHLANDS OF ARGYLE PUBLIC IMPROVEMENT DISTRICT NO. 1					
SERIES 2017 BONDS					
PROJECTED FIVE-YEAR PID CASHFLOWS					
DESCRIPTION	TAX YEAR				
	2022	2023	2024	2025	2026
REVENUES					
ANNUAL INSTALLMENTS	\$463,241	\$463,805	\$464,152	\$464,282	\$464,196
CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	\$463,241	\$463,805	\$464,152	\$464,282	\$464,196
EXPENDITURES					
SERIES 2017 BONDS DEBT SERVICE					
PRINCIPAL	\$115,000	\$120,000	\$125,000	\$130,000	\$135,000
INTEREST	\$270,175	\$265,288	\$260,188	\$254,875	\$249,350
ADDITIONAL INTEREST RESERVE	\$26,750	\$26,175	\$25,575	\$24,950	\$24,300
ADMINISTRATIVE EXPENSES	\$51,316	\$52,342	\$53,389	\$54,457	\$55,546
TOTAL EXPENDITURES	\$463,241	\$463,805	\$464,152	\$464,282	\$464,196

B. Description of Authorized Improvements

The Authorized Improvements consist of the on-site and off-site public infrastructure necessary for the development of The Highlands. The Authorized Improvements include, but are not limited to, the following:

- Street improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, handicapped ramps, and street lights;
- Sanitary sewer improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, and testing;
- Storm drainage improvements including earthen channels, swales, curb and drop inlets, RCP piping and boxes, headwalls, concrete flumes, rock rip rap, and concrete outfalls;
- Open space improvements within the common area including subgrade compaction, reinforcing steel, and concrete; and
- Soft costs related to designing, constructing, and installing the Authorized Improvements including land planning and design, city fees, engineering, soil testing, survey, construction management, legal, special assessment consulting and contingency.

C. Projected Authorized Improvements Costs

The Authorized Improvements Costs are shown in Table III-3 below.

TABLE III-3 TOWN OF ARGYLE THE HIGHLANDS OF ARGYLE PUBLIC IMPROVEMENT DISTRICT NO. 1 SERIES 2017 BONDS AUTHORIZED IMPROVEMENTS COSTS	
IMPROVEMENT DESCRIPTION	COST
STREET IMPROVEMENTS	\$2,000,000
SANITARY SEWER IMPROVEMENTS	\$816,000
STORM DRAINAGE IMPROVEMENTS	\$1,142,000
OPEN SPACE IMPROVEMENTS	\$340,000
SOFT COSTS	\$454,000
FINANCING COSTS	\$1,078,035
PRINCIPAL ASSESSED	\$5,830,035

The Act allows the Town Council to apportion the PID costs on the basis of special benefit conferred upon the property because of the Authorized Improvements. The Act provides that such costs may be apportioned: (i) equally per front foot or square foot; (ii) according to the value of property as determined by the Town Council, with or without regard to improvements constructed on the property; or (iii) in any other manner approved by the Town Council that results in imposing equal shares of such costs on property similarly benefited. The Act further provides that the Town Council may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

A. Allocation of Authorized Improvements Costs and Special Assessments

The Town Council, acting in its legislative capacity based on information provided by the Owner and its engineer and reviewed by the Town staff and by third-party consultants retained by the Town, and taking into consideration that the Residential Lots are similar in size and uses, has found and determined that each Residential Lot receives the same special benefit from the Authorized Improvements as every other Residential Lot and as the Oversized Residential Lot. Therefore, the Authorized Improvement Costs are apportioned equally among the one hundred thirty-eight (138) Residential Lots and one (1) Oversized Residential Lot and based on the benefits conferred on the Residential Lots and the Oversized Residential Lot by such Authorized Improvements, the maximum Special Assessment per Residential Lot is the same as shown in Table IV-1 below.

TABLE IV-1		
TOWN OF ARGYLE		
THE HIGHLANDS OF ARGYLE PID No. 1		
ALLOCATION OF ASSESSMENTS		
	AUTHORIZED IMPROVEMENTS COSTS	SPECIAL ASSESSMENT
AUTHORIZED IMPROVEMENTS COSTS	\$5,830,035	\$5,765,000
LOTS	139	139
ASSESSMENTS	\$41,943	\$41,475

B. Special Assessments

Annual Installments are calculated and collected each year in an amount sufficient to pay the principal and interest on the PID Bonds, Administrative Expenses, and the Additional Interest. Annual Installments shall be collected by the Town in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the Act and in the same manner as ad valorem taxes for the Town. The Town Council may provide for other means of collecting Annual Installments. Special Assessments shall have the lien priority specified in the Act.

1. Calculation of Annual Installments

The calculation of the 2022 Annual Installments is shown in Table IV-2 below. The updated Assessment Roll listing each Assessed Parcel and the corresponding schedule of Annual Installments are attached as Exhibit A.

TABLE IV-2			
TOWN OF ARGYLE			
THE HIGHLANDS OF ARGYLE PUBLIC IMPROVEMENT DISTRICT NO. 1			
SERIES 2017 BONDS			
2022 ANNUAL INSTALLMENTS			
		TOTAL	PER LOT
REVENUES			
ANNUAL INSTALLMENTS		\$463,241	\$3,332.67
CAPITALIZED INTEREST		\$0	\$0.00
TOTAL REVENUE		\$463,241	\$3,332.67
EXPENDITURES			
SERIES 2017 BONDS DEBT SERVICE			
PRINCIPAL		\$115,000	\$827.34
INTEREST		\$270,175	\$1,943.71
PREPAYMENT AND DELINQUENCY RESERVE		\$26,750	\$192.45
ADMINISTRATIVE EXPENSES		\$51,316	\$369.18
TOTAL EXPENDITURES		\$463,241	\$3,332.67

C. Optional Prepayment of Special Assessments

No optional prepayments of Special Assessments, in full or in part, have been received to-date. The procedure for optional Special Assessment prepayments is described below.

1. Procedure for Optional Special Assessment Prepayment

The owner of Assessed Property may pay, at any time, all or any part of a Special Assessment in accordance with the Act. Prepayment Costs, if any, may be paid from capitalized interest or from the Additional Interest Reserve. If an Annual Installment has been billed prior to payment, the Annual Installment shall be due and payable and shall be credited against the payment.

If a Special Assessment is paid in full, with interest: (1) the Administrator shall cause the Special Assessment to be reduced to zero and the Assessment Roll to be revised accordingly; (2) the

Administrator shall cause the revised Assessment Roll to be approved by the Town Council as part of the next Annual Service Plan Update; (3) the obligation to pay the Special Assessment and corresponding Annual Installments shall terminate; and (4) the Town shall provide the owner with a recordable "Notice of PID Assessment Termination."

If a Special Assessment is paid in part, with interest: (1) the Administrator shall cause the Special Assessment to be reduced and the Assessment Roll revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the Town Council as part of the next Annual Service Plan Update; and (3) the obligation to pay the Special Assessment and corresponding Annual Installments shall be reduced.

D. Mandatory Prepayment of Special Assessments

If Assessed Property is transferred to a person or entity that is exempt from payment of the Special Assessment, the owner transferring the Assessed Property shall pay the full amount of the Special Assessment, plus Prepayment Costs and Delinquent Collection Costs to the Town, prior to the transfer. If the owner of Assessed Property causes the Assessed Property to become Non-Benefited Property, the owner causing the change in status shall pay the full amount of the Special Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the change in status.

If, as a result of any replat, the Special Assessment against a replatted Lot exceeds the sum of the Special Assessments before the replat, then prior to recording the replat the Administrator shall be paid the amount by which the Special Assessment for the replatted Lot exceeds the sum of the Special Assessments before the replat. The replat shall not be recorded without a letter from the Administrator confirming that the payment has been made.

E. Reduction of Assessments

If the Actual Costs of completed Authorized Improvements funded with the net proceeds of PID Bonds are less than the Actual Costs used to calculate the Special Assessments securing the PID Bonds or obligations under the Reimbursement Agreement, the Town Council shall reduce each Special Assessment securing the PID Bonds or obligations under the Reimbursement Agreement on a pro-rata basis such that the sum of the resulting reduced Special Assessments for all Assessed Properties equals the reduced Actual Costs. Excess bond proceeds shall be applied to redeem outstanding PID Bonds. The Special Assessments shall not, however, be reduced to an amount less than the outstanding PID Bonds or amounts required to pay obligations under the Reimbursement Agreement.

If the Town does not undertake some of the Authorized Improvements to be funded with the net proceeds of PID Bonds, the Town Council shall reduce each Special Assessment securing the PID Bonds on a pro-rata basis to reflect the Actual Costs that were expended. Excess PID Bond proceeds shall be applied to redeem outstanding PID Bonds. The Special Assessments shall not; however, be reduced to an amount less than the outstanding PID Bonds.

The Administrator shall update (and submit to the Town Council for review and approval as part of the next Annual Service Plan Update) the Assessment Roll and corresponding Annual Installments to reflect the reduced Special Assessments.

F. Reallocation of Assessments

The PID includes one-hundred thirty-eight (139) single family lots located in the Final Plat of Lakes of Argyle which was filed and recorded with the County on February 23, 2018. The Special Assessments have been reallocated to the lots therein pursuant to the methodology described in Section F.1 below.

1. Assessment Reallocation Methodology

If Lots are not platted in accordance with the Final Plat, the Special Assessments and Annual Installments shall be determined by the Administrator (and approved by the Town Council in the next Annual Service Plan Update) in an equitable manner consistent with the Act and consistent with intent of this SAP to have uniform Special Assessments for the Residential Lots.

If a Lot is divided, the Administrator shall allocate the Special Assessment against the Lot before the division to the newly created Lots in an equitable manner determined by the Administrator and approved by the Town Council in the next Annual Service Plan Update.

If two or more Lots are consolidated, the Administrator shall allocate the Special Assessments against the Lots before the consolidation to the consolidated Lot, which allocation shall be approved by the Town Council in the next Annual Service Plan Update.

If, as a result of any replat, the Special Assessment against a replatted Lot exceeds the sum of the Special Assessments before the replat, then prior to recording the replat the Administrator shall be paid the amount by which the Special Assessment for the replatted Lot exceeds the sum of the Special Assessments before the replat. The replat shall not be recorded without a letter from the Administrator confirming that the payment has been made.

The reallocation of a Special Assessment against a Lot after the Lot has been designated as a homestead under Texas law may not exceed the Special Assessment against the homestead Lot prior to the reallocation.

EXHIBIT A

ASSESSMENT ROLL

The Highlands of Argyle PID
Series 2017
Project No. 1

Property ID	Plat	Block	Lot	Lot Type	Tax Year	Bond Year	Original Principal	Outstanding Principal	2022 Annual Installment
728885	The Highlands	F	1	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728886	The Highlands	F	2	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728887	The Highlands	F	3	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728888	The Highlands	F	4	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728889	The Highlands	F	5	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728890	The Highlands	F	6	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728891	The Highlands	F	7	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728892	The Highlands	F	8	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728893	The Highlands	F	9	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728894	The Highlands	F	10	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728895	The Highlands	F	11	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728896	The Highlands	F	12	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728897	The Highlands	F	13	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728898	The Highlands	F	14	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728899	The Highlands	F	15	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728900	The Highlands	F	16	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728901	The Highlands	F	17	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728902	The Highlands	F	18	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728903	The Highlands	F	19	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728905	The Highlands	F	21	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728906	The Highlands	F	22	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728907	The Highlands	F	23	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728908	The Highlands	F	24	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728911	The Highlands	Q	14	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728912	The Highlands	Q	15	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728913	The Highlands	Q	16	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728914	The Highlands	Q	17	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728915	The Highlands	Q	18	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67

The Highlands of Argyle PID
Series 2017
Project No. 1

Property ID	Plat	Block	Lot	Lot Type	Tax Year	Bond Year	Original Principal	Outstanding Principal	2022 Annual Installment
728916	The Highlands	Q	19	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728917	The Highlands	Q	20	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728918	The Highlands	Q	21	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728919	The Highlands	Q	1	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728920	The Highlands	Q	2	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728921	The Highlands	Q	3	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728922	The Highlands	Q	4	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728923	The Highlands	Q	5	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728924	The Highlands	Q	6	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728925	The Highlands	Q	7	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728926	The Highlands	Q	8	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728927	The Highlands	Q	9	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728928	The Highlands	Q	10	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728929	The Highlands	Q	11	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728930	The Highlands	C	12	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728933	The Highlands	A	30	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728934	The Highlands	A	31	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728935	The Highlands	A	32	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728936	The Highlands	A	33	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728937	The Highlands	A	34	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728938	The Highlands	A	35	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728940	The Highlands	A	36	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728941	The Highlands	A	37	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728942	The Highlands	A	38	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728943	The Highlands	A	39	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728947	The Highlands	R	1	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728948	The Highlands	D	1	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728949	The Highlands	D	2	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728950	The Highlands	D	3	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67

The Highlands of Argyle PID
Series 2017
Project No. 1

Property ID	Plat	Block	Lot	Lot Type	Tax Year	Bond Year	Original Principal	Outstanding Principal	2022 Annual Installment
728951	The Highlands	D	4	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728952	The Highlands	D	5	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728953	The Highlands	D	6	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728954	The Highlands	D	7	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728955	The Highlands	D	8	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728956	The Highlands	D	9	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728957	The Highlands	D	10	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728958	The Highlands	D	11	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728959	The Highlands	D	12	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728960	The Highlands	D	13	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728961	The Highlands	D	14	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728969	The Highlands	J	1	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728970	The Highlands	J	2	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728971	The Highlands	J	3	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728972	The Highlands	J	4	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728973	The Highlands	J	5	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728974	The Highlands	J	6	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728975	The Highlands	J	7	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728976	The Highlands	J	8	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728978	The Highlands	J	9	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728979	The Highlands	J	10	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728980	The Highlands	J	11	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728981	The Highlands	J	12	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728982	The Highlands	J	13	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728983	The Highlands	J	14	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728984	The Highlands	K	1	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728985	The Highlands	K	2	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728986	The Highlands	K	3	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728987	The Highlands	K	4	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67

The Highlands of Argyle PID
Series 2017
Project No. 1

Property ID	Plat	Block	Lot	Lot Type	Tax Year	Bond Year	Original Principal	Outstanding Principal	2022 Annual Installment
728988	The Highlands	K	5	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728989	The Highlands	K	6	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728990	The Highlands	K	7	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728991	The Highlands	K	8	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728992	The Highlands	K	9	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728993	The Highlands	K	10	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728994	The Highlands	K	11	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728995	The Highlands	K	12	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728997	The Highlands	A	2	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728998	The Highlands	A	3	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
728999	The Highlands	A	4	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729000	The Highlands	A	5	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729001	The Highlands	A	6	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729002	The Highlands	A	7	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729003	The Highlands	A	8	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729004	The Highlands	A	9	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729005	The Highlands	A	10	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729006	The Highlands	A	11	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729007	The Highlands	A	12	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729008	The Highlands	A	13	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729009	The Highlands	A	14	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729010	The Highlands	A	15	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729011	The Highlands	A	16	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729012	The Highlands	A	17	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729013	The Highlands	A	18	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729014	The Highlands	A	19	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729015	The Highlands	A	20	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729016	The Highlands	A	21	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729017	The Highlands	A	22	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67

The Highlands of Argyle PID
Series 2017
Project No. 1

Property ID	Plat	Block	Lot	Lot Type	Tax Year	Bond Year	Original Principal	Outstanding Principal	2022 Annual Installment
729018	The Highlands	A	23	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729019	The Highlands	A	24	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729020	The Highlands	A	25	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729021	The Highlands	A	26	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729022	The Highlands	A	27	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729023	The Highlands	A	28	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729024	The Highlands	A	29	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729026	The Highlands	N	1	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729027	The Highlands	N	2	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729028	The Highlands	N	3	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729029	The Highlands	N	4	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729030	The Highlands	N	5	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729031	The Highlands	N	6	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729032	The Highlands	N	7	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729033	The Highlands	N	8	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729034	The Highlands	N	9	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729035	The Highlands	N	10	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729036	The Highlands	N	11	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729037	The Highlands	N	12	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729038	The Highlands	N	13	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729039	The Highlands	N	14	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729040	The Highlands	N	15	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729041	The Highlands	N	16	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
729042	The Highlands	N	17	Residential	2022	2023	\$41,474.82	\$38,489.21	\$3,332.67
Parcel Count:					139	Totals:	\$5,765,000.00	\$5,350,000.00	\$463,240.86

EXHIBIT B

FORM OF PID DISCLOSURE

SECTION 5.014(A) NOTICE
(REQUIRED BEFORE CONTRACT EXECUTION)

THE HIGHLANDS OF ARGYLE PUBLIC IMPROVEMENT DISTRICT NO. 1 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

SECTION 5.014(A) NOTICE
(REQUIRED BEFORE CONTRACT EXECUTION)

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
TOWN OF ARGYLE, TEXAS
CONCERNING THE FOLLOWING PROPERTY

[INSERT PROPERTY ADDRESS]
PROPERTY ADDRESS

As the purchaser of the real property described above, you are obligated to pay assessments to the Town of Argyle, Texas, 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 Highlands of Argyle Public Improvement District No. 1 (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 Town of Argyle. The exact amount of each annual installment will be approved each year by the City Council of the Town of Argyle 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 of Argyle.

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.

**SECTION 5.014(A) NOTICE
(REQUIRED BEFORE CONTRACT EXECUTION)**

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: _____

DATE: _____

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: _____

DATE: _____

SIGNATURE OF SELLER

SIGNATURE OF SELLER

**SECTION 5.014(A) NOTICE
(REQUIRED BEFORE CONTRACT EXECUTION)**

TOWN OF ARGYLE THE HIGHLANDS OF ARGYLE PUBLIC IMPROVEMENT DISTRICT NO. 1 ESTIMATED ANNUAL INSTALLMENT SCHEDULE*						
TAX YEAR	PRINCIPAL	INTEREST	ADDITIONAL INTEREST	ADMINISTRATIVE EXPENSES	ANNUAL INSTALLMENT	YEAR END PRINCIPAL BALANCE
2021	\$791.37	\$1,977.34	\$196.40	\$361.94	\$3,327.05	\$38,489.21
2022	\$827.34	\$1,943.71	\$192.45	\$369.18	\$3,332.68	\$37,661.87
2023	\$863.31	\$1,908.54	\$188.31	\$376.56	\$3,336.72	\$36,798.56
2024	\$899.28	\$1,871.85	\$183.99	\$384.09	\$3,339.21	\$35,899.28
2025	\$935.25	\$1,833.63	\$179.50	\$391.78	\$3,340.16	\$34,964.03
2026	\$971.22	\$1,793.88	\$174.82	\$399.61	\$3,339.53	\$33,992.81
2027	\$1,007.19	\$1,752.61	\$169.96	\$407.60	\$3,337.36	\$32,985.62
2028	\$1,079.14	\$1,702.25	\$164.93	\$415.76	\$3,362.08	\$31,906.48
2029	\$1,115.11	\$1,648.29	\$159.53	\$424.07	\$3,347.00	\$30,791.37
2030	\$1,187.05	\$1,592.54	\$153.96	\$432.55	\$3,366.10	\$29,604.32
2031	\$1,223.02	\$1,533.18	\$148.02	\$441.20	\$3,345.42	\$28,381.30
2032	\$1,294.96	\$1,472.03	\$141.91	\$450.03	\$3,358.93	\$27,086.34
2033	\$1,366.91	\$1,407.28	\$135.43	\$459.03	\$3,368.65	\$25,719.43
2034	\$1,438.85	\$1,338.94	\$128.60	\$468.21	\$3,374.60	\$24,280.58
2035	\$1,510.79	\$1,267.00	\$121.40	\$477.57	\$3,376.76	\$22,769.79
2036	\$1,582.73	\$1,191.46	\$113.85	\$487.12	\$3,375.16	\$21,187.06
2037	\$1,654.68	\$1,112.32	\$105.94	\$496.87	\$3,369.81	\$19,532.38
2038	\$1,762.59	\$1,025.45	\$97.66	\$506.80	\$3,392.50	\$17,769.79
2039	\$1,834.53	\$932.91	\$88.85	\$516.94	\$3,373.23	\$15,935.26
2040	\$1,942.45	\$836.60	\$79.68	\$527.28	\$3,386.01	\$13,992.81
2041	\$2,050.36	\$734.62	\$69.96	\$537.82	\$3,392.76	\$11,942.45
2042	\$2,158.27	\$626.98	\$59.71	\$548.58	\$3,393.54	\$9,784.18
2043	\$2,266.19	\$513.67	\$48.92	\$559.55	\$3,388.33	\$7,517.99
2044	\$2,374.10	\$394.69	\$37.59	\$570.74	\$3,377.12	\$5,143.89
2045	\$2,517.99	\$270.05	\$25.72	\$582.16	\$3,395.92	\$2,625.90
2046	\$2,625.90	\$137.86	\$13.13	\$593.80	\$3,370.69	\$0.00
TOTAL	\$39,280.58	\$32,819.68	\$3,180.22	\$12,186.85	\$87,467.33	

*Subject to change.

SECTION 5.0143 NOTICE

(REQUIRED AT CLOSING AND MUST BE RECORDED IN DENTON COUNTY DEED OF RECORDS)

AFTER RECORDING RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
TOWN OF ARGYLE, TEXAS
CONCERNING THE FOLLOWING PROPERTY

[INSERT PROPERTY ADDRESS]

PROPERTY ADDRESS

As the purchaser of the real property described above, you are obligated to pay assessments to the Town of Argyle, Texas, 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 Arcadia Farms 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 Town of Argyle. The exact amount of each annual installment will be approved each year by the City Council of the Town of Argyle 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 of Argyle.

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.

SECTION 5.0143 NOTICE

(REQUIRED AT CLOSING AND MUST BE RECORDED IN DENTON COUNTY DEED OF RECORDS)

The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: _____

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.

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

Notary Public, State of Texas

SECTION 5.0143 NOTICE

(REQUIRED AT CLOSING AND MUST BE RECORDED IN DENTON COUNTY DEED OF RECORDS)

TOWN OF ARGYLE						
THE HIGHLANDS OF ARGYLE PUBLIC IMPROVEMENT DISTRICT No. 1						
ESTIMATED ANNUAL INSTALLMENT SCHEDULE*						
TAX YEAR	PRINCIPAL	INTEREST	ADDITIONAL INTEREST	ADMINISTRATIVE EXPENSES	ANNUAL INSTALLMENT	YEAR END PRINCIPAL BALANCE
2021	\$791.37	\$1,977.34	\$196.40	\$361.94	\$3,327.05	\$38,489.21
2022	\$827.34	\$1,943.71	\$192.45	\$369.18	\$3,332.68	\$37,661.87
2023	\$863.31	\$1,908.54	\$188.31	\$376.56	\$3,336.72	\$36,798.56
2024	\$899.28	\$1,871.85	\$183.99	\$384.09	\$3,339.21	\$35,899.28
2025	\$935.25	\$1,833.63	\$179.50	\$391.78	\$3,340.16	\$34,964.03
2026	\$971.22	\$1,793.88	\$174.82	\$399.61	\$3,339.53	\$33,992.81
2027	\$1,007.19	\$1,752.61	\$169.96	\$407.60	\$3,337.36	\$32,985.62
2028	\$1,079.14	\$1,702.25	\$164.93	\$415.76	\$3,362.08	\$31,906.48
2029	\$1,115.11	\$1,648.29	\$159.53	\$424.07	\$3,347.00	\$30,791.37
2030	\$1,187.05	\$1,592.54	\$153.96	\$432.55	\$3,366.10	\$29,604.32
2031	\$1,223.02	\$1,533.18	\$148.02	\$441.20	\$3,345.42	\$28,381.30
2032	\$1,294.96	\$1,472.03	\$141.91	\$450.03	\$3,358.93	\$27,086.34
2033	\$1,366.91	\$1,407.28	\$135.43	\$459.03	\$3,368.65	\$25,719.43
2034	\$1,438.85	\$1,338.94	\$128.60	\$468.21	\$3,374.60	\$24,280.58
2035	\$1,510.79	\$1,267.00	\$121.40	\$477.57	\$3,376.76	\$22,769.79
2036	\$1,582.73	\$1,191.46	\$113.85	\$487.12	\$3,375.16	\$21,187.06
2037	\$1,654.68	\$1,112.32	\$105.94	\$496.87	\$3,369.81	\$19,532.38
2038	\$1,762.59	\$1,025.45	\$97.66	\$506.80	\$3,392.50	\$17,769.79
2039	\$1,834.53	\$932.91	\$88.85	\$516.94	\$3,373.23	\$15,935.26
2040	\$1,942.45	\$836.60	\$79.68	\$527.28	\$3,386.01	\$13,992.81
2041	\$2,050.36	\$734.62	\$69.96	\$537.82	\$3,392.76	\$11,942.45
2042	\$2,158.27	\$626.98	\$59.71	\$548.58	\$3,393.54	\$9,784.18
2043	\$2,266.19	\$513.67	\$48.92	\$559.55	\$3,388.33	\$7,517.99
2044	\$2,374.10	\$394.69	\$37.59	\$570.74	\$3,377.12	\$5,143.89
2045	\$2,517.99	\$270.05	\$25.72	\$582.16	\$3,395.92	\$2,625.90
2046	\$2,625.90	\$137.86	\$13.13	\$593.80	\$3,370.69	\$0.00
TOTAL	\$39,280.58	\$32,819.68	\$3,180.22	\$12,186.85	\$87,467.33	

*Subject to change.

EXHIBIT C

DEBT SERVICE SCHEDULE

TOWN OF ARGYLE
THE HIGHLANDS OF ARGYLE PUBLIC IMPROVEMENT DISTRICT No. 1
SERIES 2017 BONDS
DEBT SERVICE SCHEDULE

DATE	COUPON	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL BALANCE
09/01/18	4.25%	\$0.00	\$271,822.92	\$271,822.92	\$5,765,000.00
09/01/19	4.25%	\$100,000.00	\$287,812.50	\$387,812.50	\$5,665,000.00
09/01/20	4.25%	\$100,000.00	\$283,562.50	\$383,562.50	\$5,565,000.00
09/01/21	4.25%	\$105,000.00	\$279,312.50	\$384,312.50	\$5,460,000.00
09/01/22	4.25%	\$110,000.00	\$274,850.00	\$384,850.00	\$5,350,000.00
09/01/23	4.25%	\$115,000.00	\$270,175.00	\$385,175.00	\$5,235,000.00
09/01/24	4.25%	\$120,000.00	\$265,287.50	\$385,287.50	\$5,115,000.00
09/01/25	4.25%	\$125,000.00	\$260,187.50	\$385,187.50	\$4,990,000.00
09/01/26	4.25%	\$130,000.00	\$254,875.00	\$384,875.00	\$4,860,000.00
09/01/27	4.25%	\$135,000.00	\$249,350.00	\$384,350.00	\$4,725,000.00
09/01/28	5.00%	\$140,000.00	\$243,612.50	\$383,612.50	\$4,585,000.00
09/01/29	5.00%	\$150,000.00	\$236,612.50	\$386,612.50	\$4,435,000.00
09/01/30	5.00%	\$155,000.00	\$229,112.50	\$384,112.50	\$4,280,000.00
09/01/31	5.00%	\$165,000.00	\$221,362.50	\$386,362.50	\$4,115,000.00
09/01/32	5.00%	\$170,000.00	\$213,112.50	\$383,112.50	\$3,945,000.00
09/01/33	5.00%	\$180,000.00	\$204,612.50	\$384,612.50	\$3,765,000.00
09/01/34	5.00%	\$190,000.00	\$195,612.50	\$385,612.50	\$3,575,000.00
09/01/35	5.00%	\$200,000.00	\$186,112.50	\$386,112.50	\$3,375,000.00
09/01/36	5.00%	\$210,000.00	\$176,112.50	\$386,112.50	\$3,165,000.00
09/01/37	5.00%	\$220,000.00	\$165,612.50	\$385,612.50	\$2,945,000.00
09/01/38	5.25%	\$230,000.00	\$154,612.50	\$384,612.50	\$2,715,000.00
09/01/39	5.25%	\$245,000.00	\$142,537.50	\$387,537.50	\$2,470,000.00
09/01/40	5.25%	\$255,000.00	\$129,675.00	\$384,675.00	\$2,215,000.00
09/01/41	5.25%	\$270,000.00	\$116,287.50	\$386,287.50	\$1,945,000.00
09/01/42	5.25%	\$285,000.00	\$102,112.50	\$387,112.50	\$1,660,000.00
09/01/43	5.25%	\$300,000.00	\$87,150.00	\$387,150.00	\$1,360,000.00
09/01/44	5.25%	\$315,000.00	\$71,400.00	\$386,400.00	\$1,045,000.00
09/01/45	5.25%	\$330,000.00	\$54,862.50	\$384,862.50	\$715,000.00
09/01/46	5.25%	\$350,000.00	\$37,537.50	\$387,537.50	\$365,000.00
09/01/47	5.25%	\$365,000.00	\$19,162.50	\$384,162.50	\$0.00
TOTALS		\$5,765,000.00	\$5,412,625.00	\$11,177,625.00	