

**River Ridge Public Improvement District
Project Overview
Improvement Area #2 – Lot Type 2 – 50 FT Lot**

The River Ridge Public Improvement District (the “District”) was created by the City of Crandall City Council (the “City Council”) on June 1, 2020, pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the “Act”), and Resolution No. 060120 upon petition of the owners of the taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment within the District and the property owners who own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment by the District.

The District was created principally to finance certain public improvements (the “Authorized Improvements”) that specially benefit assessed property in the District. All of the property in the District is located within “River Ridge North” (the “Development”) of Crandall (the “City”) at the time of District creation.

The City issued the City of Crandall, Texas, Special Assessment Revenue Bonds, Series 2022 (River Ridge Public Improvement District Major Improvement Area Project) (the “Series 2022 Bonds”) in the aggregate amount of \$5,453,000 pursuant to the Act, Ordinance No. 101722E adopted by the City Council on October 17, 2022 and an Indenture of Trust dated as of November 1, 2022 between the City and Wilmington Trust, National Association, as trustee. Improvement Area #2 Parcels has a proportionate share of the Series 2022 Major Improvement Area Bonds to finance the cost of the Major Authorized Improvements.

On February 18, 2025, the City approved issuance of the City of Crandall, Texas Special Assessment Revenue Bonds, Series 2025 (River Ridge Public Improvement District Improvement Area #2 Project) (the “Improvement Area #2 Bonds”) in the aggregate principal amount of \$17,398,000 to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the public improvements provided for the benefit of the property in the PID. The Improvement Area #2 Bonds are secured by the Improvement Area #2 Assessments (the “Improvement Area #2 Assessments”).

The Series 2025 Bonds are payable from the Assessments levied against each parcel of Assessed Property within the District pursuant to the Assessment Ordinance and in accordance with the Service and Assessment Plan. Additionally, as more fully described in the Service and Assessment Plan, the City has approved the Reinvestment Zone Number One, City of Crandall Reimbursement Agreement (the “TIRZ No. 1 Reimbursement Agreement”) relating to the River Ridge development. The City and Kaufman County (the “County”) have agreed, subject to the terms of the TIRZ No. 1 Reimbursement Agreement, to apply, respectively, 65% and 50% of the annual City and County ad valorem taxes collected for this property as an offset against the following year's Annual Installment of the Assessment. **Pursuant to the Updated Service and Assessment Plan and the TIRZ No. 1 Reimbursement Agreement, the TIRZ Annual Credit Amount shall not cause the overall tax rate, including City, County, Road and Bridge, Trinity Valley Community College, and Crandall ISD tax rates, and Annual Installments on a Parcel, to fall below \$3.0737 per \$100 of ad valorem taxable value, if feasible (the “PID Residential Assessment Paydown Rate”).**

All Assessments that are not paid in full will be billed in annual installments and collected each year by the City, or its designee, as provided in the Service and Assessment Plan. **Annual Installments are billed by the Kaufman County Tax Office and are due and payable as provided on the annual installment assessment bill.** Annual installments are expected to be billed and collected on the same schedule as property taxes. The Assessments, including the annual installments thereof, are (a) a first and prior lien against the property assessed, superior to all other liens and claims except liens or claims for state, county, school district or other political subdivision ad valorem property taxes, whether now

or hereafter payable, and (b) a personal liability of and charge against the owners of the property to the extent of their ownership regardless of whether the owners are named.

More information concerning the District, the Assessments and the due dates of the Annual Installments of the Assessments may be obtained from MuniCap, Inc., the District Administrator for the City, located at 600 E. John Carpenter Freeway, Suite 150, Irving, Texas 75062 and available by telephone at (469) 490-2800 or (866) 648-8482 (toll free) and email at txpid@municap.com.

FAILURE TO PAY THE ASSESSMENTS LEVIED AGAINST ASSESSED PROPERTY, INCLUDING THE ANNUAL INSTALLMENT THEREOF, COULD RESULT IN FORECLOSURE OF SUCH PROPERTY.

PID Assessment Notice

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

[insert property address]

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Crandall, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the River Ridge 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 City. The exact amount of each annual installment will be approved each year by the City Council in the Annual Service Plan Update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City or MuniCap, Inc., the District Administrator for the City, located at 600 E. John Carpenter Fwy, Suite 150, Irving, Texas 75062 and available by telephone at (469) 490-2800 or (866) 648-8482 (toll free) and email at txpid@municap.com.

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

Date: _____

Signature of Seller

Signature of Seller

STATE OF TEXAS §

§

COUNTY OF _____ §

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The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

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

Notary Public, State of Texas

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

Date: _____

Signature of Purchaser

Signature of Purchaser

STATE OF TEXAS

§

COUNTY OF _____

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The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

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

Notary Public, State of Texas

**River Ridge Public Improvement District
Summary of Projected Annual Installments
Improvement Area #2**

Lot Size
Assessment
Total Equivalent Units

50 Ft
\$59,286
0.96

Year ¹	Cumulative Outstanding Principal	IA #2 Bond Principal ²	IA #2 Bond Interest ²	MIA Bond Principal ³	MIA Bond Interest ³	Administrative Expenses ⁴	Total Annual Installment ⁵
2025	\$59,286	\$742	\$2,961	\$116	\$530	\$228	\$4,578
2026	\$58,427	\$775	\$2,926	\$122	\$540	\$234	\$4,596
2027	\$57,530	\$808	\$2,889	\$130	\$532	\$238	\$4,596
2028	\$56,593	\$843	\$2,851	\$137	\$523	\$243	\$4,597
2029	\$55,613	\$879	\$2,811	\$144	\$514	\$248	\$4,596
2030	\$54,590	\$917	\$2,769	\$152	\$504	\$253	\$4,595
2031	\$53,521	\$962	\$2,723	\$161	\$494	\$258	\$4,598
2032	\$52,399	\$1,006	\$2,675	\$169	\$484	\$263	\$4,598
2033	\$51,223	\$1,051	\$2,625	\$181	\$471	\$268	\$4,597
2034	\$49,991	\$1,098	\$2,572	\$193	\$458	\$274	\$4,596
2035	\$48,699	\$1,152	\$2,517	\$205	\$444	\$279	\$4,597
2036	\$47,343	\$1,214	\$2,451	\$218	\$430	\$285	\$4,598
2037	\$45,910	\$1,280	\$2,381	\$233	\$414	\$291	\$4,598
2038	\$44,398	\$1,348	\$2,308	\$247	\$397	\$296	\$4,596
2039	\$42,803	\$1,422	\$2,230	\$264	\$379	\$302	\$4,597
2040	\$41,117	\$1,499	\$2,148	\$281	\$360	\$308	\$4,597
2041	\$39,337	\$1,579	\$2,062	\$300	\$339	\$314	\$4,596
2042	\$37,457	\$1,666	\$1,971	\$321	\$318	\$321	\$4,596
2043	\$35,470	\$1,758	\$1,876	\$342	\$294	\$327	\$4,596
2044	\$33,371	\$1,853	\$1,775	\$365	\$270	\$334	\$4,596
2045	\$31,153	\$1,953	\$1,668	\$390	\$243	\$340	\$4,595
2046	\$28,810	\$2,066	\$1,551	\$417	\$215	\$347	\$4,596
2047	\$26,327	\$2,185	\$1,427	\$445	\$185	\$354	\$4,595
2048	\$23,697	\$2,313	\$1,296	\$474	\$152	\$361	\$4,596
2049	\$20,910	\$2,446	\$1,157	\$507	\$118	\$368	\$4,596
2050	\$17,957	\$2,586	\$1,010	\$542	\$81	\$376	\$4,595
2051	\$14,829	\$2,737	\$855	\$579	\$42	\$383	\$4,596
2052	\$11,513	\$3,622	\$691	\$0	\$0	\$284	\$4,597
2053	\$7,891	\$3,833	\$473	\$0	\$0	\$290	\$4,596
2054	\$4,058	\$4,058	\$244	\$0	\$0	\$296	\$4,598
Total		\$51,652	\$59,893	\$7,634	\$9,731	\$8,965	\$137,875

- 1 - Example: Annual Installment billed during Year 2025 will be billed by the Kaufman County Tax Office on or around 11/30/25 and payment is due by 01/31/26.
2 - The principal and interest amounts represent the final numbers of the Series 2025 Bonds and will not increase during the life of the bonds. Interest amounts are calculated through the principal payment date of each year and include additional interest of one-half of one percent for debt service reserves.
3 - The principal and interest amounts are based on the Improvement Area #2's proportionate share of the River Ridge PID Series 2022 Major Improvement Area Bonds and will not increase during the life of the bonds. Interest amounts are calculated through the principal payment date of each year and include additional interest of one-half of one percent for debt service reserves.
4 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Update.
5 - Amounts shown do not include any TIRZ Credit, if applicable.

THIS SCHEDULE IS AN ESTIMATE OF ANNUAL INSTALLMENT PAYMENTS AND IS SUBJECT TO CHANGE. THE EXACT AMOUNT OF EACH ANNUAL INSTALLMENT WILL BE REFLECTED IN THE RIVER RIDGE PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN, AS THE SAME IS UPDATED EACH YEAR.

Property Owners may choose to prepay their Assessment at any time. Effective January 1, 2024, for any single-family residential parcel prepaying an Assessment, a \$500 fee will be included in the total payoff amount to cover processing and other lien release related filing expenses. If interested in prepaying an Assessment, please contact, MuniCap by telephone at (469) 490-2800 or email at txpid@municap.com.

River Ridge Public Improvement District (PID)
& Reinvestment Zone No. 1 (TIRZ)

The property in the PID is also located in the City of Crandall Tax Increment Reinvestment Zone No. 1. The City of Crandall and Kaufman County have committed to use a portion of their annual incremental ad valorem property taxes collected from a property in the current tax year as a credit (the “TIRZ Credit”) to reduce the PID annual installment of assessments due in the following year. **Pursuant to the Updated Service and Assessment Plan and the TIRZ No. 1 Reimbursement Agreement, the TIRZ Annual Credit Amount shall not cause the overall tax rate, including City, County, Road and Bridge, Trinity Valley Community College, and Crandall ISD tax rates, and Annual Installments on a Parcel, to fall below \$3.0737 per \$100 of ad valorem taxable value, if feasible (the “PID Residential Assessment Paydown Rate”).**

If a property owner is to receive a TIRZ Credit, the Annual Installment shown on their tax statement will be the projected Annual Installment shown in the attached schedule **LESS** any TIRZ Credit.

Please see below for a summary of the percentage of annual ad valorem tax that each participating taxing jurisdiction has committed:

Real Property Tax 2024 Tax Rates ¹ <i>(per \$100 of taxable value)</i>		Committed Participation Percentage ²	
City of Crandall	<i>\$0.650000</i>	65%	<i>\$0.422500</i>
Kaufman County	<i>\$0.279590</i>	50%	<i>\$0.139795</i>
	<i>\$0.929590</i>		<i>\$0.562295</i>

1 – The tax rates included in the table above reflect 2024 tax rates as reported on <https://kaufman-cad.org/wp-content/uploads/2024/10/2024-Tax-Rates.pdf>, which are subject to change.

2 – Committed participation percentages shown in the table above are as reported in the TIRZ No. 4 Project and Financing Plan.

For additional information regarding the exact amount of TIRZ Credit for a specific parcel, refer to the property search feature on the Municap website: <https://municap.clearbasinsystems.com/disclaimer>. The applicable amount of TIRZ Credit will be reviewed and approved each year by the City Council in the Annual Service Plan Update for the District.

More information about the TIRZ Credit may be obtained from MuniCap, Inc., available by telephone at (469) 490-2800 or (866) 648-8482 (toll free) and email at txpid@municap.com.