HERITAGE SHORES SPECIAL DEVELOPMENT DISTRICT

SPECIAL TAX REPORT
AND ROLL
FISCAL YEAR 2025-2026

MUNICAP, INC.
PUBLIC FINANCE

6/9/2025

SUMMARY OF SERIES 2020 BONDS

- The Town of Bridgeville, Delaware Special Obligation Refunding Bonds, Series 2020 (the "Series 2020 Bonds") were issued on November 23, 2020 in the aggregate amount of $12,295,000.
    - *Series 2020 Bonds in the amount of $8,752,000 are outstanding at a coupon rate of 4.000%.*
- Interest is payable semi-annually on January 1st and July 1st through the maturity date of July 1st, 2035.
- The Series 2020 Bonds were issued to refund all the outstanding Series 2005A Bonds. The Series 2005B Bonds have been repaid in full.
- The Series 2020 Bonds are to be repaid solely by the payment of Special Taxes on property within the Heritage Shores Special Development District.

SUMMARY OF SERIES 2024 BONDS

- The Town of Bridgeville, Delaware Special Obligation Bonds, Series 2024 (the "Series 2024 Bonds") were issued on May 2, 2024 in the aggregate amount of $36,550,000.
    - *Series 2024 Bonds in the amount of $36,445,000 are outstanding at a coupon rates of 5.25% and 5.625%.*
- Interest is payable semi-annually on January 1st and July 1st through the maturity date of July 1st, 2053.
- The Series 2024 Bonds were issued to finance additional infrastructure improvements within the District.
- The Series 2024 Bonds, together with the Series 2020 Bonds, are to be repaid solely by the payment of Special Taxes on property within the Heritage Shores Special Development District.

ACCOUNT ACTIVITY

The table below provides a summary of the account activity from May 1, 2024, through May 1, 2025.

Fund Balances

Account	Balance 5/1/2024	Disburse-ments	Additional Proceeds	Investment Income	Balance 5/1/2025
Series 2020 Interest Fund	$1	$390,710	$390,583	$126	$0
Series 2020 Sinking Fund	$388	$739,000	$739,894	$355	$1,637
Series 2020 Rebate Fund	$0	$0	$0	$0	$0
Series 2020 Debt Service Reserve Fund	$1,202,311	$17,606	$0	$55,555	$1,240,260
Series 2020 Redemption Account	$0	$6,228	$6,228	$0.00	$0
Administrative Expense Fund	$23,780	$71,410	$78,000	$1,695	$32,065
Revenue Fund	$2,132,131	$2,036,498	$2,218,303	$71,693	$2,385,629
Prepayment Principal Account	$27,486	$202,897	$238,133	$1,670	$64,391
Series 2024 Interest Account	$0	$2,332,863	$2,332,629	$234.30	$1
Series 2024 Sinking Fund Account	$0	$50,000	$50,045	$0.00	$45
Series 2024 Cap Interest Account	$1,580,000	$1,330,483	$0	$54,779.80	$304,297
Series 2024 Redemption Account	$0	$24,286	$24,286	$0.00	$0
Series 2024 Cost of Issuance Fund	$700,000	$640,383	$0	$2,586.36	$62,203
Series 2024 Developer Facilities Fund	$30,136,000	$0	$0	$1,302,828.05	$31,438,828
Series 2024 Debt Service Reserve Fund	$3,403,000	$3,667	$0	$147,105.89	$3,546,439
Total	**$39,205,097**	**$7,846,030**	**$6,078,100**	**$1,638,628**	**$39,075,794**

SPECIAL TAX REQUIREMENT & NET SPECIAL TAX LEVY

The Special Tax Requirement for Fiscal Year 2025-26 is equal to $2,063,949 and with the Passwater Credit, the **Net Special Tax Levy is $1,840,949**, as shown in the below table.

Special Tax Requirement

Total Debt Service	**$2,987,399**
Administrative Expenses for Fiscal Year 2025-2026	$80,000
Contingency	$153,370
Total Expenses	**$3,220,769**
Available Funds:	
Estimated Series 2020 Reserve Fund investment income through July 1, 2026[1]	($21,615)
Estimated Series 2024 Reserve Fund investment income through July 1, 2026[1]	($67,944)
Surplus from prior year	($1,067,260)
Total Available Funds	**($1,156,820)**
Special Tax Requirement	**$2,063,949**
Less Passwater Credit[2]:	*($223,000)*
Net Special Tax Levy	**$1,840,949**

Debt Service for Series 2020 Bonds = $989,080
Debt Service for Series 2024 Bonds = $1,998,319

SURPLUS FROM PRIOR YEAR

The surplus from prior year available to fund Fiscal Year 2025-26 expenses is shown below.

Surplus from Prior Year

Expenses:	**Amount**
Series 2020 Debt Service:	
Interest payment due on July 1, 2025	$187,220
Principal payment due on July 1, 2025	$595,000
Sub-total Series 2020 Debt Service	*$782,220*
Series 2024 Debt Service:	
Interest payment due on July 1, 2025	$1,000,669
Principal payment due on July 1, 2025	$0
Sub-total Series 2024 Debt Service	*$1,000,669*
Estimated remaining Fiscal Year 2024-2025 administrative expenses	$28,960
Total remaining expenses	**$1,811,849**
Available Funds:	
Available balance of the Revenue Fund as of May 1, 2025[1]	($2,251,498)
Available Balance of Series 2024 Capitalized Interest Account	($304,297)
Available balance of the Series 2020 Reserve Fund as of May 1, 2025	($142,748)
Available balance of the Series 2024 Reserve Fund as of May 1, 2025	($148,502)
Balance of the Administrative Expense Fund as of May 1, 2025	($32,065)
Estimated Series 2020 Reserve Fund investment income through June 30, 2025	$0
Estimated Series 2024 Reserve Fund investment income through June 30, 2025	$0
Total available funds	**($2,879,109)**
Surplus from prior year	**($1,067,260)**

SUMMARY OF THE SPECIAL TAX REQUIREMENT

- Expenses of the District are estimated to be $3,220,769, comprised of $1,998,319 in debt service owed on the Series 2020 Bonds and the Series 2024 Bonds, $80,000 in administrative expenses and a contingency of $153,370.
- Available funds to reduce the expenses of the District are estimated to be $1,156,820.
- The Special Tax Requirement for Fiscal Year 2025-2026 is equal to $2,063,949.
- The Passwater Credit for the year was $223,000.
- **The Net Special Tax Levy to be billed on the 904 taxable units is $1,840,949.**

SUMMARY OF SPECIAL TAX ROLL UPDATES

- Development Target following 2024 Bond Issuance

Lot Type	Total Lots Planned	Lots with Building Permits	Remaining Lots
Single-family detached	1,394	841	551
Single-family attached	446	258	194
Total	**1,840**	**1,099**	**741**

- 258 new lots for which a parcel number exists and a building permit is pending.
- 194 parcels have prepaid the special tax since inception.
- As of the date of classification, there are 904 units of taxable property within the Heritage Shores Special Development District.
  - 666 units are classified as single-family detached
  - 238 units are classified as single-family attached

DEVELOPED PROPERTY SPECIAL TAX PAYMENTS

Proportionate Special Tax Rate is approximately 1.37% lower than Assigned Special Tax Rate per property class.

	Total Units	Less: Prepaid Units	Taxable Units	Assigned Special Tax Rate	Total Special Taxes (Assigned)	Proportionate Special Tax Rates	Proportionate Special Tax to be Levied[2]
Single-Family Detached:							
Partial Prepayment Rate - 30.63%	11	5	6	$2,501	$15,005	$2,466	$14,799
Partial Prepayment Rate - 58.6%	162	51	111	$1,492	$165,660	$1,472	$163,387
Partial Prepayment Rate - 58.78%	184	53	131	$1,486	$194,659	$1,466	$191,987
Partial Prepayment Rate - 14.10%	4	3	1	$3,097	$3,097	$3,054	$3,054
Partial Prepayment Rate - 51.81%	3	1	2	$1,492	$2,985	$1,472	$2,944
Reduced Rate[1]	477	61	415	$3,097	$1,285,135	$3,054	$1,267,500
Sub-total single-family detached	*841*	*174*	*666*	*$13,165*	*$1,666,540*	*$12,984*	*$1,643,671*
Single-Family Attached:							
Partial Prepayment Rate - 30.63%	1	1	0	$1,707	$0	$1,684	$0
Partial Prepayment Rate - 58.6%	1	1	0	$1,019	$0	$1,005	$0
Partial Prepayment Rate - 58.78%	88	18	70	$1,014	$71,002	$1,000	$70,028
Reduced Rate	168	0	168	$2,114	$355,124	$2,085	$350,251
Sub-total single-family attached	*258*	*20*	*238*	*$5,854*	*$426,125*	*$5,774*	*$420,278*
Total	1,099	**194**	**904**		**$2,092,665**		**$2,063,949**