WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 47
(Waller County, Texas)

PRELIMINARY OFFICIAL STATEMENT
DATED: SEPTEMBER 24, 2026

$2,000,000
UNLIMITED TAX ROAD BONDS,
SERIES 2026

BIDS TO BE SUBMITTED BY: 10:00 A.M., CENTRAL TIME
THURSDAY, OCTOBER 22, 2026

BONDS TO BE AWARDED: 2:00 P.M., CENTRAL TIME
THURSDAY, OCTOBER 22, 2026

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time this Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 24, 2026

This Preliminary Official Statement is subject to completion and amendment, as provided in the Official Notice of Sale, and is intended for the solicitation of initial bids to purchase the Bonds (hereinafter defined). Upon the sale of the Bonds, the Official Statement will be completed and delivered to the Initial Purchaser (hereinafter defined).

In the opinion of Bond Counsel, under existing law, interest on the Bonds (i) is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended, and (ii) is not an item of tax preference for purposes of the alternative minimum tax on individuals. See "TAX MATTERS" herein, including information regarding potential alternative minimum tax consequences for corporations.

THE BONDS WILL BE DESIGNATED "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS.

NEW ISSUE – Book Entry Only **NOT RATED**

WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 47
(A political subdivision of the State of Texas, located within Waller County)

$2,000,000
Unlimited Tax Road Bonds,
Series 2026

Dated: December 1, 2026 **Due: September 1, as shown on inside cover page**
Interest Accrues from Delivery Date

The $2,000,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds") are solely obligations of Waller County Municipal Utility District No. 47 (the "District") and are not obligations of the State of Texas; Waller County, Texas (the "County"); or any political subdivision or entity other than the District. Neither the full faith and credit nor the taxing power of the State of Texas; Waller County, Texas; nor any entity other than the District is pledged to the payment of the principal of or the interest on the Bonds.

Principal of the Bonds is payable upon presentation at the principal payment office of the paying agent/registrar, initially, Zions Bancorporation, National Association, Houston, Texas (the "Paying Agent/Registrar"). The Bonds are dated December 1, 2026, and interest on the Bonds accrues from the date of their delivery, currently scheduled for December 8, 2026 (the "Delivery Date"). Interest is payable March 1, 2027, and on each September 1 and March 1 thereafter (each an "Interest Payment Date") until the earlier of maturity or redemption. Interest on the Bonds will be payable by check dated as of the Interest Payment Date and mailed by the Paying Agent/Registrar to registered owners as shown on the records of the Paying Agent/Registrar at the close of business on the 15th calendar day of the month next preceding each Interest Payment Date. The Bonds are fully registered bonds in principal denominations of $5,000 or any integral multiple thereof.

The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical certificates representing the Bonds, but will receive a credit balance on the books of the nominees of such beneficial owners. So long as Cede & Co. is the registered owner of the Bonds, the principal of and interest on the Bonds will be paid by the Paying Agent/Registrar directly to DTC, which, in turn, will remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds as described herein. See "THE BONDS – Book-Entry-Only System."

See "MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND INITIAL REOFFERING YIELDS" on inside cover.

The Bonds constitute the initial series of unlimited tax road bonds issued by the District for the purpose of acquiring and/or constructing a road system to serve the District, and, when issued, will constitute valid and binding obligations of the District payable from the proceeds of a continuing direct annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property within the District. See "THE BONDS – Source of Payment." Investment in the Bonds is subject to special risk factors as described herein. Prospective purchasers should review this entire Preliminary Official Statement, including particularly the section of this Preliminary Official Statement entitled "RISK FACTORS," before making an investment decision. See "RISK FACTORS."

The Bonds are offered, when, as and if issued by the District to the winning bidder of the Bonds (the "Initial Purchaser"), subject, among other things, to the approval of the Attorney General of Texas and of Allen Boone Humphries Robinson LLP, Houston, Texas, Bond Counsel. Certain legal matters will be passed on for the District by Orrick, Herrington & Sutcliffe LLP, Houston, Texas, as Disclosure Counsel. This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful under the securities laws of such jurisdictions. Delivery of the Bonds through the facilities of DTC is expected on or about December 8, 2026.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND INITIAL REOFFERING YIELDS

$2,000,000 Unlimited Tax Road Bonds, Series 2026

Maturity September 1	Principal Amount[d]	Interest Rate	Initial Reoffering Yield[a]	CUSIP No.[b]	Maturity September 1	Principal Amount[d]	Interest Rate	Initial Reoffering Yield[a]	CUSIP No.[b]
2028	$ 40,000	____%	____%	—	2040[c]	$ 80,000	____%	____%	—
2029	45,000	____%	____%	—	2041[c]	85,000	____%	____%	—
2030	45,000	____%	____%	—	2042[c]	90,000	____%	____%	—
2031	50,000	____%	____%	—	2043[c]	95,000	____%	____%	—
2032	50,000	____%	____%	—	2044[c]	100,000	____%	____%	—
2033[c]	55,000	____%	____%	—	2045[c]	105,000	____%	____%	—
2034[c]	60,000	____%	____%	—	2046[c]	110,000	____%	____%	—
2035[c]	60,000	____%	____%	—	2047[c]	115,000	____%	____%	—
2036[c]	65,000	____%	____%	—	2048[c]	125,000	____%	____%	—
2037[c]	70,000	____%	____%	—	2049[c]	130,000	____%	____%	—
2038[c]	70,000	____%	____%	—	2050[c]	135,000	____%	____%	—
2039[c]	75,000	____%	____%	—	2051[c]	145,000	____%	____%	—

[a] The initial reoffering yield has been provided by the Initial Purchaser (herein defined) and represents the initial offering price to the public of a substantial amount of the Bonds for each maturity. Such initial reoffering yield may be changed for subsequent purchasers. The initial reoffering yields indicated above represent the lower of the yields resulting when priced to maturity or to the first call date.

[b] CUSIP numbers have been assigned to the Bonds by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association and are included solely for the convenience of the owners of the Bonds. None of the District, Municipal Advisor (herein defined) or Initial Purchaser shall be responsible for the selection or the correctness of the CUSIP numbers.

[c] Bonds maturing on September 1, 2033, and thereafter, are subject to redemption prior to maturity at the option of the District, as a whole or from time to time in part, on September 1, 2032, or any date thereafter at a price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption. See "THE BONDS – Redemption Provisions."

[d] The Initial Purchaser may designate one or more maturities as term bonds. See accompanying "Official Notice of Sale" and "Official Bid Form."

USE OF INFORMATION IN OFFICIAL STATEMENT

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission ("SEC"), as amended, and in effect on the date of this Preliminary Official Statement, this document constitutes an "official statement" of the District with respect to the Bonds that has been deemed "final" by the District as of its date except for the omission of no more than information permitted by SEC Rule 15c2-12.

This document, when further supplemented by adding additional information specifying the interest rates and certain other information relating to the Bonds shall constitute a "final official statement" of the District with respect to the Bonds, as such term is defined in SEC Rule 15c2-12.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the District or the Initial Purchaser.

This Official Statement does not constitute, and is not authorized by the District for use in connection with, an offer to sell or the solicitation of any offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

All of the summaries of the statutes, orders, contracts, records, and engineering and other related reports set forth in this Official Statement are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents, copies of which are available from Allen Boone Humphries Robinson LLP ("Bond Counsel") for further information.

This Official Statement contains, in part, estimates, assumptions, and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates, assumptions, or matters of opinion, or that they will be realized. Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District or other matters described herein since the date hereof. However, the District has agreed to keep this Official Statement current by amendment or sticker to reflect material changes in the affairs of the District, and to the extent that information actually comes to its attention, other matters described in the Official Statement until delivery of the Bonds to the Initial Purchaser as specified in "OFFICIAL STATEMENT – Updating of Official Statement" and thereafter as specified in "CONTINUING DISCLOSURE OF INFORMATION."

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for any purposes.

TABLE OF CONTENTS

USE OF INFORMATION IN OFFICIAL STATEMENT i
SALE AND DISTRIBUTION OF THE BONDS ..1
Award of the Bonds 1
Prices and Marketability 1
Securities Laws 1
MUNICIPAL BOND INSURANCE & RATINGS 1
OFFICIAL STATEMENT SUMMARY 2
INTRODUCTION 6
RISK FACTORS 6
General 6
Factors Affecting Taxable Values and Tax Payment 6
Dependence on the Oil and Gas Industry 7
Operating Fund 7
Tax Collection and Foreclosure Remedies 7
Registered Owners' Remedies and Bankruptcy Limitations 8
Marketability 9
Future Debt 9
Continuing Compliance with Certain Covenants 9
Approval of the Bonds 9
Environmental Regulations 9
Severe Weather Events 11
Specific Flood Type Risks 11
THE BONDS 12
General 12
Book-Entry-Only System 12
Use of Certain Terms in Other Sections of this Official Statement 13
Successor Paying Agent/Registrar 13
Registration and Transfer 14
Redemption Provisions 14
Lost, Stolen or Destroyed Bonds 14
Authority for Issuance 15
Source of Payment 15
Issuance of Additional Debt 15
Funds and Accounts 15
Consolidation 16
Arbitrage 16
Defeasance 16
Legal Investment and Eligibility to Secure Public Funds in Texas 17
Remedies in Event of Default 17
Use and Distribution of Bond Proceeds 18
THE DISTRICT 19
Authority 19
Description 19
Management of the District 19
Investments of the District 19
Consultants 19
DEVELOPMENT OF THE DISTRICT 20
Development within the District 20
Homebuilders within the District 20
PHOTOGRAPHS TAKEN IN THE DISTRICT 21
MAP OF THE DISTRICT 23
PRINCIPAL LANDOWNER/DEVELOPER 24
Role of the Developer 24
The Developer and Principal Landowner 24
THE UTILITY SYSTEM 25
Regulation 25
Description of the System 25
100-Year Flood Plain 25
General Fund Operating Statement 26
THE ROAD SYSTEM 26
DISTRICT DEBT 27
Debt Service Requirement Schedule 28
Direct and Estimated Overlapping Debt Statement 29
Debt Ratios 29
TAXING PROCEDURES 30
Authority to Levy Taxes 30
Property Tax Code and County-Wide Appraisal District 30
Property Subject to Taxation by the District 30
Tax Abatement 31
Valuation of Property for Taxation 31
District and Taxpayer Remedies 32
Levy and Collection of Taxes 32
Rollback of Operation and Maintenance Tax Rate 33
District's Rights in the Event of Tax Delinquencies 33
TAX DATA 34
General 34
Tax Rate Limitations 34
Debt Service Tax 34
Maintenance and Operations Tax 34
Additional Penalties 34
Historical Tax Collections 35
Tax Rate Distribution 35
Analysis of Tax Base 35
Principal Taxpayers 35
Tax Rate Calculations 36
Estimated Overlapping Taxes 36
LEGAL MATTERS 37
Legal Proceedings 37
No-Litigation Certificate 37
No Material Adverse Change 37
TAX MATTERS 37
Tax Exemption 37
Qualified Tax-Exempt Obligations 38
Additional Federal Income Tax Considerations 38
CONTINUING DISCLOSURE OF INFORMATION 40
Annual Reports 40
Event Notices 40
Availability of Information from the MSRB 41
Limitations and Amendments 41
Compliance with Prior Undertakings 41
OFFICIAL STATEMENT 41
General 41
Consultants 41

Municipal Advisor 42
Certification as to Official Statement 42
Updating of Official Statement 42
CONCLUDING STATEMENT 43
APPENDIX A 44

SALE AND DISTRIBUTION OF THE BONDS

Award of the Bonds

After requesting competitive bids for the Bonds, the District has accepted the bid resulting in the lowest net interest cost, which was tendered by _____ (the "Initial Purchaser"). The Initial Purchaser has agreed to purchase the Bonds, bearing the interest rates shown under "MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND INITIAL REOFFERING YIELDS" on the inside cover page of this Official Statement, at a price of _____% of the principal amount thereof which resulted in a net effective interest rate of _____%, calculated pursuant to Chapter 1204, Texas Government Code, as amended.

Prices and Marketability

The District has no control over the reoffering yields or prices of the Bonds or over-trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made in the Bonds. If there is a secondary market, the difference between the bid and asked prices of the Bonds may be greater than the difference between the bid and asked prices of bonds of comparable maturity and quality issued by more traditional municipal entities, as bonds of such entities are more generally bought, sold or traded in the secondary market.

The delivery of the Bonds is conditioned upon the receipt by the District of a certificate executed and delivered by the Initial Purchaser on or before the date of delivery of the Bonds stating the prices at which a substantial amount of the Bonds of each maturity has been sold to the public. For this purpose, the term "public" shall not include any person who is a bond house, broker or similar person acting in the capacity of underwriter or wholesaler. Otherwise, the District has no understanding with the Initial Purchaser regarding the reoffering yields or prices of the Bonds. Information concerning reoffering yields or prices is the responsibility of the Initial Purchaser.

The prices and other terms with respect to the offering and sale of the Bonds may be changed from time to time by the Initial Purchaser after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial reoffering prices, including sales to dealers who may sell the Bonds into investment accounts.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE INITIAL PURCHASER MAY OVER–ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Securities Laws

No registration statement relating to the Bonds has been filed with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities laws of any other jurisdictions. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds should not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such other jurisdiction.

MUNICIPAL BOND INSURANCE & RATINGS

An application has not been made for either a commitment to issue a policy of municipal bond guaranty insurance or a municipal bond rating on the Bonds. Furthermore, it is not expected that the District would be successful in receiving an investment grade rating on the Bonds.

[Remainder of this page intentionally left blank.]

OFFICIAL STATEMENT SUMMARY

The following material is qualified in its entirety by the more detailed information and financial statements appearing elsewhere in this Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this summary from this Official Statement or to otherwise use it without the entire Official Statement.

THE BONDS

The District.....	Waller County Municipal Utility District No. 47 (the "District"), a political subdivision of the State of Texas, is located in Waller County, Texas. See "THE DISTRICT."
The Bonds.....	The District is issuing its $2,000,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds"). The Bonds are dated December 1, 2026, and mature on September 1 in the years and amounts set forth on the inside cover page hereof. Interest accrues from the date of the delivery of the Bonds at the rates per annum set forth on the inside cover page hereof and is payable on March 1, 2027, and on each September 1 and March 1 thereafter until maturity or earlier redemption. The Bonds are offered in fully registered form in integral multiples of $5,000 for any one maturity. See "THE BONDS."
Redemption	Bonds maturing on and after September 1, 2033, are subject to redemption, in whole or from time to time in part, at the option of the District on September 1, 2032, and on any date thereafter at a price of par plus accrued interest from the most recent interest payment date to the date of redemption. See "THE BONDS – Redemption Provisions."
Source of Payment.....	Principal of and interest on the Bonds are payable from the proceeds of a continuing direct annual ad valorem tax, levied upon all taxable property within the District without legal limitation as to rate or amount. The Bonds are obligations solely of the District and are not obligations of the State of Texas, Waller County, Texas, or any entity other than the District. See "THE BONDS – Source of Payment."
Qualified Tax-Exempt Obligations.....	The Bonds will be designated "qualified tax-exempt obligations" for financial institutions. See "TAX MATTERS – Qualified Tax-Exempt Obligations."
Payment Record.....	The Bonds constitute the first series of unlimited tax bonds issued by the District for the purpose of acquiring and/or constructing a road system to serve the District (the "Road System"). As this is the District's first issuance, there is no payment record on prior bonds.
Authority for Issuance	The Bonds constitute the initial series of unlimited tax road bonds issued by the District for the Road System to serve the District. The Bonds are issued pursuant to (i) Article III, Section 52 of the Texas Constitution, (ii) the general laws of the State of Texas, including particularly Chapters 49 and 54 of the Texas Water Code, as amended, (iii) a resolution (the "Bond Resolution") adopted by the Board of Directors of the District on the date of the sale of the Bonds, and (iv) an election held within the District on November 5, 2024. Voters in the District have authorized the following total principal amounts of unlimited tax bonds: $134,100,000 for water, sewer and drainage facilities; $70,500,000 for the Road System; and $26,250,000 for parks and recreational facilities. Following the issuance of the Bonds, $68,500,000 of unlimited tax bonds will remain authorized but unissued for the Road System.
Use of Bond Proceeds.....	A portion of the proceeds from the sale of the Bonds will be used to reimburse the Developer (herein defined) for the construction costs set out under "THE BONDS – Use and Distribution of Bond Proceeds." In addition, a portion of the proceeds from the sale of the

	Bonds will be used to pay developer interest, provide eighteen (18) months of capitalized interest and other certain costs associated with the issuance of the Bonds. See "THE BONDS – Use and Distribution of Bond Proceeds."
Municipal Bond Insurance/Rating.....	An application has not been made for either a commitment to issue a policy of municipal bond guaranty insurance or a municipal bond rating on the Bonds. Furthermore, it is not expected that the District would have been successful in an investment grade rating on the Bonds**.** See "MUNICIPAL BOND INSURANCE AND RATINGS."
Bond Counsel	Allen Boone Humphries Robinson LLP, Houston, Texas.
Disclosure Counsel.....	Orrick, Herrington & Sutcliffe LLP, Houston, Texas.
Municipal Advisor.....	Tierra Financial Advisors, LLC, Houston, Texas.

THE DISTRICT

Description	The District is a political subdivision of the State of Texas created by an order of the Texas Commission on Environmental Quality (the "TCEQ") on April 5, 2024 (the "Creation Order") as a municipal utility district created and organized according to the terms and provisions of Article XVI, Section 59 and Article III, Section 52 of the Texas Constitution, and Chapters 49 and 54 of the Texas Water Code, as amended, and other general statutes of Texas applicable to municipal utility districts. See "THE DISTRICT."
Location.....	The District is located in Waller County, Texas, approximately 48 miles northwest of the City of Houston, Texas and approximately 19 miles northwest of the City of Tomball, Texas. The District is bordered by Joseph Road and Robinhood Lane. See "THE DISTRICT – Description."
Developer and Principal Landowner	The principal landowner and developer within the District is RLS (Maple Woods) LLC (the "Developer"), a Delaware limited liability company and indirect subsidiary of Brookfield Asset Management Ltd. (NYSE:BAM). The Developer was formed for the purpose of acquiring and developing Maple Woods, a thoughtfully planned residential community encompassing approximately 143 acres. At full build-out, Maple Woods is expected to include approximately 505 single-family homes, offering residents a well-designed neighborhood with quality housing, community amenities, and convenient access to the Greater Houston area. The Developer continues to oversee the planning and development of the community with a focus on creating a desirable living environment that will serve current and future residents of the District. See "DEVELOPMENT OF THE DISTRICT" and "PRINCIPAL LANDOWNER/DEVELOPER."
Development within the District.....	The District is being developed as Maple Woods, a single-family residential community. Development in the District currently includes 308 single-family residential lots. At full build-out, the District is expected to include 505 homes. As of August 31, 2026, the District consisted of 51 completed homes (26 occupied and 25 unoccupied), 8 homes under construction, 249 vacant developed lots, and 0 lots under development. See "DEVELOPMENT OF THE DISTRICT – Development within the District."
Homebuilders	Century Communities ("Century") and D.R. Horton are currently building single-family homes in the District. Homes in the District range in price from approximately $275,000 to over $330,000 and in size from approximately 1,489 to 2,729 square feet. From January 1, 2026 through August 30, 2026, Century and D.R. Horton sold approximately 26 total homes. See "DEVELOPMENT OF THE DISTRICT – Homebuilders within the District."

RISK FACTORS

THE BONDS ARE SUBJECT TO CERTAIN INVESTMENT RISKS. PROSPECTIVE PURCHASERS SHOULD REVIEW THIS ENTIRE OFFICIAL STATEMENT, INCLUDING PARTICULARLY THE SECTION OF THIS OFFICIAL STATEMENT ENTITLED "RISK FACTORS," BEFORE MAKING AN INVESTMENT DECISION.

[Remainder of this page intentionally left blank.]

SELECTED FINANCIAL INFORMATION

(UNAUDITED)

2026 Assessed Valuation	$	11,037,568[(a)]
Estimated Assessed Valuation as of August 1, 2026	$	20,373,050[(b)]
Direct Debt:		
The Bonds	$	2,000,000
Total	$	2,000,000
Estimated Overlapping Debt	$	1,476,645[(c)]
Total Direct and Estimated Overlapping Debt:	$	3,476,645[(c)]
Direct Debt Ratio:		
As a percentage of 2026 Assessed Valuation		18.12%
As a percentage of Estimated Assessed Valuation as of August 1, 2026		9.82%
Direct and Estimated Overlapping Debt Ratio:		
As a percentage of 2026 Assessed Valuation		31.50%
As a percentage of Estimated Assessed Valuation as of August 1, 2026		17.06%
Road Debt Service Fund (proforma as of the Delivery Date)	$	165,000[(d)]
Operating Fund (as of September 24, 2026)	$	14,933
2026 Tax Rate:		
Utility System Debt Service	$	-
Road System Debt Service	$	-
Maintenance & Operation	$	1.500
Total	$	1.500[(e)]
Estimated Average Annual Debt Service Requirements on the Bonds (2027 – 2051)	$	149,410[(f)]
Estimated Maximum Annual Debt Service Requirements on the Bonds (2048)	$	154,425[(f)]
Debt Service Tax Rate per $100 of Assessed Valuation Required to Pay		
Estimated Average Annual Debt Service Requirement on the Bonds (2027 - 2051):		
Based on 2026 Assessed Valuation at 95% Collections	$	1.43
Based on Estimated Assessed Valuation as of August 1, 2026, at 95% Collections	$	0.78
Debt Service Tax Rate per $100 of Assessed Valuation Required to Pay		
Estimated Maximum Debt Service Requirement on the Bonds (2048):		
Based on 2026 Assessed Valuation at 95% Collections	$	1.48
Based on Estimated Assessed Valuation as of August 1, 2026, at 95% Collections	$	0.80

(a) Represents the assessed valuation of all taxable property in the District as of January 1, 2026 provided by the Waller County Appraisal District (the "Appraisal District"). See "TAX DATA" and "TAXING PROCEDURES."

(b) Provided by the Appraisal District for information purposes only. This amount is an estimate of the taxable value of all taxable property located within the District as of August 1, 2026. No taxes will be levied on this estimated value. See "TAX DATA" and "TAXING PROCEDURES."

(c) See "DISTRICT DEBT - Direct and Estimated Overlapping Debt Statement."

(d) Neither Texas law nor the Bond Resolution requires that the District maintain any particular sum in the Road Debt Service Fund (defined herein). The funds in the Road Debt Service Fund are pledged only to pay the debt service on the Bonds, and any other bonds issued for the purpose of acquiring or constructing the Road System. Upon the issuance of the Bonds, eighteen (18) months of capitalized interest will be deposited into the Road Debt Service Fund.

(e) See "TAX DATA - Tax Rate Calculations." The District intends to levy its first debt service tax in 2027.

(f) Debt Service on the Bonds is estimated at an average interest rate of 5.50%. See "DISTRICT DEBT - Debt Service Requirement Schedule."

OFFICIAL STATEMENT

relating to

WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 47
(A Political Subdivision of the State of Texas, located within Waller County)

$2,000,000
Unlimited Tax Road Bonds,
Series 2026

INTRODUCTION

This Official Statement provides certain information in connection with the issuance by Waller County Municipal Utility District No. 47 (the "District") of its $2,000,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds").

The Bonds are issued pursuant to (i) Article III, Section 52 of the Texas Constitution, (ii) the general laws of the State of Texas, including particularly Chapters 49 and 54 of the Texas Water Code, as amended, (iii) a resolution (the "Bond Resolution") adopted by the Board of Directors of the District on the date of the sale of the Bonds, and (iv) an election held within the District on November 5, 2024.

This Official Statement also includes information about the District and certain reports and other statistical data. The summaries and references to all documents, statutes, reports and other instruments referred to herein do not purport to be complete, comprehensive or definitive and each summary and reference is qualified in its entirety by reference to each such document, statute, report or instrument. Copies of documents may be obtained from Allen Boone Humphries Robinson LLP, Bond Counsel, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027.

RISK FACTORS

General

The Bonds, which are obligations of the District and not of the State of Texas; Waller County, Texas; or any political subdivision other than the District, will be secured by a continuing direct annual ad valorem tax without legal limitation as to rate or amount, levied against all taxable property located within the District. Therefore, the ultimate security for payment of the principal of and interest on the Bonds depends upon the ability of the District to collect from the property owners within the District taxes levied against all taxable property located within the District, or, in the event taxes are not collected and foreclosure proceedings are instituted by the District, upon the value of the taxable property with respect to taxes levied by the District and by other taxing authorities. The District makes no representations that over the life of the Bonds the property within the District will maintain a value sufficient to justify continued payment of taxes by the property owners. The potential increase in taxable valuation of District property is directly related to the economics of the residential housing industry, not only due to general economic conditions, but also due to the particular factors discussed below. See "DEVELOPMENT OF THE DISTRICT," "TAX DATA," and "TAXING PROCEDURES."

Factors Affecting Taxable Values and Tax Payment

Economic Factors: The rate of development of the District is directly related to the vitality of the residential housing industry. New residential housing construction can be significantly affected by factors such as general economic activity, interest rates, credit availability, energy costs, construction costs, the level of unemployment, and consumer demand. Decreased levels of home construction activity would restrict the growth of property values in the District. The District cannot predict the pace or magnitude of any future development or home construction in the District.

Competition: The demand for and construction of taxable improvements in the District could be affected by competition from other developments near the District. In addition to competition for new single-family home sales from other developments, there are numerous previously-owned single-family homes in more established commercial centers and neighborhoods closer to the City of Houston, Texas that are for sale. Such existing developments could represent additional competition for new development proposed to be constructed within the District. The competitive position of the Developer in the sale of land, and the sale or leasing of residences is affected by most of the factors discussed in this section. Such a competitive position is directly related to the growth and maintenance of taxable values in the District and tax revenues to be received by the District. The District can give no assurance that building and marketing programs in the District by the Developer will be implemented or, if implemented, will be successful.

Principal Landowner/Developer: There is no commitment by, or legal requirement of, the Developer (herein defined), or any other landowner in the District to proceed at any particular rate or according to any specified plan with the development of land in the District, or of any homebuilder to proceed at any particular pace with the construction of homes in the District. Moreover, there is no restriction on any landowner's right to sell its land. Therefore, the District

can make no representation about the probability of future development, if any, or the rate of future home construction activity in the District. Failure to construct taxable improvements on developed lots would restrict the rate of growth of taxable values in the District and result in higher tax rates. See "DEVELOPMENT OF THE DISTRICT," "PRINCIPAL LANDOWNER/DEVELOPER," and "TAX DATA – Principal Taxpayers."

Dependence on Principal Taxpayers and the Developer: The top principal taxpayers represent $10,743,722 or 97.34% of the 2026 Assessed Valuation, which represents ownership as of January 1, 2026. If these or other principal taxpayers were to default in the payment of taxes in an amount which exceeds the District's debt service fund surplus, the ability of the District to make timely payment of debt service on the Bonds would be dependent on its ability to levy additional taxes or enforce and liquidate its tax lien, which is a time-consuming process. Failure to recover or borrow funds in a timely fashion could result in an excessive District tax rate, hindering growth and leading to further defaults in the payment of taxes. The District is not required by law or the Bond Resolution to maintain any specified amount of surplus in its debt service fund. See, "TAX DATA – Principal Taxpayers" and "TAXING PROCEDURES – Levy and Collection of Taxes."

Maximum Impact on District Tax Rates: Assuming no further development or home construction, the value of the land and improvements currently within the District will be the major determinant of the ability or willingness of property owners to pay their taxes. The 2026 Assessed Valuation of property located within the District is $11,037,568 and the Estimated Assessed Valuation as of August 1, 2026, is $20,373,050. See "TAX DATA."

After issuance of the Bonds, the estimated maximum annual debt service requirement on the Bonds will be $154,425 (2048) and the estimated average annual debt service requirement on the Bonds will be $149,410 (2027-2051). Assuming no decrease from the 2026 Assessed Valuation, tax rates of $1.48 and $1.43 per $100 of assessed valuation at 95% tax collection rate would be necessary to pay the maximum annual debt service requirement and the average annual debt service requirement, respectively. Assuming no decrease from the Estimated Assessed Valuation as of August 1, 2026, tax rates of $0.80 and $0.78 per $100 of assessed valuation at 95% tax collection rate would be necessary to pay the maximum annual debt service requirement and the average annual debt service requirement, respectively.

The District can make no representation that the taxable property values in the District will increase in the future or will maintain a value sufficient to support the proposed District tax rate or to justify continued payment of taxes by property owners. For tax years 2025 and 2026, the District levied a maintenance tax of $1.50 per $100 of assessed valuation. The District intends to levy its first debt service tax in 2027.

Dependence on the Oil and Gas Industry

The volatility in oil prices in the U.S. and globally may lead to adverse conditions in the oil and gas industry, including but not limited to reduced revenues, declines in capital and operating expenditures, business failures, and layoffs of workers. The economy of the Houston area has, in the past, been particularly affected by adverse conditions in the oil and gas industry, and such conditions and their spillover effects into other industries could result in declines in the demand for residential and commercial property in the Houston area and could reduce or negatively affect property values or homebuilding activity within the District. As previously stated, the Bonds are secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the District's share of operations and maintenance expenses payable from ad valorem taxes.

Operating Fund

The District's current primary sources of operating revenue are maintenance tax revenues and advances from the Developer. For tax years 2025 and 2026, the District levied a $1.50 maintenance tax. The District's Operating Fund balance as of September 24, 2026 is $14,933. Continued maintenance of a positive Operating Fund balance will depend upon (1) continued development and increased amounts of maintenance tax revenues, and (2) cash subsidies from the Developer. If funds from these sources are not forthcoming, the District would have to increase its maintenance tax rate. See "PRINCIPAL LANDOWNER/DEVELOPER," "THE UTILITY SYSTEM – General Fund Operating Statement" and "TAX DATA — Principal Taxpayers."

Tax Collection and Foreclosure Remedies

The District's ability to make debt service payments may be adversely affected by its inability to collect ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District constitutes a lien in favor of the District on a parity with the liens of all other state and local taxing authorities on the property against which taxes are levied, and such lien may be enforced by foreclosure. The District's ability to collect ad valorem taxes through such foreclosure may be impaired by (a) cumbersome, time-consuming and expensive collection procedures, (b) a bankruptcy court's stay of tax collection procedures against a taxpayer, (c) market conditions limiting the proceeds from a foreclosure sale of taxable property, or (d) the taxpayer's right to redeem the property within two years of foreclosure for residential homestead and agricultural use property and within six (6) months of foreclosure for other property. While

the District has a lien on taxable property within the District for taxes levied against such property, such lien can be foreclosed only in a judicial proceeding.

Moreover, the value of property to be sold for delinquent taxes and thereby the potential sales proceeds available to pay debt service on the Bonds, may be limited by among other factors, the existence of other tax liens on the property, by the current aggregate tax rate being levied against the property, or by the taxpayers' right to redeem residential or agricultural use property within two (2) years of foreclosure and all other property within six (6) months of foreclosure. Finally, a bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a taxpayer within the District pursuant to Federal Bankruptcy Code could stay any attempt by the District to collect delinquent ad valorem taxes assessed against such taxpayer. See "TAXING PROCEDURES."

Registered Owners' Remedies and Bankruptcy Limitations

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Resolution, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Resolution, the Registered Owners have the statutory right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Resolution. Except for mandamus, the Bond Resolution does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's sovereign immunity from suits for money damages, so that in the absence of other waivers of such immunity by the Texas Legislature, a default by the District in its covenants in the Bond Resolution may not be reduced to a judgment for money damages. If such a judgment against the District were obtained, it could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions, such as the District.

Subject to the requirements of Texas law discussed below, a political subdivision such as the District may voluntarily file a petition for relief from creditors under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. Sections 901-946. The filing of such petition would automatically stay the enforcement of Registered Owners' remedies, including mandamus. The automatic stay would remain in effect until the federal bankruptcy judge hearing the case dismisses the petition, enters an order granting relief from the stay or otherwise allows creditors to proceed against the petitioning political subdivision. A political subdivision such as the District may qualify as a debtor eligible to proceed in a Chapter 9 case only if it (1) is authorized to file for federal bankruptcy protection by applicable state law, (2) is insolvent or unable to meet its debts as they mature, (3) desires to effect a plan to adjust such debts, and (4) has either obtained the agreement of or negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiation is impracticable. Special districts such as the District must obtain the approval of the TCEQ as a condition to seeking relief under the Federal Bankruptcy Code. The TCEQ is required to investigate the financial condition of a financially troubled district and authorize such district to proceed under federal bankruptcy law only if such district has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

Notwithstanding noncompliance by a district with Texas law requirements, the District could file a voluntary bankruptcy petition under Chapter 9, thereby invoking the protection of the automatic stay until the bankruptcy court, after a hearing, dismisses the petition. A federal bankruptcy court is a court of equity and federal bankruptcy judges have considerable discretion in the conduct of bankruptcy proceedings and in making the decision of whether to grant the petitioning District relief from its creditors. While such a decision might be appealable, the concomitant delay and loss of remedies to the Registered Owners could potentially and adversely impair the value of a Registered Owner's claim.

If a petitioning district were allowed to proceed voluntarily under Chapter 9 of the Federal Bankruptcy Code, it could file a plan for an adjustment of its debts. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect Registered Owners by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating the collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the Registered Owners' claims against a district.

A district may not be forced into bankruptcy involuntarily.

Marketability

The District has no understanding with the Initial Purchaser of the Bonds regarding the reoffering yields or prices of the Bonds and has no control over trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made in the Bonds. If there is a secondary market, the difference between the bid and asked price for the Bonds may be greater than the difference between the bid and asked price of bonds of comparable maturity and quality issued by more traditional issuers as such bonds are more generally bought, sold or traded in the secondary market. See "SALE AND DISTRIBUTION OF THE BONDS."

Future Debt

At an election held within the District on November 5, 2024, voters in the District authorized a total of $134,100,000 in principal amount of unlimited tax bonds for the purpose of acquiring and/or constructing water, sewer, and drainage facilities to serve the District (the "Utility System") and refunding of same; $70,500,000 in principal amount of unlimited tax bonds for the purpose of acquiring and/or constructing a road system to serve the District (the "Road System") and refunding of same; and $26,250,000 principal amount of unlimited tax bonds for acquiring and/or constructing recreational or park facilities in the District and refunding of same.

The Bonds constitute the first series of unlimited tax bonds issued by the District for the purpose of acquiring and/or constructing the Road System to serve the District. After issuance of the Bonds, the following principal amounts of unlimited tax bonds will remain authorized but unissued: $134,100,000 for the purpose of acquiring and/or constructing the Utility System; $68,500,000 for the purpose of acquiring and/or constructing the Road System; and $26,250,000 for acquiring and/or constructing recreational or park facilities in the District. The District may also issue any additional bonds as may hereafter be approved by both the Board of Directors and voters of the District. See "THE BONDS – Issuance of Additional Debt."

The District's issuance of bonds for the Utility System and for park and recreational facilities is subject to approval by the Texas Commission on Environmental Quality ("TCEQ").

Following the issuance of the Bonds, the District will owe the Developer approximately $8.5 million for its expenditures to construct or acquire the Road System, the Utility System, and the park and recreational facilities to serve the District. If additional bonds are issued in the future and property values have not increased proportionately, such issuance may increase gross debt-to-property-valuation ratios and thereby adversely affect the investment quality or security of the Bonds.

The principal amount of park bonds sold by the District is limited to one percent (1%) of the District's certified taxable assessed valuation, unless the District meets certain financial feasibility requirements under the TCEQ rules, in which case the outstanding principal amount of such bonds issued by the District may exceed an amount equal to one percent (1%) but not greater than three percent (3%) of the value of the taxable property in the District.

Continuing Compliance with Certain Covenants

The Bond Resolution contains covenants by the District intended to preserve the exclusion from gross income of interest on the Bonds. Failure of the District to comply with such covenants on a continuous basis prior to maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance. See "TAX MATTERS."

Approval of the Bonds

The Attorney General of Texas must approve the legality of the Bonds prior to their delivery. The Attorney General of Texas, however, does not pass upon or guarantee the safety of the Bonds as an investment or the adequacy or accuracy of the information contained in this Official Statement.

Environmental Regulations

Wastewater treatment, water supply, storm sewer facilities and construction activities within the District are subject to complex environmental laws and regulations at the federal, state and local levels that may require or prohibit certain activities that affect the environment, such as:

- Requiring permits for construction and operation of water wells, wastewater treatment and other facilities;
- Restricting the manner in which wastes are treated and released into the air, water and soils;
- Restricting or regulating the use of wetlands or other properties; or
- Requiring remedial action to prevent or mitigate pollution.

Sanctions against a municipal utility district or other type of special purpose district for failure to comply with environmental laws and regulations may include a variety of civil and criminal enforcement measures, including

assessment of monetary penalties, imposition of remedial requirements and issuance of injunctions to ensure future compliance. Environmental laws and compliance with environmental laws and regulations can increase the cost of planning, designing, constructing and operating water production and wastewater treatment facilities. Environmental laws can also inhibit growth and development within the District. Further, changes in regulations occur frequently, and any changes that result in more stringent and costly requirements could materially impact the District.

Air Quality Issues. Air quality control measures required by the United States Environmental Protection Agency (the "EPA") and the Texas Commission on Environmental Quality (the "TCEQ") may impact new industrial, commercial and residential development in the Houston area. Under the Clean Air Act ("CAA") Amendments of 1990, the eight-county Houston-Galveston-Brazoria area ("HGB Area")—Harris, Galveston, Brazoria, Chambers, Fort Bend, Waller, Montgomery and Liberty Counties—has been designated a nonattainment area under two separate federal ozone standards: the eight-hour ozone standard of 75 ppb promulgated by the EPA in 2008 (the "2008 Ozone Standard"), and the EPA's most-recent promulgation of an even lower, 70 ppb eight-hour ozone standard in 2015 (the "2015 Ozone Standard"). While the State of Texas has been able to demonstrate steady progress and improvements in air quality in the HGB Area, the HGB Area remains subject to CAA nonattainment requirements.

The HGB Area is currently designated as a "severe" nonattainment area under the 2008 Ozone Standard, with an attainment deadline of July 20, 2027. If the EPA ultimately determines that the HGB Area has failed to meet the attainment deadline based on the relevant data, the area is subject to reclassification to a nonattainment classification that provides for more stringent controls on emissions from the industrial sector. In addition, the EPA may impose a moratorium on the awarding of federal highway construction grants and other federal grants for certain public works construction projects if it finds that an area fails to demonstrate progress in reducing ozone levels.

The HGB Area is currently designated as a "serious" nonattainment area under the 2015 Ozone Standard, with an attainment deadline of August 3, 2027. For purposes of the 2015 Ozone Standard, the HGB Area consists of only six counties: Brazoria, Chambers, Fort Bend, Galveston, Harris, and Montgomery Counties.

In order to demonstrate progress toward attainment of the EPA's ozone standards, the TCEQ has established a state implementation plan ("SIP") for the HGB Area setting emission control requirements, some of which regulate the inspection and use of automobiles. These types of measures could impact how people travel, what distances people are willing to travel, where people choose to live and work, and what jobs are available in the HGB Area. These SIP requirements can negatively impact business due to the additional permitting/regulatory constraints that accompany this designation and because of the community stigma associated with a nonattainment designation. It is possible that additional controls will be necessary to allow the HGB Area to reach attainment with the ozone standards by the EPA's attainment deadlines. These additional controls could have a negative impact on the HGB Area's economic growth and development.

Water Supply & Discharge Issues. Water supply and discharge regulations that municipal utility districts, including the District, may be required to comply with involve: (1) groundwater well permitting and surface water appropriation; (2) public water supply systems; (3) wastewater discharges from treatment facilities; (4) storm water discharges; and (5) wetlands dredge and fill activities. Each of these is addressed below:

Certain governmental entities regulate groundwater usage in the HGB Area. A municipal utility district or other type of special purpose district that (i) is located within the boundaries of such an entity that regulates groundwater usage, and (ii) relies on local groundwater as a source of water supply, may be subject to requirements and restrictions on the drilling of water wells and/or the production of groundwater that could affect both the engineering and economic feasibility of district water supply projects.

Pursuant to the federal Safe Drinking Water Act ("SDWA") and the EPA's National Primary Drinking Water Regulations ("NPDWRs"), which are implemented by the TCEQ's Water Supply Division, a municipal utility district's provision of water for human consumption is subject to extensive regulation as a public water system.

Municipal utility districts must generally provide treated water that meets the primary and secondary drinking water quality standards adopted by the TCEQ, the applicable disinfectant residual and inactivation standards, and the other regulatory action levels established under the agency's rules. The EPA has established NPDWRs for more than ninety (90) contaminants and has identified and listed other contaminants which may require national drinking water regulation in the future. Further, the EPA has established a NPDWR for six (6) Per- and Polyflouroalkyl Substances ("PFAS"), which requires public water systems to perform certain monitoring and remediation measures. Public water systems may be subject to additional PFAS regulation in the future, which could increase the cost of constructing, operating, and maintaining water production and distribution facilities.

Texas Pollutant Discharge Elimination System ("TPDES") permits set limits on the type and quantity of discharge, in accordance with state and federal laws and regulations. The TCEQ reissued the TPDES Construction General Permit (TXR150000) ("CGP"), with an effective date of March 5, 2023, which is a general permit authorizing the discharge of stormwater runoff associated with small and large construction sites and certain non-stormwater discharges into

surface water in the state. The CGP has a 5-year permit term, and is then subject to renewal. Moreover, the Clean Water Act ("CWA") and Texas Water Code require municipal wastewater treatment plants to meet secondary treatment effluent limitations and more stringent water quality-based limitations and requirements to comply with the Texas water quality standards. Any water quality-based limitations and requirements with which a municipal utility district must comply may have an impact on the municipal utility district's ability to obtain and maintain compliance with TPDES permits.

The TCEQ issued the General Permit for Phase II (Small) Municipal Separate Storm Sewer Systems (the "MS4 Permit") on August 15, 2024. The MS4 Permit authorizes the discharge of stormwater to surface water in the state from small municipal separate storm sewer systems. While the District is currently not subject to the MS4 Permit, if the District's inclusion were required at a future date, the District could incur substantial costs to develop, implement, and maintain the necessary plans as well as to install or implement best management practices to minimize or eliminate unauthorized pollutants that may otherwise be found in stormwater runoff in order to comply with the MS4 Permit.

Operations of utility districts, including the District, are also potentially subject to requirements and restrictions under the CWA regarding the use and alteration of wetland areas that are within the "waters of the United States." The District must obtain a permit from the United States Army Corps of Engineers ("USACE") if operations of the District require that wetlands be filled, dredged, or otherwise altered.

In 2023, the Supreme Court of the United States issued its decision in *Sackett v. EPA*, which clarified the definition of "waters of the United States" and significantly restricted the reach of federal jurisdiction under the CWA. Under the *Sackett* decision, "waters of the United States" includes only geographical features that are described in ordinary parlance as "streams, oceans, rivers, and lakes" and to adjacent wetlands that are indistinguishable from such bodies of water due to a continuous surface connection. Subsequently, the EPA and USACE issued a final rule amending the definition of "waters of the United States" under the CWA to conform with the Supreme Court's decision.

While the *Sackett* decision and subsequent regulatory action removed a great deal of uncertainty regarding the ultimate scope of "waters of the United States" and the extent of EPA and USACE jurisdiction, operations of municipal utility districts, including the District, could potentially be subject to additional restrictions and requirements, including additional permitting requirements, in the future.

Severe Weather Events

The Houston area, including the District, is subject to occasional severe tropical weather events, including tropical storms, hurricanes, flooding, and other natural disasters. If the District were to sustain damage to its facilities requiring substantial repair or replacement or if substantial damage were to occur to taxable property within the District as a result of such a weather event, the investment security of the Bonds could be adversely affected.

The greater Houston area, including the District, has experienced multiple storms exceeding a 0.2% probability (i.e. "500-year flood" events) since 2015, including Hurricane Harvey, which made landfall along the Texas Gulf Coast on August 26, 2017 and brought historic levels of rainfall during the successive four days.

If a future weather event significantly damaged all or part of the improvements within the District, the assessed value of property within the District could be substantially reduced, which could result in a decrease in tax revenues and/or necessitate an increase in the District's tax rate. Further, there can be no assurance that a casualty loss to taxable property within the District will be covered by insurance (or that property owners will even carry flood or other casualty insurance), that any insurance company will fulfill its obligation to provide insurance proceeds, or that insurance proceeds will be used to rebuild or repair any damaged improvements within the District. Even if insurance proceeds are available and improvements are rebuilt, there could be a lengthy period in which assessed values within the District could be adversely affected.

Specific Flood Type Risks

The District may be subject to the following flood risks:

Ponding (or Pluvial) Flood. Ponding, or pluvial, flooding occurs when heavy rainfall creates a flood event independent of an overflowing water body, typically in relatively flat areas. Intense rainfall can exceed the drainage capacity of a drainage system, which may result in water within the drainage system becoming trapped and diverted onto streets and nearby property until it is able to reach a natural outlet. Ponding can also occur in a flood pool upstream or behind a dam, levee or reservoir.

Riverine (or Fluvial) Flood. Riverine, or fluvial, flooding occurs when water levels rise over the top of river, bayou or channel banks due to excessive rain from tropical systems making landfall and/or persistent thunderstorms over the same area for extended periods of time. The damage from a riverine flood can be widespread. The overflow can affect smaller rivers and streams downstream, or may sheet-flow over land. Flash flooding is a type of riverine flood that is characterized by an intense, high velocity torrent of water that occurs in an existing river channel with little to no notice. Flash flooding can also occur even if no rain has fallen, for instance, after a levee, dam or reservoir has failed

or experienced an uncontrolled release, or after a sudden release of water by a debris or ice jam. In addition, planned or unplanned controlled releases from a dam, levee or reservoir also may result in flooding in areas adjacent to rivers, bayous or drainage systems downstream.

THE BONDS

General

The following is a description of certain terms and conditions of the Bonds, which description is qualified in its entirety by reference to the Bond Resolution of the Board of Directors of the District (the "Board") authorizing the issuance of the Bonds. The Bond Resolution authorizes the issuance and sale of the Bonds and prescribes the terms, conditions and provisions for the payment of the principal of and interest on the Bonds by the District.

The Bonds are dated December 1, 2026, and will mature on September 1 in the years and in the principal amounts indicated on the inside cover page hereof. The Bonds will accrue interest from the date of their delivery (the "Delivery Date"), at the stated interest rates indicated on the inside cover page hereof. Interest on the Bonds is payable on March 1, 2027, and on each September 1 and March 1 thereafter (each an "Interest Payment Date") until maturity or prior redemption. The Bonds will be issued as fully registered bonds in principal denominations of $5,000 or any integral multiple thereof. Principal of the Bonds will be payable to a Registered Owner thereof at maturity or earlier redemption upon presentation of Bonds at the principal payment office of Zions Bancorporation, National Association, Houston, Texas (the "Paying Agent/Registrar"). In the event that the book-entry-only system is discontinued, interest on the Bonds will be payable by check, dated as of the interest payment date, and mailed by the Paying Agent/Registrar to Registered Owners as shown on the records of the Paying Agent/Registrar at the close of business on the 15th day of the calendar month next preceding each Interest Payment Date (the "Record Date"), or by other such customary banking arrangements as may be acceptable to the Paying Agent/Registrar and the Registered Owner at the expense and risk of the Registered Owner.

Book-Entry-Only System

This section describes how ownership of the Bonds is to be transferred and how the principal of and interest on the Bonds are to be paid to and credited by DTC while the Bonds are registered in its nominee's name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The District believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

The District cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be required by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC.

DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules

applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchase of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book- entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issue as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, principal, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the District or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

Use of Certain Terms in Other Sections of this Official Statement

In reading this Official Statement it should be understood that while the Bonds are in the book-entry form, references in other sections of this Official Statement to registered owners should be read to include the person for which the DTC Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the book-entry system, and (ii) except as described above, notices that are to be given to registered owners under the Bond Resolution will be given only to DTC.

Successor Paying Agent/Registrar

Provision is made in the Bond Resolution for replacement of the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, the new Paying Agent/Registrar shall act in the same capacity as the previous Paying Agent/Registrar. Any paying agent/registrar selected by the District shall be a national or state

banking institution, a corporation organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise trust powers, and subject to supervision or examination by federal or state authority, to act as Paying Agent/Registrar for the Bonds.

Registration and Transfer

So long as any Bonds remain outstanding, the Paying Agent/Registrar shall keep the Register at its principal payment office and, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of the Bond Resolution. In the event the Book-Entry-Only System should be discontinued, each Bond shall be transferable only upon the presentation and surrender of such Bond at the principal payment office of the Paying Agent/Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Bond in proper form for transfer, the Paying Agent/Registrar has been directed by the District to authenticate and deliver in exchange therefor, within three (3) business days after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and paying interest at the same rate as the Bond or Bonds so presented. All Bonds shall be exchangeable upon presentation and surrender thereof at the principal payment office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination in an aggregate amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Paying Agent/Registrar is authorized to authenticate and deliver exchange Bonds. Each Bond delivered shall be entitled to the benefits and security of the Bond Resolution to the same extent as the Bond or Bonds in lieu of which such Bond is delivered. Neither the District nor the Paying Agent/Registrar shall be required to transfer or to exchange any Bond during the period beginning on a Record Date and ending the next succeeding Interest Payment Date or to transfer or exchange any Bond called for redemption during the thirty (30) day period prior to the date fixed for redemption of such Bond. The District or the Paying Agent/Registrar may require the Registered Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the District.

Redemption Provisions

The District reserves the right, at its option, to redeem the Bonds maturing on or after September 1, 2033, prior to their scheduled maturities, in whole or from time to time in part, in integral multiples of $5,000 on September 1, 2032, or any date thereafter, at a price of par value plus unpaid accrued interest on the principal amounts called for redemption from the most recent Interest Payment Date to the date fixed for redemption. If less than all of the Bonds are redeemed at any time, the maturities of the Bonds to be redeemed will be selected by the District. If less than all of the Bonds of a certain maturity are to be redeemed, the particular Bonds to be redeemed shall be selected by the Paying Agent/Registrar by lot or other random method (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form). If a Bond subject to redemption is in a denomination larger than $5,000, a portion of such Bond may be redeemed, but only in integral multiples of $5,000. Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered. Notice of any redemption identifying the Bonds to be redeemed in whole or in part shall be given by the Paying Agent/Registrar at least thirty (30) days prior to the date fixed for redemption by sending written notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the Register. Such notices shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment and, if less than all the Bonds outstanding are to be redeemed, the numbers of the Bonds or the portions thereof to be redeemed. Any notice given shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption. When Bonds have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Registered Owners to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

Lost, Stolen or Destroyed Bonds

In the event the Book-Entry-Only System should be discontinued, upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. If any Bond is lost, apparently destroyed, or wrongfully taken, the District, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall, upon receipt of certain documentation from the Registered Owner and an indemnity bond, execute

and the Paying Agent/Registrar shall authenticate and deliver a replacement Bond of like maturity, interest rate and principal amount bearing a number not contemporaneously outstanding.

Registered owners of lost, stolen or destroyed Bonds will be required to pay the District's costs to replace such Bond. In addition, the District or the Paying Agent/Registrar may require the Registered Owner to pay a sum sufficient to cover any tax or other governmental charge that may be imposed.

Authority for Issuance

At an election held within the District on November 5, 2024, voters in the District authorized a total of $134,100,000 in principal amount of unlimited tax bonds for the purpose of acquiring and/or constructing the Utility System; $70,500,000 in principal amount of unlimited tax bonds for the purpose of acquiring and/or constructing the Road System; and $26,250,000 principal amount of unlimited tax bonds for acquiring and/or constructing recreational or park facilities in the District.

The Bonds are issued pursuant to (i) Article III, Section 52 of the Texas Constitution, (ii) the general laws of the State of Texas, including particularly Chapters 49 and 54 of the Texas Water Code, as amended, (iii) the Bond Resolution, and (iv) an election held within the District on November 5, 2024.

Source of Payment

While the Bonds or any part of the principal thereof or interest thereon remains outstanding and unpaid, the District covenants to levy and annually assess and collect in due time, form and manner, and at the same time as other District taxes are appraised, levied and collected, in each year, a continuing direct annual ad valorem tax, without limit as to rate, upon all taxable property in the District sufficient to pay the interest on the Bonds as the same becomes due and to pay each installment of the principal of the Bonds as the same matures, with full allowance being made for delinquencies and costs of collection. In the Bond Resolution, the District covenants that said taxes are irrevocably pledged to the payment of the interest on and principal of the Bonds and to no other purpose.

The Bonds are obligations solely of the District and are not the obligations of the State of Texas; Waller County, Texas; or any entity other than the District.

Issuance of Additional Debt

The District may issue additional bonds with the approval of the TCEQ (with respect to the bonds for park and recreational facilities and the bonds for the Utility System) necessary to provide improvements and facilities consistent with the purposes for which the District was created. The District's voters have authorized the District's issuance of $134,100,000 in principal amount of unlimited tax bonds for the purpose of the Utility System; $70,500,000 in principal amount of unlimited tax bonds for the purpose of acquiring and/or constructing the Road System; and $26,250,000 principal amount of unlimited tax bonds for acquiring and/or constructing park and recreational facilities in the District.

The Bonds represent the first series of bonds issued by the District for the purpose of acquiring and/or constructing the Road System. After issuance of the Bonds, the following principal amounts of unlimited tax bonds will remain authorized but unissued: $134,100,000 in principal amount of unlimited tax bonds for the Utility System and refunding of same; $68,500,000 in principal amount of unlimited tax bonds for the purpose of the Road System and refunding of same; and $26,250,000 principal amount of unlimited tax bonds for acquiring and/or constructing park and recreational facilities in the District and refunding of same. The District may also issue any additional bonds as may hereafter be approved by both the Board of Directors and voters of the District. The Bond Resolution imposes no limitation on the amount of additional parity bonds which may be issued by the District (if authorized by the District's voters and, in the case of bonds for the Utility System and parks and recreational facilities, approved by the TCEQ).

Following the issuance of the Bonds, the District will owe the Developer approximately $8.5 million for its expenditures to construct or acquire the Road System, the Utility System, and park and recreational facilities to serve the District, the funds of which were advanced by the Developer.

The District is authorized by statute to develop park and recreational facilities, including the issuing of bonds payable from taxes for such purpose. Before the District could issue park bonds payable from taxes, the following actions would be required: (a) approval of the park bond application for the issuance of bonds by the TCEQ; and (b) approval of the bonds by the Attorney General of Texas. If the District does issue park bonds, the principal amount of bonds sold by the District to construct park and recreational facilities is limited to one percent of the District's certified taxable assessed valuation, unless the District meets certain financial feasibility requirements under the TCEQ rules, in which case the outstanding principal amount of such bonds issued by the District may be issued in an amount not to exceed three percent of the value of the taxable property in the District.

Funds and Accounts

The Bond Resolution creates the Road Debt Service Fund (as further described in the Bond Resolution).

The Road Debt Service Fund is the District's road bond interest and sinking fund. The Bond Resolution requires that the District credit to the Road Debt Service Fund (i) on the Delivery Date from the proceeds from the sale of the Bonds, an amount equal to eighteen (18) months of capitalized interest on the Bonds, (ii) all receipts of taxes (and penalty and interest thereon) net of collection costs levied to provide for the payment of principal of and interest on (or fees and expenses of the Paying Agent/Registrar with respect to) the Bonds, (iii) all earnings from the investment of amounts credited to the Road Debt Service Fund, and (iv) any other funds of the District deposited to the Road Debt Service Fund to pay principal (or redemption price) of or interest on the Bonds. The Bond Resolution requires that the Road Debt Service Fund be applied solely to pay the principal or redemption price of, interest on, and the Paying Agent fees with respect to the Bonds, and any other tax-supported obligations of the District when due.

The Road Capital Project Fund is the road capital improvements fund of the District. The Bond Resolution requires the District to deposit into the Road Capital Project Fund the balance of the proceeds of the sale of the Bonds remaining after deposit of the amounts required to be deposited into the Road Debt Service Fund. The Road Capital Project Fund may be applied solely (i) to pay the costs necessary or appropriate to accomplish the purposes for which the Bonds are issued, and (ii) to the extent the proceeds of any series of bonds deposited to the Road Capital Project Fund and investment income attributable thereto are in excess of the amounts required for such purposes, then in the discretion of the District, to transfer such unexpended proceeds or income to the District's Road Debt Service Fund or to apply the same to one or more other lawful purposes for which surplus road construction funds may be used.

Consolidation

The District has the legal authority to consolidate with other districts and, in connection therewith, to provide for the consolidation of its assets (such as cash and the utility system) and liabilities (such as the Bonds) with the assets and liabilities of districts with which it is consolidating. Although no consolidation is presently contemplated by the District, no representation is made concerning the likelihood of consolidation in the future.

Arbitrage

The District will certify as of the date the Bonds are delivered and paid for that, based upon all facts and estimates now known or reasonably expected to be in existence on the date the Bonds are delivered and paid for, the District reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds, or any portion of the Bonds, to be "arbitrage bonds" under the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations prescribed thereunder. Furthermore, all officers, employees, and agents of the District have been authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the District as of the date the Bonds are delivered and paid for. In particular, all or any officers of the District are authorized to certify to the facts and circumstances and reasonable expectations of the District on the date the Bonds are delivered and paid for regarding the amount and use of the proceeds of the Bonds. Moreover, the District covenants in the Bond Resolution that it shall make such use of the proceeds of the Bonds, regulate investment of proceeds of the Bonds, and take such other and further actions and follow such procedures, including, without limitation, calculating the yield on the Bonds, as may be required so that the Bonds shall not become "arbitrage bonds" under the Code and the regulations prescribed from time to time thereunder.

Defeasance

The Bond Resolution provides that the District may discharge its obligations to the Registered Owners of any or all of the Bonds to pay principal, interest and redemption price thereon in any manner permitted by law. Under current Texas law, such discharge may be accomplished either (i) by depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of, premium, if any, and all interest to accrue on the Bonds to maturity or redemption or (ii) by depositing with any place of payment (paying agent) of the Bonds or other obligations of the District payable from revenues or from ad valorem taxes or both, amounts sufficient to provide for the payment and/or redemption of the Bonds; provided that such deposits may be invested and reinvested only in (a) direct noncallable obligations of the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to the investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and which mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds. Upon such deposit as described above, such Bonds shall no longer be regarded as outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the District to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided,

however, that the right to call the Bonds for redemption is not extinguished if the District: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes. There is no assurance that the current law will not be changed in the future in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds.

Legal Investment and Eligibility to Secure Public Funds in Texas

The following is quoted from Section 49.186 of the Texas Water Code and is applicable to the District:

> "(a) All bonds, notes, and other obligations issued by a district shall be legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, and trustees, and for all interest and sinking funds and other public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic.
>
> (b) A district's bonds, notes, and other obligations are eligible and lawful security for all deposits of public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of the bonds, notes, and other obligations when accompanied by any unmatured interest coupons attached to them."

The Public Funds Collateral Act (Chapter 2257, Texas Government Code) also provides that bonds of the District (including the Bonds) are eligible as collateral for public funds.

No representation is made that the Bonds will be suitable for or acceptable to financial or public entities for investment or collateral purposes. No representation is made concerning other laws, rules, regulations, or investment criteria which apply to, or which might be utilized by any of such persons or entities to limit the acceptability or suitability of the Bonds for any of the foregoing purposes. Prospective purchasers are urged to carefully evaluate the investment quality of the Bonds as to the suitability or acceptability of the Bonds for investment or collateral purposes.

Remedies in Event of Default

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Resolution, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Resolution, the Registered Owners have the statutory right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Resolution. Except for mandamus, the Bond Resolution does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's sovereign immunity from suits for money damages, so that in the absence of other waivers of such immunity by the Texas Legislature, a default by the District in its covenants in the Bond Resolution may not be reduced to a judgment for money damages. If such a judgment against the District were obtained, it could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions, such as the District. See "RISK FACTORS – Registered Owners' Remedies and Bankruptcy Limitations."

[Remainder of this page intentionally left blank.]

Use and Distribution of Bond Proceeds

A portion of the proceeds from the sale of the Bonds will be used to reimburse the Developer for the construction costs set out below. In addition, a portion of the proceeds from the Bonds will be used to pay developer interest, eighteen (18) months of capitalized interest on the Bonds, and certain other costs associated with the issuance of the Bonds. The actual amounts to be reimbursed by the District and the non-construction costs will be finalized after the sale of the Bonds and completion of agreed-upon procedures by the District's Auditor.

Construction Costs	District's Share
A. Developer Contribution Items	
1. Maple Woods Section 1	$ 1,256,461
2. Engineering	72,877
3. Land Costs	196,716
TOTAL CONSTRUCTION COSTS	$ 1,526,054
Non-Construction Costs	
A. Legal Fees	$ 60,000
B. Fiscal Agent Fees	25,000
C. Interest Costs	
1. Capitalized Interest	165,000
2. Developer Interest	124,157
D. Bond Discount (2%)	40,000
E. Bond Issuance Expenses	37,789
F. Attorney General Fee	2,000
G. Bond Related Engineering Fees	20,000
TOTAL NON-CONSTRUCTION COSTS	$473,946
TOTAL BOND ISSUE REQUIREMENT	**$ 2,000,000**

In the instance that estimated amounts exceed the actual costs, the difference comprises a surplus which may be expended for authorized uses. In the instance that actual costs exceed previously approved estimated amounts and contingencies, the issuance of additional bonds may be required. However, the District cannot and does not guarantee the sufficiency of such funds for such purposes.

[Remainder of this page intentionally left blank.]

THE DISTRICT

Authority

The District is a political subdivision of the State of Texas created by an order of the Texas Commission on Environmental Quality (the "TCEQ") on April 5, 2024 (the "Creation Order") as a municipal utility district created and organized according to the terms and provisions of Article XVI, Section 59 and Article III, Section 52 of the Texas Constitution, and Chapters 49 and 54 of the Texas Water Code, as amended, and other general statutes of Texas applicable to municipal utility districts.

The District is empowered, among other things, to finance, purchase, construct, operate and maintain all works, improvements, facilities and plants necessary for the supply and distribution of water; the collection, transportation, and treatment of wastewater; the control and diversion of storm water; roads and park and recreational facilities. The District may issue bonds and other forms of indebtedness to purchase or construct such facilities. The District may also provide solid waste disposal and collection services.

Description

The District is located in Waller County, Texas, approximately 48 miles northwest of the City of Houston, Texas and approximately 19 miles northwest of the City of Tomball, Texas. The District is bordered by Joseph Road and Robinhood Lane. The District contains approximately 142.479 acres of land and is not within the corporate limits or extraterritorial jurisdiction of any city.

Management of the District

The District is governed by the Board consisting of five directors, who have control over and management supervision of all affairs of the District. All of the Directors own property in the District. The directors serve four-year staggered terms. Elections are held in May of even-numbered years. The current members and officers of the Board are listed below:

Name	Position	Term Expires May
Alex Habib	President	2030
Justin Pinto	Vice President	2028
Susie Hays	Secretary	2028
Marco Escobar	Assistant Secretary	2030
Christine Nguyen	Assistant Vice President	2028

Investments of the District

The District has adopted an Investment Policy as required by the Public Funds Investment Act, Chapter 2256, Texas Government Code. The District's goal is to preserve principal and maintain liquidity while securing a competitive yield on its portfolio. Funds of the District will be invested in short term U.S. Treasuries, certificates of deposit insured by the Federal Deposit Insurance Corporation ("FDIC") or secured by collateral evidenced by perfected safekeeping receipts held by a third-party bank, and public funds investment pools rated in the highest rating category by a nationally recognized rating service. The District does not currently own, nor does it anticipate the inclusion of long term securities or derivative products in the District portfolio.

Consultants

Although the District does not have a general manager or any other full-time employees, it has contracted for bookkeeping, tax assessing and collecting, auditing, engineering, and legal services as follows:

***Bond Counsel and General Counsel*:** The District has engaged Allen Boone Humphries Robinson LLP, Houston, Texas, as general counsel to the District and as bond counsel ("Bond Counsel") in connection with the issuance of the Bonds. The fees to be paid Bond Counsel in connection with the issuance of the Bonds are contingent upon the sale and delivery of the Bonds. See "LEGAL MATTERS."

***Disclosure Counsel*:** Orrick, Herrington & Sutcliffe LLP, Houston, Texas, serves as Disclosure Counsel to the District. The fee to be paid Disclosure Counsel for services rendered in connection with the issuance of the Bonds is contingent on the issuance, sale and delivery of the Bonds.

***Municipal Advisor*:** Tierra Financial Advisors, LLC is engaged as municipal advisor to the District in connection with the issuance of the Bonds. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information in this Official Statement.

***Tax Assessor/Collector*:** The tax assessor/collector for the District is Utility Tax Service, LLC (the "Tax Assessor/Collector").

***Bookkeeper*:** The District's bookkeeper is Myrtle Cruz, Inc. (the "Bookkeeper").

***Auditor*:** The District engaged McGrath & Co., PLLC to audit its financial statements for the fiscal year ended May 31, 2026, a copy of which is attached as "Appendix A."

***Engineer*:** The District's engineer is GFT Infrastructure, Inc. (the "Engineer").

***Operator*:** The operation and maintenance of the District's water and wastewater systems are overseen by Quadvest, L.P. ("Quadvest").

DEVELOPMENT OF THE DISTRICT

Development within the District

The District is being developed as Maple Woods, a single-family residential community.

Development in the District currently includes 308 single-family residential lots. At full build-out, the District is expected to include 505 homes. As of August 31, 2026, the District consisted of 51 completed homes (26 occupied and 25 unoccupied), 8 homes under construction, 249 vacant developed lots, and 0 lots under development. A breakdown of development by homebuilder is provided in the table below.

	Century		D.R. Horton		
Status	40' Product	50' Product	40' Product	50' Product	Total
Vacant Delivered Lots	95	30	94	30	249
Under Construction	2	1	3	2	8
Completed Spec	11	8	3	5	27
Closed	2	5	9	8	24
Total	110	44	109	45	308

Homebuilders within the District

Century and D.R. Horton are currently building single-family homes in the District. Homes in the District range in price from approximately $275,000 to over $330,000 and in size from approximately 1,489 to 2,729 square feet. From January 1, 2026 through August 30, 2026, Century and D.R. Horton sold approximately 26 homes.

[*Remainder of this page intentionally left blank.*]

PHOTOGRAPHS TAKEN IN THE DISTRICT

(September 2026)





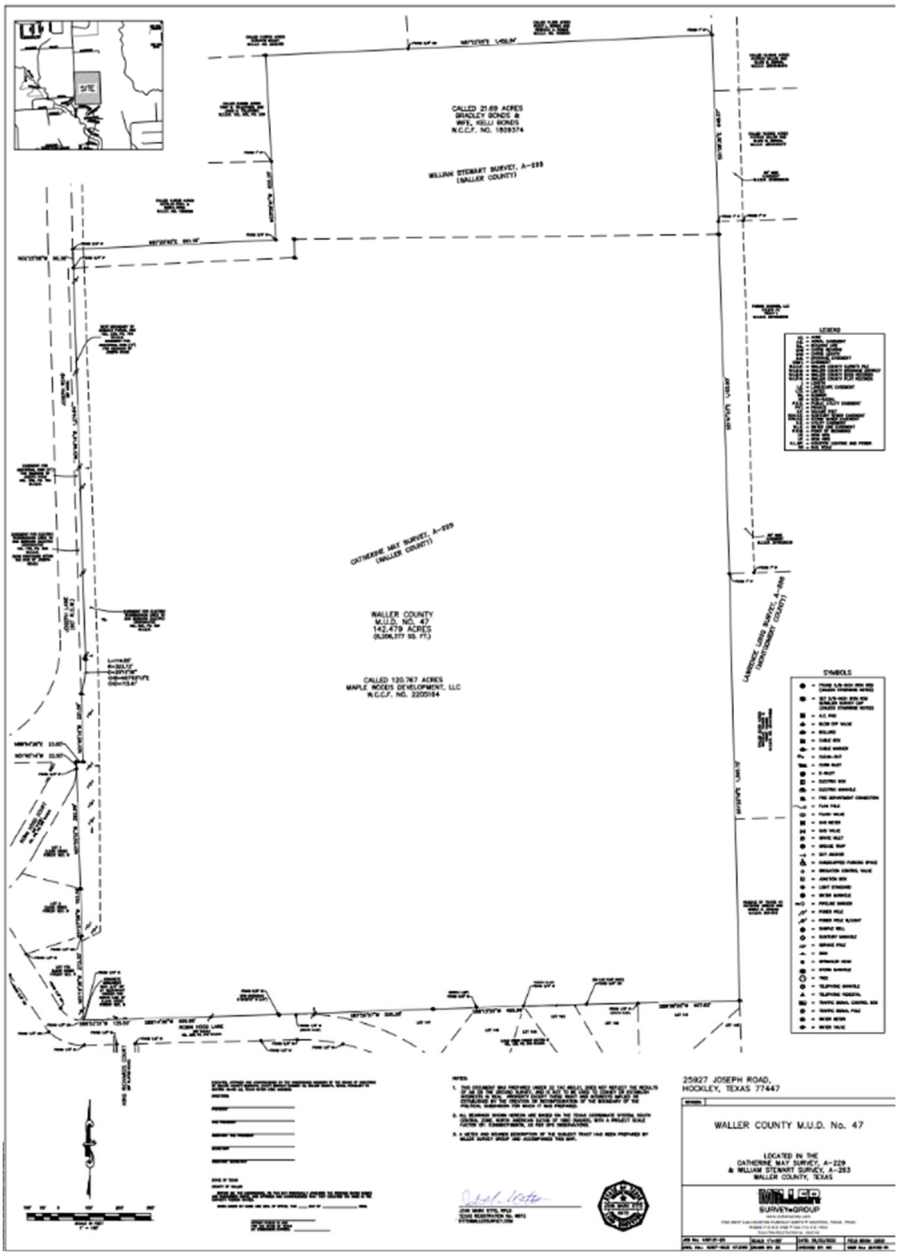
PHOTOGRAPHS TAKEN IN THE DISTRICT

(September 2026)





MAP OF THE DISTRICT



PRINCIPAL LANDOWNER/DEVELOPER

Role of the Developer

In general, the activities of a developer in a municipal utility district such as the District include purchasing the land within the District, designing the subdivision, designing the utilities and streets to be constructed in the subdivision, designing any community facilities to be built, defining a marketing program and building schedule, securing necessary governmental approvals and permits for development, arranging for the construction of roads and the installation of utilities (including, in some cases, water, wastewater, and drainage facilities pursuant to the rules of the TCEQ, as well as gas, telephone, and electric service) and selling improved lots and commercial reserves to builders, developers, or other third parties. In some instances, the developer will be required to pay up to thirty percent (30%) of the cost of constructing certain of the water, wastewater, and drainage facilities in a municipal utility district pursuant to the rules of the TCEQ. The relative success or failure of a developer to perform such activities in development of the property within a municipal utility district may have a profound effect on the security of the unlimited tax bonds issued by a district. A developer is generally under no obligation to a district to develop the property which it owns in a district. Furthermore, there is no restriction on a developer's right to sell any or all of the land which it owns within a district. In addition, a developer is ordinarily a major taxpayer within a municipal utility district during the development phase of the property.

Prospective purchasers of the Bonds should note that the prior real estate experience of a developer should not be construed as an indication that further development within the District will occur, or construction of taxable improvements upon property within the District will occur, or that marketing or leasing of taxable improvements constructed upon property within the District will be successful. Circumstances surrounding development within the District may differ from circumstances surrounding development of other land in several respects, including the existence of different economic conditions, financial arrangements, homebuilders, geographic location, market conditions, and regulatory climate.

Neither the Developer (herein defined), nor any of its affiliate entities, are obligated to pay principal of or interest on the Bonds. Furthermore, neither the Developer, nor any of its affiliate entities, have a binding commitment to the District to carry out any plan of development, and the furnishing of information relating to the proposed development by the Developer or affiliate entities should not be interpreted as such a commitment. Prospective purchasers are encouraged to inspect the District in order to acquaint themselves with the nature of development that has occurred or is occurring within the District's boundaries.

The Developer and Principal Landowner

The principal landowner and developer within the District is RLS (Maple Woods) LLC (the "Developer"), a Delaware limited liability company and indirect subsidiary of Brookfield Asset Management Ltd. (NYSE:BAM). The Developer was formed for the purpose of acquiring and developing Maple Woods, a thoughtfully planned residential community encompassing approximately 143 acres. At full build-out, Maple Woods is expected to include approximately 505 single-family homes, offering residents a well-designed neighborhood with quality housing, community amenities, and convenient access to the Greater Houston area. The Developer continues to oversee the planning and development of the community with a focus on creating a desirable living environment that will serve current and future residents of the District.

[*Remainder of this page intentionally left blank.*]

THE UTILITY SYSTEM

Regulation

Construction and operation of the District's water, wastewater and storm drainage system as it now exists or as it may be expanded from time to time is subject to regulatory jurisdiction of federal, state and local authorities. The TCEQ exercises continuing, supervisory authority over the District. Discharge of treated sewage into Texas waters is also subject to the regulatory authority of the TCEQ and the EPA. Waller County, Texas and the Texas Department of Health also exercise regulatory jurisdiction over the District's water, wastewater and storm drainage facilities.

Description of the System

- Water Supply & Distribution -

Water service is provided by Quadvest through Water Plant No. 1 which was constructed and operated by Quadvest. The Water Plant consists of a 10,000-gallon hydro-pneumatic tank, one 133,000-gallon ground storage tank, and 525 gallons per minute (GPM) in booster pump capacity. It is expected that Quadvest will expand Water Plant No. 1 in the future to provide sufficient capacity to accommodate a total of 505 equivalent single-family connections ("ESFCs").

- Wastewater Treatment and Conveyance System -

Wastewater service is provided by Quadvest through a 125,000 gallon per day wastewater treatment plant (WWTP) within the District, which is currently sufficient to serve approximately 397 ESFCs. Quadvest will expand the WWTP in the future to provide sufficient capacity to accommodate a total of 505 ESFCs.

- Drainage -

Stormwater drainage from the District discharges into detention ponds through the internal storm sewer systems. The District's detention ponds convey flow by a series of 36" RCP's and ultimately outfall to Brushy Creek.

100-Year Flood Plain

According to the Federal Emergency Management Agency (FEMA), the 100-year floodplain is the area expected to be inundated by a flood that has a 1% chance of occurring or being exceeded in any given year. The term does not mean flooding will occur only once every 100 years, a flood of this magnitude could occur in consecutive years or more than once during that period. FEMA also refers to this event as the "base flood" and generally identifies the affected area as a Special Flood Hazard Area on its Flood Insurance Rate Maps. No FEMA floodplain currently exists on the subject property, according to FIRM Map Number 48473C Panel Number 0100E, revised February 18, 2009.

In 2018, the National Weather Service completed a rainfall study known as NOAA Atlas 14, Volume 11 Precipitation-Frequency Atlas of the United States ("Atlas 14"). Floodplain boundaries within the District may be redrawn based on the Atlas 14 study based on a higher statistical rainfall amount, resulting in the application of more stringent floodplain regulations applying to a larger area and potentially leaving less developable property within the District. The application of such regulations could additionally result in higher insurance rates, increased development fees, and stricter building codes for any property within the expanded boundaries of the floodplain.

[Remainder of this page intentionally left blank.]

General Fund Operating Statement

The following is a summary of the District's general fund activity for the fiscal year ended May 31, 2026 and for the three-month period ended August 31, 2026. See "APPENDIX A – Financial Statements of the District."

General Fund Revenues, Expenditures and Changes in Fund Balance for Fiscal Year Ending

	6/1/2026-8/31/2026[a]	2026
Revenues:		
Property Taxes	$ -	$ 61,157
Tap connection and inspection	-	87,342
Investment Revenues	-	20
TOTAL REVENUES	$ -	$ 148,519
Expenditures:		
Current service operations		
Purchased services	$ 40,598	$ 14,794
Professional fees	29,181	70,417
Contracted services	2,500	62,772
Repairs and maintenance	50,185	16,525
Administrative	6,125	16,953
Capital outlay	-	459,320
Depreciation/amortization	-	-
TOTAL EXPENDITURES/EXPENSES	$ 128,589	$ 640,781
Revenues Under Expenditures/Expenses	(128,589)	(492,262)
Other Financing Sources		
Developer advances	216,610	443,500
Net Change in Fund Balances	88,021	(48,762)
Fund Balance/Net Position		
Beginning of the year	(62,166)	(13,404)
Ending Fund Balance	$ 25,855	$ (62,166)

[a] Unaudited. Provided by the District's bookkeeper.

THE ROAD SYSTEM

The roads within the District vary in width in accordance with standards adopted by Waller County, but are sized to accommodate the anticipated traffic demands of full build-out of the property within the District.

[Remainder of this page intentionally left blank.]

DISTRICT DEBT

2026 Assessed Valuation	$	11,037,568[(a)]
Estimated Assessed Valuation as of August 1, 2026	$	20,373,050[(b)]
Direct Debt:		
The Bonds	$	2,000,000
Total	$	2,000,000
Estimated Overlapping Debt	$	1,476,645[(c)]
Direct and Estimated Overlapping Debt:	$	3,476,645[(c)]
Direct Debt Ratio:		
As a percentage of 2026 Assessed Valuation		18.12%
As a percentage of Estimated Assessed Valuation as of August 1, 2026		9.82%
Direct and Estimated Overlapping Debt Ratio:		
As a percentage of 2026 Assessed Valuation		31.50%
As a percentage of Estimated Assessed Valuation as of August 1, 2026		17.06%
Road Debt Service Fund (proforma as of the Delivery Date)	$	165,000[(d)]
Operating Fund (as of September 24, 2026)	$	14,933
2026 Tax Rate:		
Utility System Debt Service	$	-
Road System Debt Service	$	-
Maintenance & Operation	$	1.500
Total	$	1.500[(e)]
Estimated Average Annual Debt Service Requirements on the Bonds (2027 – 2051)	$	149,410[(f)]
Estimated Maximum Annual Debt Service Requirements on the Bonds (2048)	$	154,425[(f)]
Debt Service Tax Rate per $100 of Assessed Valuation Required to Pay		
Estimated Average Annual Debt Service Requirement on the Bonds (2027 - 2051):		
Based on 2026 Assessed Valuation at 95% Collections	$	1.43
Based on Estimated Assessed Valuation as of August 1, 2026, at 95% Collections	$	0.78
Debt Service Tax Rate per $100 of Assessed Valuation Required to Pay		
Estimated Maximum Debt Service Requirement on the Bonds (2048):		
Based on 2026 Assessed Valuation at 95% Collections	$	1.48
Based on Estimated Assessed Valuation as of August 1, 2026, at 95% Collections	$	0.80

(a) Represents the assessed valuation of all taxable property in the District as of January 1, 2026 provided by the Waller County Appraisal District (the "Appraisal District"). See "TAX DATA" and "TAXING PROCEDURES."

(b) Provided by the Appraisal District for information purposes only. This amount is an estimate of the taxable value of all taxable property located within the District as of August 1, 2026. No taxes will be levied on this estimated value. See "TAX DATA" and "TAXING PROCEDURES."

(c) See "DISTRICT DEBT - Direct and Estimated Overlapping Debt Statement."

(d) Neither Texas law nor the Bond Resolution requires that the District maintain any particular sum in the Road Debt Service Fund (defined herein). The funds in the Road Debt Service Fund are pledged only to pay the debt service on the Bonds, and any other bonds issued for the purpose of acquiring or constructing the Road System. Upon the issuance of the Bonds, eighteen (18) months of capitalized interest will be deposited into the Road Debt Service Fund.

(e) See "TAX DATA - Tax Rate Calculations." The District intends to levy its first debt service tax in 2027.

(f) Debt Service on the Bonds is estimated at an average interest rate of 5.50%. See "DISTRICT DEBT - Debt Service Requirement Schedule."

Debt Service Requirement Schedule

The following schedule sets forth the estimated principal and interest requirements on the Bonds.

Year Ending 12/31	Outstanding Bonds Debt Service	Plus: The Bonds			Total Debt Service
		Principal	Interest	Debt Service	
2027	$ -	$ -	$ 82,500	$ 82,500	$ 82,500
2028	-	40,000	110,000	150,000	150,000
2029	-	45,000	107,800	152,800	152,800
2030	-	45,000	105,325	150,325	150,325
2031	-	50,000	102,850	152,850	152,850
2032	-	50,000	100,100	150,100	150,100
2033	-	55,000	97,350	152,350	152,350
2034	-	60,000	94,325	154,325	154,325
2035	-	60,000	91,025	151,025	151,025
2036	-	65,000	87,725	152,725	152,725
2037	-	70,000	84,150	154,150	154,150
2038	-	70,000	80,300	150,300	150,300
2039	-	75,000	76,450	151,450	151,450
2040	-	80,000	72,325	152,325	152,325
2041	-	85,000	67,925	152,925	152,925
2042	-	90,000	63,250	153,250	153,250
2043	-	95,000	58,300	153,300	153,300
2044	-	100,000	53,075	153,075	153,075
2045	-	105,000	47,575	152,575	152,575
2046	-	110,000	41,800	151,800	151,800
2047	-	115,000	35,750	150,750	150,750
2048	-	125,000	29,425	154,425	154,425
2049	-	130,000	22,550	152,550	152,550
2050	-	135,000	15,400	150,400	150,400
2051	-	145,000	7,975	152,975	152,975
Total	$ -	$ 2,000,000	$ 1,735,250	$ 3,735,250	$ 3,735,250

Estimated Average Annual Debt Service Requirements on the Bonds (2027–2051)	$149,410
Estimated Maximum Annual Debt Service Requirements on the Bonds (2048)	$154,425

[Remainder of this page intentionally left blank.]

Direct and Estimated Overlapping Debt Statement

Other governmental entities whose boundaries overlap the District have outstanding bonds payable from ad valorem taxes. The following statement of direct and estimated overlapping ad valorem tax debt was developed from information contained in *Texas Municipal Reports*, published by the Municipal Advisory Council of Texas, or other available information. Except for the amount relating to the District, the District has not independently verified the accuracy or completeness of such information, and no person is entitled to rely upon such information as being accurate or complete. Furthermore, certain of the entities listed below may have issued additional bonds since the dates stated in this table, and such entities may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot presently be determined. Political subdivisions overlapping the District are authorized by Texas law to levy and collect ad valorem taxes for operation, maintenance and/or general revenue purposes in addition to taxes for payment of their debt, and some are presently levying and collecting such taxes.

	Outstanding Debt	Overlapping	
Taxing Jurisdiction	August 1, 2026	Percent	Amount
Waller County	$ 168,825,000	0.07%	$ 124,508
Waller Independent School District	1,079,320,000	0.13%	1,352,136
Total Estimated Overlapping Debt			$ 1,476,645
Direct Debt (a)			$ 2,000,000
Total Direct and Estimated Overlapping Debt[(a)]			$ 3,476,645

[(a)] Includes the Bonds.

Debt Ratios

Ratio of Direct Debt:	
As a Percentage of 2026 Assessed Valuation	18.12%
As a percentage of Estimated Assessed Valuation as of August 1, 2026	9.82%
Ratio of Direct and Estimated Overlapping Debt:	
As a Percentage of 2026 Assessed Valuation	31.50%
As a percentage of Estimated Assessed Valuation as of August 1, 2026	17.06%

[Remainder of this page intentionally left blank.]

TAXING PROCEDURES

Authority to Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in sufficient amount to pay the principal of and interest on the Bonds, and any additional bonds payable from taxes that the District may hereafter issue, and to pay the expenses of assessing and collecting such taxes. In the Bond Resolution, the District agrees to levy such a tax from year to year as described more fully above under "THE BONDS – Source of Payment." Under Texas law, the Board may also levy and collect annual ad valorem taxes for the operation and maintenance of the District. See "TAX DATA – Tax Rate Limitations."

Property Tax Code and County-Wide Appraisal District

Title 1 of the Texas Property Tax Code (the "Property Code") specifies the taxing procedures of all political subdivisions of the State of Texas, including the District. Provisions of the Property Code are complex and are not fully summarized herein.

The Property Code requires, among other matters, county-wide appraisal and equalization of taxable property values and establishes in each county of the State of Texas an appraisal district with the responsibility for recording and appraising property for all taxing units within a county and an appraisal review board with responsibility for reviewing and equalizing the values established by the Appraisal District. The Appraisal District has the responsibility of appraising property for all taxing units within Waller County, including the District. Such appraisal values will be subject to review and change by the Waller County Appraisal Review Board (the "Appraisal Review Board"). The appraisal roll, as approved by the Appraisal Review Board, will be used by the District in establishing its tax rolls and tax rate.

Property Subject to Taxation by the District

***General*:** Except for certain exemptions provided by Texas law, all real property, tangible personal property held or used for the production of income and mobile homes are subject to taxation by the District. Principal categories of exempt property include, but are not limited to: property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies, and personal effects; certain goods, wares and merchandise in transit; farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; most individually owned automobiles; and intangible personal property. In addition, the District may by its own action exempt residential homesteads of persons sixty-five (65) years of age or older and of certain disabled persons to the extent deemed advisable by the Board. The District may be required to call such an election upon petition by twenty percent (20%) of the number of qualified voters who voted in the previous election. The District is authorized by statute to disregard exemptions for the disabled and elderly if granting the exemption would impair the District's obligation to pay tax supported debt incurred prior to adoption of the exemption by the District. Furthermore, the District must grant exemptions to disabled veterans or certain surviving dependents of disabled veterans, if requested, of between $5,000 and $12,000 of taxable valuation depending upon the disability rating of the veteran claiming the exemption, and qualifying surviving spouses of persons 65 years of age or older will be entitled to receive a residential homestead exemption equal to the exemption received by the deceased spouse. A veteran who receives a disability rating of 100% is entitled to an exemption for the full amount of the veteran's residential homestead. Additionally, subject to certain conditions, the surviving spouse of a disabled veteran who is entitled to an exemption for the full value of the veteran's residence homestead is also entitled to an exemption from taxation of the total appraised value of the same property to which the disabled veteran's exemption applied. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veteran's disability rating if the residence homestead was donated by a charitable organization. Also, the surviving spouse of a member of the armed forces who was killed or fatally injured in the line of duty is, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse's residence homestead and, subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. The surviving spouse of a first responder who was killed or fatally injured in the line of duty is, subject to certain conditions, also entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and, subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. See "TAX DATA."

***Residential Homestead Exemptions*:** The Property Tax Code authorizes the governing body of each political subdivision in the State of Texas to exempt up to twenty percent (20%) of the appraised value of residential homesteads from ad valorem taxation. Where ad valorem taxes have previously been pledged for the payment of debt, the governing body of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged, if the cessation of the levy would impair the obligations of the contract by which the debt was created. The adoption of a homestead exemption may be considered each year, but must be adopted before July 1. To date, the District has not adopted a homestead exemption. See "TAX DATA."

***Freeport Goods and Goods-in-Transit Exemption*:** A "Freeport Exemption" applies to goods, wares, ores, and merchandise other than oil, gas, and petroleum products (defined as liquid and gaseous materials immediately derived from refining petroleum or natural gas), and to aircraft or repair parts used by a certified air carrier acquired in or imported into Texas which are destined to be forwarded outside of Texas and which are detained in Texas for assembling, storing, manufacturing, processing or fabricating for less than 175 days. Although certain taxing units may take official action to tax such property in transit and negate such exemption, the District does not have such an option. A "Goods-in-Transit" Exemption is applicable to the same categories of tangible personal property which are covered by the Freeport Exemption, if, for tax year 2011 and prior applicable years, such property is acquired in or imported into Texas for assembling, storing, manufacturing, processing, or fabricating purposes and is subsequently forwarded to another location inside or outside of Texas not later than 175 days after acquisition or importation, and the location where said property is detained during that period is not directly or indirectly owned or under the control of the property owner. For tax year 2012 and subsequent years, such Goods-in-Transit Exemption includes tangible personal property acquired in or imported into Texas for storage purposes only if such property is stored under a contract of bailment by a public warehouse operator at one or more public warehouse facilities in Texas that are not in any way owned or controlled by the owner of such property for the account of the person who acquired or imported such property. A property owner who receives the Goods-in-Transit Exemption is not eligible to receive the Freeport Exemption for the same property. Local taxing units such as the District may, by official action and after public hearing, tax goods-in-transit personal property. A taxing unit must exercise its option to tax goods-in-transit property before January 1 of the first tax year in which it proposes to tax the property at the time and in the manner prescribed by applicable law. The District has taken official action to allow taxation of all such goods-in-transit personal property for all prior and subsequent years.

Tax Abatement

Waller County may designate all or part of the area within the District as a reinvestment zone. Thereafter, Waller County and the District, under certain circumstances, may enter into tax abatement agreements with owners of property within the zone. Prior to entering into a tax abatement agreement, each entity must adopt guidelines and criteria for establishing tax abatement, which each entity will follow in granting tax abatement to owners of property. The tax abatement agreements may exempt from ad valorem taxation by each of the applicable taxing jurisdictions, including the District, for a period of up to ten (10) years, all or any part of any increase in the appraised valuation of property covered by the agreement over its appraised valuation in the year in which the agreement is executed, on the condition that the property owner make specified improvements or repairs to the property in conformity with the terms of the tax abatement agreement. Each taxing jurisdiction has discretion to determine terms for its tax abatement agreements without regard to the terms approved by the other taxing jurisdictions. To date, Waller County has not designated land within the District as a reinvestment zone.

Valuation of Property for Taxation

Generally, property in the District must be appraised by the Appraisal District at market value as of January 1 of each year. Once an appraisal roll is prepared and finally approved by the Appraisal Review Board, it is used by the District in establishing its tax rolls and tax rate. Assessments under the Property Tax Code are to be based on 100% of market value, as such is defined in the Property Tax Code. A residence homestead is required to be appraised solely on the basis of its value as a residence homestead regardless of whether residential use is considered to be the highest and best use of the property.

The Property Tax Code permits land designated for agricultural use, open space, or timberland to be appraised at its value based on the land's capacity to produce agricultural or timber products rather than at its market value. The Property Tax Code permits, under certain circumstances, that residential real property inventory held by a person in the trade or business are valued at the price all such property would bring if sold as a unit to a purchaser who would continue the business. Landowners wishing to avail themselves of the agricultural use, open space, or timberland designation or residential real property inventory designation must apply for the designation, and the chief appraiser is required by the Property Tax Code to act on each claimant's right to the designation individually. A claimant may waive the special valuation as to taxation by some political subdivisions while claiming it for another. If a claimant receives the agricultural use designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use, including taxes for the previous three years for agricultural use, open space land, and timberland. Developers in the District have waived their rights to agricultural use, open space, or timber land exemptions.

The Property Tax Code requires the Appraisal District to implement a plan for periodic reappraisal of property to update appraisal values. The plan must provide for appraisal of all real property in the Appraisal District at least once every three years. It is not known what frequency of reappraisal will be utilized by the Appraisal District or whether reappraisals will be conducted on a zone- or county-wide basis. The District, however, at its expense, has the right to obtain from the Appraisal District a current estimate of appraised values within the District or an estimate of any new property or improvements within the District. While such current estimate of appraised values may serve to indicate

the rate and extent of growth of taxable values within the District, it cannot be used for establishing a tax rate within the District until such time as the Appraisal District chooses to formally include such values on its appraisal roll.

The Property Tax Code provides for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property that is at least 15% physically damaged by a disaster and located within an area declared to be a disaster area by the governor of the State of Texas. This temporary exemption is automatic if the disaster is declared prior to a taxing unit, such as the District, adopting its tax rate for the tax year. A taxing unit, such as the District, may authorize the exemption at its discretion if the disaster is declared after the taxing unit has adopted its tax rate for the tax year. The amount of the exemption is based on the percentage of damage and is prorated based on the date of the disaster. Upon receipt of an application submitted within the eligible timeframe by a person who qualifies for a temporary exemption under the Property Tax Code, the Appraisal District is required to complete a damage assessment and assign a damage assessment rating to determine the amount of the exemption. The temporary exemption amounts established in the Property Tax Code range from 15% for property less than 30% damaged to 100% for property that is a total loss. Any such temporary exemption granted for disaster-damaged property expires on January 1 of the first year in which the property is reappraised.

Unless extended by the Legislature, through December 31, 2026 an appraisal district is prohibited from increasing the appraised value of real property during the 2026 tax year on certain non-homestead properties (the "Subjected Property") whose appraised values are not more than $5.32 million dollars (the "maximum property value") to an amount not to exceed the lesser of: (1) the market value of the Subjected Property for the most recent tax year that the market value was determined by the appraisal office or (2) the sum of: (a) 20 percent of the appraised value of the Subjected Property for the preceding tax year; (b) the appraised value of the Subjected Property for the preceding tax year; and (c) the market value of all new improvements to the Subjected Property. The maximum property value may be increased or decreased by the product of the preceding state fiscal year's increase or decrease in the consumer price index, as applicable, to the maximum property value.

District and Taxpayer Remedies

Under certain circumstances taxpayers and taxing units (such as the District) may appeal the orders of the Appraisal Review Board by filing a timely petition for review in State district court. In such event, the value of the property in question will be determined by the court or by a jury if requested by any party. Additionally, taxing units may bring suit against the Appraisal District to compel compliance with the Property Tax Code. The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda which could result in the repeal of certain tax increases. The Property Tax Code also establishes a procedure for notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

Levy and Collection of Taxes

The District is responsible for the levy and collection of its taxes unless it elects to transfer such functions to another governmental entity. The rate of taxation is set by the Board of Directors, after the legally required notice has been given to owners of property within the District, based upon a) the valuation of property within the District as of the preceding January 1, and b) the amount required to be raised for debt service, maintenance purposes, and authorized contractual obligations. Taxes are due October 1, or when billed, whichever comes later, and become delinquent if not paid before February 1 of the year following the year in which imposed. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty for collection costs of an amount established by the District and a delinquent tax attorney. A delinquent tax on personal property incurs an additional penalty, in an amount established by the District and a delinquent tax attorney, 60 days after the date the taxes become delinquent. The delinquent tax accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code makes provisions for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances which, at the option of the District, may be rejected by taxing units. The District's tax collector is required to enter into an installment payment agreement with any person who is delinquent on the payment of tax on a residence homestead for payment of tax, penalties and interest, if the person requests an installment agreement and has not entered into an installment agreement with the collector in the preceding 24 months. The installment agreement must provide for payments to be made in monthly installments and must extend for a period of at least 12 months and no more than 36 months. Additionally, the owner of a residential homestead property who is (i) sixty-five (65) years of age or older, (ii) disabled, or (iii) a disabled veteran, is entitled by law to pay current taxes on a residential homestead in installments without penalty or to defer the payment of taxes during the time of ownership. In the instance of tax deferral, a tax lien remains on the property, and interest continues to accrue during the period of deferral. Certain qualified taxpayers, including owners of residential homesteads, located within a natural disaster area and whose property has been damaged as a direct result of the disaster, are entitled to enter into a tax payment installment

agreement with a taxing jurisdiction such as the District if the taxpayer pays at least one-fourth of the tax bill imposed on the property by the delinquency date. The remaining taxes may be paid without penalty or interest in three equal installments within six months of the delinquency date.

Rollback of Operation and Maintenance Tax Rate

Chapter 49 of the Texas Water Code, as amended, classifies districts differently based on the current operation and maintenance tax rate or on the percentage of build-out that the District has completed. Districts that have adopted an operation and maintenance tax rate for the current year that is 2.5 cents or less per $100 of taxable value are classified as "Special Taxing Units." Districts that have financed, completed, and issued bonds to pay for all improvements and facilities necessary to serve at least 95% of the projected build-out of the district are classified as "Developed Districts." Districts that do not meet either of the classifications previously discussed can be classified herein as "Developing Districts." The impact each classification has on the ability of a district to increase its maintenance, and operations tax rate is described for each classification below. Debt service and contract tax rates cannot be reduced by a rollback election held within any of the districts described below.

Special Taxing Units

Special Taxing Units that adopt a total tax rate that would impose more than 1.08 times the amount of the total tax imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, may be required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Special Taxing Unit is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate.

Developed Districts

Developed Districts that adopt a total tax rate that would impose more than 1.035 times the amount of the total tax imposed by the district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions for the preceding tax year, plus any unused increment rates, as calculated and described in Section 26.013 of the Tax Code, may be required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Developed District is the current year's debt service and contract tax rate plus 1.035 times the previous year's operation and maintenance tax rate plus any unused increment rates. In addition, if any part of a Developed District lies within an area declared for disaster by the Governor of Texas or President of the United States, alternative procedures and rate limitations may apply for a temporary period. If a district qualifies as both a Special Taxing Unit and a Developed District, the district will be subject to the operation and maintenance tax threshold applicable to Special Taxing Units.

Developing Districts

Districts that do not meet the classification of a Special Taxing Unit or a Developed District can be classified as Developing Districts. The qualified voters of these districts, upon the Developing District's adoption of a total tax rate that would impose more than 1.08 times the amount of the total tax rate imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are authorized to petition for an election to reduce the maintenance and operations tax rate. If an election is called and passed, the total tax rate for Developing Districts is the current year's debt service and contract tax rate plus 1.08 times the previous year's maintenance and operations tax rate.

The District

A determination as to a district's status as a Special Taxing Unit, Developed District or Developing District is made by the Board of Directors on an annual basis. The District cannot give any assurances as to what its classification will be at any point in time or whether the District's future tax rates will result in a total tax rate that will reclassify the District into a new classification and new election calculation. For tax year 2026, the Board of Directors of the District designated the District as a Developing District.

District's Rights in the Event of Tax Delinquencies

Taxes levied by the District are a personal obligation of the owner of the property as of January 1 of the year for which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of the State of Texas and each local taxing unit, including the District, having power to tax the property. The District's tax lien is on a parity with tax liens of such other taxing units. A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by applicable federal law. Personal property under certain circumstances

is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest. At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both subject to the restrictions on residential homesteads described in the preceding section under "Levy and Collection of Taxes". In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights or by bankruptcy proceedings which restrict the collection of taxpayer debts. A taxpayer may redeem property within six (6) months for commercial property and two (2) years for residential and all other types of property after the purchaser's deed issued at the foreclosure sale is filed in the county records. The District's ability to foreclose its tax lien or collect penalties or interest on delinquent taxes may be limited on property owned by a financial institution which is under receivership by the Federal Deposit Insurance Corporation pursuant to the Federal Deposit Insurance Act, 12 U.S.C. 1825, as amended. See "RISK FACTORS—General" and "—Tax Collection and Foreclosure Remedies."

TAX DATA

General

Taxable property within the District is subject to the assessment, levy and collection by the District of two annual ad valorem taxes without legal limitation as to rate or amount, sufficient to pay principal of and interest on the Bonds (and any future tax-supported bonds which may be issued from time to time as authorized). Taxes are levied by the District each year against the District's assessed valuation as of January 1 of that year. Taxes become due October 1 of such year, or when billed, and generally become delinquent after January 31 of the following year. The Board covenants in the Bond Resolution to assess and levy for each year that all or any part of the Bonds remain outstanding and unpaid a tax ample and sufficient to produce funds to pay the principal of and interest on the Bonds. The actual rate of such tax will be determined from year to year as a function of the District's tax base, its debt service requirements and available funds. In addition, the District has the power and authority to assess, levy and collect ad valorem taxes, in an unlimited amount, for operation and maintenance purposes. In the tax years 2025 and 2026, the District levied a maintenance tax of $1.50. This is the District's first issuance of bonds, so no debt service taxes have been previously levied.

Tax Rate Limitations

Debt Service:……..……...Unlimited (no legal limit as to rate or amount).
Maintenance and Operation-General:……$1.50 per $100 assessed taxable valuation.
Maintenance and Operation-Road:……..……$0.25 per $100 assessed taxable valuation.

Debt Service Tax

The District covenants in the Bond Resolution to levy and assess, for each year, that all or any part of the Bonds remain outstanding and unpaid, a tax adequate to provide funds to pay the principal of and interest on the Bonds. The District did not levy a road debt service tax in the tax years 2025 and 2026. The District intends to levy its first debt service tax in 2027. See "Tax Rate Distribution" and "Analysis of Tax Base" below and "TAXING PROCEDURES."

Maintenance and Operations Tax

The District has the statutory authority to levy and collect an annual ad valorem tax for the operation and maintenance of the District, if such a maintenance and operations tax is authorized by the District's voters. A maintenance and operations tax election was conducted on November 5, 2024, and voters of the District authorized, among other things, the Board to levy a maintenance and operations tax at a rate not to exceed $1.50 per $100 of assessed valuation. The District levied a maintenance tax of $1.50 in tax years 2025 and 2026.

Additional Penalties

The District has contracted with a delinquent tax attorney to collect certain delinquent taxes. In connection with that contract, the District established an additional penalty of twenty percent (20%) of the tax to defray the costs of collection. This 20% penalty applies to taxes that either: (1) become delinquent on or after February 1 of a year (April 1 for personal property), but not later than May 1 of that year, and that remain delinquent on July 1 (for real property) of the year in which they become delinquent or (2) become delinquent on or after June 1, pursuant to the Texas Tax Code.

Historical Tax Collections

The following table illustrates the collection history of the District for the tax years 2025 and 2026.

Tax Year	Certified Taxable Value	Tax Rate Per $100	Adjusted Tax Levy	Collections Current Year
2025	$ 4,077,160	$1.50	$ 61,157	100.00%
2026	$ 11,037,568	$1.50	$ 165,564	0.00[(a)]

[(a)] 2026 taxes are due January 31, 2027.

Tax Rate Distribution

The following table sets out the components of the District's tax levy for the tax years 2025 and 2026.

	2026	2025
Utility System Debt Service	$ -	$ -
Road System Debt Service	-	-
Maintenance & Operations	1.50	1.50
Total	$ 1.50	$ 1.50

Analysis of Tax Base

The following represents the types of property comprising the District assessed taxable value for the tax years 2025 and 2026.

Type of Property	2026 Assessed Taxable Valuation	2025 Assessed Taxable Valuation
Land	$ 7,827,690	$ 4,005,080
Improvements	3,366,899	72,080
Personal Property	-	-
Exemptions	(157,021)	-
Total	$ 11,037,568	$ 4,077,160

Principal Taxpayers

The following represents the principal taxpayers, type of property, and their assessed values as of January 1, 2026:

Taxpayer	Type of Property	Assessed Valuation 2026 Tax Roll	Percent of District 2026 Value
RLS (Maple Woods) LLC[(a)]	Inventory / Vacant	$ 3,731,570	33.81%
Century Land Holdings of Texas[(b)]	Inventory / Vacant	3,324,053	30.13%
DR Horton - Texas LTD[(b)]	Inventory / Vacant	2,401,190	21.75%
Purchasing Fund 2025-3 LLC	Inventory / Vacant	307,646	2.79%
Individual	Single-Family	219,310	1.99%
Individual	Single-Family	192,830	1.75%
Individual	Single-Family	176,520	1.60%
Individual	Single-Family	170,770	1.55%
Individual	Single-Family	122,810	1.11%
Quadvest, L.P.	Land	97,023	0.88%
Total		**$10,743,722**	**97.34%**

[(a)] The Developer.
[(b)] Homebuilder.

Tax Rate Calculations

The tax rate calculations set forth below are presented to indicate the tax rates per $100 of assessed taxable valuation that would be required to meet certain debt service requirements on the Bonds if no growth in the District's tax base occurs beyond the 2026 Assessed Valuation ($11,037,568) or the Estimated Assessed Valuation as of August 1, 2026 ($20,373,050). The calculations assume collection of 95% of taxes levied, the sale of the Bonds but not the sale of any additional bonds.

Estimated Average Annual Debt Service Requirements (2027–2051)	$ 149,410
Tax Rate of $1.43 on the 2026 Assessed Valuation produces	$ 149,945
Tax Rate of $0.78 on the Estimated Assessed Valuation as of August 1, 2026 produces	$ 150,964
Estimated Maximum Annual Debt Service Requirement (2048)	$ 154,425
Tax Rate of $1.48 on the 2026 Assessed Valuation produces	$ 155,188
Tax Rate of $0.80 on the Estimated Assessed Valuation as of August 1, 2026 produces	$ 154,835

Estimated Overlapping Taxes

Property within the District is subject to taxation by several taxing authorities in addition to the District. Under Texas law, if ad valorem taxes levied by a taxing authority become delinquent, a lien is created upon the property which has been taxed. A tax lien on property in favor of the District is on a parity with tax liens of other taxing jurisdictions. In addition to ad valorem taxes required to make debt service payments on bonded debt of the District and of such other jurisdictions (see "DISTRICT DEBT –Direct and Estimated Overlapping Debt Statement"), certain taxing jurisdictions are authorized by Texas law to assess, levy and collect ad valorem taxes for operation, maintenance, administrative and/or general revenue purposes.

Set forth below is a compilation of the 2026 adopted tax rates by such jurisdictions per $100 of assessed valuation. Such levies do not include local assessments for community associations, fire department contributions, charges for solid waste disposal, or any other dues or charges made by entities other than political subdivisions.

Taxing Jurisdiction	2026 Tax Rate Per $100 of Assessed Value
The District	$1.500000
Waller Independent School District	1.052800
Waller County	0.535350
Waller-Harris ESD 200	0.100000
Waller County FM	0.023116
Total Tax Rate	**$3.211266**

[Remainder of this page intentionally left blank.]

LEGAL MATTERS

Legal Proceedings

Delivery of the Bonds will be accompanied by the approving legal opinion of the Attorney General of Texas to the effect that the Bonds are valid and legally binding obligations of the District under the Constitution and laws of the State of Texas, payable from the proceeds of an annual ad valorem tax levied, without legal limitation as to rate or amount, upon all taxable property within the District, and, based upon their examination of a transcript of certified proceedings relating to the issuance and sale of the Bonds, the approving legal opinion of Bond Counsel to a like effect and to the effect that, under existing law, interest on the Bonds (i) is excludable from gross income for federal income tax purposes under section 103 of the Code (as defined herein), and (ii) is not an item of tax preference for purposes of the alternative minimum tax on individuals.

Bond Counsel has reviewed the information appearing in this OFFICIAL STATEMENT under "THE BONDS," "THE DISTRICT - Authority," "TAXING PROCEDURES," "LEGAL MATTERS," "TAX MATTERS", and "CONTINUING DISCLOSURE OF INFORMATION" solely to determine if such information, insofar as it relates to matters of law, is true and correct, and whether such information fairly summarizes the provisions of the documents referred to therein. Bond Counsel has not, however, independently verified any of the factual information contained in this OFFICIAL STATEMENT nor has it conducted an investigation of the affairs of the District for the purpose of passing upon the accuracy or completeness of this OFFICIAL STATEMENT. No person is entitled to rely upon Bond Counsel's limited participation as an assumption of responsibility for or an expression of opinion of any kind with regard to the accuracy or completeness of any information contained herein.

Allen Boone Humphries Robinson LLP also serves as general counsel to the District on matters other than the issuance of bonds. The legal fees paid to Bond Counsel for services rendered in connection with the issuance of the Bonds are based on a percentage of the bonds actually issued, sold and delivered and, therefore, such fees are contingent upon the sale and delivery of the Bonds.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

No-Litigation Certificate

The District will furnish the Initial Purchaser a certificate, executed by both the President and Secretary of the Board, and dated as of the date of delivery of the Bonds, to the effect that there is not pending, and to their knowledge, there is not threatened, any litigation affecting the validity of the Bonds, or the levy and/or collection of taxes for the payment thereof, or the organization or boundaries of the District, or the title of the officers thereof to their respective offices, and that no additional bonds or other indebtedness have been issued since the date of the statement of indebtedness or nonencumbrance certificate submitted to the Attorney General of Texas in connection with approval of the Bonds.

No Material Adverse Change

The obligations of the Initial Purchaser to take and pay for the Bonds, and of the District to deliver the Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the condition (financial or otherwise) of the District from that set forth or contemplated in the OFFICIAL STATEMENT.

TAX MATTERS

The following discussion of certain federal income tax considerations is for general information only and is not tax advice. Each prospective purchaser of the Bonds should consult its own tax advisor as to the tax consequences of the acquisition, ownership and disposition of the Bonds.

Tax Exemption

In the opinion of Allen Boone Humphries Robinson LLP, Bond Counsel, under existing law, interest on the Bonds (i) is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) is not an item of tax preference for purposes of the alternative minimum tax on individuals.

The Code imposes a number of requirements that must be satisfied for interest on state or local obligations, such as the Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of bond proceeds and the source of repayment of bonds, limitations on the investment of bond proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of bond proceeds be paid periodically to the United States and a requirement that the issuer file an information report with the Internal Revenue Service (the "Service"). The District has covenanted in the Bond Resolution that it will comply with these requirements.

Bond Counsel's opinion will assume continuing compliance with the covenants of the Bond Resolution pertaining to those sections of the Code that affect the excludability of interest on the Bonds from gross income for federal income tax purposes and, in addition, will rely on representations by the District and other parties involved with the issuance of the Bonds with respect to matters solely within the knowledge of the District and such parties, which Bond Counsel has not independently verified. If the District fails to comply with the covenants in the Bond Resolution or if the foregoing representations are determined to be inaccurate or incomplete, interest on the Bonds could become includable in gross income from the date of delivery of the Bonds, regardless of the date on which the event causing such inclusion occurs.

Bond Counsel will express no opinion as to the amount or timing of interest on the Bonds or, except as stated above, any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of, the Bonds. Certain actions may be taken or omitted subject to the terms and conditions set forth in the Bond Resolution upon the advice or with the approving opinion of Bond Counsel. Bond Counsel will express no opinion with respect to Bond Counsel's ability to render an opinion that such actions, if taken or omitted, will not adversely affect the excludability of interest of the Bonds from gross income for federal income tax purposes.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on Bond Counsel's knowledge of facts as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent Bond Counsel's legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the District as the taxpayer, and the owners of the Bonds may not have a right to participate in such audit. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds, regardless of the ultimate outcome of the audit.

Qualified Tax-Exempt Obligations

The Code requires a pro rata reduction in the interest expense deduction of a financial institution to reflect such financial institution's investment in tax-exempt obligations acquired after August 7, 1986. An exception to the foregoing provision is provided in the Code for "qualified tax-exempt obligations," which include tax-exempt obligations, such as the Bonds, (a) designated by the issuer as "qualified tax-exempt obligations" and (b) issued by or on behalf of a political subdivision for which the aggregate amount of tax-exempt obligations (not including private activity bonds other than qualified 501(c)(3) bonds) to be issued during the calendar year is not expected to exceed $10,000,000.

The District will designate the Bonds as "qualified tax-exempt obligations" and has represented that the aggregate amount of tax-exempt bonds (including the Bonds) issued by the District and entities aggregated with the District under the Code during calendar year 2026 is not expected to exceed $10,000,000 and that the District and entities aggregated with the District under the Code have not designated more than $10,000,000 in "qualified tax-exempt obligations" (including the Bonds) during calendar year 2026.

Notwithstanding these exceptions, financial institutions acquiring the Bonds will be subject to a 20 percent disallowance of allocable interest expense.

Additional Federal Income Tax Considerations

Collateral Tax Consequences

Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences, including but not limited to those noted below. Therefore, prospective purchasers of the Bonds should consult their own tax advisors as to the tax consequences of the acquisition, ownership and disposition of the Bonds.

An "applicable corporation" (as defined in section 59(k) of the Code) may be subject to a 15 percent alternative minimum tax imposed under section 55 of the Code on its "adjusted financial statement income" (as defined in section

56A of the Code) for such taxable year. Because interest on tax-exempt obligations, such as the Bonds, is included in a corporation's "adjusted financial statement income," ownership of the Bonds could subject certain corporations to alternative minimum tax consequences.

Ownership of tax-exempt obligations also may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, low and middle income taxpayers otherwise qualifying for the health insurance premium assistance credit and individuals otherwise qualifying for the earned income tax credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively connected earnings and profits, including tax-exempt interest such as interest on the Bonds.

Prospective purchasers of the Bonds should also be aware that, under the Code, taxpayers are required to report on their returns the amount of tax-exempt interest, such as interest on the Bonds, received or accrued during the year.

Tax Accounting Treatment of Original Issue Premium

If the issue price of any maturity of the Bonds exceeds the stated redemption price payable at maturity of such Bonds, such Bonds (the "Premium Bonds") are considered for federal income tax purposes to have "bond premium" equal to the amount of such excess. The basis of a Premium Bond in the hands of an initial owner is reduced by the amount of such excess that is amortized during the period such initial owner holds such Premium Bond in determining gain or loss for federal income tax purposes. This reduction in basis will increase the amount of any gain or decrease the amount of any loss recognized for federal income tax purposes on the sale or other taxable disposition of a Premium Bond by the initial owner. No corresponding deduction is allowed for federal income tax purposes for the reduction in basis resulting from amortizable bond premium. The amount of bond premium on a Premium Bond that is amortizable each year (or shorter period in the event of a sale or disposition of a Premium Bond) is determined using the yield to maturity on the Premium Bond based on the initial offering price of such Premium Bond.

The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of Premium Bonds that are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above. All owners of Premium Bonds should consult their own tax advisors with respect to the determination for federal, state, and local income tax purposes of amortized bond premium upon the redemption, sale or other disposition of a Premium Bond and with respect to the federal, state, local, and foreign tax consequences of the purchase, ownership, and sale, redemption or other disposition of such Premium Bonds.

Tax Accounting Treatment of Original Issue Discount

If the issue price of any maturity of the Bonds is less than the stated redemption price payable at maturity of such Bonds (the "OID Bonds"), the difference between (i) the amount payable at the maturity of each OID Bond, and (ii) the initial offering price to the public of such OID Bond constitutes original issue discount with respect to such OID Bond in the hands of any owner who has purchased such OID Bond in the initial public offering of the Bonds. Generally, such initial owner is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such OID Bond equal to that portion of the amount of such original issue discount allocable to the period that such OID Bond continues to be owned by such owner. Because original issue discount is treated as interest for federal income tax purposes, the discussions regarding interest on the Bonds under the captions "TAX MATTERS – Tax Exemption" and "TAX MATTERS – Additional Federal Income Tax Considerations – Collateral Tax Consequences" and "—Tax Legislative Changes" generally apply and should be considered in connection with the discussion in this portion of the Official Statement.

In the event of the redemption, sale or other taxable disposition of such OID Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such OID Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such OID Bond was held by such initial owner) is includable in gross income.

The foregoing discussion assumes that (i) the Underwriter has purchased the Bonds for contemporaneous sale to the public and (ii) all of the OID Bonds have been initially offered, and a substantial amount of each maturity thereof has been sold, to the general public in arm's-length transactions for a price (and with no other consideration being included) not more than the initial offering prices thereof stated on the inside cover page of this Official Statement. Neither the District nor Bond Counsel has made any investigation or offers any assurance that the OID Bonds will be offered and sold in accordance with such assumptions.

Under existing law, the original issue discount on each OID Bond accrues daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the date of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such OID Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period

is equal to (i) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (ii) the amounts payable as current interest during such accrual period on such Bond.

The federal income tax consequences of the purchase, ownership, and redemption, sale or other disposition of OID Bonds that are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above. All owners of OID Bonds should consult their own tax advisors with respect to the determination for federal, state, and local income tax purposes of interest accrued upon redemption, sale or other disposition of such OID Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such OID Bonds.

Tax Legislative Changes

Current law may change so as to directly or indirectly reduce or eliminate the benefit of the excludability of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, could also affect the value and liquidity of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any recently enacted, proposed, pending or future legislation.

CONTINUING DISCLOSURE OF INFORMATION

The offering of the Bonds qualifies for the Rule 15c2-12(d)(2) exemption from Rule 15c2-12(b)(5) regarding the District's continuing disclosure obligations because the District has not issued more than $10,000,000 in aggregate amount of outstanding bonds and no person is committed by contract or other arrangement with respect to payment of the Bonds. As required by the exemption, in the Bond Resolution, the District has made the following agreement for the benefit of the holders and beneficial owners of the Bonds. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the District will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the MSRB through its Electronic Municipal Market Access ("EMMA") system.

Annual Reports

The District will provide certain updated financial information and operating data to EMMA annually.

The information to be updated with respect to the District includes all quantitative financial information and operating data of the general type included in this Official Statement under "APPENDIX A." The District will update and provide this information within six (6) months after the end of each of its fiscal years ending in or after 2027. The District will provide the updated information to EMMA.

Any information so provided shall be prepared in accordance with generally accepted accounting principles or other such principles as the District may be required to employ from time to time pursuant to state law or regulation, and audited if the audit report is completed within the period during which it must be provided. If the audit report is not complete within such period, then the District shall provide unaudited financial statements for the applicable fiscal year to EMMA within such six-month period, and audited financial statements when the audit report becomes available.

The District's current fiscal year end is May 31. Accordingly, it must provide updated information by November 30 in each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify EMMA of the change.

Event Notices

The District will provide timely notices of certain events to the MSRB, but in no event will such notices be provided to the MSRB in excess of ten business days after the occurrence of an event. The District will provide notice of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of beneficial owners of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the District or other obligated person; (13) consummation of a merger, consolidation, or acquisition involving the District or other obligated person or the sale of all or substantially all of the assets of the District or other obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment

of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the District or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District or other obligated person, any of which affect beneficial owners of the Bonds, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District or other obligated person, any of which reflect financial difficulties. The terms "obligated person" and "financial obligation" shall have the meanings ascribed to them under SEC Rule 15c2-12 (the "Rule"). The term "material" when used in this paragraph shall have the meaning ascribed to it under federal securities laws. Neither the Bonds nor the Bond Resolution makes any provision for debt service reserves or liquidity enhancement. In addition, the District will provide timely notice of any failure by the District to provide information, data, or financial statements in accordance with its agreement described above under "Annual Reports."

Availability of Information from the MSRB

The District has agreed to provide the foregoing updated information only to the MSRB. The MSRB makes the information available to the public without charge through an internet portal at emma.msrb.org.

Limitations and Amendments

The District has agreed to update information and to provide notices of specified events only as described above. The District has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects; nor has the District agreed to update any information that is provided, except as described above. The District makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although Registered Owners or beneficial owners of Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The District may amend its continuing disclosure agreement from time to time to adapt to the changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, if but only if the agreement, as amended, would have permitted an Initial Purchaser to purchase or sell Bonds in the offering made hereby in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the Registered Owners of a majority in aggregate principal amount of the outstanding bonds consent to the amendment or any person unaffiliated with the District (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the Registered Owners and beneficial owners of the Bonds. The District may amend or repeal the agreement in the Bond Resolution if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid or unenforceable, but only to the extent that its right to do so would not prevent the Initial Purchaser from lawfully purchasing the Bonds in the initial offering. If the District so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance with Prior Undertakings

The District has not previously entered into a continuing disclosure agreement in accordance with SEC Rule 15c2-12.

OFFICIAL STATEMENT

General

The financial data and other information contained in this OFFICIAL STATEMENT has been obtained primarily from the District's records, the Developer, the Engineer, the Tax Assessor/Collector, the Appraisal District and information from other sources. All of these sources are believed to be reliable, but no guarantee is made by the District as to the accuracy or completeness of the information derived from such sources, and its inclusion herein is not to be construed as a representation on the part of the District except as described below under "Certification as to OFFICIAL STATEMENT." Furthermore, there is no guarantee that any of the assumptions or estimates contained herein will be realized. The summaries of the agreements, reports, statutes, resolutions, engineering and other related information set forth in this OFFICIAL STATEMENT are included herein subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents for further information.

Consultants

In approving this OFFICIAL STATEMENT, the District has relied upon the following consultants:

***Tax Assessor/Collector*:** The information contained in this OFFICIAL STATEMENT relating to the breakdown of the District's historical assessed value and principal taxpayers, including particularly such information contained in the section entitled "TAX DATA" has been provided by Utility Tax Service, LLC, and is included herein in reliance upon the authority of such firm as an expert in assessing property values and collecting taxes.

***Engineer*:** The information contained in this OFFICIAL STATEMENT relating to engineering and to the description of the District's water, wastewater and storm drainage system and, in particular that information included in the sections entitled "THE BONDS – Use and Distribution of Bond Proceeds", "THE DISTRICT – Description," "THE UTILITY SYSTEM," "DEVELOPMENT OF THE DISTRICT – Development within the District," and "THE ROAD SYSTEM" has been provided by GFT Infrastructure, Inc. and has been included herein in reliance upon the authority of said firm as the District's Engineer.

***Auditor*:** The District's financial statements for the fiscal year ended May 31, 2026 were audited by McGrath & Co., PLLC, Certified Public Accountants. See "APPENDIX A" for a copy of the District's May 31, 2026, financial statements.

***Bookkeeper*:** The information related to the "unaudited" amount of the District's Operating Fund as it appears in "THE UTILITY SYSTEM — General Fund Operating Statement" has been provided by Myrtle Cruz, Inc., and is included herein in reliance upon the authority of such firm as experts in the tracking and managing the various funds of municipal utility districts.

Municipal Advisor

Tierra Financial Advisors, LLC, is employed as the Municipal Advisor to the District to render certain professional services, including advising the District on a plan of financing and preparing the Official Statement, the Official Notice of Sale and the Official Bid Form for the sale of the Bonds. In its capacity as Municipal Advisor, Tierra Financial Advisors, LLC has compiled and edited this Official Statement. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to the District and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

Certification as to Official Statement

The District, acting through its Board in its official capacity, hereby certifies, as of the date hereof, that the information, statements, and descriptions or any addenda, supplement and amendment thereto pertaining to the District and its affairs contained herein, to the best of its knowledge and belief, contain no untrue statement of a material fact and do not omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made, not misleading. With respect to information included in this OFFICIAL STATEMENT other than that relating to the District, the District has no reason to believe that such information contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made, not misleading; however, the Board has made no independent investigation as to the accuracy or completeness of the information derived from sources other than the District. In rendering such certificate, the Board has relied in part upon its examination of records of the District, and upon discussions with, or certificates or correspondence signed by, certain other officials, employees, consultants and representatives of the District.

Updating of Official Statement

If, subsequent to the date of the Official Statement, the District learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Initial Purchaser, of any adverse event which causes the Official Statement to be materially misleading, and unless the Initial Purchaser elects to terminate its obligation to purchase the Bonds, the District will promptly prepare and supply to the Initial Purchaser an appropriate amendment or supplement to the Official Statement satisfactory to the Initial Purchaser; provided, however, that the obligation of the District to the Initial Purchaser to so amend or supplement the Official Statement will terminate when the District delivers the Bonds to the Initial Purchaser, unless the Initial Purchaser notifies the District on or before such date that less than all of the Bonds have been sold to ultimate customers, in which case the District's obligations hereunder will extend for an additional period of time as required by law (but not more than 90 days after the date the District delivers the Bonds).

CONCLUDING STATEMENT

All estimates, statements and assumptions in this OFFICIAL STATEMENT and the APPENDICES hereto have been made on the basis of the best information available and are believed to be reliable and accurate. Any statements in this OFFICIAL STATEMENT involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact, and no representation is made that any such statements will be realized.

This Official Statement was approved by the Board of Directors of Waller County Municipal Utility District No. 47 as of the date shown on the cover page hereof.

/s/ _____
President, Board of Directors
Waller County Municipal Utility District No. 47

ATTEST:

/s/ _____
Secretary, Board of Directors
Waller County Municipal Utility District No. 47

APPENDIX A

FINANCIAL STATEMENTS OF THE DISTRICT

WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 47

WALLER COUNTY, TEXAS

FINANCIAL REPORT

May 31, 2026

Table of Contents

	Schedule	Page
Independent Auditor's Report		1
Management's Discussion and Analysis		7
BASIC FINANCIAL STATEMENTS		
Statement of Net Position and Governmental Funds Balance Sheet		14
Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances		15
Notes to Financial Statements		17
REQUIRED SUPPLEMENTARY INFORMATION		
Budgetary Comparison Schedule – General Fund		28
Notes to Required Supplementary Information		29
TEXAS SUPPLEMENTARY INFORMATION		
Services and Rates	TSI-1	32
General Fund Expenditures	TSI-2	34
Investments	TSI-3	N/A
Taxes Levied and Receivable	TSI-4	35
Long-Term Debt Service Requirements by Years	TSI-5	N/A
Change in Long-Term Bonded Debt	TSI-6	N/A
Comparative Schedule of Revenues and Expenditures – General Fund	TSI-7a	36
Comparative Schedule of Revenues and Expenditures – Debt Service Fund	TSI-7b	N/A
Board Members, Key Personnel, and Consultants	TSI-8	37

McGRATH & CO., PLLC

Certified Public Accountants
2950 North Loop West, Suite 810
Houston, Texas 77092

Independent Auditor's Report

Board of Directors
Waller County Municipal Utility District No. 47
Waller County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and General Fund of Waller County Municipal Utility District No. 47 (the "District"), as of and for the year ended May 31, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and General Fund of Waller County Municipal Utility District No. 47, as of May 31, 2026, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied

certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Texas Supplementary Information schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Texas Supplementary Information schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.



Houston, Texas
September 24, 2026

(This page intentionally left blank)

Management's Discussion and Analysis

(This page intentionally left blank)

Using this Annual Report

This section of the financial report of Waller County Municipal Utility District No. 47 (the "District") provides a narrative discussion and analysis of the financial activities of the District for the fiscal year ended May 31, 2026. This analysis should be read in conjunction with the independent auditor's report and the basic financial statements that follow this section.

In addition to this discussion and analysis, this annual report consists of:

- The District's basic financial statements;
- Notes to the basic financial statements, which provide additional information essential to a full understanding of the data provided in the financial statements;
- Supplementary information required by the Governmental Accounting Standards Board (GASB) concerning the District's budget; and
- Other Texas supplementary information required by the District's state oversight agency, the Texas Commission on Environmental Quality (TCEQ).

Overview of the Financial Statements

The District prepares its basic financial statements using a format that combines fund financial statements and government-wide statements onto one financial statement. The combined statements are the *Statement of Net Position and Governmental Funds Balance Sheet* and the *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances*. Each statement contains an adjustments column which quantifies the differences between the government-wide and fund level statements. Additional details of the adjustments are provided in Note 2 to the basic financial statements.

Government-Wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the District, both long-term and short-term. The District's government-wide financial statements consist of the *Statement of Net Position* and the *Statement of Activities*, which are prepared using the accrual basis of accounting. The *Statement of Net Position* includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual reported as net position. Over time, changes in net position may provide a useful indicator of whether the financial position of the District as a whole is improving or deteriorating.

Accounting standards establish three components of net position. The net investment in capital assets component represents the District's investments in capital assets, less any outstanding debt or other borrowings used to acquire those assets. Resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The restricted component of net position consists of financial resources that are restricted for a specific purpose by enabling legislation or external parties. The unrestricted component of net position represents resources not included in the other components.

The *Statement of Activities* reports how the District's net position has changed during the fiscal year. All revenues and expenses are included on this statement, regardless of whether cash has been received or paid.

Fund Financial Statements

The fund financial statements include the *Governmental Funds Balance Sheet* and the *Governmental Funds Revenues, Expenditures, and Changes in Fund Balances*. The focus of fund financial statements is on specific activities of the District rather than the District as a whole, reported using modified accrual accounting. These statements report on the District's use of available financial resources and the balances of available financial resources at the end of the year. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties, governmental statutes or regulations.

For further discussion on the government-wide and fund financial statements, please refer to Note 1 in the financial statements.

Financial Analysis of the District as a Whole

The District's net position at May 31, 2026, was negative $3,072,383. The District's net position is negative because the District incurs debt to construct certain facilities which it conveys to other entities. Additionally, the District relies on advances from its developer to fund operating costs. A comparative summary of the District's overall financial position, as of May 31, 2026 and 2025, is as follows:

	2026	2025
Current and other assets	$ 12,955	$ 4,955
Capital assets	3,898,551	1,972,519
Total assets	3,911,506	1,977,474
Current liabilities	75,121	18,359
Long-term liabilities	6,908,768	2,059,085
Total liabilities	6,983,889	2,077,444
Net position		
Net investment in capital assets	(208,034)	(21,566)
Unrestricted	(2,864,349)	(78,404)
Total net position	$ (3,072,383)	$ (99,970)

The total net position of the District decreased during the current fiscal year by $2,972,413. A comparative summary of the District's *Statement of Activities* for the current and prior fiscal year (unaudited) is as follows:

	2026	2025
Revenues		
Property taxes	$ 61,157	$ -
Tap connection and inspection	87,342	
Other	20	
Total revenues	148,519	
Expenses		
Current service operations	181,461	78,404
Depreciation/amortization	71,230	21,566
Total expenses	252,691	99,970
Change in net position before other items	(104,172)	(99,970)
Other items		
Transfers to other governments	(1,893,953)	
Conveyance of capital assets	(974,288)	
Change in net position	(2,972,413)	(99,970)
Net position, beginning of year	(99,970)	
Net position, end of year	$ (3,072,383)	$ (99,970)

Financial Analysis of the General Fund

Fund balance in the District's General Fund, as of May 31, 2026, was negative $62,166. A comparative summary of the General Fund's financial position as of May 31, 2026 and 2025, is as follows:

	2026	2025
Total assets	$ 12,955	$ 4,955
Total liabilities	$ 75,121	$ 18,359
Total fund balance	(62,166)	(13,404)
Total liabilities and fund balance	$ 12,955	$ 4,955

A comparative summary of the General Fund's activities for the current and prior fiscal year (unaudited) is as follows:

	2026	2025
Total revenues	$ 148,519	$ -
Total expenditures	(640,781)	(78,404)
Revenues under expenditures	(492,262)	(78,404)
Other changes in fund balance	443,500	65,000
Net change in fund balance	$ (48,762)	$ (13,404)

The District manages its activities with the objectives of ensuring that expenditures will be adequately covered by revenues each year and that an adequate fund balance is maintained. The District's primary financial resources in the General Fund are from a property tax levy, tap connection fees charged to homebuilders in the District, and developer advances. Financial resources are influenced by a variety of factors each year:

- Property tax revenues are dependent upon assessed values in the District and the maintenance tax rate set by the District. The District levied its first maintenance tax during the current fiscal year.
- Tap connection fees fluctuate with homebuilding activity within the District.
- The District's developer advances funds to the District as needed to pay operating and construction costs.

The District relies on advances from its developer to supplement revenue shortfalls. The deficit fund balance in the General Fund is the result of timing differences between developer advances and expenditures for which those advances are intended to fund.

General Fund Budgetary Highlights

The Board of Directors adopts an annual unappropriated budget for the General Fund prior to the beginning of each fiscal year. The Board amended the budget during the year to reflect changes in anticipated revenues.

Since the District's budget is primarily a planning tool, actual results varied from the budgeted amounts. Actual net change in fund balance was $111,762 less than budgeted. The *Budgetary Comparison Schedule* on page 28 of this report provides variance information per financial statement line item.

Capital Assets

The District has entered into a financing agreement with its developer for the financing of the construction of capital assets within the District. The developer will be reimbursed from proceeds of future bond issues or other lawfully available funds. These developer funded capital assets are recorded on the District's financial statements upon completion of construction.

Capital assets held by the District at May 31, 2026 and 2025, are summarized as follows:

	2026	2025
Capital assets not being depreciated		
Land and improvements	$ 1,023,614	$ 1,023,614
Capital assets being depreciated		
Infrastructure	2,585,233	970,471
Water and wastewater capacity	382,500	
	2,967,733	970,471
Less accumulated depreciation		
Infrastructure	(84,990)	(21,566)
Water and wastewater capacity	(7,806)	
	(92,796)	(21,566)
Depreciable capital assets, net	2,874,937	948,905
Capital assets, net	$ 3,898,551	$ 1,972,519

Capital asset additions during the current fiscal year include the following:

- Utilities to serve Maple Woods, Section 1
- Water meters
- Water and wastewater capacity paid to Quadvest

Waller County assumes responsibility (after a one-year maintenance period) for road facilities constructed to serve the District. Accordingly, these facilities are not considered assets of the District. The estimated value of these assets is recorded as transfers to other governments upon completion of construction. This estimated cost is trued-up when the developer is reimbursed. For the year ended May 31, 2026, capital assets in the amount of $1,893,953 have been recorded as transfers to other governments in the government-wide statements. Additional information is presented in Note 8.

Additionally, during the current year, the District conveyed a lift station with an estimated cost of $974,288 to Quadvest pursuant to its agreement for water and wastewater service. Additional information regarding the agreement is presented in Note 9.

Long-Term Debt and Related Liabilities

As of May 31, 2026, the District owes approximately $6,908,768 to its developer for completed projects and operating and construction advances. The initial cost of the completed project and related liability is estimated based on actual construction costs plus 10-15% for engineering and other fees and is recorded on the District's financial statements upon completion of construction. As discussed in Note 5, the District has an additional commitment in the amount of $4,200,000 for projects under construction by the developer. As noted, the District will owe its developer for these projects upon completion of construction. The District intends to reimburse the developer from proceeds of future bond issues or other lawfully available funds. The estimated cost of amounts owed to the developer is trued up when the developer is reimbursed.

At May 31, 2026, the District had $134,100,000 unlimited tax bonds authorized, but unissued for the purposes of acquiring, constructing, and improving the water, sanitary sewer, and drainage systems within the District and for the refunding of such bonds; $26,250,000 for parks and recreational facilities and for the refunding of such bonds; and $70,500,000 for road improvements and for the refunding of such bonds.

Property Taxes

The District's property tax base increased approximately $6,845,000 for the 2026 tax year from $4,077,160 to $10,922,568. This increase was primarily due to new construction in the District and increased property values.

Next Year's Budget

In establishing the budget for the next fiscal year, the Board considered various economic factors that may affect the District, most notably projected revenues from property taxes, developer advances and the projected cost of operating the District and providing services to customers. A comparison of next fiscal year's budget to current fiscal year actual amounts for the General Fund is as follows:

	2026 Actual	2027 Budget
Total revenues	$ 148,519	$ 390,000
Total expenditures	(640,781)	(515,000)
Revenues under expenditures	(492,262)	(125,000)
Other changes in fund balance	443,500	125,000
Net change in fund balance	(48,762)	
Beginning fund balance	(13,404)	(62,166)
Ending fund balance	$ (62,166)	$ (62,166)

Basic Financial Statements

Waller County Municipal Utility District No. 47
Statement of Net Position and Governmental Funds Balance Sheet
May 31, 2026

	General Fund	Adjustments	Statement of Net Position
Assets			
Cash	$ 12,955	$ -	$ 12,955
Capital assets not being depreciated		1,023,614	1,023,614
Capital assets, net		2,874,937	2,874,937
Total Assets	$ 12,955	3,898,551	3,911,506
Liabilities			
Accounts payable	$ 75,121		75,121
Due to developer		6,908,768	6,908,768
Total Liabilities	75,121	6,908,768	6,983,889
Fund Balances/Net Position			
Fund Balances			
Unassigned	(62,166)	62,166	
Total Fund Balances	(62,166)	62,166	
Total Liabilities and Fund Balances	$ 12,955		
Net Position			
Net investment in capital assets		(208,034)	(208,034)
Unrestricted		(2,864,349)	(2,864,349)
Total Net Position		$ (3,072,383)	$ (3,072,383)

See notes to basic financial statements.

Waller County Municipal Utility District No. 47
Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended May 31, 2026

	General Fund	Adjustments	Statement of Activities
Revenues			
Property taxes	$ 61,157	$ -	$ 61,157
Tap connection and inspection	87,342		87,342
Investment earnings	20		20
Total Revenues	148,519		148,519
Expenditures/Expenses			
Current service operations			
Purchased services	14,794		14,794
Professional fees	70,417		70,417
Contracted services	62,772		62,772
Repairs and maintenance	16,525		16,525
Administrative	16,953		16,953
Capital outlay	459,320	(459,320)	
Depreciation/amortization		71,230	71,230
Total Expenditures/Expenses	640,781	(388,090)	252,691
Revenues Under Expenditures/Expenses	(492,262)	388,090	(104,172)
Other Financing Sources			
Developer advances	443,500	(443,500)	
Other Items			
Transfers to other governments		(1,893,953)	(1,893,953)
Conveyance of capital assets		(974,288)	(974,288)
Net Change in Fund Balances	(48,762)	48,762	
Change in Net Position		(2,972,413)	(2,972,413)
Fund Balance/Net Position			
Beginning of the year	(13,404)	(86,566)	(99,970)
End of the year	$ (62,166)	$ (3,010,217)	$ (3,072,383)

See notes to basic financial statements.

(This page intentionally left blank)

Note 1 – Summary of Significant Accounting Policies

The accounting policies of Waller County Municipal Utility District No. 47 (the "District") conform with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB"). The following is a summary of the most significant policies:

Creation

The District was organized, created and established pursuant to an order of the Texas Commission on Environmental Quality, dated April 5, 2024, pursuant to Article III, Section 52 and Article XVI, Section 59 of the Texas Constitution and operates in accordance with the Texas Water Code, Chapters 49 and 54, as amended. The Board of Directors held its first meeting on June 25, 2024.

The District's primary activities include construction, maintenance, and operation of water, sewer, and drainage, park, and recreational facilities. The District also constructs public road improvements which are accepted by Waller County for operation and maintenance upon completion of construction. The District has contracted with various consultants to provide services to operate and administer the affairs of the District. The District has no employees, related payroll, or pension costs.

Reporting Entity

The District is a political subdivision of the State of Texas governed by an elected five-member board. The GASB has established the criteria for determining the reporting entity for financial statement reporting purposes. To qualify as a primary government, a government must have a separately elected governing body, be legally separate, and be fiscally independent of other state and local governments, while a component unit is a legally separate government for which the elected officials of a primary government are financially accountable. Fiscal independence implies that the government has the authority to adopt a budget, levy taxes, set rates, and/or issue bonds without approval from other governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District's financial statements as component units.

Government-Wide and Fund Financial Statements

Government-wide financial statements display information about the District as a whole. These statements focus on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Interfund activity, if any, has been removed from these statements. These aggregated statements consist of the *Statement of Net Position* and the *Statement of Activities*.

Fund financial statements display information at the individual fund level. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for a specific purpose. Each fund is considered to be a separate accounting entity. The District uses only a General Fund to account for its operations. The District's principal financial resources are property taxes, tap

connection and inspection fees, and developer advances. Expenditures include costs associated with the daily operations of the District.

As a special-purpose government engaged in a single governmental program, the District has opted to combine its government-wide and fund financial statements in a columnar format showing an adjustments column for reconciling items between the two.

Measurement Focus and Basis of Accounting

The government-wide financial statements use the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied.

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized in the accounting period in which it becomes both available and measurable to finance expenditures of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Revenues susceptible to accrual include property taxes, interest earned on deposits, and income from District operations. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due.

Note 2 further details the adjustments from the governmental fund presentation to the government-wide presentation.

Use of Restricted Resources

When both restricted and unrestricted resources are available for use, the District uses restricted resources first, then unrestricted resources as they are needed.

Capital Assets

Capital assets do not provide financial resources at the fund level, and, therefore, are reported only in the government-wide statements. The District defines capital assets as assets with an initial cost that exceeds the capitalization threshold for the asset class and an estimated useful life in excess of one year. Capital assets that individually are below the capitalization threshold but, in the aggregate, are above the threshold are capitalized. Subsequent replacements of these assets that do not exceed the threshold are not capitalized. The District's capitalization threshold for infrastructure assets is $50,000. The threshold for subscription-based information technology arrangements (SBITAs) is $100,000.

Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire the asset on the acquisition date. The District has not capitalized interest incurred during the construction of its capital assets. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Depreciable capital assets, which primarily consist of water, wastewater and drainage facilities, are depreciated (or amortized in the case of intangible assets) using the straight-line method as follows:

Assets	Useful Life
Infrastructure	45 years
Water and wastewater capacity	Remaining life of contract

The District's detention facilities and drainage channels are considered improvements to land and are non-depreciable.

Net Position – Governmental Activities

Governmental accounting standards establish the following three components of net position:

Net investment in capital assets – represents the District's investments in capital assets, less any outstanding debt or other borrowings used to acquire those assets.

Restricted – consists of financial resources that are restricted for a specific purpose by enabling legislation or external parties.

Unrestricted – resources not included in the other components.

Fund Balances – Governmental Funds

Governmental accounting standards establish the following fund balance classifications:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The District does not have any nonspendable fund balances.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. The District does not have any restricted fund balances.

Committed - amounts that can be used only for specific purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. The District does not have any committed fund balances.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and does not have any assigned fund balances.

Unassigned - deficit balance in the General Fund.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses/expenditures during the period reported. These estimates include, among others, the useful lives and impairment of capital assets; the value of amounts due to developer; the value of capital assets transferred to Waller County and Quadvest; and the value of capital assets for which the developer has not been fully reimbursed. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from the estimates.

Note 2 – Adjustment from Governmental to Government-wide Basis

Reconciliation of the *Governmental Funds Balance Sheet* to the *Statement of Net Position*

Total fund balance, governmental funds		$ (62,166)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
Historical cost	$ 3,991,347	
Less accumulated depreciation/amortization	(92,796)	
		3,898,551
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. The difference consists of due to developer.		(6,908,768)
Total net position - governmental activities		$ (3,072,383)

Reconciliation of the *Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances* to the *Statement of Activities*

Net change in fund balances - total governmental funds		$ (48,762)
Financial reporting for capital assets varies significantly between the fund statements and the government-wide statements. Reporting at the fund level focuses on the impact of transactions on financial resources (i.e., cash), while reporting at the government-wide level seeks to allocate the cost of the acquisition of capital assets over their useful lives and to measure the economic impact of developer financing of capital assets used by the District or conveyed to other governmental entities. Differences during the current fiscal year are for the following:		
Capital outlays	$ 459,320	
Depreciation/amortization expense	(71,230)	
Transfers to other governments	(1,893,953)	
Conveyance of capital assets	(974,288)	
		(2,480,151)
Financial reporting for long-term obligations varies between the fund statements and the government-wide statements. At the fund level, the focus is on increases and decreases of financial resources as liabilities are acquired and repaid. At the government-wide level, the focus is on measuring and reporting on changes in the District's obligation to repay liabilities in the future. The difference during the current fiscal year is for developer advances.		(443,500)
Change in net position of governmental activities		$ (2,972,413)

Note 3 – Deposits and Investments

Deposit Custodial Credit Risk

Custodial credit risk as it applies to deposits (i.e. cash) is the risk that, in the event of the failure of the depository institution, a government will not be able to recover its deposits or will not be able to recover collateral securities. The *Public Funds Collateral Act* (Chapter 2257, Texas Government Code) requires that all of the District's deposits with financial institutions be covered by federal depository insurance and, if necessary, pledged collateral held by a third-party custodian. The act further specifies the types of securities that can be used as collateral. The District's written investment policy establishes additional requirements for collateralization of deposits.

Investments

The District is authorized by the *Public Funds Investment Act* (Chapter 2256, Texas Government Code) to invest in the following: (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including Federal Home Loan Banks, (2) direct obligations of the State of Texas or its agencies and instrumentalities, (3) certain collateralized mortgage obligations, (4) other obligations, which are unconditionally guaranteed or insured by the State of Texas or the United States

or its agencies or instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, (5) certain A rated or higher obligations of states and political subdivisions of any state, (6) bonds issued, assumed or guaranteed by the State of Israel, (7) certain insured or collateralized certificates of deposit and share certificates, (8) certain fully collateralized repurchase agreements, (9) bankers' acceptances with limitations, (10) commercial paper rated A-1 or P-1 or higher and a maturity of 270 days or less, (11) no-load money market mutual funds and no-load mutual funds, with limitations, (12) certain guaranteed investment contracts, (13) certain qualified governmental investment pools and (14) a qualified securities lending program.

The District has adopted a written investment policy to establish the principles by which the District's investment program should be managed. This policy further restricts the types of investments in which the District may invest.

Note 4 – Capital Assets

A summary of changes in capital assets, for the year ended May 31, 2026, is as follows:

	Beginning Balances	Additions	Ending Balances
Capital assets not being depreciated			
Land and improvements	$ 1,023,614	$ -	$ 1,023,614
Capital assets being depreciated			
Infrastructure	970,471	1,614,762	2,585,233
Water and wastewater capacity		382,500	382,500
	970,471	1,997,262	2,967,733
Less accumulated depreciation			
Infrastructure	(21,566)	(63,424)	(84,990)
Water and wastewater capacity		(7,806)	(7,806)
	(21,566)	(71,230)	(92,796)
Subtotal depreciable capital assets, net	948,905	1,926,032	2,874,937
Capital assets, net	$ 1,972,519	$ 1,926,032	$ 3,898,551

Depreciation/amortization expense for the current fiscal year was $71,230.

Note 5 – Due to Developer

The District has entered into a financing agreement with its developer for the financing of the construction of water, sewer, drainage, and park and recreational facilities and road improvements. Under the agreement, the developer will construct facilities on behalf of the District. The developer will be reimbursed from proceeds of future bond issues or other lawfully available funds, subject to approval by TCEQ, as applicable. The District does not record the capital asset and related liability on the government-wide statements until construction of the facilities is complete. The initial cost is

estimated based on construction costs plus 10-15% for engineering and other fees. Estimates are trued up when the developer is reimbursed.

The District's developer has also advanced funds to the District for operating and construction expenses.

Changes in the estimated amounts due to developer during the fiscal year are as follows:

Due to developer, beginning of year	$	2,059,085
Developer funded construction and adjustments		4,406,183
Operating advances from developer		61,000
Construction advances from developer		382,500
Due to developer, end of year	$	6,908,768

In addition, the District will owe the developer approximately $4,200,000, for the construction of the utilities and paving to serve the Maple Woods Section 2. The exact amount due to the developer is not known until approved by the TCEQ and verified by the District's auditor.

Note 6 – Long-Term Debt

At May 31, 2026, the District had authorized but unissued bonds in the amount of $134,100,000 for water, sewer, and drainage facilities and the refunding of such bonds; $26,250,000 for park and recreational facilities and the refunding of such bonds; and $70,500,000 for road improvements and the refunding of such bonds.

Note 7 – Property Taxes

On November 5, 2024, the voters of the District authorized the District's Board of Directors to levy taxes annually for use in financing general operations limited to $1.50 per $100 of assessed value. In addition, the voters of the District authorized the District's Board of Directors to levy taxes annually for road maintenance limited to $0.25 per $100 of assessed value.

All property values and exempt status, if any, are determined by the Waller County Appraisal District. Assessed values are determined as of January 1 of each year, at which time a tax lien attaches to the related property. Taxes are levied around October/November, are due upon receipt and are delinquent the following February 1. Penalty and interest attach thereafter.

Property taxes are collected based on rates adopted in the year of the levy. The District's 2026 fiscal year was financed through the 2025 tax levy, pursuant to which the District levied property taxes of $1.50 per $100 of assessed value, all of which was allocated to maintenance and operations. The resulting tax levy was $61,157 on the adjusted taxable value of $4,077,160.

Note 8 – Transfers to Other Governments

Waller County assumes responsibility for the maintenance of public roads constructed to serve the District. Accordingly, road facilities are considered to be capital assets of Waller County, not the

District and are recorded as transfers to other governments on the *Statement of Activities* upon completion of construction. This cost is trued-up when the developer is subsequently reimbursed. For the year ended May 31, 2026, the District recorded transfers to other governments in the amount of $1,893,953 for road facilities constructed by a developer to serve the District.

Note 9 – Water and Wastewater Service Agreement with Quadvest, LP

On April 17, 2024, Maple Woods Development, LLC (the "Developer") entered into a Contract for the Development and Purchase of Public Drinking Water and Sanitary Sewer Facilities and Transfer of Groundwater Interests in Waller County, Texas (the "Agreement") with Quadvest, LP ("Quadvest") for the provision of water and wastewater service to the Maple Woods Subdivision, consisting of approximately 142.479 acres located at Joseph Road and Robin Hood Court in Waller County, Texas. The Development is planned to include up to 510 single-family residential homes. The Agreement provides that Quadvest, a state-certificated retail public water and sewer utility, will be the retail water and sewer service provider to customers within the Development.

On April 4, 2025, Maple Woods Development, LLC assigned its interest in the Agreement to RLS (Maple Woods) LLC. On May 22, 2025, RLS subsequently assigned all of its rights, title, obligations, and responsibilities under the Agreement to the District. Accordingly, the District assumed the obligations of the Developer under the Agreement. The Agreement remains in effect until the earlier of the discharge of the District Bonds and sale of the Utility System Mains or an earlier termination mutually agreed upon by the parties; however, Quadvest's obligation to provide retail water and sewer service to customers within the Development survives termination of the Agreement.

Pursuant to the Agreement, Quadvest is responsible for designing, financing, constructing, owning, operating, maintaining, repairing, and rehabilitating the water production facilities and wastewater treatment facilities (collectively, the "Plants"). The District is responsible for the construction of the water mains, sanitary sewer mains, lift stations, and related improvements (the "Utility System Mains"). The District is intended to issue bonds to finance the acquisition and construction of the Utility System Mains and will own the Utility System Mains while such bonds are outstanding. Upon the earlier of the discharge of the District Bonds or written agreement of the parties, the Utility System Mains are to be conveyed to Quadvest. During the period the District owns the Utility System Mains, Quadvest will have the exclusive right to use the Utility System Mains to provide water and sewer service to customers within the District. Quadvest is responsible for the costs of maintaining, repairing, operating, and rehabilitating the Plants, lift stations, and Utility System Mains.

Under the Agreement, the District is required to make a $1,530,000 contribution in aid of construction to Quadvest for the construction of the Plants. The contribution is payable in four equal installments of $382,500 upon specified construction milestones for the water production facilities and wastewater treatment facilities. As of May 31, 2026, the District has made the first payment of $382,500 to Quadvest as part of the Agreement.

On November 17, 2025, the District and Quadvest amended the Agreement to provide for interim wholesale water and sewer service to the Development prior to Quadvest obtaining the Certificates of Convenience and Necessity ("CCN"). Under the amendment, Quadvest cannot provide retail water and sewer service to the Development until it obtains the required CCNs. During the interim period,

Quadvest provides water and sewer service to the District on a wholesale basis and bills the District monthly for such services. Quadvest does not directly charge the ultimate consumers for water and sewer service provided under this wholesale arrangement.

During the current fiscal year, the District conveyed a completed lift station with an estimated cost of $974,288 to Quadvest. The cost is estimated based on construction costs plus 10% for engineering and other fees. This cost is trued-up when the developer is subsequently reimbursed.

Note 10 – Risk Management

The District is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; and personal injuries. The risk of loss is covered by commercial insurance. There have been no significant reductions in insurance coverage from the prior year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

Note 11 – Concentration Risk

The District is currently dependent on its developer to finance the construction of infrastructure and to advance funds necessary to finance operating and administrative expenditures. The developer also owns a significant portion of the undeveloped property within the District and is responsible for development of the tax base that will support future operations and debt service. As a result, the District is exposed to a concentration risk related to the developer. If the developer were unable to continue development activities or provide financial support, the District's ability to fund operations and complete infrastructure projects could be adversely affected.

Note 12 – Subsequent Event

On September 24, 2026, the District approved a preliminary official statement and notice of sale for its Series 2026 Unlimited Tax Road Bonds in the amount of $2,000,000. The acceptance of bids and award of sale is scheduled for October 22, 2026. Proceeds of the bonds will primarily be used to reimburse developers for amounts currently reported in "Due to developer."

(This page intentionally left blank)

Required Supplementary Information

Waller County Municipal Utility District No. 47
Required Supplementary Information - Budgetary Comparison Schedule - General Fund
For the Year Ended May 31, 2026

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	$ -	$ 60,000	$ 61,157	$ 1,157
Tap connection and inspection			87,342	87,342
Investment earnings			20	20
Total Revenues		60,000	148,519	88,519
Expenditures				
Current service operations				
Purchased services			14,794	(14,794)
Professional fees	117,000	117,000	70,417	46,583
Contracted services	12,000	12,000	62,772	(50,772)
Repairs and maintenance			16,525	(16,525)
Other	2,500	2,500		2,500
Administrative	15,500	15,500	16,953	(1,453)
Capital outlay			459,320	(459,320)
Total Expenditures	147,000	147,000	640,781	(493,781)
Revenues Under Expenditures	(147,000)	(87,000)	(492,262)	(405,262)
Other Financing Sources				
Developer advances	150,000	150,000	443,500	293,500
Net Change in Fund Balance	3,000	63,000	(48,762)	(111,762)
Fund Balance				
Beginning of the year	(13,404)	(13,404)	(13,404)	
End of the year	$ (10,404)	$ 49,596	$ (62,166)	$ (111,762)

Budgets and Budgetary Accounting

An annual unappropriated budget is adopted for the General Fund by the District's Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The budget was amended during the fiscal year to reflect changes in anticipated revenues.

(This page intentionally left blank)

Texas Supplementary Information

Waller County Municipal Utility District No. 47
TSI-1. Services and Rates
May 31, 2026

1. Services provided by the District During the Fiscal Year:

☐ Retail Water	☐ Wholesale Water	☐ Solid Waste / Garbage	☒ Drainage
☐ Retail Wastewater	☐ Wholesale Wastewater	☐ Flood Control	☐ Irrigation
☒ Parks / Recreation	☐ Fire Protection	☒ Roads	☐ Security

☐ Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)

☒ Other (Specify): Water and sewer services are provided by Quadvest, LP

2. Retail Service Providers

a. Retail Rates for a 5/8" meter (or equivalent):

	Minimum Charge	Minimum Usage	Flat Rate (Y / N)	Rate per 1,000 Gallons Over Minimum Usage	Usage Levels
Water:					
Wastewater:					to
Surcharge:					to

District employs winter averaging for wastewater usage? ☐ Yes ☐ No

Total charges per 10,000 gallons usage: Water _____ Wastewater _____

b. Water and Wastewater Retail Connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFC'S
Unmetered			x 1.0	
less than 3/4"			x 1.0	
1"			x 2.5	
1.5"			x 5.0	
2"			x 8.0	
3"			x 15.0	
4"			x 25.0	
6"			x 50.0	
8"			x 80.0	
10"			x 115.0	
Total Water				
Total Wastewater			x 1.0	

See accompanying auditor's report.

3. Total Water Consumption during the fiscal year (rounded to the nearest thousand):

Gallons pumped into system: _____ Water Accountability Ratio: (Gallons billed / Gallons pumped)

Gallons billed to customers: _____ _____

4. Standby Fees (authorized only under TWC Section 49.231):

The District does not have Debt Service standby fees.

The District does not have Operation and Maintenance standby fees.

5. Location of District:

Is the District located entirely within one county? Yes [X] No [ ]

County(ies) in which the District is located: Waller County

Is the District located within a city? Entirely [ ] Partly [ ] Not at all [X]

City(ies) in which the District is located: _____

Is the District located within a city's extra territorial jurisdiction (ETJ)?

Entirely [ ] Partly [ ] Not at all [X]

ETJs in which the District is located: _____

Are Board members appointed by an office outside the district? Yes [ ] No [X]

If Yes, by whom? _____

See accompanying auditor's report.

Waller County Municipal Utility District No. 47
TSI-2. General Fund Expenditures
For the Year Ended May 31, 2026

Purchased services	$	14,794
Professional fees		
Legal		65,776
Engineering		4,641
		70,417
Contracted services		
Bookkeeping		11,625
Garbage collection		390
Sludge removal		46,791
Tax assessor collector		3,575
Appraisal district		391
		62,772
Repairs and maintenance		16,525
Administrative		
Directors fees		10,166
Printing and office supplies		1,250
Insurance		3,220
Other		2,317
		16,953
Capital outlay		459,320
Total expenditures	$	640,781

See accompanying auditor's report.

Waller County Municipal Utility District No. 47
TSI-4. Taxes Levied and Receivable
May 31, 2026

	Maintenance Taxes
2025 Original Tax Levy	$ 61,157
Tax collections:	
Current year	61,157
Taxes Receivable, End of Year	$ -
	2025
Property Valuations:	
Land	$ 4,005,080
Improvements	72,080
Total Property Valuations	$ 4,077,160
Tax Rates per $100 Valuation:	
Maintenance tax rates	$ 1.50
Adjusted Tax Levy:	$ 61,157
Percentage of Taxes Collected to Taxes Levied **	100.00%

* Maximum Maintenance Tax Rate Approved by Voters: $1.50 on November 5, 2024
* Maximum Road Maintenance Tax Rate Approved by Voters: $0.25 on November 5, 2024

** Calculated as taxes collected for a tax year divided by taxes levied for that tax year.

See accompanying auditor's report.

Waller County Municipal Utility District No. 47
TSI-7a. Comparative Schedule of Revenues and Expenditures - General Fund
For the Last Two Fiscal Years

	Amounts		Percent of Fund Total Revenues	
	2026	2025**	2026	2025**
Revenues				
Property taxes	$ 61,157	$ -	41%	-%
Tap connection and inspection	87,342		59%	
Investment earnings	20		*	
Total Revenues	148,519		100%	-
Expenditures				
Current service operations				
Purchased services	14,794		10%	
Professional fees	70,417	56,199	47%	-
Contracted services	62,772	6,150	42%	-
Repairs and maintenance	16,525		11%	
Administrative	16,953	16,055	11%	-
Capital outlay	459,320		309%	
Total Expenditures	640,781	78,404	430%	-
Revenues Under Expenditures	(492,262)	(78,404)	(330%)	-%
Other Financing Sources				
Developer advances	443,500	65,000		
Net Change in Fund Balance	(48,762)	(13,404)		
Fund Balance, Beginning of the year	(13,404)			
End of the year	$ (62,166)	$ (13,404)		

*Percentage is negligible
** Unaudited

See accompanying auditor's report.

Waller County Municipal Utility District No. 47
TSI-8. Board Members, Key Personnel and Consultants
For the Year Ended May 31, 2026

Complete District Mailing Address:	3200 Southwest Freeway, Suite 2400, Houston, TX 77027
District Business Telephone Number:	(713) 860-6400
Submission Date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):	May 27, 2026
Limit on Fees of Office that a Director may receive during a fiscal year: (Set by Board Resolution -- TWC Section 49.060)	$ 7,200

Names:	Term of Office (Elected or Appointed) or Date Hired	Fees of Office Paid *	Expense Reimburse-ments	Title at Year End
Board Members				
Alex Habib	05/26 - 05/30	$ 1,989	$ 63	President
Justin Pinto	05/24 - 05/28	1,768	376	Vice President
Susie Hays	11/24 - 05/28	1,989	166	Secretary
Marco Escobar	05/26 - 05/30	1,989	297	Assistant Secretary
Christine Nguyen	05/25 - 05/28	2,431	283	Assistant Vice President

Consultants		Amounts Paid	
Allen Boone Humphries Robinson, LLP *General legal fees*	2024	$ 56,922	Attorney
Myrtle Cruz, Inc.	2024	11,199	Bookkeeper
Utility Tax Services, LLC	2024	3,000	Tax Collector
Waller County Appraisal District	Legislation	196	Property Valuation
Perdue, Brandon, Fielder, Collins and Mott, LLP	2025		Delinquent Tax Attorney
GFT Infrastructure, Inc.	2024	4,641	Engineer
McGrath & Co., PLLC	2026		Auditor
Tierra Financial Advisors, LLC	2025		Financial Advisor

* *Fees of Office* are the amounts actually paid to a director during the District's fiscal year.

See accompanying auditor's report.