

**MUNICIPAL UTILITY DISTRICT
NOTICE TO PURCHASER**

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

The real property, described below, that you are about to purchase is located within Northtown Municipal Utility District (the "District"). The District has taxing authority separate from any other taxing authority, and may, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds. As of this date, the rate of taxes levied by the District on real property located in the District is \$0.75 on each \$100 of assessed valuation. The total amount of bonds, excluding refunding bonds and any bonds or any portion of bonds issued that are payable solely from revenues received or expected to be received under a contract with a governmental entity, approved by the voters and which have been or may, at this date, be issued is \$167,133,000, and the aggregate initial principal amount of all bonds issued for one or more of the specified facilities of the District and payable in whole or in part from property taxes is \$34,230,000.

The District has the authority to adopt and impose a standby fee on property in the District that has water, sanitary sewer or drainage facilities and services available but not connected and which does not have a house, building, or other improvement located thereon and does not substantially utilize the utility capacity available to the property. The District may exercise the authority without holding an election on the matter. As of this date, the most recent amount of the standby fee is \$0. An unpaid standby fee is a personal obligation of the person that owned the property at the time of imposition and is secured by a lien on the property. Any person may request a certificate from the District stating the amount, if any, of unpaid standby fees on a tract of property in the District.

The District is located in whole or in part in the extraterritorial jurisdiction of the City of Austin. By law, a district located in the extraterritorial jurisdiction of a municipality may be annexed without the consent of the district or the voters of the district. When a district is annexed, the district is dissolved.

The purpose of this District is to provide water, sewer, drainage, or flood control facilities and services within the District through the issuance of bonds payable in whole or in part from property taxes. The cost of these utility facilities is not included in the purchase price of your property, and these utility facilities are owned or to be owned by the District. The legal description of the property which you are acquiring is more fully described as follows:

The District has entered into a contract with the City of Austin ("City") in connection with the City's consent to the creation of the District (the "Creation Agreement"). The Creation Agreement provides that the City may begin to annex land within the District and within the City's extraterritorial jurisdiction at any time after December 21, 1993, and that, after the City has annexed seventy-five percent (75%) of the land within the District, by value or by acreage, the City shall annex the remaining portion of the District lying within its extraterritorial jurisdiction within ninety (90) days. The Creation Agreement further provides that, following annexation, the City may, unless otherwise prohibited by applicable law, charge and collect a special water and sewer rate of \$17.05 per month from each single family dwelling unit or its equivalent to which water and sewer services are provided. This special rate is to be charged, in addition to the City's normal water and sewer rates, until the bonded indebtedness of the District has been retired. The Creation Agreement authorizes the City to recalculate this special water and sewer rate if the total principal amount of bonds for District facilities is greater or less than the total estimated amount used to calculate the \$17.05 special rate, or if, as a result of the subdivision process, the total number of single family units or their equivalents is greater or less than the total number used to calculate the \$17.05 special rate.

SELLER:

Date: _____

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ROUTINELY ESTABLISHES TAX RATES DURING THE MONTHS OF SEPTEMBER THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE YEAR IN WHICH THE TAX RATES ARE APPROVED BY THE DISTRICT. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or prior to execution of a binding contract for the purchase of the real property described in such notice or at closing of purchase of the real property.

PURCHASER:

Date: _____

STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me the ____ day of _____, 2011, by _____, _____ of _____, a _____, on behalf of the _____.

Notary Public Signature

STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me the ____ day of _____, 2011, by _____.

Notary Public Signature

AFTER RECORDING RETURN TO: