



ENCLAVE OF BAHAMAS
PUBLIC IMPROVEMENT DISTRICT
2026 ANNUAL SERVICE PLAN UPDATE

JULY 14, 2026

INTRODUCTION

Capitalized terms used in this 2026 Annual Service Plan Update not otherwise defined herein shall have the meanings set forth in the Service and Assessment Plan (the “SAP”).

The District was created pursuant to the PID Act by Resolution No. 040825 on April 8, 2025 by the City Council to finance certain Authorized Improvements for the benefit of the property in the District.

On July 8, 2025, the City Council approved the SAP for the District by adopting Ordinance No. 070825-2 which (1) approved the levy of certain Assessments for Assessed Property within Improvement Area #1; (2) approved the Improvement Area #1 Assessment Roll, and (3) approved the issuance of the Improvement Area #1 Bonds.

The SAP identified the Authorized Improvements to be constructed for the benefit of the Assessed Property within the District, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the District for the costs of the Authorized Improvements. Pursuant to the PID Act, the SAP must be reviewed and updated annually. This document is the Annual Service Plan Update for 2026.

The City Council also adopted each Assessment Roll identifying the Assessments on Parcel of Assessed Property within the District, based on the method of assessment identified in the SAP. This 2026 Annual Service Plan Update also updates the Assessment Rolls for 2026.

PARCEL SUBDIVISION

There have not been any recorded plats within Improvement Area #1.

LOT AND HOME SALES

Current ownership within the District is based on information provided by the Developer and available information and is subject to change as development occurs and property is conveyed. Updated ownership and development information for Assessments securing PID Bonds may be available through continuing disclosure filings accessible via the SEC's EMMA by searching for the District. For Assessments securing reimbursement obligations to the Developer, the summary of current ownership within the property securing such Assessment is based on information provided by the Developer and other publicly available records.

AUTHORIZED IMPROVEMENTS

A summary of the Authorized Improvements, including the original estimated costs of the Authorized Improvements and allocation of such costs, is provided in the SAP. The Authorized Improvements and estimated costs as described in the SAP are for Assessment purposes and do not represent a guarantee of construction timing or Actual Costs.

Information regarding the status of Authorized Improvements, including construction progress, estimated completion timing, and budget information, including any updates to the original estimates of costs, is based on information provided by the Developer and other available project information at the time such information is compiled. Such information may be updated from time to time.

OUTSTANDING ASSESSMENT

Improvement Area #1

Improvement Area #1 has an outstanding Assessment of \$15,200,000.

ANNUAL INSTALLMENT DUE 1/31/2027

Improvement Area #1

- **Principal and Interest** – The total principal and interest required for the Annual Installment is shown below.

- **Additional Interest** – Additional Interest is collected and deposited into an account of the Reserve Fund. The Additional Interest is calculated in accordance with the governing documents, resulting in Improvement Area #1 Annual Installment as shown below.
- **Annual Collection Costs** – The cost of administering the District 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 Annual Collection Costs budgeted for the Annual Installment for Improvement Area #1 is shown below.

Improvement Area #1	
Annual Collection Costs Breakdown	
Administration	\$ 30,600.00
City Auditor	1,000.00
Filing Fees	1,000.00
County Collection	1,000.00
PID Trustee Fees	4,500.00
Draw Request Review	11,500.00
Dev/Issuer CDA Review	4,025.00
Collection Cost Maintenance Balance	10,000.00
Less CCMB Credit from Prior Years	(2,670.08)
Arbitrage Calculation	1,500.00
Total Annual Collection Costs	\$ 62,454.92

Improvement Area #1	
Due January 31, 2027	
Principal	\$ 215,000.00
Interest	932,995.00
	\$ 1,147,995.00
Additional Interest	\$ 76,000.00
Annual Collection Costs	\$ 62,454.92
Total Annual Installment	\$ 1,286,449.92

TIRZ ANNUAL CREDIT

The TIRZ No. 1 Annual Credit Amount shall only be applied, as further described in the SAP.

The TIRZ No. 1 Annual Credit Amount by Lot is included in the corresponding Assessment Roll attached hereto as **Exhibit A**.

SERVICE PLAN – FIVE YEAR BUDGET FORECAST

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

		Improvement Area #1				
Annual Installments Due		1/31/2027	1/31/2028	1/31/2029	1/31/2030	1/31/2031
Principal		\$ 215,000.00	\$ 230,000.00	\$ 240,000.00	\$ 255,000.00	\$ 265,000.00
Interest		932,995.00	921,600.00	909,410.00	896,690.00	883,175.00
TIRZ No. 1 Annual Credit ^[a]		-	TBD	TBD	TBD	TBD
	(1)	\$ 1,147,995.00	\$ 1,151,600.00	\$ 1,149,410.00	\$ 1,151,690.00	\$ 1,148,175.00
Annual Collection Costs	(2)	\$ 62,454.92	\$ 54,697.50	\$ 55,791.45	\$ 56,907.28	\$ 58,045.42
Additional Interest	(3)	\$ 76,000.00	\$ 74,925.00	\$ 73,775.00	\$ 72,575.00	\$ 71,300.00
Total Annual Installment	(4) = (1) + (2) + (3)	\$ 1,286,449.92	\$ 1,281,222.50	\$ 1,278,976.45	\$ 1,281,172.28	\$ 1,277,520.42

Footnotes:

[a] The TIRZ No. 1 Annual Credit Amount shall be updated each year in the Annual Service Plan Update.

ASSESSMENT ROLL

The list of current Parcels or Lots within the District, the corresponding total Assessments, and current Annual Installment are shown on the corresponding Assessment Roll attached hereto as **Exhibit A**. The Annual Installment due on each Parcel or Lot may be updated to reflect prepayments and/or redemptions paid prior to the Annual Installment being billed to the owner of the Parcel or Lot. The Parcels or Lots of Assessed Property shown on the corresponding Assessment Roll will receive the bills for the 2026 Annual Installments which will be delinquent if not paid by January 31, 2027. The Parcel IDs shown within an Assessment Roll are subject to change based on the final certified rolls provided by the County prior to billing.

ADDITIONAL INFORMATION

If the owner of a Parcel claims that an error has been made in any Assessment Roll required by the SAP, a prior Annual Service Plan Update, or this 2026 Annual Service Plan Update, the owner's sole and exclusive remedy shall be to submit a written notice of error to the Administrator (at admin@p3-works.com) by December 1st of the year in connection with the approval of such year's Annual Service Plan Update. Otherwise, the owner shall be deemed to have unconditionally approved and accepted the Annual Service Plan Update. The Administrator shall provide a written response to the City Council and the owner not later than 30 days after receipt of such written notice of error by the Administrator. The Governing Body shall consider the

owner's notice of error and the Administrator's response at a public meeting, and, not later than 30 days after closing such meeting, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this 2026 Annual Service Plan Update, the applicable Assessment Ordinance, the applicable Indenture, or as otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council shall be final and binding on the owner and the Administrator.

EXHIBIT A – IMPROVEMENT AREA #1 ASSESSMENT ROLL

Property ID ^[a]	Lot Type	Outstanding Assessment	Annual Installment before TIRZ Credit	TIRZ No. 1 Annual Credit Amount ^[b]	Annual Installment Due 1/31/2027
249149	Improvement Area #1 Initial Parcel	\$ 5,907,462.49	\$ 499,977.28	\$ -	\$ 499,977.28
249150	Improvement Area #1 Initial Parcel	2,371,108.71	\$ 200,678.46	-	200,678.46
249151	Improvement Area #1 Initial Parcel	3,956,273.58	\$ 334,838.67	-	334,838.67
249152	Improvement Area #1 Initial Parcel	2,698,595.89	\$ 228,395.29	-	228,395.29
249153	Improvement Area #1 Initial Parcel	266,559.33	\$ 22,560.21	-	22,560.21
Total		\$ 15,200,000.00	\$ 1,286,449.92	\$ -	\$ 1,286,449.91

Footnotes:

[a] The entire Improvement Area #1 is contained within Property IDs 249149, 249150, 249151, 249152, and 249153. For billing purposes, the Annual Installment due 1/31/2027 shall be allocated pro rata based on acreage and are subject to change prior to billing based on final certified rolls from the County.

[b] The TIRZ No. 1 Annual Credit Amount per Lot shall be applied upon recordation of a final plat, as further described in the Service and Assessment Plan in accordance with the Development Agreement.

EXHIBIT B – DEBT SERVICE SCHEDULE FOR IMPROVEMENT AREA #1 BONDS

Jul 8, 2025 3:54 pm Prepared by DBC Finance

(Finance 8.700 Caddo Mills:NUMRUN-9_15_26) Page 6

BOND DEBT SERVICE

Caddo Mills, Texas
Special Assessment Revenue Bonds, Series 2025
(Enclave of Bahamas Public Improvement District)

Final Numbers

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Bond Balance</i>	<i>Total Bond Value</i>
09/15/2025					15,200,000	15,200,000
09/15/2026			1,049,619.38	1,049,619.38	15,200,000	15,200,000
09/15/2027	215,000	5.300%	932,995.00	1,147,995.00	14,985,000	14,985,000
09/15/2028	230,000	5.300%	921,600.00	1,151,600.00	14,755,000	14,755,000
09/15/2029	240,000	5.300%	909,410.00	1,149,410.00	14,515,000	14,515,000
09/15/2030	255,000	5.300%	896,690.00	1,151,690.00	14,260,000	14,260,000
09/15/2031	265,000	5.300%	883,175.00	1,148,175.00	13,995,000	13,995,000
09/15/2032	280,000	5.300%	869,130.00	1,149,130.00	13,715,000	13,715,000
09/15/2033	295,000	5.300%	854,290.00	1,149,290.00	13,420,000	13,420,000
09/15/2034	315,000	5.300%	838,655.00	1,153,655.00	13,105,000	13,105,000
09/15/2035	330,000	5.300%	821,960.00	1,151,960.00	12,775,000	12,775,000
09/15/2036	340,000	6.200%	804,470.00	1,144,470.00	12,435,000	12,435,000
09/15/2037	360,000	6.200%	783,390.00	1,143,390.00	12,075,000	12,075,000
09/15/2038	380,000	6.200%	761,070.00	1,141,070.00	11,695,000	11,695,000
09/15/2039	405,000	6.200%	737,510.00	1,142,510.00	11,290,000	11,290,000
09/15/2040	430,000	6.200%	712,400.00	1,142,400.00	10,860,000	10,860,000
09/15/2041	455,000	6.200%	685,740.00	1,140,740.00	10,405,000	10,405,000
09/15/2042	485,000	6.200%	657,530.00	1,142,530.00	9,920,000	9,920,000
09/15/2043	515,000	6.200%	627,460.00	1,142,460.00	9,405,000	9,405,000
09/15/2044	545,000	6.200%	595,530.00	1,140,530.00	8,860,000	8,860,000
09/15/2045	580,000	6.200%	561,740.00	1,141,740.00	8,280,000	8,280,000
09/15/2046	615,000	6.350%	525,780.00	1,140,780.00	7,665,000	7,665,000
09/15/2047	655,000	6.350%	486,727.50	1,141,727.50	7,010,000	7,010,000
09/15/2048	695,000	6.350%	445,135.00	1,140,135.00	6,315,000	6,315,000
09/15/2049	740,000	6.350%	401,002.50	1,141,002.50	5,575,000	5,575,000
09/15/2050	790,000	6.350%	354,012.50	1,144,012.50	4,785,000	4,785,000
09/15/2051	840,000	6.350%	303,847.50	1,143,847.50	3,945,000	3,945,000
09/15/2052	895,000	6.350%	250,507.50	1,145,507.50	3,050,000	3,050,000
09/15/2053	955,000	6.350%	193,675.00	1,148,675.00	2,095,000	2,095,000
09/15/2054	1,015,000	6.350%	133,032.50	1,148,032.50	1,080,000	1,080,000
09/15/2055	1,080,000	6.350%	68,580.00	1,148,580.00		
	15,200,000		19,066,664.38	34,266,664.38		

EXHIBIT C – IMPROVEMENT AREA #1 LOT TYPE CLASSIFICATION MAP

ENCLAVE OF BAHAMAS PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA No. 1 LOT TYPE SUMMARY
CADDO MILLS, TEXAS

LOT TYPE SUMMARY		
Color	Lot Width	IA No. 1
	40'	244
	50'	56
	Total:	300

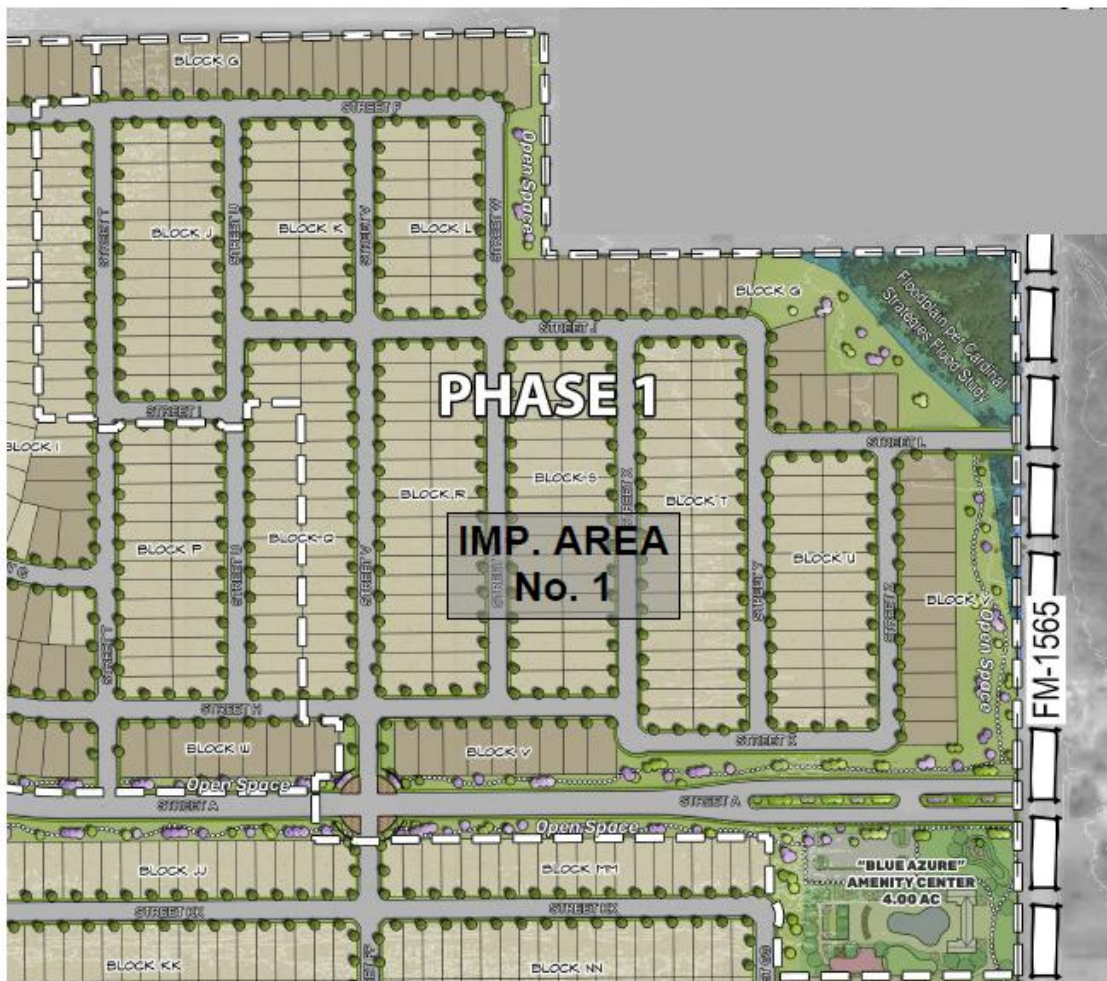


EXHIBIT D – BUYER DISCLOSURES

Buyer disclosures for the following Lot Types are found in this Exhibit:

- Improvement Area #1
 - Improvement Area #1 Initial Parcel
 - Lot Type 1
 - Lot Type 2

**ENCLAVE OF BAHAMAS PUBLIC IMPROVEMENT DISTRICT – BUYER DISCLOSURE
– IMPROVEMENT AREA #1 INITIAL PARCEL**

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;
- 1) by a trustee in bankruptcy;
- 2) 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;
- 3) 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;
- 4) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 5) from one co-owner to another co-owner of an undivided interest in the real property;
- 6) to a spouse or a person in the lineal line of consanguinity of the seller;
- 7) to or from a governmental entity; or
- 8) 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 RECORDING¹ RETURN TO:

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

STREET ADDRESS

**IMPROVEMENT AREA #1 INITIAL PARCEL PRINCIPAL ASSESSMENT:
\$15,200,000.00**

As the purchaser of the real property described above, you are obligated to pay assessments to City of Caddo Mills, 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 *Enclave of Bahamas 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 of Caddo Mills. The exact amount of each annual installment will be approved each year by the City of Caddo Mills 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 Caddo Mills.

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 Hunt 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 SELLER²

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 HUNT

§

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 Texas³

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 Hunt 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 HUNT

§

§

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 Texas⁴

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 Hunt County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 INITIAL PARCEL

Improvement Area #1 Bond					
Installment Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Annual Installment ^[b]
2027	\$ 215,000.00	\$ 932,995.00	\$ 76,000.00	\$ 62,454.92	\$ 1,286,449.92
2028	\$ 230,000.00	\$ 921,600.00	\$ 74,925.00	\$ 54,697.50	\$ 1,281,222.50
2029	\$ 240,000.00	\$ 909,410.00	\$ 73,775.00	\$ 55,791.45	\$ 1,278,976.45
2030	\$ 255,000.00	\$ 896,690.00	\$ 72,575.00	\$ 56,907.28	\$ 1,281,172.28
2031	\$ 265,000.00	\$ 883,175.00	\$ 71,300.00	\$ 58,045.42	\$ 1,277,520.42
2032	\$ 280,000.00	\$ 869,130.00	\$ 69,975.00	\$ 59,206.33	\$ 1,278,311.33
2033	\$ 295,000.00	\$ 854,290.00	\$ 68,575.00	\$ 60,390.46	\$ 1,278,255.46
2034	\$ 315,000.00	\$ 838,655.00	\$ 67,100.00	\$ 61,598.27	\$ 1,282,353.27
2035	\$ 330,000.00	\$ 821,960.00	\$ 65,525.00	\$ 62,830.23	\$ 1,280,315.23
2036	\$ 340,000.00	\$ 804,470.00	\$ 63,875.00	\$ 64,086.84	\$ 1,272,431.84
2037	\$ 360,000.00	\$ 783,390.00	\$ 62,175.00	\$ 65,368.58	\$ 1,270,933.58
2038	\$ 380,000.00	\$ 761,070.00	\$ 60,375.00	\$ 66,675.95	\$ 1,268,120.95
2039	\$ 405,000.00	\$ 737,510.00	\$ 58,475.00	\$ 68,009.47	\$ 1,268,994.47
2040	\$ 430,000.00	\$ 712,400.00	\$ 56,450.00	\$ 69,369.66	\$ 1,268,219.66
2041	\$ 455,000.00	\$ 685,740.00	\$ 54,300.00	\$ 70,757.05	\$ 1,265,797.05
2042	\$ 485,000.00	\$ 657,530.00	\$ 52,025.00	\$ 72,172.19	\$ 1,266,727.19
2043	\$ 515,000.00	\$ 627,460.00	\$ 49,600.00	\$ 73,615.63	\$ 1,265,675.63
2044	\$ 545,000.00	\$ 595,530.00	\$ 47,025.00	\$ 75,087.95	\$ 1,262,642.95
2045	\$ 580,000.00	\$ 561,740.00	\$ 44,300.00	\$ 76,589.71	\$ 1,262,629.71
2046	\$ 615,000.00	\$ 525,780.00	\$ 41,400.00	\$ 78,121.50	\$ 1,260,301.50
2047	\$ 655,000.00	\$ 486,727.50	\$ 38,325.00	\$ 79,683.93	\$ 1,259,736.43
2048	\$ 695,000.00	\$ 445,135.00	\$ 35,050.00	\$ 81,277.61	\$ 1,256,462.61
2049	\$ 740,000.00	\$ 401,002.50	\$ 31,575.00	\$ 82,903.16	\$ 1,255,480.66
2050	\$ 790,000.00	\$ 354,012.50	\$ 27,875.00	\$ 84,561.22	\$ 1,256,448.72
2051	\$ 840,000.00	\$ 303,847.50	\$ 23,925.00	\$ 86,252.45	\$ 1,254,024.95
2052	\$ 895,000.00	\$ 250,507.50	\$ 19,725.00	\$ 87,977.50	\$ 1,253,210.00
2053	\$ 955,000.00	\$ 193,675.00	\$ 15,250.00	\$ 89,737.05	\$ 1,253,662.05
2054	\$ 1,015,000.00	\$ 133,032.50	\$ 10,475.00	\$ 91,531.79	\$ 1,250,039.29
2055	\$ 1,080,000.00	\$ 68,580.00	\$ 5,400.00	\$ 93,362.42	\$ 1,247,342.42
Total	\$ 15,200,000.00	\$ 18,017,045.00	\$ 1,437,350.00	\$ 2,089,063.50	\$ 36,743,458.50

Footnotes:

[a] Interest on the Improvement Area #1 Bonds is calculated at a 5.300%, 6.200%, and 6.350%, rate for term bonds maturing 2035, 2045, and 2055, respectively.

[b] 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.

**ENCLAVE OF BAHAMAS PUBLIC IMPROVEMENT DISTRICT – BUYER DISCLOSURE
– IMPROVEMENT AREA #1 LOT TYPE 1**

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 RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 1 PRINCIPAL ASSESSMENT: \$50,173.73

As the purchaser of the real property described above, you are obligated to pay assessments to City of Caddo Mills, 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 *Enclave of Bahamas 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 of Caddo Mills. The exact amount of each annual installment will be approved each year by the City of Caddo Mills 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 Caddo Mills.

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 Hunt 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 SELLER²

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

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COUNTY OF HUNT

§

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 Texas³

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 Hunt 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

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COUNTY OF HUNT

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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.

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

Notary Public, State of Texas⁴

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 Hunt County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 LOT TYPE 1

Improvement Area #1 Bond					
Installment Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Annual Installment ^[b]
2027	\$ 709.69	\$ 3,079.73	\$ 250.87	\$ 206.16	\$ 4,246.45
2028	\$ 759.21	\$ 3,042.11	\$ 247.32	\$ 180.55	\$ 4,229.19
2029	\$ 792.22	\$ 3,001.87	\$ 243.52	\$ 184.16	\$ 4,221.78
2030	\$ 841.73	\$ 2,959.89	\$ 239.56	\$ 187.85	\$ 4,229.03
2031	\$ 874.74	\$ 2,915.28	\$ 235.35	\$ 191.60	\$ 4,216.97
2032	\$ 924.25	\$ 2,868.91	\$ 230.98	\$ 195.43	\$ 4,219.58
2033	\$ 973.77	\$ 2,819.93	\$ 226.36	\$ 199.34	\$ 4,219.40
2034	\$ 1,039.78	\$ 2,768.32	\$ 221.49	\$ 203.33	\$ 4,232.92
2035	\$ 1,089.30	\$ 2,713.21	\$ 216.29	\$ 207.40	\$ 4,226.20
2036	\$ 1,122.31	\$ 2,655.48	\$ 210.85	\$ 211.54	\$ 4,200.17
2037	\$ 1,188.33	\$ 2,585.89	\$ 205.23	\$ 215.78	\$ 4,195.23
2038	\$ 1,254.34	\$ 2,512.22	\$ 199.29	\$ 220.09	\$ 4,185.94
2039	\$ 1,336.87	\$ 2,434.45	\$ 193.02	\$ 224.49	\$ 4,188.83
2040	\$ 1,419.39	\$ 2,351.56	\$ 186.34	\$ 228.98	\$ 4,186.27
2041	\$ 1,501.91	\$ 2,263.56	\$ 179.24	\$ 233.56	\$ 4,178.27
2042	\$ 1,600.94	\$ 2,170.44	\$ 171.73	\$ 238.23	\$ 4,181.34
2043	\$ 1,699.97	\$ 2,071.18	\$ 163.72	\$ 243.00	\$ 4,177.87
2044	\$ 1,798.99	\$ 1,965.79	\$ 155.22	\$ 247.86	\$ 4,167.86
2045	\$ 1,914.52	\$ 1,854.25	\$ 146.23	\$ 252.82	\$ 4,167.82
2046	\$ 2,030.06	\$ 1,735.55	\$ 136.66	\$ 257.87	\$ 4,160.13
2047	\$ 2,162.09	\$ 1,606.64	\$ 126.51	\$ 263.03	\$ 4,158.27
2048	\$ 2,294.13	\$ 1,469.35	\$ 115.70	\$ 268.29	\$ 4,147.46
2049	\$ 2,442.67	\$ 1,323.67	\$ 104.23	\$ 273.66	\$ 4,144.22
2050	\$ 2,607.71	\$ 1,168.56	\$ 92.01	\$ 279.13	\$ 4,147.42
2051	\$ 2,772.76	\$ 1,002.97	\$ 78.97	\$ 284.71	\$ 4,139.42
2052	\$ 2,954.31	\$ 826.90	\$ 65.11	\$ 290.41	\$ 4,136.73
2053	\$ 3,152.36	\$ 639.30	\$ 50.34	\$ 296.21	\$ 4,138.22
2054	\$ 3,350.42	\$ 439.13	\$ 34.58	\$ 302.14	\$ 4,126.26
2055	\$ 3,564.98	\$ 226.38	\$ 17.82	\$ 308.18	\$ 4,117.36
Total	\$ 50,173.73	\$ 59,472.53	\$ 4,744.55	\$ 6,895.80	\$ 121,286.61

Footnotes:

[a] Interest on the Improvement Area #1 Bonds is calculated at a 5.300%, 6.200%, and 6.350%, rate for term bonds maturing 2035, 2045, and 2055, respectively.

[b] 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.

**ENCLAVE OF BAHAMAS PUBLIC IMPROVEMENT DISTRICT – BUYER DISCLOSURE
– IMPROVEMENT AREA #1 LOT TYPE 2**

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 RECORDING¹ RETURN TO:

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

STREET ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 2 PRINCIPAL ASSESSMENT: \$52,814.45

As the purchaser of the real property described above, you are obligated to pay assessments to City of Caddo Mills, 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 *Enclave of Bahamas 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 of Caddo Mills. The exact amount of each annual installment will be approved each year by the City of Caddo Mills 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 Caddo Mills.

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 Hunt 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 SELLER²

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 HUNT

§

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 Texas³

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 Hunt 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 HUNT

§

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 Texas⁴

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 Hunt County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 LOT TYPE 2

Improvement Area #1 Bond					
Installment Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Annual Installment ^[b]
2027	\$ 747.05	\$ 3,241.82	\$ 264.07	\$ 217.01	\$ 4,469.94
2028	\$ 799.17	\$ 3,202.22	\$ 260.34	\$ 190.05	\$ 4,451.78
2029	\$ 833.91	\$ 3,159.87	\$ 256.34	\$ 193.85	\$ 4,443.98
2030	\$ 886.03	\$ 3,115.67	\$ 252.17	\$ 197.73	\$ 4,451.61
2031	\$ 920.78	\$ 3,068.71	\$ 247.74	\$ 201.69	\$ 4,438.92
2032	\$ 972.90	\$ 3,019.91	\$ 243.14	\$ 205.72	\$ 4,441.67
2033	\$ 1,025.02	\$ 2,968.35	\$ 238.27	\$ 209.83	\$ 4,441.47
2034	\$ 1,094.51	\$ 2,914.02	\$ 233.15	\$ 214.03	\$ 4,455.71
2035	\$ 1,146.63	\$ 2,856.01	\$ 227.68	\$ 218.31	\$ 4,448.63
2036	\$ 1,181.38	\$ 2,795.24	\$ 221.94	\$ 222.68	\$ 4,421.24
2037	\$ 1,250.87	\$ 2,721.99	\$ 216.04	\$ 227.13	\$ 4,416.03
2038	\$ 1,320.36	\$ 2,644.44	\$ 209.78	\$ 231.67	\$ 4,406.26
2039	\$ 1,407.23	\$ 2,562.58	\$ 203.18	\$ 236.31	\$ 4,409.29
2040	\$ 1,494.09	\$ 2,475.33	\$ 196.14	\$ 241.03	\$ 4,406.60
2041	\$ 1,580.96	\$ 2,382.70	\$ 188.67	\$ 245.85	\$ 4,398.18
2042	\$ 1,685.20	\$ 2,284.68	\$ 180.77	\$ 250.77	\$ 4,401.41
2043	\$ 1,789.44	\$ 2,180.19	\$ 172.34	\$ 255.79	\$ 4,397.76
2044	\$ 1,893.68	\$ 2,069.25	\$ 163.39	\$ 260.90	\$ 4,387.22
2045	\$ 2,015.29	\$ 1,951.84	\$ 153.93	\$ 266.12	\$ 4,387.18
2046	\$ 2,136.90	\$ 1,826.89	\$ 143.85	\$ 271.44	\$ 4,379.09
2047	\$ 2,275.89	\$ 1,691.20	\$ 133.17	\$ 276.87	\$ 4,377.12
2048	\$ 2,414.87	\$ 1,546.68	\$ 121.79	\$ 282.41	\$ 4,365.75
2049	\$ 2,571.23	\$ 1,393.34	\$ 109.71	\$ 288.06	\$ 4,362.34
2050	\$ 2,744.96	\$ 1,230.06	\$ 96.86	\$ 293.82	\$ 4,365.70
2051	\$ 2,918.69	\$ 1,055.76	\$ 83.13	\$ 299.70	\$ 4,357.28
2052	\$ 3,109.80	\$ 870.42	\$ 68.54	\$ 305.69	\$ 4,354.45
2053	\$ 3,318.28	\$ 672.95	\$ 52.99	\$ 311.80	\$ 4,356.02
2054	\$ 3,526.75	\$ 462.24	\$ 36.40	\$ 318.04	\$ 4,343.43
2055	\$ 3,752.61	\$ 238.29	\$ 18.76	\$ 324.40	\$ 4,334.06
Total	\$ 52,814.45	\$ 62,602.66	\$ 4,994.27	\$ 7,258.73	\$ 127,670.11

Footnotes:

[a] Interest on the Improvement Area #1 Bonds is calculated at a 5.300%, 6.200%, and 6.350%, rate for term bonds maturing 2035, 2045, and 2055, respectively.

[b] 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.