CREEKSHAW PUBLIC IMPROVEMENT DISTRICT – IMPROVEMENT AREA #2/MAJOR IMPROVEMENT AREA – LOT TYPE 5 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.

AFTER RECORDING[1] RETURN TO:

_____
_____
_____
_____
_____

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF ROYSE CITY, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
STREET ADDRESS

IMPROVEMENT AREA #2/MAJOR IMPROVEMENT AREA LOT TYPE 5
PRINCIPAL ASSESSMENT: $12,958.33

As the purchaser of the real property described above, you are obligated to pay assessments to City of Royse City, 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 ***Creekshaw 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 City of Royse City. The exact amount of each annual installment will be approved each year by the Royse City City Council in the annual service plan update for the District. More information about the assessments, including the amounts and due dates, may be obtained from City of Royse City.

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.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Rockwall County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[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. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

_____ _____

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

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][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Rockwall County.

[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][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Rockwall County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #2/MAJOR IMPROVEMENT AREA LOT TYPE 5

	Major Improvement Area Bonds		Improvement Area #2 Bonds				
Annual Installment Due 1/31	Principal	Interest[a]	Principal	Interest[b]	Additional Interest	Annual Collection Costs	Annual Installment[c]
2027	$ 107.02	$ 225.07	$ 135.11	$ 495.06	$ 64.79	$ 54.70	$ 1,081.75
2028	$ 113.70	$ 220.39	$ 139.12	$ 488.47	$ 63.58	$ 79.14	$ 1,104.41
2029	$ 113.70	$ 215.41	$ 151.16	$ 481.17	$ 62.32	$ 80.72	$ 1,104.49
2030	$ 120.39	$ 210.44	$ 156.51	$ 473.23	$ 60.99	$ 82.34	$ 1,103.90
2031	$ 127.08	$ 205.17	$ 163.20	$ 465.01	$ 59.61	$ 83.99	$ 1,104.06
2032	$ 133.77	$ 198.97	$ 171.23	$ 456.45	$ 58.16	$ 85.67	$ 1,104.24
2033	$ 140.46	$ 192.45	$ 179.25	$ 447.46	$ 56.63	$ 87.38	$ 1,103.63
2034	$ 147.15	$ 185.61	$ 189.95	$ 436.93	$ 55.03	$ 89.13	$ 1,103.79
2035	$ 153.84	$ 178.43	$ 200.66	$ 425.77	$ 53.35	$ 90.91	$ 1,102.95
2036	$ 160.52	$ 170.93	$ 214.03	$ 413.98	$ 51.58	$ 92.73	$ 1,103.77
2037	$ 167.21	$ 163.11	$ 227.41	$ 401.40	$ 49.70	$ 94.58	$ 1,103.42
2038	$ 173.90	$ 154.96	$ 242.12	$ 388.04	$ 47.73	$ 96.47	$ 1,103.23
2039	$ 180.59	$ 146.48	$ 258.18	$ 373.82	$ 45.65	$ 98.40	$ 1,103.12
2040	$ 187.28	$ 137.67	$ 274.23	$ 358.65	$ 43.46	$ 100.37	$ 1,101.66
2041	$ 200.66	$ 128.54	$ 286.27	$ 342.54	$ 41.15	$ 102.38	$ 1,101.53
2042	$ 207.34	$ 118.26	$ 307.67	$ 325.72	$ 38.71	$ 104.43	$ 1,102.14
2043	$ 220.72	$ 107.63	$ 322.39	$ 307.64	$ 36.14	$ 106.51	$ 1,101.04
2044	$ 234.10	$ 96.32	$ 339.78	$ 288.30	$ 33.42	$ 108.64	$ 1,100.57
2045	$ 240.79	$ 84.33	$ 366.53	$ 267.92	$ 30.55	$ 110.82	$ 1,100.93
2046	$ 254.16	$ 71.99	$ 387.93	$ 245.92	$ 27.52	$ 113.03	$ 1,100.56
2047	$ 267.54	$ 58.96	$ 410.67	$ 222.65	$ 24.31	$ 115.29	$ 1,099.42
2048	$ 280.92	$ 45.25	$ 437.43	$ 198.01	$ 20.91	$ 117.60	$ 1,100.12
2049	$ 294.29	$ 30.85	$ 465.52	$ 171.76	$ 17.32	$ 119.95	$ 1,099.70
2050	$ 307.67	$ 15.77	$ 494.95	$ 143.83	$ 13.52	$ 122.35	$ 1,098.10
2051	$ -	$ -	$ 921.68	$ 114.13	$ 9.51	$ 78.69	$ 1,124.01
2052	$ -	$ -	$ 980.54	$ 58.83	$ 4.90	$ 80.26	$ 1,124.53
Total	**$ 4,534.81**	**$ 3,362.99**	**$ 8,423.52**	**$ 8,792.68**	**$ 1,070.54**	**$ 2,496.49**	**$ 28,681.04**

Footnotes:

[a] Interest is calculated at 4.375%, 4.875% and 5.125% for bonds with a maturity of 9/15/2030, 9/15/2040 and 9/15/2050 respectively.

[b] Interest on the Improvement Area #2 Bonds is calculated at 4.875%, 5.250%, 5.875% and 6.000% for term bonds maturing on 9/15/2027, 9/15/2032, 9/15/2042 and 9/15/2052 respectively.

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