



RES. 2019-142R - 2019-7-18-
SANM_TRACE_2019 SAP UPDATE
2019 ANNUAL SERVICE PLAN UPDATE

AUGUST 6, 2019

INTRODUCTION

Capitalized terms used in this Annual Service Plan Update shall have the meanings set forth in the 2019 Annual Service Plan Update used for the issuance of PID Bonds.

The PID was created pursuant to the PID Act by Resolution No. 2015-145R on October 20, 2015 by the City Council of the City to finance certain Public Improvements for the benefit of the property in the PID.

On October 18, 2016, the City Council approved and adopted Ordinance No. 2016-42, which approved the Original SAP for the PID and levied \$11,175,000 in assessments on property within the PID.

On October 16, 2018, the City Council approved and adopted Ordinance No. 2018-38, which approved the 2018 SAP for the PID and levied \$10,925,000 in additional assessments on property within the PID, which was amended and restated by Ordinance 2018-51 dated December 12, 2018.

On January 29, 2019, the City Council approved and adopted Ordinance No. 2019-06, which approved the 2019 Annual Service Plan Update provides updated Annual Installments resulting from the issuance of the Initial PID Bonds.

This document is the annual update of the Service and Assessment Plan for 2019. This Annual Service Plan Update also updates the Assessment Roll for 2019.

LISTED EVENTS

There have been no listed events within the PID.

STATUS OF PUBLIC IMPROVEMENTS

The Public Improvements listed in the SAP are under construction and have an expected completion date of September 2019.

PARCEL SUBDIVISION

There have been no parcels subdivided since the 2019 Annual Service Plan Update used for the issuance of PID Bonds.

LOT AND HOME SALES UPDATE

According to the Quarterly Report Dated March 31, 2019, the PID Property consists of 1,007 Lots, 34 acres of multi-family, 42.9 acres of office and 21.4 acres of retail.

132 lots have closed to homebuilders and 148 are under contract with homebuilders. Pacesetter has 57 homes under construction, 21 homes fully constructed, 40 under contract with end-users and 20 closed to end-users. Buffington has 31 homes under construction, 12 homes fully constructed, 20 under contract with end-users and 12 closed to end-users.

Construction has not commenced on the multi-family, office or retail land uses.

See **Exhibit B** for Homebuyer Disclosures.

OUTSTANDING ASSESSMENT

The PID has a total outstanding Special Assessment of \$22,000,000.

ANNUAL INSTALLMENT DUE 1/31/2020

- **PID Bonds Principal and Interest** – The total PID Bond principal and interest required for the Annual Installment is \$846,300.00.
- **Reimbursement Obligation Principal and Interest** – The total Reimbursement Obligation principal and interest required for the Annual Installment is \$706,325.00.
- **Additional Interest** – The total Additional Interest Reserve Requirement, 0.5% interest charged on the Assessments, due is \$59,425.00.
- **Administrative Expenses** – The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of outstanding Assessment remaining on the Parcel. The total Administrative Expenses budgeted for the Annual Installment is \$40,800.00.

Due January 31, 2020	
<i>PID Bonds</i>	
Principal	\$ 185,000.00
Interest	\$ 661,300.00
	<u>\$ 846,300.00</u>
<i>Reimbursement Obligation</i>	
Principal	\$ 150,000.00
Interest	\$ 556,325.00
	<u>\$ 706,325.00</u>
Additional Interest	\$ 59,425.00
Administrative Expenses	\$ 40,800.00
Total Installment	\$ 1,652,850.00

See **Exhibit C** for the debt service schedule for the PID Bonds.

PREPAYMENT OF ASSESSMENTS IN FULL

No full prepayments have occurred within the PID.

PARTIAL PREPAYMENTS OF ASSESSMENTS

No partial prepayments have occurred within the PID.

BOND FUND

P3Works has reviewed the following bond accounts related to the PID as of June 30, 2019 and each account contains the amount shown below:

Bond Account	6/30/2019 Balance
Pledged Revenue Fund	\$0.00
Bond Pledged Revenue Account	\$0.00
Developer Reimbursement Pledged Revenue Account	\$0.00
Bond Fund	
Capitalized Interest Account	\$332,976.34
Principal and Interest Account	\$978.80
Project Fund	
Improvement Account	\$533,543.74
Costs of Issuance Account	\$18,204.87
Reserve Fund	
Reserve Account	\$853,302.74
Delinquency and Prepayment Reserve Account	\$ --
Redemption Fund	\$ --
Rebate Fund	\$ --
Administrative Fund	\$40,270.25
Reimbursement Fund	\$ --
Developer Property Tax Reserve Fund	\$1,602.80

BUDGET FOR CONSTRUCTION OF AUTHORIZED IMPROVEMENTS

The budget for the Authorized Improvements remains at \$22,386,420 as shown on the table below.

	Total [a]	Spent to Date [b]	% Complete
<i>Public Improvements</i>			
Street Improvements	\$ 7,754,853	\$ 2,255,873	29.09%
Drainage Improvements	1,705,146	524,980	30.79%
Erosion Control/Mobilization & General Conditions	755,205	468,161	61.99%
Water Line Distribution	975,464	623,574	63.93%
Wastewater	1,374,935	878,431	63.89%
Sewer Lift Station	5,315,712	1,741,719	32.77%
Landscaping	4,005,105	985,115	24.60%
Public Safety Facilities	500,000	-	0.00%
Total Public Improvements	\$ 22,386,420	\$ 9,649,257	43.10%

Footnotes:

[a] Per 2019 Annual Service Plan Update approved on January 29, 2019.

[b] Per the Draw #1 & Draw #2 Approved Certificate dated April 3, 2019.

SERVICE PLAN - FIVE YEAR BUDGET FORECAST

The PID Act requires the annual indebtedness and projected costs for the Public 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.

Installments Due	Total Annual Installments				
	1/31/2020	1/31/2021	1/31/2022	1/31/2023	1/31/2024
<i>PID Bonds</i>					
Principal	\$ 185,000	\$ 190,000	\$ 200,000	\$ 210,000	\$ 220,000
Interest	\$ 661,300	\$ 652,975	\$ 644,425	\$ 635,425	\$ 625,975
(1)	\$ 846,300	\$ 842,975	\$ 844,425	\$ 845,425	\$ 845,975
<i>Reimbursement Obligation</i>					
Principal	\$ 150,000	\$ 160,000	\$ 165,000	\$ 175,000	\$ 185,000
Interest	\$ 556,325	\$ 548,075	\$ 539,275	\$ 530,200	\$ 520,575
(2)	\$ 706,325	\$ 708,075	\$ 704,275	\$ 705,200	\$ 705,575
Additional Interest	(3) \$ 59,425	\$ 58,500	\$ 57,550	\$ 56,550	\$ 55,500
Administrative Expenses	(4) \$ 40,800	\$ 41,616	\$ 42,448	\$ 43,297	\$ 44,163
Total Annual Installment	(5) = (1) + (2) + (3) + (4) \$ 1,652,850	\$ 1,651,166	\$ 1,648,698	\$ 1,650,472	\$ 1,651,213

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 Parcels shown on the Assessment Roll will receive the bills for the 2019 Annual Installments which will be delinquent if not paid by January 31, 2020.

EXHIBIT A – ASSESSMENT ROLL

Property ID	Address	Lot Type	Outstanding Assessment	Installment Due 1/31/20
R155692	1036 ESPLANADE	1	\$ 8,734.73	\$ 656.24
R155693	1040 ESPLANADE	1	\$ 8,734.73	\$ 656.24
R155694	1044 ESPLANADE	1	\$ 8,734.73	\$ 656.24
R155695	1048 ESPLANADE	1	\$ 8,734.73	\$ 656.24
R155696	1052 ESPLANADE	1	\$ 8,734.73	\$ 656.24
R155697	1056 ESPLANADE	1	\$ 8,734.73	\$ 656.24
R155698	1060 ESPLANADE	1	\$ 8,734.73	\$ 656.24
R155699	1064 ESPLANADE	1	\$ 8,734.73	\$ 656.24
R155700	1068 ESPLANADE	1	\$ 8,734.73	\$ 656.24
R155701	1072 ESPLANADE	1	\$ 8,734.73	\$ 656.24
R155704	169 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155705	165 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155706	161 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155707	157 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155708	153 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155709	149 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155710	145 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155711	448 SPINY LIZARD	1	\$ 8,734.73	\$ 656.24
R155712	452 SPINY LIZARD	1	\$ 8,734.73	\$ 656.24
R155713	456 SPINY LIZARD	1	\$ 8,734.73	\$ 656.24
R155714	460 SPINY LIZARD	1	\$ 8,734.73	\$ 656.24
R155715	464 SPINY LIZARD	1	\$ 8,734.73	\$ 656.24
R155716	468 SPINY LIZARD	1	\$ 8,734.73	\$ 656.24
R155717	472 SPINY LIZARD	1	\$ 8,734.73	\$ 656.24
R155719	164 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155720	168 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155721	172 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155722	176 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155723	180 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155724	184 BOSQUE	1	\$ 8,734.73	\$ 656.24
R155728	248 HORSEMINT	3	\$ 11,804.63	\$ 886.88
R155729	240 HORSEMINT	3	\$ 11,804.63	\$ 886.88
R155730	236 HORSEMINT	3	\$ 11,804.63	\$ 886.88
R155731	232 HORSEMINT	3	\$ 11,804.63	\$ 886.88
R155732	228 HORSEMINT	3	\$ 11,804.63	\$ 886.88
R155733	224 HORSEMINT	3	\$ 11,804.63	\$ 886.88
R155734	220 HORSEMINT	3	\$ 11,804.63	\$ 886.88

Property ID	Address	Lot Type	Outstanding Assessment	Installment Due 1/31/20
R155735	216 HORSEMINT	3	\$ 11,804.63	\$ 886.88
R155736	212 HORSEMINT	3	\$ 11,804.63	\$ 886.88
R155737	208 HORSEMINT	3	\$ 11,804.63	\$ 886.88
R155738	204 HORSEMINT	3	\$ 11,804.63	\$ 886.88
R155739	152 SAGE MEADOWS	3	\$ 11,804.63	\$ 886.88
R155740	148 SAGE MEADOWS	3	\$ 11,804.63	\$ 886.88
R155741	144 SAGE MEADOWS	3	\$ 11,804.63	\$ 886.88
R155742	140 SAGE MEADOWS	3	\$ 11,804.63	\$ 886.88
R155743	136 SAGE MEADOWS	3	\$ 11,804.63	\$ 886.88
R155744	132 SAGE MEADOWS	3	\$ 11,804.63	\$ 886.88
R155745	128 SAGE MEADOWS	3	\$ 11,804.63	\$ 886.88
R155746	124 SAGE MEADOWS	3	\$ 11,804.63	\$ 886.88
R155747	120 SAGE MEADOWS	3	\$ 11,804.63	\$ 886.88
R155748	116 SAGE MEADOWS	3	\$ 11,804.63	\$ 886.88
R155749	112 SAGE MEADOWS	3	\$ 11,804.63	\$ 886.88
R155750	108 SAGE MEADOWS	3	\$ 11,804.63	\$ 886.88
R155752	1025 ESPLANDE	2	\$ 10,701.84	\$ 804.02
R155753	1029 ESPLANDE	2	\$ 10,701.84	\$ 804.02
R155754	1033 ESPLANDE	2	\$ 10,701.84	\$ 804.02
R155755	1037 ESPLANDE	2	\$ 10,701.84	\$ 804.02
R155756	1041 ESPLANDE	2	\$ 10,701.84	\$ 804.02
R155757	1045 ESPLANDE	2	\$ 10,701.84	\$ 804.02
R155758	1049 ESPLANDE	2	\$ 10,701.84	\$ 804.02
R155759	1053 ESPLANDE	2	\$ 10,701.84	\$ 804.02
R155760	1057 ESPLANDE	2	\$ 10,701.84	\$ 804.02
R155761	1061 ESPLANDE	2	\$ 10,701.84	\$ 804.02
R155763	213 BOSQUE	2	\$ 10,701.84	\$ 804.02
R155764	217 BOSQUE	2	\$ 10,701.84	\$ 804.02
R155765	221 BOSQUE	2	\$ 10,701.84	\$ 804.02
R155766	225 BOSQUE	2	\$ 10,701.84	\$ 804.02
R155767	229 BOSQUE	2	\$ 10,701.84	\$ 804.02
R155768	213 HORSEMINT	2	\$ 10,701.84	\$ 804.02
R155769	217 HORSEMINT	2	\$ 10,701.84	\$ 804.02
R155770	221 HORSEMINT	2	\$ 10,701.84	\$ 804.02
R155771	225 HORSEMINT	2	\$ 10,701.84	\$ 804.02
R155772	229 HORSEMINT	2	\$ 10,701.84	\$ 804.02
R155773	233 HORSEMINT	2	\$ 10,701.84	\$ 804.02
R155774	237 HORSEMINT	2	\$ 10,701.84	\$ 804.02
R155775	241 HORSEMINT	2	\$ 10,701.84	\$ 804.02
R155776	245 HORSEMINT	2	\$ 10,701.84	\$ 804.02
R155777	249 HORSEMINT	2	\$ 10,701.84	\$ 804.02
R155778	253 HORSEMINT	2	\$ 10,701.84	\$ 804.02
R18614	Unplatted Parcel		\$ 21,188,204.01	\$ 1,591,860.14
Total			\$ 22,000,000.00	\$ 1,652,850.00

EXHIBIT B – HOMEBUYER DISCLOSURE

Homebuyer Disclosures for the following Lot Types are found in this Exhibit:

- Lot Type 1
- Lot Type 2
- Lot Type 3

TRACE PID – LOT TYPE 1: HOMEBUYER DISCLOSURE

**NOTICE OF OBLIGATION TO PAY
PUBLIC IMPROVEMENT DISTRICT ASSESSMENTS
TO THE CITY OF SAN MARCOS, TEXAS**

CONCERNING THE PROPERTY AT:

STREET ADDRESS

PRINCIPAL LOT TYPE 1 ASSESSMENT: \$8,734.73

As the purchaser of the real property located at the street address set forth above, you are obligated to pay assessments to the City of San Marcos, Texas, for the costs of a portion of public improvements (the “**Authorized Improvements**”) undertaken for the benefit of the property within “**Trace Public Improvement District**” (the “**District**”) created under Subchapter A, Chapter 372, Local Government Code, as amended.

THE PRINCIPAL OF THE LOT TYPE 1 ASSESSMENT AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS IS \$ 8,734.73, 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, COLLECTION COSTS, ADMINISTRATIVE COSTS, 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 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 Secretary of the City of San Marcos.

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 HAYS §

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 HAYS §

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

ANNUAL INSTALLMENTS – LOT TYPE 1

Installment Due 1/31	PID Bonds		Reimbursement Obligation		Additional Interest	Capitalized Interest	Reserve Fund	Administrative Expenses	Total
	Principal	Interest	Principal	Interest					
2020	\$ 73.45	\$ 262.56	\$ 59.55	\$ 220.88	\$ 23.59	\$ -	\$ -	\$ 16.20	\$ 656.24
2021	\$ 75.44	\$ 259.25	\$ 63.53	\$ 217.60	\$ 23.23	\$ -	\$ -	\$ 16.52	\$ 655.57
2022	\$ 79.41	\$ 255.86	\$ 65.51	\$ 214.11	\$ 22.85	\$ -	\$ -	\$ 16.85	\$ 654.59
2023	\$ 83.38	\$ 252.28	\$ 69.48	\$ 210.51	\$ 22.45	\$ -	\$ -	\$ 17.19	\$ 655.29
2024	\$ 87.35	\$ 248.53	\$ 73.45	\$ 206.69	\$ 22.04	\$ -	\$ -	\$ 17.53	\$ 655.59
2025	\$ 91.32	\$ 244.60	\$ 77.42	\$ 202.65	\$ 21.60	\$ -	\$ -	\$ 17.88	\$ 655.47
2026	\$ 95.29	\$ 240.04	\$ 81.39	\$ 198.39	\$ 21.14	\$ -	\$ -	\$ 18.24	\$ 654.49
2027	\$ 101.24	\$ 235.27	\$ 87.35	\$ 193.91	\$ 20.67	\$ -	\$ -	\$ 18.61	\$ 657.05
2028	\$ 105.21	\$ 230.21	\$ 91.32	\$ 189.11	\$ 20.16	\$ -	\$ -	\$ 18.98	\$ 654.99
2029	\$ 111.17	\$ 224.95	\$ 95.29	\$ 184.08	\$ 19.63	\$ -	\$ -	\$ 19.36	\$ 654.48
2030	\$ 115.14	\$ 219.39	\$ 101.24	\$ 178.84	\$ 19.08	\$ -	\$ -	\$ 19.75	\$ 653.44
2031	\$ 123.08	\$ 212.77	\$ 107.20	\$ 173.28	\$ 18.50	\$ -	\$ -	\$ 20.14	\$ 654.97
2032	\$ 129.04	\$ 205.69	\$ 113.15	\$ 167.38	\$ 17.89	\$ -	\$ -	\$ 20.54	\$ 653.69
2033	\$ 136.98	\$ 198.27	\$ 119.11	\$ 161.16	\$ 17.24	\$ -	\$ -	\$ 20.96	\$ 653.71
2034	\$ 144.92	\$ 190.40	\$ 125.07	\$ 154.60	\$ 16.56	\$ -	\$ -	\$ 21.37	\$ 652.91
2035	\$ 152.86	\$ 182.06	\$ 133.01	\$ 147.73	\$ 15.83	\$ -	\$ -	\$ 21.80	\$ 653.29
2036	\$ 162.78	\$ 173.28	\$ 138.96	\$ 140.41	\$ 15.07	\$ -	\$ -	\$ 22.24	\$ 652.74
2037	\$ 170.72	\$ 163.92	\$ 146.90	\$ 132.77	\$ 14.25	\$ -	\$ -	\$ 22.68	\$ 651.25
2038	\$ 180.65	\$ 154.10	\$ 154.84	\$ 124.69	\$ 13.40	\$ -	\$ -	\$ 23.14	\$ 650.82
2039	\$ 192.56	\$ 143.71	\$ 164.77	\$ 116.17	\$ 12.50	\$ -	\$ -	\$ 23.60	\$ 653.31
2040	\$ 202.49	\$ 132.64	\$ 172.71	\$ 107.11	\$ 11.53	\$ -	\$ -	\$ 24.07	\$ 650.55
2041	\$ 214.40	\$ 121.00	\$ 182.64	\$ 97.61	\$ 10.52	\$ -	\$ -	\$ 24.55	\$ 650.71
2042	\$ 226.31	\$ 108.67	\$ 192.56	\$ 87.57	\$ 9.45	\$ -	\$ -	\$ 25.04	\$ 649.60
2043	\$ 240.20	\$ 95.66	\$ 202.49	\$ 76.97	\$ 8.32	\$ -	\$ -	\$ 25.54	\$ 649.18
2044	\$ 254.10	\$ 81.84	\$ 214.40	\$ 65.84	\$ 7.12	\$ -	\$ -	\$ 26.05	\$ 649.35
2045	\$ 268.00	\$ 67.23	\$ 226.31	\$ 54.05	\$ 5.85	\$ -	\$ -	\$ 26.58	\$ 648.01
2046	\$ 283.88	\$ 51.82	\$ 238.22	\$ 41.60	\$ 4.51	\$ -	\$ -	\$ 27.11	\$ 647.13
2047	\$ 299.76	\$ 35.50	\$ 252.12	\$ 28.50	\$ 3.09	\$ -	\$ -	\$ 27.65	\$ 646.61
2048	\$ 317.63	\$ 18.26	\$ 266.01	\$ 14.63	\$ 1.59	\$ -	\$ (336.52)	\$ 28.20	\$ 309.81
Total	\$ 4,718.74	\$ 5,009.76	\$ 4,015.99	\$ 4,108.82	\$ 439.63	\$ -	\$ (336.52)	\$ 628.39	\$ 18,584.82

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates.

TRACE PID – LOT TYPE 2: HOMEBUYER DISCLOSURE

**NOTICE OF OBLIGATION TO PAY
PUBLIC IMPROVEMENT DISTRICT ASSESSMENTS
TO THE CITY OF SAN MARCOS, TEXAS**

CONCERNING THE PROPERTY AT:

STREET ADDRESS

PRINCIPAL LOT TYPE 2 ASSESSMENT: \$10,701.84

As the purchaser of the real property located at the street address set forth above, you are obligated to pay assessments to the City of San Marcos, Texas, for the costs of a portion of public improvements (the “**Authorized Improvements**”) undertaken for the benefit of the property within “**Trace Public Improvement District**” (the “**District**”) created under Subchapter A, Chapter 372, Local Government Code, as amended.

THE PRINCIPAL OF THE LOT TYPE 2 ASSESSMENT AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS IS \$10,701.84, 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, COLLECTION COSTS, ADMINISTRATIVE COSTS, 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 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 Secretary of the City of San Marcos.

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 HAYS §

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 HAYS §

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

ANNUAL INSTALLMENTS – LOT TYPE 2

Installment Due 1/31	PID Bonds		Reimbursement Obligation		Additional Interest	Capitalized Interest	Reserve Fund	Administrative Expenses	Total
	Principal	Interest	Principal	Interest					
2020	\$ 89.99	\$ 321.69	\$ 72.97	\$ 270.62	\$ 28.91	\$ -	\$ -	\$ 19.85	\$ 804.02
2021	\$ 92.42	\$ 317.64	\$ 77.83	\$ 266.61	\$ 28.46	\$ -	\$ -	\$ 20.24	\$ 803.21
2022	\$ 97.29	\$ 313.48	\$ 80.26	\$ 262.33	\$ 28.00	\$ -	\$ -	\$ 20.65	\$ 802.00
2023	\$ 102.15	\$ 309.10	\$ 85.13	\$ 257.91	\$ 27.51	\$ -	\$ -	\$ 21.06	\$ 802.87
2024	\$ 107.02	\$ 304.50	\$ 89.99	\$ 253.23	\$ 27.00	\$ -	\$ -	\$ 21.48	\$ 803.23
2025	\$ 111.88	\$ 299.69	\$ 94.86	\$ 248.28	\$ 26.46	\$ -	\$ -	\$ 21.91	\$ 803.09
2026	\$ 116.75	\$ 294.09	\$ 99.72	\$ 243.07	\$ 25.90	\$ -	\$ -	\$ 22.35	\$ 801.88
2027	\$ 124.04	\$ 288.26	\$ 107.02	\$ 237.58	\$ 25.32	\$ -	\$ -	\$ 22.80	\$ 805.02
2028	\$ 128.91	\$ 282.05	\$ 111.88	\$ 231.69	\$ 24.70	\$ -	\$ -	\$ 23.25	\$ 802.49
2029	\$ 136.21	\$ 275.61	\$ 116.75	\$ 225.54	\$ 24.05	\$ -	\$ -	\$ 23.72	\$ 801.88
2030	\$ 141.07	\$ 268.80	\$ 124.04	\$ 219.12	\$ 23.37	\$ -	\$ -	\$ 24.19	\$ 800.60
2031	\$ 150.80	\$ 260.69	\$ 131.34	\$ 212.30	\$ 22.67	\$ -	\$ -	\$ 24.68	\$ 802.47
2032	\$ 158.10	\$ 252.02	\$ 138.64	\$ 205.07	\$ 21.91	\$ -	\$ -	\$ 25.17	\$ 800.91
2033	\$ 167.82	\$ 242.93	\$ 145.93	\$ 197.45	\$ 21.12	\$ -	\$ -	\$ 25.67	\$ 800.93
2034	\$ 177.55	\$ 233.28	\$ 153.23	\$ 189.42	\$ 20.28	\$ -	\$ -	\$ 26.19	\$ 799.95
2035	\$ 187.28	\$ 223.07	\$ 162.96	\$ 180.99	\$ 19.40	\$ -	\$ -	\$ 26.71	\$ 800.41
2036	\$ 199.44	\$ 212.30	\$ 170.26	\$ 172.03	\$ 18.46	\$ -	\$ -	\$ 27.25	\$ 799.74
2037	\$ 209.17	\$ 200.83	\$ 179.99	\$ 162.67	\$ 17.46	\$ -	\$ -	\$ 27.79	\$ 797.91
2038	\$ 221.33	\$ 188.80	\$ 189.71	\$ 152.77	\$ 16.42	\$ -	\$ -	\$ 28.35	\$ 797.38
2039	\$ 235.93	\$ 176.08	\$ 201.88	\$ 142.33	\$ 15.31	\$ -	\$ -	\$ 28.91	\$ 800.44
2040	\$ 248.09	\$ 162.51	\$ 211.60	\$ 131.23	\$ 14.13	\$ -	\$ -	\$ 29.49	\$ 797.06
2041	\$ 262.68	\$ 148.24	\$ 223.77	\$ 119.59	\$ 12.89	\$ -	\$ -	\$ 30.08	\$ 797.26
2042	\$ 277.27	\$ 133.14	\$ 235.93	\$ 107.29	\$ 11.58	\$ -	\$ -	\$ 30.68	\$ 795.89
2043	\$ 294.30	\$ 117.20	\$ 248.09	\$ 94.31	\$ 10.19	\$ -	\$ -	\$ 31.30	\$ 795.38
2044	\$ 311.33	\$ 100.28	\$ 262.68	\$ 80.67	\$ 8.72	\$ -	\$ -	\$ 31.92	\$ 795.59
2045	\$ 328.35	\$ 82.37	\$ 277.27	\$ 66.22	\$ 7.16	\$ -	\$ -	\$ 32.56	\$ 793.94
2046	\$ 347.81	\$ 63.49	\$ 291.87	\$ 50.97	\$ 5.52	\$ -	\$ -	\$ 33.21	\$ 792.87
2047	\$ 367.27	\$ 43.49	\$ 308.89	\$ 34.91	\$ 3.78	\$ -	\$ -	\$ 33.88	\$ 792.23
2048	\$ 389.16	\$ 22.38	\$ 325.92	\$ 17.93	\$ 1.95	\$ -	\$ (412.30)	\$ 34.55	\$ 379.58
Total	\$ 5,781.42	\$ 6,137.99	\$ 4,920.41	\$ 5,034.14	\$ 538.64	\$ -	\$ (412.30)	\$ 769.91	\$ 22,770.23

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates.

TRACE PID – LOT TYPE 3: HOMEBUYER DISCLOSURE

**NOTICE OF OBLIGATION TO PAY
PUBLIC IMPROVEMENT DISTRICT ASSESSMENTS
TO THE CITY OF SAN MARCOS, TEXAS**

CONCERNING THE PROPERTY AT:

STREET ADDRESS

PRINCIPAL LOT TYPE 3 ASSESSMENT: \$11,804.63

As the purchaser of the real property located at the street address set forth above, you are obligated to pay assessments to the City of San Marcos, Texas, for the costs of a portion of public improvements (the “**Authorized Improvements**”) undertaken for the benefit of the property within “**Trace Public Improvement District**” (the “**District**”) created under Subchapter A, Chapter 372, Local Government Code, as amended.

THE PRINCIPAL OF THE LOT TYPE 3 ASSESSMENT AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS IS \$11,804.63, 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, COLLECTION COSTS, ADMINISTRATIVE COSTS, 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 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 Secretary of the City of San Marcos.

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 HAYS §

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 HAYS §

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

ANNUAL INSTALLMENTS – LOT TYPE 3

Installment Due 1/31	PID Bonds		Reimbursement Obligation		Additional Interest	Capitalized Interest	Reserve Fund	Administrative Expenses	Total
	Principal	Interest	Principal	Interest					
2020	\$ 99.27	\$ 354.84	\$ 80.49	\$ 298.51	\$ 31.89	\$ -	\$ -	\$ 21.89	\$ 886.88
2021	\$ 101.95	\$ 350.37	\$ 85.85	\$ 294.08	\$ 31.39	\$ -	\$ -	\$ 22.33	\$ 885.97
2022	\$ 107.31	\$ 345.78	\$ 88.53	\$ 289.36	\$ 30.88	\$ -	\$ -	\$ 22.78	\$ 884.65
2023	\$ 112.68	\$ 340.95	\$ 93.90	\$ 284.49	\$ 30.34	\$ -	\$ -	\$ 23.23	\$ 885.60
2024	\$ 118.05	\$ 335.88	\$ 99.27	\$ 279.33	\$ 29.78	\$ -	\$ -	\$ 23.70	\$ 886.00
2025	\$ 123.41	\$ 330.57	\$ 104.63	\$ 273.87	\$ 29.19	\$ -	\$ -	\$ 24.17	\$ 885.84
2026	\$ 128.78	\$ 324.40	\$ 110.00	\$ 268.11	\$ 28.57	\$ -	\$ -	\$ 24.65	\$ 884.51
2027	\$ 136.83	\$ 317.96	\$ 118.05	\$ 262.06	\$ 27.93	\$ -	\$ -	\$ 25.15	\$ 887.97
2028	\$ 142.19	\$ 311.12	\$ 123.41	\$ 255.57	\$ 27.24	\$ -	\$ -	\$ 25.65	\$ 885.19
2029	\$ 150.24	\$ 304.01	\$ 128.78	\$ 248.78	\$ 26.53	\$ -	\$ -	\$ 26.16	\$ 884.51
2030	\$ 155.61	\$ 296.50	\$ 136.83	\$ 241.70	\$ 25.78	\$ -	\$ -	\$ 26.69	\$ 883.10
2031	\$ 166.34	\$ 287.55	\$ 144.87	\$ 234.17	\$ 25.00	\$ -	\$ -	\$ 27.22	\$ 885.16
2032	\$ 174.39	\$ 277.99	\$ 152.92	\$ 226.21	\$ 24.17	\$ -	\$ -	\$ 27.76	\$ 883.44
2033	\$ 185.12	\$ 267.96	\$ 160.97	\$ 217.80	\$ 23.30	\$ -	\$ -	\$ 28.32	\$ 883.46
2034	\$ 195.85	\$ 257.31	\$ 169.02	\$ 208.94	\$ 22.38	\$ -	\$ -	\$ 28.89	\$ 882.39
2035	\$ 206.58	\$ 246.05	\$ 179.75	\$ 199.65	\$ 21.40	\$ -	\$ -	\$ 29.46	\$ 882.89
2036	\$ 220.00	\$ 234.17	\$ 187.80	\$ 189.76	\$ 20.36	\$ -	\$ -	\$ 30.05	\$ 882.15
2037	\$ 230.73	\$ 221.52	\$ 198.53	\$ 179.43	\$ 19.26	\$ -	\$ -	\$ 30.65	\$ 880.13
2038	\$ 244.14	\$ 208.26	\$ 209.26	\$ 168.51	\$ 18.11	\$ -	\$ -	\$ 31.27	\$ 879.55
2039	\$ 260.24	\$ 194.22	\$ 222.68	\$ 157.00	\$ 16.89	\$ -	\$ -	\$ 31.89	\$ 882.92
2040	\$ 273.65	\$ 179.26	\$ 233.41	\$ 144.75	\$ 15.59	\$ -	\$ -	\$ 32.53	\$ 879.19
2041	\$ 289.75	\$ 163.52	\$ 246.82	\$ 131.92	\$ 14.22	\$ -	\$ -	\$ 33.18	\$ 879.41
2042	\$ 305.85	\$ 146.86	\$ 260.24	\$ 118.34	\$ 12.77	\$ -	\$ -	\$ 33.84	\$ 877.90
2043	\$ 324.63	\$ 129.27	\$ 273.65	\$ 104.03	\$ 11.24	\$ -	\$ -	\$ 34.52	\$ 877.35
2044	\$ 343.41	\$ 110.61	\$ 289.75	\$ 88.98	\$ 9.62	\$ -	\$ -	\$ 35.21	\$ 877.57
2045	\$ 362.19	\$ 90.86	\$ 305.85	\$ 73.04	\$ 7.90	\$ -	\$ -	\$ 35.92	\$ 875.76
2046	\$ 383.65	\$ 70.04	\$ 321.94	\$ 56.22	\$ 6.09	\$ -	\$ -	\$ 36.63	\$ 874.58
2047	\$ 405.11	\$ 47.98	\$ 340.72	\$ 38.51	\$ 4.17	\$ -	\$ -	\$ 37.37	\$ 873.87
2048	\$ 429.26	\$ 24.68	\$ 359.50	\$ 19.77	\$ 2.15	\$ -	\$ (454.79)	\$ 38.11	\$ 418.69
Total	\$ 6,377.18	\$ 6,770.49	\$ 5,427.44	\$ 5,552.90	\$ 594.15	\$ -	\$ (454.79)	\$ 849.25	\$ 25,116.62

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates.

EXHIBIT C – DEBT SERVICE SCHEDULE

DEBT SERVICE REQUIREMENTS

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

<u>Year Ending (September 30)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019		\$ 387,595	\$ 387,595
2020	\$ 185,000	661,300	846,300
2021	190,000	652,975	842,975
2022	200,000	644,425	844,425
2023	210,000	635,425	845,425
2024	220,000	625,975	845,975
2025	230,000	616,075	846,075
2026	240,000	604,575	844,575
2027	255,000	592,575	847,575
2028	265,000	579,825	844,825
2029	280,000	566,575	846,575
2030	290,000	552,575	842,575
2031	310,000	535,900	845,900
2032	325,000	518,075	843,075
2033	345,000	499,388	844,388
2034	365,000	479,550	844,550
2035	385,000	458,563	843,563
2036	410,000	436,425	846,425
2037	430,000	412,850	842,850
2038	455,000	388,125	843,125
2039	485,000	361,963	846,963
2040	510,000	334,075	844,075
2041	540,000	304,750	844,750
2042	570,000	273,700	843,700
2043	605,000	240,925	845,925
2044	640,000	206,138	846,138
2045	675,000	169,338	844,338
2046	715,000	130,525	845,525
2047	755,000	89,413	844,413
2048	800,000	46,000	846,000
Total⁽¹⁾	<u>\$11,885,000</u>	<u>\$13,005,595</u>	<u>\$24,890,595</u>

⁽¹⁾ Totals may not add due to rounding.