MASTERSON ADVISORS LLC

**Julie Peak**
President

**July 21, 2026**

Distribution List, Port O'Connor Improvement District

**Re: $7,985,000 Unlimited Tax Bonds, Series 2026**

Ladies and Gentlemen:

Attached is a sticker (insert) dated July 21, 2026 for the OFFICIAL STATEMENT for Port O'Connor Improvement District (the "District") $7,985,000 Unlimited Tax Bonds, Series 2026 (the "Bonds"), dated June 29, 2026. The attached amendment reflects a revised USE AND DISTRIBUTION OF BOND PROCEEDS on page 16 of the OFFICIAL STATEMENT.

Please place the following pages inside the front cover of all the Official Statements you received after the initial printing, or distribute the sticker to any individual who may have received an OFFICIAL STATEMENT from you.

If you have any questions regarding the enclosed, please call me at 713-814-0550. Thank you for your assistance.

Sincerely,

*/s/ Julie Peak*

Julie Peak
President

Please attach this Amendment dated July 21, 2026, to all copies of the OFFICIAL STATEMENT described below that are in your possession, and forward copies of this Amendment dated July 21, 2026, to each of the parties to whom you have previously delivered copies of such OFFICIAL STATEMENT.

**AMENDMENT**
to the
**OFFICIAL STATEMENT DATED JUNE 29, 2026**
relating to the issuance of:

**PORT O'CONNOR IMPROVEMENT DISTRICT**
***(A political subdivision of the State of Texas located within Calhoun County)***

**$7,985,000**
**UNLIMITED TAX BONDS**
**SERIES 2026**

This Amendment dated July 21, 2026, ("Amendment") amends the OFFICIAL STATEMENT dated June 29, 2026 (the "OFFICIAL STATEMENT"), relating to the captioned Bonds and constitutes an integral part of the OFFICIAL STATEMENT. Such Amendment reflects a revised USE AND DISTRIBUTION OF BOND PROCEEDS on page 16 of the OFFICIAL STATEMENT. Capitalized terms used in this Amendment but not defined herein have the meanings given to such terms in the OFFICIAL STATEMENT.

The OFFICIAL STATEMENT referenced above is hereby amended as follows:

1. Page 16 of the OFFICIAL STATEMENT dated June 29, 2026, in the section titled "USE AND DISTRIBUTION OF BOND PROCEEDS" will be replaced with the below:

## USE AND DISTRIBUTION OF BOND PROCEEDS

The construction costs below were compiled by TRE & Associates, LLC, engineering consultant to the District, and were submitted to the TCEQ in the District's Bond Application. Non-construction costs are based upon either contract amounts, or estimates of various costs by TRE & Associates, LLC and Masterson Advisors LLC (the "Financial Advisor"). The actual amounts to be reimbursed by the District and the non-construction costs will be finalized after the sale of the Bonds and review by the District's auditor. The surplus funds may be expended for any lawful purpose for which surplus construction funds may be used, if approved by the TCEQ, where required.

In the TCEQ Order, the TCEQ approved the sale of $9,350,000 principal amount of bonds. The Bonds represent the first installment of such TCEQ authorization in the amount of $7,985,000. The TCEQ authorized the District to sell the Bonds subject to certain restrictions, including the use of Bond proceeds as summarized herein. The District reserves the right to issue the remaining $1,365,000 principal amount. Timing of the sale of the remaining $1,365,000 is unknown at this time.

| | | |
|---|---|---|
| **CONSTRUCTION COSTS** | | |
| • Wastewater Collection System Improvements | $ | 4,743,330 |
| • Water Supply System Improvements | | 1,281,000 |
| • Engineering | | 602,433 |
| • Contingencies | | 602,433 |
| **Total Construction Costs** | **$** | **7,229,196** |
| **NON-CONSTRUCTION COSTS** | | |
| • Underwriter's Discount | $ | 239,550 |
| **Total Non-Construction Costs** | **$** | **239,550** |
| **ISSUANCE COSTS AND FEES** | | |
| • Issuance Costs and Professional Fees | $ | 448,306 |
| • Bond Application Report | | 40,000 |
| • State Regulatory Fees | | 27,948 |
| **Total Issuance Costs and Fees** | **$** | **516,254** |
| **TOTAL BOND ISSUE** | **$** | **7,985,000** |

(a) The TCEQ approved a maximum Underwriter's discount of 3.00%.

In the event approved estimated amounts exceed actual costs, the difference comprises a surplus which may be expended for uses in accordance with the rules of the TCEQ. In the event actual costs exceed previously approved estimated amounts and contingencies, additional TCEQ notice or approval and the issuance of additional bonds may be required.