

**ADDENDUM
TO**

OFFICIAL STATEMENT DATED AUGUST 26, 2020

NORTHLAKE MUNICIPAL MANAGEMENT DISTRICT NO. 1 OF DENTON COUNTY

**\$9,725,000
Unlimited Tax Utility Bonds
Series 2020**

**\$5,845,000
Unlimited Tax Road Bonds
Series 2020**

This Addendum serves to correct the following in the Official Statement: (i) the delivery date of the Bonds on the cover page; (ii) the initial offering prices of each of the Utility Term Bonds and the Road Term Bonds on the maturity tables on the inside cover page; (iii) the amounts being deposited into each of the Utility System Debt Service Fund and Road System Debt Service Fund under the captions "SELECTED FINANCIAL INFORMATION (UNAUDITED)" on page 11 and "DISTRICT DEBT - General" on page 40; (iv) the amounts of contingency, BAN interest, and capitalized interest on the Utility Bonds under the caption "THE BONDS - Use and Distribution of Proceeds of Utility Bonds" on page 30; and (v) the amount of bond issuance expenses and capitalized interest on the Road Bonds under the caption "THE BONDS - Use and Distribution of Proceeds of Road Bonds" on page 31. The correct information is reflected in bold text below:

(i) Cover page of the Official Statement:

The Bonds are offered when, as, and if issued by the District and are also offered subject, among other things, to the approval of the Attorney General of Texas and of Coats Rose, P.C., Dallas, Texas, Bond Counsel. Delivery of the Bonds through the facilities of DTC is expected on or about **September 29, 2020**.

(ii) Inside cover page of the Official Statement:

The Utility Term Bonds

\$775,000 Term Bond due March 1, 2033 (c)(d) Interest Rate 2.000% (Price: **\$98.910**) (a) CUSIP No. 66649T AM6 (b)
\$820,000 Term Bond due March 1, 2035 (c)(d) Interest Rate 2.000% (Price: **\$97.539**) (a) CUSIP No. 66649T AP9 (b)
\$865,000 Term Bond due March 1, 2037 (c)(d) Interest Rate 2.125% (Price: **\$98.290**) (a) CUSIP No. 66649T AR5 (b)
\$910,000 Term Bond due March 1, 2039 (c)(d) Interest Rate 2.125% (Price: **\$97.383**) (a) CUSIP No. 66649T AT1 (b)
\$1,980,000 Term Bond due March 1, 2043 (c)(d) Interest Rate 2.250% (Price: **\$97.409**) (a) CUSIP No. 66649T AX2 (b)
\$1,075,000 Term Bond due March 1, 2045 (c)(d) Interest Rate 2.375% (Price: \$98.626) (a) CUSIP No. 66649T AZ7 (b)

The Road Term Bonds

\$465,000 Term Bond due March 1, 2033 (c)(d) Interest Rate 2.000% (Price: **\$98.910**) (a) CUSIP No. 66649T BM5 (b)
\$490,000 Term Bond due March 1, 2035 (c)(d) Interest Rate 2.000% (Price: **\$97.539**) (a) CUSIP No. 66649T BP8 (b)
\$520,000 Term Bond due March 1, 2037 (c)(d) Interest Rate 2.125% (Price: **\$98.290**) (a) CUSIP No. 66649T BR4 (b)
\$550,000 Term Bond due March 1, 2039 (c)(d) Interest Rate 2.125% (Price: **\$97.383**) (a) CUSIP No. 66649T BT0 (b)
\$1,190,000 Term Bond due March 1, 2043 (c)(d) Interest Rate 2.250% (Price: **\$97.409**) (a) CUSIP No. 66649T BX1 (b)
\$645,000 Term Bond due March 1, 2045 (c)(d) Interest Rate 2.375% (Price: \$98.626) (a) CUSIP No. 66649T BZ6 (b)

(iii) Pages 11 and 40 of the Official Statement:

Utility System Debt Service Fund Balance (as of Delivery of the Utility Bonds).....	\$409,498 (e)
Road System Debt Service Fund Balance (as of Delivery of the Road Bonds)	\$250,834 (f)
General Operating Fund Balance (as of July 8, 2020)	\$208,005

(iv) Page 30 of the Official Statement:

Use and Distribution of Proceeds of Utility Bonds

<u>Construction Costs</u>	<u>District's Share</u>
A. Developer Contribution Items	
1. Pecan Park, Phase 1 – Mass Grading	\$ 1,373,940
2. Pecan Park, Phase 1A – Utilities	2,871,216
3. Pecan Park, Phase 1B – Utilities	2,334,193
4. Engineering Costs (Items 1-3)	<u>971,984</u>
Total Developer Contribution Items	\$ 7,551,333
B. District Items	
None	-
Total Construction Costs	\$ 7,551,333
<u>Non-Construction Costs</u>	
A. Legal Fees	\$ 234,500
B. Financial Advisor Fees	194,500
C. Interest	
1. Capitalized Interest (18 Months)	409,498
2. Developer Interest	415,628
3. Bond Anticipation Note Interest	132,216
D. Bond Discount	291,750
E. TCEQ Bond Issuance Fee (0.25%)	24,313
F. BAN Expenses	129,067
G. Bond Application Report Cost	50,000
H. Bond Issuance Expense	28,452
I. Attorney General Fee (0.10% or a maximum of \$9,500)	9,500
J. Contingency (a)	<u>254,243</u>
Total Non-Construction Costs	\$ 2,173,667
TOTAL BOND ISSUE REQUIREMENT	\$ 9,725,000

(v) Page 31 of the Official Statement:

Use and Distribution of Proceeds of Road Bonds

<u>Construction Costs</u>	<u>Amount</u>
A. Pecan Square, Phase 1 – Mass Grading	\$ 478,755
B. Pecan Square, Phase 1A -Utilities	296,290
C. Pecan Square, Phase 1A – Paving	3,492,701
D. Pecan Square, Phase 1B – Utilities	68,213
E. Pecan Square, Phase 1B – Paving	550,449
F. Engineering – Item 1	<u>34,720</u>
Total Construction Costs	\$ 4,921,128
<u>Non-Construction Costs</u>	
A. Legal Fees	\$ 161,125
B. Financial Advisor Fees	116,900
C. Interest	
1. Capitalized Interest (18 Months)	250,834
2. Developer Interest	192,899
D. Bond Discount	174,081
E. Bond Issuance Expense	22,187
F. Attorney General Fee (0.10% or a maximum of \$9,500)	<u>5,845</u>
Total Non-Construction Costs	\$ 923,872
TOTAL BOND ISSUE REQUIREMENT	\$ 5,845,000