

STONEGATE PUBLIC IMPROVEMENT DISTRICT

NOTICE OF INFORMATION

NOTICE IS HEREBY GIVEN of that certain information (the "Information") relating to the Stonegate Public Improvement District (the "District"), which, pursuant to the Public Improvement District Act, the District is required to file and record with the Sandoval County Clerk each year. The real property located within the District is described in the attached Exhibit A, which is hereby incorporated into and made a part of this Notice of Information. The Information is included in the form attached hereto as Exhibit B to this Notice of Information and is hereby incorporated into and made a part of this Notice of Information.

CONTACT INFORMATION: The principal office for the transaction of business of the District is the office of the District Clerk, whose office is located at:

3200 Civic Circle NE, Rio Rancho, New Mexico 87144.

AUTHORIZATION: This Notice is filed and recorded pursuant to Section 5-11-18(B), NMSA 1978.

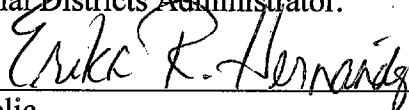
Executed this 25th day of July 2025, at Rio Rancho, New Mexico.

STONEGATE PUBLIC IMPROVEMENT DISTRICT

By: 
Steven Perkins, Special Districts Administrator

STATE OF NEW MEXICO)
)
COUNTY OF SANDOVAL) ss.

This instrument was acknowledged before me on the 25th day of July 2025, by Steven Perkins, as Special Districts Administrator.


Notary Public

My commission expires: 01/25/2027

STATE OF NEW MEXICO
NOTARY PUBLIC
ERIKA RUTH HERNANDEZ
COMMISSION # 1139569
COMMISSION EXPIRES 01/25/2027
(Seal)

EXHIBIT A TO NOTICE OF INFORMATION

Legal Description of the Real Property Located Within the District

The land comprising the District is identified as follows:

Tracts 1 thru 8 inclusive, STONEGATE SUBDIVISION, as the same are shown and designated on the plat thereof filed in the office of the County Clerk of Sandoval County, New Mexico on June 15, 2011 in Volume 3, folio 3338.

TOGETHER WITH Lots numbered Two (2) and Twenty-three (23) in Block numbered Fifty-four (54) and Lot numbered Six (6) in Block numbered Fifty-five (55) in RIO RANCHO ESTATES UNIT 13, as the same is shown and designated on the plat entitled, "S.W. PORTION OF UNIT THIRTEEN, RIO RANCHO ESTATES, TOWN OF ALAMEDA GRANT, SANDOVAL COUNTY, NEW MEXICO", filed in the office of the County Clerk of Sandoval County, New Mexico on April 22, 1963.

EXHIBIT B TO THE NOTICE OF INFORMATION

Information Regarding the District

**NOTICE OF INFORMATION
FOR THE STONEGATE PUBLIC IMPROVEMENT DISTRICT**

TO: The Prospective Purchaser of Real Property in the Stonegate Public Improvement District (the “District”)

This is a notification to you (this “Notice”), a prospective purchaser of real property in the District (the “Property”), prior to your entering into a contract with the seller to purchase the Property. The seller or an agent or broker of the seller of the Property is required to give you this Notice, which may be in addition to other notices or disclosures that may be required by federal, state or local law, and may request that you sign a copy of this Notice to indicate that you have received and read a copy of this Notice.

1. The Property is within the District, which is a public improvement district formed pursuant to the Public Improvement District Act, §§ 5-11-1 to -27, NMSA 1978 (the “Act”) and City of Rio Rancho Resolution No. R-52, Enactment No. 13-049 (the “Formation Resolution”).

2. The purpose of the District is to undertake certain Public Infrastructure Purposes (as that term is defined in the Act), including, but not limited to, financing certain Public Infrastructure Improvements (as that term is defined in the Act) through the sale of special levy bonds. Debt service on those special levy bonds is to be satisfied through a special levy imposed on the Property and all other property in the District in accordance with the Rate and Method of Special Levy Apportionment (defined in the Formation Resolution) as accepted and approved by the City of Rio Rancho (the “City”) in the Formation Resolution (the “Special Levy”). The District may also finance all or a portion of the costs associated with the Public Infrastructure Improvements from the collection of the Special Levy, without the issuance of District bonds.

3. If you purchase the Property, you will be obligated to pay the Special Levy, once imposed, and, if applicable, any other property tax or special levy that may be imposed by the board of directors of the District (the “Board”).

4. The Special Levy, once imposed by the Board, and, if applicable, any other property tax or special levy that may be imposed by the Board are in addition to any other state, county or other local governmental taxes and assessments.

5. THE DISTRICT IS AUTHORIZED TO IMPOSE A SPECIAL LEVY ON ALL TAXABLE PARCELS WITHIN THE DISTRICT, BUT HAS NOT BUDGETED FOR OR COLLECTED A SPECIAL LEVY AS OF THE DATE OF THIS NOTICE. THE MAXIMUM SPECIAL LEVY THAT IS AUTHORIZED TO BE IMPOSED ON THE PROPERTY IS IDENTIFIED IN THE RATE AND METHOD OF APPORTIONMENT OF SPECIAL LEVY, A COPY OF WHICH IS ATTACHED HERETO AS EXHIBIT 1 TO THIS NOTICE AND IS HEREBY INCORPORATED INTO AND MADE A PART OF THIS NOTICE.

6. THE DISTRICT IS NOT AUTHORIZED TO ISSUE GENERAL OBLIGATION BONDS AND NO GENERAL OBLIGATION BONDS HAVE BEEN ISSUED.

7. FAILURE TO PAY THE SPECIAL LEVY, ONCE IMPOSED BY THE BOARD, AND, IF APPLICABLE, ANY OTHER PROPERTY TAX OR SPECIAL LEVY THAT MAY BE IMPOSED BY THE BOARD COULD RESULT IN THE FORECLOSURE OF THE PROPERTY.

8. Additional information concerning the amount of the annual Special Levy assessment and the due dates of the Special Levy, once imposed, may be obtained from the City through the District Clerk, whose office is located at:

3200 Civic Circle NE, Rio Rancho, New Mexico 87144.

9. A feasibility study was completed as part of the formation of the District and the feasibility study is available from the City through the District Clerk, whose office is located at:

3200 Civic Circle NE, Rio Rancho, New Mexico 87144.

I (we) acknowledge that I (we) have read this Notice and received a copy of this Notice prior to entering into a contract to purchase the Property.

Executed this _____ day of _____, 20____.

Signature: _____

Print Name: _____

Signature: _____

Print Name: _____

(additional signature, if required)

EXHIBIT 1 TO NOTICE OF INFORMATION

Rate and Method of Apportionment of Special Levy

RATE AND METHOD OF APPORTIONMENT OF SPECIAL LEVY

STONEGATE PUBLIC IMPROVEMENT DISTRICT

An Annual Special Levy shall be levied, extended, and collected in the Stonegate Public Improvement District (hereinafter referred to as the "PID" or the "District") each Fiscal Year, in an amount determined by the District Board or its designee through the application of the procedures described below. All of the real property in the PID, unless exempted by the provisions hereof, shall be subject to the Annual Special Levy for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms used herein shall have the following meanings:

"Act" means the Public Improvement District Act, being Sections 5-11-1 through 5-11-27, NMSA 1978.

"Administrative Expenses" means the actual or reasonably estimated costs permitted in accordance with the Act and directly related to the administration of the PID as determined by the District Board or its designee, including but not limited to, the costs of computing the Annual Special Levies and of preparing the collection schedules (whether by the District Board or designee thereof or both); the costs of collecting the Annual Special Levies (whether by the County, or otherwise); the costs of remitting the Annual Special Levies to the Trustee for any Bonds; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under any Indenture; the costs of the District or designee in computing the amount of rebatable arbitrage, if any; the costs of the District or designee in complying with the disclosure requirements of applicable federal and state securities laws and of the Act, including, but not limited to, public inquiries regarding the Annual Special Levies; and the costs associated with the release of funds from any escrow account. Administrative Expenses shall also include amounts advanced for any administrative purpose of the District including the costs of prepayment of the Annual Special Levies; recordings related to the prepayment, discharge or satisfaction of the Annual Special Levies; and the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Annual Special Levies and the reasonable fees of legal counsel to the District incurred in connection with the foregoing.

"Administrator" means the designee of the District Board responsible for determining the Special Levy Requirement, and coordinating the billing and collection of the Annual Special Levies.

"Annual Special Levy" means the special levy collected in each Fiscal Year from each Parcel pursuant to Section D to fund the Special Levy Requirement.

"Association Property" means any property in the District owned by or dedicated to a property owner association, including any master or sub-association, exclusive of any property on which Dwelling Units are or may be constructed.

"Bonds" means any bonds or other debt, including refunding bonds, whether in one or more series, secured by the Annual Special Levy.

"City" means the City of Rio Rancho New Mexico.

"County" means the County of Sandoval, New Mexico.

"Developed Platted Property" means all Platted Property for which a certificate of occupancy permit has been issued by the April 30 preceding the Fiscal Year for which the Annual Special Levy is being collected.

"District Board" means the governing body of the District.

"Dwelling Unit" or "DU" means a residential dwelling unit.

"Exempt Property" means all property exempt from the Annual Special Levy pursuant to Section G.

"Final Plat" means a final plat or final subdivision of land that is approved by the City and recorded with the County.

"Fiscal Year" means the twelve-month period starting July 1 and ending June 30.

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Levyable Property" means all property within the District which is not Exempt Property or which has not prepaid the Maximum Annual Special Levy in full pursuant to Section H.

"Maximum Annual Special Levy" means the maximum special levy, determined in accordance with Section B and Section C that can be levied by the District Board in any Fiscal Year on any Parcel of Levyable Property.

"Parcel" means a lot or parcel within the boundaries of the District that is assigned a uniform property code as shown on a Cadastral Map.

"Parcel Map" means an official map of the County designating parcels by uniform property code.

"Platted Property" means all Residential Lots for which a Final Plat was recorded by the January 1 preceding the Fiscal Year for which the Annual Special Levy is being collected.

"Preliminary Plat" means a preliminary plat of subdivision which has been approved by the City.

"Public Property" means all property in the District owned by or dedicated to the federal government, the State of New Mexico, the County of Sandoval, the City of Rio Rancho, or any local government or other public agency.

"Residential Lot" means a Parcel of Levyable Property for which a building permit (i) may and is anticipated to be issued without any further subdivision of the Parcel or (ii) has been issued for a Dwelling Unit.

"Special Levy Requirement" means that amount determined by the District Board or its designee as required in any Fiscal Year to pay: (1) Administrative Expenses, (2) debt service on any Bonds, (3) an amount equal to the anticipated delinquent Annual Special Levies, (4) any amount required to replenish any reserve fund established in connection with such Bonds, (5) the costs of credit enhancement and fees for instruments that serve as the basis of a reserve fund in lieu of cash related to any such Bonds, and (6) for acquisition and/or construction of authorized public improvements.

"Trustee" means the trustee or fiscal agent under the Indenture.

"Undeveloped Platted Property" means Platted Property not classified as Developed Platted Property.

"Undeveloped Property" means all Levyable Property that is not classified as Developed Platted Property or Undeveloped Platted Property.

B. CLASSIFICATION OF PROPERTY

On or about May 1 of each Fiscal Year, all property within the District shall be classified as Exempt Property or Levyable Property. All Levyable Property shall be assigned to one of the three levy classifications shown in Table 1 below in accordance with applicable zoning designation as shown in Exhibit A. Parcels in each of the three levy classifications shall be further classified as Developed Platted Property, Undeveloped Platted Property, or Undeveloped Property.

C. MAXIMUM ANNUAL SPECIAL LEVY

The Maximum Annual Special Levy for a Parcel of Levyable Property shall be determined pursuant to Section C.1 below, adjusted pursuant to Section C.2 as applicable.

1. Maximum Annual Special Levy

Subject to Section C.2 below, the Maximum Annual Special Levy applicable to each Parcel of Levyable Property shall be determined by reference to Table 1. Prior to the recordation of the Final Plat, the Maximum Annual Special Levy for a Parcel of Levyable Property shall be determined by multiplying the expected number and classification of Residential Lots for such Parcel, as determined from Exhibit A, by the corresponding Maximum Annual Special Levy amounts set forth in Table 1 on the following page.

TABLE 1 THE BOULDERS PID MAXIMUM ANNUAL SPECIAL LEVY		
LEVY CLASSIFICATION	ANTICIPATED RESIDENTIAL LOTS	MAXIMUM ANNUAL SPECIAL LEVY
(1) Residential R-2	105	\$1,800 / Residential Lot
(2) Residential R-4	521	\$1,085 / Residential Lot
(2) Residential R-3	197	\$900 / Residential Lot

2. Reduction in Maximum Annual Special Levies

If at any time the Administrator determines that there has been or will be a reduction in the Maximum Annual Special Levies as a result of an amendment to Exhibit A, a reduction in the number of Residential Lots, or other event which reduces the Maximum Annual Special Levies such that the annual debt service coverage ratio is less than one hundred ten percent (110%), then at the discretion of the District Board either (i) the Maximum Annual Special Levy for the Parcel(s) located in the Preliminary Plat(s) or Final Plat(s) in which such a reduction has or will occur shall be increased pursuant to C.2.a below to compensate for the reduction or (ii) a prepayment shall be made pursuant to C.2.b below. Each year's annual debt service coverage ratio shall be determined by dividing (i) such year's reduced Maximum Annual Special Levies less estimated Administrative Expenses by (ii) the sum of the corresponding annual interest and principal payments on the Bonds.

a. Adjusted Maximum Annual Special Levy

If the District Board determines that the Maximum Annual Special Levy shall be increased to compensate for the reduction, the then applicable Maximum Annual Special Levy for the subject Parcels shall be increased by multiplying such Maximum Annual Special Levy by a quotient the numerator of which is equal to the sum of (i) the then applicable Maximum Annual Special Levies for the subject Parcels and (ii) the amount by which the Maximum Annual Special Levies for the District is less than the sum of the estimated Administrative Expenses and one hundred ten percent (110%) of the annual interest and principal payments on the outstanding Bonds and the denominator of which is equal to the then applicable Maximum Special Levies for the subject Parcels, taking into consideration the changes resulting in the reduction. Note, no adjustment shall be made prior to the sale of Bonds.

b. Prepayment of Reduction

If the District Board determines that the reduction in the Maximum Annual Special Levies shall be prepaid, such prepayment amount shall be computed pursuant to Section H, with the following modifications:

- The difference between the Maximum Annual Special Levies required for one hundred ten percent (110%) debt service coverage and the amount to which the Maximum Annual Special Levies have been reduced shall serve as the numerator when computing Principal; and
- The Maximum Annual Special Levies necessary for the annual debt service coverage ratio to equal 110% shall serve as the denominator when computing principal.

3. Exhibit A Amendments

Exhibit A may be amended pursuant to an executed certificate, the form of which is attached as Exhibit B. Any amendment to Exhibit A approved by the District Board shall be recorded with the County Clerk.

D. APPORTIONMENT OF ANNUAL SPECIAL LEVY

Commencing with Fiscal Year 2013-2014 and for each following Fiscal Year, the District Board shall apportion the Annual Special Levy to each Parcel of Levyable Property in equal percentages until the Annual Special Levies equal the Special Levy Requirement, provided the Annual Special Levy for any Residential Lot does not exceed its Maximum Annual Special Levy, in accordance with the following steps:

First: The Annual Special Levy shall be collected from each Parcel of Developed Platted Property in equal percentages up to 100% of the applicable Maximum Annual Special Levy;

Second: If additional monies are needed to fund the Special Levy Requirement after the first step, the Annual Special Levy shall be collected from each Parcel of Undeveloped Platted Property in equal percentages up to 100% of the applicable Maximum Annual Special Levy; and

Third: If additional monies are needed to fund the Special Levy Requirement after the second step, the Annual Special Levy shall be collected from each Parcel of Undeveloped Property in equal percentages up to 100% of the applicable Maximum Annual Special Levy.

Equal percentages means the Annual Special Levy for each Parcel of Developed Platted Property, computed as a percentage of its applicable Maximum Annual Special Levy, is the same as for all other Parcels of Developed Platted Property; the Annual Special Levy for each Parcel of Undeveloped Platted Property, computed as a percentage of its applicable Maximum Annual Special Levy, is the same as for all other Parcels of Undeveloped Platted Property; and the Annual Special Levy for each Parcel of Undeveloped Property, computed

as a percentage of its applicable Maximum Annual Special Levy, is the same as for all other Parcels of Undeveloped Property.

E. MANNER OF COLLECTION

The Annual Special Levy shall constitute a lien on the property subject thereto which shall have priority co-equal to the lien of general ad valorem property taxes. The Annual Special Levy will be billed by the County in the same manner and at the same time as general ad valorem property taxes and will appear as a separate item on the property tax bill for real property within the District as that property is identified on the tax roll on January 1 of each year in which the Annual Special Levy is in effect. As provided in the Act, the District has established foreclosure remedies which shall apply following nonpayment of the Annual Special Levy, which are referred to in the Notice of Imposition of Special Levy. Under those procedures, the Annual Special Levy is subject to foreclosure by the District beginning six months after written notice of delinquency is provided to the owner of the real property to which the delinquency applies. The lien of the Annual Special Levy includes delinquencies, penalties and interest thereon at a rate not to exceed the maximum legal rate of interest per year and penalties otherwise applicable.

F. TERM

The Annual Special Levy that is pledged to pay debt service on the Bonds shall cease to be levied and collected following the payment of all scheduled interest, principal, and premium, if any, for the Bonds.

G. EXEMPTIONS

Property exempt from the Annual Special Levy consists of (i) Association Property and (ii) Public Property.

H. PREPAYMENT

The Maximum Annual Special Levy for the current and all remaining Fiscal Years through the final maturity of the outstanding Bonds for any Parcel may be prepaid in full or in part and the obligation of the Parcel to pay that portion of the Maximum Annual Special Levy that has been prepaid permanently satisfied as described herein, provided that a prepayment may be made only if there are no outstanding delinquent Annual Special Levies with respect to such Parcel and all other Parcels under the same ownership at the time of prepayment. An owner of a Parcel intending to prepay the Maximum Annual Special Levy shall provide the District Board with written notice of intent to prepay and the amount of the Maximum Annual Special Levy to be prepaid. Within 30 days of receipt of such written notice, the District Board or its designee shall notify such owner of the prepayment amount for such Parcel and the date through which such prepayment shall be valid.

1. Full Prepayment

A "Full Prepayment" means an amount equal to (a) the sum of (1) Principal, (2) Premium, (3) Defeasance, (4) Unfunded Public Improvement Costs, and (5) Fees

minus (b) the sum of (1) the Reserve Fund Credit and (2) the Capitalized Interest Credit, if provided for in the Indenture, where the terms "Principal," "Premium," "Defeasance," "Unfunded Public Improvement Costs," "Fees," "Reserve Fund Credit," and "Capitalized Interest Credit" have the following meanings:

"Principal" means the principal amount of Bonds to be redeemed and equals the quotient derived by dividing (i) the then applicable Maximum Annual Special Levy for the Parcel intending to prepay by (ii) the corresponding Maximum Annual Special Levies for the District, (and excluding from (ii) any Maximum Annual Special Levies for Parcels which have been previously prepaid), and multiplying the quotient by the principal amount of outstanding Bonds.

"Premium" means an amount equal to the Principal multiplied by the applicable redemption premium, if any, for any Bonds so redeemed with the proceeds of any such prepayment.

"Defeasance" means the amount needed to pay interest on the Principal to be redeemed until the earliest redemption date for the outstanding Bonds less any Annual Special Levies heretofore paid for such Parcel and available to pay interest on the redemption date for the Bonds.

"Unfunded Public Improvement Costs" means the portion of the public improvement costs that have not been financed and/or reimbursed from Bond proceeds that is allocable to the Parcel to which the Full Prepayment applies and equals the quotient derived by dividing (i) the then applicable Maximum Annual Special Levy for the Parcel intending to prepay by (ii) the corresponding Maximum Annual Special Levies for the District, (and excluding from (ii) any Maximum Annual Special Levies for Parcels which have been previously prepaid), and multiplying the quotient by the aggregate amount of public improvement costs that have not been financed and/or reimbursed from Bond proceeds as determined by the Administrator.

"Fees" equal the expenses of the District associated with the Prepayment as calculated by the District Board or its designee and include, but are not limited to, the costs of computing the Full Prepayment, the costs of amending any Annual Special Levy previously enrolled with the County, the costs of redeeming the Bonds, and the costs of recording and publishing any notices to evidence the prepayment of the Maximum Annual Special Levy and the redemption of Bonds.

"Reserve Fund Credit" shall equal the lesser of (i) the Reserve Fund Requirement (as such term is defined in the Indenture) multiplied by the quotient used to calculate Principal or (ii) an amount determined by subtracting the Reserve Requirement in effect after the redemption of Bonds from the balance in the Reserve Fund (as such term is defined in the Indenture) on the prepayment calculation date, provided that the amount determined is not less than zero.

"Capitalized Interest Credit" shall equal the reduction in interest payable on the Bonds due to the redemption of Principal from the Full Prepayment from the redemption date for the Bonds redeemed from the Full Prepayment to the end of the capitalized interest period, as determined by the Board or its designee. No capitalized interest credit is given if the redemption date for the Bonds redeemed from the Full Prepayment is after the capitalized interest period.

The sum of the amounts calculated in the preceding steps shall be paid to the District and shall be used to (a) pay interest and principal on Bonds, (b) redeem Bonds in accordance with the Indenture, (c) pay or reimburse the cost of public improvements, and (d) pay Fees associated with the Full Prepayment. Upon the receipt of the Full Prepayment by the District and the deposit of such funds with the Trustee, the obligation to pay the Maximum Annual Special Levy for such Parcel shall be deemed to be permanently satisfied, the Maximum Annual Special Levy shall not be levied thereafter on such Parcel, and the Administrator shall cause a notice of cancellation of the Maximum Annual Special Levy for such Parcel to be recorded.

2. Partial Prepayment

A "Partial Prepayment" means an amount computed pursuant to the preceding Section H.1 by substituting (i) the portion of the Maximum Annual Special Levy to be prepaid for the term Maximum Annual Special Levy when computing Principal and Unfunded Public Improvement Costs and (ii) the term "Partial Prepayment" for the term "Full Prepayment" in every paragraph and term contained within Section H.1 excepting the last paragraph.

Notwithstanding the foregoing, no Full Prepayment or Partial Prepayment shall be allowed unless the amount of Maximum Annual Special Levy that may be collected after the proposed prepayment is at least the sum of (i) the estimated Administrative Expenses associated with and/or allocable to the Special Levy Requirement and (ii) one hundred ten percent (110%) of the debt service for the Bonds issued and outstanding, taking into account the amount of Bonds to remain outstanding after such prepayment.

I. AMENDMENTS

This Rate and Method of Apportionment of Special Levy may be amended pursuant to and to the extent permitted by the Act. The District Board may make clarifications with respect to this Rate and Method of Apportionment of Special Levy without further notice under the Act and without notice to owners of property within the District in order to (i) clarify or correct minor inconsistencies in the matters set forth herein and/or (ii) provide for lawful procedures for the collection and enforcement of the Annual Special Levy so as to ensure the efficient collection of the Annual Special Levy for the benefit of the owners of the Bonds and the District, respectively. No amendment shall be approved by the District Board if it violates any other agreement binding upon the District and unless and until it has (i) found and determined that the amendment is necessary and appropriate and does not materially adversely affect the rights of the owners of the Bonds or the District Board has obtained the

consent of one hundred percent (100.00%) of the owners of the Bonds and (ii) received an opinion from bond counsel to the effect that the amendment does not violate the Act, and is authorized pursuant to the terms of the Indenture and this Rate and Method of Apportionment of Special Levy.

<http://127.0.0.1/resources/Clients/Raylee Vantage/Stonegate/RMA/Stonegate RMA 9.15.12.doc>