OFFICIAL STATEMENT DATED NOVEMBER 3, 2026

IN THE OPINION OF BOND COUNSEL, UNDER EXISTING LAW, INTEREST ON THE BONDS IS EXCLUDABLE FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES AND INTEREST ON THE BONDS IS NOT SUBJECT TO THE ALTERNATIVE MINIMUM TAX ON INDIVIDUALS; HOWEVER, SUCH INTEREST IS TAKEN INTO ACCOUNT IN DETERMINING THE ANNUAL ADJUSTED FINANCIAL STATEMENT INCOME OF APPLICABLE CORPORATIONS FOR THE PURPOSE OF DETERMINING THE ALTERNATIVE MINIMUM TAX IMPOSED ON CORPORATIONS. SEE "TAX MATTERS" FOR A DISCUSSION OF BOND COUNSEL'S OPINION.

The District has designated the Bonds as "qualified tax-exempt obligations" for financial institutions. See "TAX MATTERS – Qualified Tax-Exempt Obligations."

NEW ISSUE – Book Entry Only

S&P Global Ratings (BAM Insured)......"AA"
See "MUNICIPAL BOND INSURANCE" and "RATINGS"

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY
(A Political Subdivision of the State of Texas, located within Collin County)

$2,030,000
UNLIMITED TAX ROAD BONDS
SERIES 2026

Dated: December 1, 2026
Interest Accrues: Date of Delivery

Due: September 1, as shown on inside cover page

The $2,030,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds") are obligations of Van Alstyne Municipal Utility District No. 2 of Collin County (the "District") and are not obligations of the State of Texas; Collin County, Texas; the City of Van Alstyne, Texas; or any entity other than the District. Neither the full faith and credit nor the taxing power of the State of Texas; Collin County, Texas; the City of Van Alstyne, Texas; nor any entity other than the District is pledged to the payment of the principal of or interest on the Bonds.

The Bonds will be initially registered and delivered only to 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 BOKF, NA, Dallas, Texas, or any successor paying agent/registrar (the "Paying Agent/Registrar") directly to DTC, which will, in turn, remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds. See "THE BONDS – Book-Entry-Only System." Principal of the Bonds is payable to the registered owner(s) of the Bonds (the "Registered Owner(s)") at the principal payment office of the Paying Agent/Registrar upon surrender of the Bonds for payment at maturity or upon prior redemption. The Bonds are dated December 1, 2026, and interest on the Bonds accrues from the initial date of delivery (on or about December 2, 2026) (the "Date of Delivery"), and is payable on March 1, 2027, and each September 1 and March 1 thereafter until maturity or prior redemption to the person in whose name the Bonds are registered as of the 15th day of the calendar month next preceding each interest payment date. The Bonds are issuable in principal denominations of $5,000 or any integral multiple thereof in fully registered form only.

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

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by **BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM").**



The Bonds constitute the first series of unlimited tax bonds to be issued by the District for the purpose of acquiring or constructing a road system to serve the District (the "Road System"). The District has not previously issued any series of unlimited tax bonds for the purpose of acquiring or constructing a water, sewer, and drainage system to serve the District (the "Utility System"). Voters in the District have authorized $2,438,121,400 principal amount of unlimited tax bonds for the purpose of acquiring or constructing the Utility System; $3,657,182,100 principal amount of unlimited tax bonds for the purpose of refunding bonds issued by the District for the Utility System; $1,293,841,200 principal amount of unlimited tax bonds for the purpose of acquiring or constructing the Road System; $1,940,761,800 principal amount of unlimited tax bonds for the purpose of refunding bonds issued by the District for the Road System; $7,615,000 principal amount of unlimited tax bonds for the purpose of purchasing, constructing, acquiring, owning, leasing or operating fire protection facilities and equipment to serve the District (the "Fire System"); and $11,422,500 principal amount of unlimited tax bonds for the purpose of refunding bonds issued by the District for the Fire System. Following the issuance of the Bonds, $2,438,121,400 for the purpose of acquiring or constructing the Utility System; $3,657,182,100 for the purpose of refunding bonds issued by the District for the Utility System; $1,291,811,200 for the purpose of acquiring or constructing the Road System; $1,940,761,800 for the purpose of refunding bonds issued by the District for the Road System; $7,615,000 for the purpose of purchasing, constructing, acquiring, owning, leasing or operating the Fire System; and $11,422,500 for the purpose of refunding bonds issued by the District for the Fire System will remain authorized but unissued.

The Bonds, when issued, will constitute valid and binding obligations of the District and will be payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property within the District, as further described herein. Investment in the Bonds is subject to special risk factors as described herein, including a high concentration of ownership of taxable property in the District. See "RISK FACTORS."

The Bonds are offered when, as and if issued by the District and accepted by the winning bidder of the Bonds (the "Initial Purchaser"), subject among other things to the approval of the initial Bonds by the Attorney General of Texas and the approval of certain legal matters by Coats Rose, P.C., Dallas, Texas, Bond Counsel. The Bonds are expected to be available for delivery through the facilities of DTC on or about December 2, 2026. See "LEGAL MATTERS."

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL REOFFERING YIELDS AND CUSIPS

$2,030,000 Unlimited Tax Road Bonds, Series 2026

$1,110,000 Serial Bonds

Maturity (September 1)	Principal Amount	Interest Rate	Initial Reoffering Yield (a)	CUSIP No. 920500 (b)	Maturity (September 1)	Principal Amount	Interest Rate	Initial Reoffering Yield (a)	CUSIP No. 920500 (b)
2028	$40,000	7.500%	3.400%	AA3	2037 (c)	$70,000	5.000%	4.290%	AK1
2029	45,000	7.500%	3.540%	AB1	2038 (c)	75,000	5.000%	4.450%	AL9
2030	45,000	7.500%	3.600%	AC9	2039 (c)	75,000	5.000%	4.580%	AM7
2031	50,000	7.500%	3.670%	AD7	2040 (c)	80,000	5.000%	4.760%	AN5
2032	50,000	7.000%	3.760%	AE5	***	***	***	***	***
2033 (c)	55,000	7.000%	3.900%	AF2	2045 (c)	105,000	5.000%	5.130%	AT2
2034 (c)	60,000	6.000%	3.980%	AG0	2046 (c)	115,000	5.000%	5.200%	AU9
2035 (c)	60,000	5.000%	4.070%	AH8	2047 (c)	120,000	5.000%	5.230%	AV7
2036 (c)	65,000	5.000%	4.180%	AJ4					

$920,000 Term Bonds

$175,000 Term Bond due September 1, 2042 (c)(d) Interest Rate: 5.000% (Price: $100.00) (a) CUSIP No. 920500 AQ8 (b)

$195,000 Term Bond due September 1, 2044 (c)(d) Interest Rate: 5.000% (Price: $99.063) (a) CUSIP No. 920500 AS4 (b)

$260,000 Term Bond due September 1, 2049 (c)(d) Interest Rate: 5.250% (Price: $99.596) (a) CUSIP No. 920500 AX3 (b)

$290,000 Term Bond due September 1, 2051 (c)(d) Interest Rate: 5.250% (Price: $99.034) (a) CUSIP No. 920500 AZ8 (b)

(a) Information with respect to the initial reoffering yields of the Bonds is the responsibility of the Initial Purchaser. Initial reoffering yields represent the initial offering price, which may be changed for subsequent purchasers. The initial yield indicated above represents 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.

(c) The Bonds maturing on September 1, 2033, and thereafter, shall be subject to redemption and payment at the option of the District, in whole or from time to time in part on December 1, 2032, or on any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. See "THE BONDS – Redemption of the Bonds – *Optional Redemption.*

(d) Subject to certain mandatory sinking fund redemption provisions as set forth herein under "THE BONDS – Redemption of the Bonds – *Mandatory Redemption*.

USE OF INFORMATION IN OFFICIAL STATEMENT

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.

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, resolutions, contracts, audits, and engineering and other related reports set forth in the 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 Robert W. Baird & Co. Incorporated, 6363 State Highway 161, Suite 310, Irving, Texas 75038, the Financial Advisor to the District.

The Financial Advisor has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in the Official Statement in accordance with, and as part of, its responsibility 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 Financial Advisor does not guarantee the accuracy or completeness of such information.

Build America Mutual Assurance Company ("BAM") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "MUNICIPAL BOND INSURANCE" and "APPENDIX B – Specimen Municipal Bond Insurance Policy."

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, the other matters described in the Official Statement until delivery of the Bonds to the Initial Purchaser, and thereafter only as specified in "OFFICIAL STATEMENT – Updating the Official Statement."

References to web site 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 web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

TABLE OF CONTENTS

USE OF INFORMATION IN OFFICIAL STATEMENT.1
SALE AND DISTRIBUTION OF THE BONDS....3
Award of the Bonds....3
Prices and Marketability....3
Securities Laws....3
MUNICIPAL BOND INSURANCE....3
Bond Insurance Policy....3
Build America Mutual Assurance Company....3
RATINGS....5
OFFICIAL STATEMENT SUMMARY....6
SELECTED FINANCIAL INFORMATION....10
INTRODUCTION....11
RISK FACTORS....11
General....11
Economic Factors Affecting Taxable Values and Tax Payments....11
Increase in Costs of Building Materials....12
Vacant Developed Lots....13
Operating Funds....13
Tax Collection Limitations....13
Bondholders' Remedies....13
Bankruptcy Limitation to Bondholders' Rights....14
Marketability....14
Future Debt....14
Continuing Compliance with Certain Covenants....15
Approval of the Bonds....15
Environmental Regulations....15
Potential Impact of Natural Disaster....17
Future and Proposed Legislation....17
Changes in Tax Legislation....18
Marketability of the Bonds....18
Cyber Security....18
The 90th Texas Legislature....18
Bond Insurance Risk Factors....18
THE BONDS....19
General....19
Description....19
Book-Entry-Only System....19
Successor Paying Agent/Registrar....21
Record Date....21
Registration, Transfer and Exchange....21
Mutilated, Lost, Stolen or Destroyed Bonds....22
Authority for Issuance....22
Issuance of Additional Debt....22
Source of Payment....23
Payment Record....23
Redemption of the Bonds....23
Annexation....24
Consolidation....24
No Arbitrage....24
Funds....25
Defeasance....25
Amendments to the Bond Order....26
Bankruptcy Limitation to Bondholders' Rights....26
Legal Investment and Eligibility to Secure Public Funds in Texas....26
Estimated Use and Distribution of Bond Proceeds....27
THE DISTRICT....28
General....28
Authority....28
Location....28
Management of the District....28
Consultants....28
DEVELOPMENT WITHIN THE DISTRICT....29
Status of Development within the District....29
Homebuilders within the District....29
MANTUA....30
PHOTOGRAPHS TAKEN WITHIN THE DISTRICT....31
THE DEVELOPERS/PRINCIPAL LANDOWNERS....33
The Role of a Developer....33
The Developers....33
Lot-Sales Contracts....33
THE UTILITY SYSTEM AND THE ROAD SYSTEM....34
General....34
Description of the Road System....34
Description of the Utility System....34
100 Year Flood Plain....35
Atlas 14....35
Fire and Emergency services....35
DISTRICT DEBT....36
Direct and Estimated Overlapping Debt Statement....37
Debt Ratios....37
Debt Service Requirement Schedule....38
TAXING PROCEDURES....39
Authority to Levy Taxes....39
Property Tax Code and County-Wide Appraisal District....39
Property Subject to Taxation by the District....40
Valuation of Property for Taxation....41
Reappraisal of Property after Disaster....41
Agricultural, Open Space, Timberland, and Inventory Deferment....42
Tay Payment Installments After Disaster....42
Tax Abatement....42
District and Taxpayer Remedies....42
Rollback of Operation and Maintenance Tax Rate....42
Levy and Collection of Taxes....43
District's Rights in the Event of Tax Delinquencies....44
TAX DATA....44
General....44
Tax Rate Limitation....44

Historical Values and Tax Collection History..45
Tax Rate Distribution....45
Analysis of Tax Base....45
Principal Taxpayers....45
Tax Rate Calculations....46
Estimated Overlapping Taxes....46
LEGAL MATTERS....46
Legal Opinions....46
Legal Review....47
No-Litigation Certificate....47
No Material Adverse Change....47
TAX MATTERS....47
Opinion....47
Federal Income Tax Accounting Treatment of Original Issue Discount....48
Collateral Federal Income Tax Consequences 49
Qualified Tax-Exempt Obligations....49
CONTINUING DISCLOSURE OF INFORMATION....50
Annual Reports....50
Event Notices....50
Availability of Information....51
Limitations and Amendments....51
Compliance with Prior Undertakings....51
OFFICIAL STATEMENT....52
General....52
Experts....52
Certification as to Official Statement....52
Updating the Official Statement....52
CONCLUDING STATEMENT....52

APPENDIX A – Financial Statements of the District
APPENDIX B – Specimen Municipal Bond Insurance Policy

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 Fidelity Capital Markets (the "Initial Purchaser"). The Initial Purchaser has agreed to purchase the Bonds, bearing the interest rates shown under "MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL REOFFERING YIELDS AND CUSIPS" on the inside cover page of this Official Statement, at a price of 97.021163% of the principal amount thereof, which resulted in a net effective interest rate of 5.389717%, 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 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 SEC 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

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company ("BAM") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an exhibit to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products to issuers in the U.S. public finance markets. BAM will only insure municipal bonds, as defined in Section 6901 of the New York Insurance Law, which are most often issued by states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 28 Liberty Street, 59th Floor, New York, New York 10005, its telephone number is: 212-235-2500, and its website is located at: www.bambonds.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at https://www.spglobal.com/en/. The rating of BAM should be evaluated independently. The rating reflects S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

Capitalization of BAM

BAM's total admitted assets, total liabilities, and total capital and surplus, as of June 30, 2026 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $505.6 million, $295.6 million and $210.0 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.bambonds.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "MUNICIPAL BOND INSURANCE."

Additional Information Available from BAM

Credit Insights Videos: For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at https://bambonds.com/insights/#video. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles: Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at https://bambonds.com/credit-profiles. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers: The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion

as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise.

RATINGS

The Bonds are expected to receive an insured rating of "AA" (stable outlook) from S&P solely in reliance upon the issuance and delivery of the Policy by the Insurer at the time of delivery of the Bonds. An explanation of the ratings of S&P may only be obtained from S&P. S&P is located at 55 Water Street, New York, New York 10041, telephone number (212) 208-8000 and has engaged in providing ratings for corporate bonds since 1923 and municipal bonds since 1940. Long-term debt ratings assigned by S&P reflect its analysis of the overall level of credit risk involved in financings. At present, S&P assigns long-term debt ratings with symbols "AAA" (the highest rating) through "D" (the lowest rating). The ratings express only the view of S&P at the time the ratings are given. Furthermore, a security rating is not a recommendation to buy, sell or hold securities. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by S&P, if in its judgment, circumstances so warrant.

The District is not aware of any rating assigned to the Bonds other than the rating discussed above.

[Remainder of this page intentionally left blank.]

OFFICIAL STATEMENT SUMMARY

The following information is a summary of certain information contained herein and is qualified in its entirety by the more detailed information and financial statements appearing elsewhere in this Official Statement.

THE BONDS

The District	Van Alstyne Municipal Utility District No. 2 of Collin County (the "District"), a political subdivision of the State of Texas, is located within Collin County, Texas. See "THE DISTRICT."
The Bonds	The District is issuing its $2,030,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds"). The Bonds are dated December 1, 2026. Interest on the Bonds accrues from the initial date of delivery (on or about December 2, 2026) (the "Date of Delivery"), at the rates shown 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 prior redemption. The Bonds are offered in fully registered form in integral multiples of $5,000 for any one maturity. See "THE BONDS."
Redemption of the Bonds	*Optional Redemption:* The 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 December 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 of the Bonds – *Optional Redemption*." *Mandatory Redemption:* The Bonds maturing on September 1 in the years 2042, 2044, 2049 and 2051 are "Term Bonds" and are subject to certain mandatory sinking fund redemption provisions as set forth herein under "THE BONDS – Redemption of the Bonds – *Mandatory Redemption*."
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; Collin County, Texas; the City of Van Alstyne, Texas; or any other political subdivision or entity other than the District. See "THE BONDS – Source of Payment."
Payment Record	The Bonds constitute the first series of unlimited tax bonds issued by the District. See "THE BONDS – Source of Payment."
Authority for Issuance	The Bonds are issued pursuant to (i) the bond order authorizing the issuance of the Bonds (the "Bond Order") adopted by the board of directors of the District (the "Board") on the date of sale of the Bonds, (ii) Article III, Section 52 of the Texas Constitution, (iii) Chapter 8048 of the Texas Special District Local Laws Code, (iv) the general laws of the State of Texas, particularly Chapters 49 and 54, Texas Water Code, as amended, and (v) an election held within the District on May 1, 2021. See "THE BONDS – Authority for Issuance."
Voted Authorization	Voters in the District have authorized $2,438,121,400 principal amount of unlimited tax bonds for the purpose of acquiring or constructing a water, sewer, and drainage system to serve the District (the "Utility System"); $3,657,182,100 principal amount of unlimited tax bonds for the purpose of refunding bonds issued by the District for the Utility System; $1,293,841,200 principal amount of unlimited tax bonds for the purpose of acquiring or constructing a road system to serve the District (the "Road System"); $1,940,761,800 principal amount of unlimited tax bonds for the

purpose of refunding bonds issued by the District for the Road System; $7,615,000 principal amount of unlimited tax bonds for the purpose of purchasing, constructing, acquiring, owning, leasing or operating fire protection facilities and equipment to serve the District (the "Fire System"); and $11,422,500 principal amount of unlimited tax bonds for the purpose of refunding bonds issued by the District for the Fire System.

Following the issuance of the Bonds, $2,438,121,400 for the purpose of acquiring or constructing the Utility System; $3,657,182,100 for the purpose of refunding bonds issued by the District for the Utility System; $1,291,811,200 for the purpose of acquiring or constructing the Road System; $1,940,761,800 for the purpose of refunding bonds issued by the District for the Road System; $7,615,000 for the purpose of purchasing, constructing, acquiring, owning, leasing or operating the Fire System; and $11,422,500 for the purpose of refunding bonds issued by the District for the Fire System will remain authorized but unissued. See "THE BONDS – Issuance of Additional Debt."

Use and Distribution of Bond Proceeds ..... A portion of the proceeds of the Bonds will be used to reimburse Risland Mantua (herein defined) for the Road System improvements and related engineering and land costs as shown herein under "THE BONDS – Estimated Use and Distribution of Bond Proceeds." Additionally, proceeds from the Bonds will be used to pay developer interest, eighteen (18) months of capitalized interest, and other certain costs associated with the issuance of the Bonds. See "THE BONDS – Estimated Use and Distribution of Bond Proceeds."

Qualified Tax-Exempt Obligations..... The Bonds have been designated as "qualified tax-exempt obligations" for financial institutions. See "TAX MATTERS – Qualified Tax-Exempt Obligations."

Municipal Bond Insurance ..... Build America Mutual Assurance Company ("BAM"). See "MUNICIPAL BOND INSURANCE."

Ratings ..... S&P Global Ratings (BAM Insured): "AA." See "RATINGS."

Bond Counsel ..... Coats Rose, P.C., Dallas, Texas, Bond Counsel. See "LEGAL MATTERS."

Disclosure Counsel ..... McCall, Parkhurst & Horton L.L.P., Dallas, Texas.

Financial Advisor..... Cedar Creek Municipal Advisors, LLC, Irving, Texas.

Paying Agent/Registrar..... BOKF, NA, Dallas, Texas.

THE DISTRICT

Description..... The District is a political subdivision of the State of Texas, located in Collin County. The District is located north of Panther Parkway and extending east and west of US Hwy 75. The District is located in the Van Alstyne Independent School District. All of the land within the District is within the extraterritorial jurisdiction of the City of Van Alstyne, Texas. The District contains approximately 1,646.62 acres. See "THE DISTRICT – General" and " – Location."

Authority..... The rights, powers, privileges, authority, and functions of the District are established by the general laws of the State of Texas pertaining to municipal utility districts, including particularly Chapters 49 and 54 of the Texas Water Code, as amended and Chapter 8048 of the Texas Special District Local Laws Code. See "THE DISTRICT – General."

Mantua ..... The District is part of the approximately 2,000-acre master-planned community known as "Mantua." Mantua is located along US Highway 75. Mantua is comprised of the District and Van Alstyne Municipal Utility District No. 1 of Collin County ("VA MUD 1") (collectively referred to herein as the "Mantua Districts").

Development within the District ..... The District consists of approximately 1,646.62 total acres. To date, approximately 133.84 acres within the District have been developed with water, wastewater, and drainage facilities and road improvements to serve the single-family residential subdivision of Mantua Point, Phases 1, 2 and 3 (274 lots). As of September 1, 2026, the District was comprised of 62 completed homes (53 occupied and 1 unoccupied, and 8 model homes), 38 homes under construction, and 174 vacant developed lots. Additionally, approximately 139.00 acres are currently under development as Highpoint Mantua, Phase 1 (approximately 600 lots). The remaining acreage within the District is comprised of approximately 7.00 acres reserved for a future elementary school site, approximately 64.00 acres for future commercial, approximately 1,049.78 undeveloped but developable acres, and approximately 253.00 undevelopable acres. See "DEVELOPMENT WITHIN THE DISTRICT."

Development within Mantua ..... To date, approximately 253 acres (1,063 lots) have been developed with water, wastewater, and drainage facilities and road improvements to serve Mantua. As of September 1, 2026, Mantua consisted of approximately 514 completed homes, approximately 44 homes under construction, and approximately 505 vacant developed lots. Additionally, approximately 139 acres are currently under development as Highpoint Mantua, Phase 1 (approximately 600 lots). The remaining land within Mantua is comprised of approximately 16 acres developed as a part of Van Alstyne High School, approximately 13 acres reserved for a future elementary school site, approximately 1,243 undeveloped but developable acres, approximately 2 acres reserved for a future fire station, and approximately 334 undevelopable acres. See "MANTUA."

The Developers/Principal Landowners ..... Risland Mantua LLC, a Delaware limited liability company ("Risland Mantua"), a subsidiary of Risland US Holdings LLC, was created for the purpose of acquiring and developing tracts of land within Mantua. Risland Mantua has determined the overall development plan for such land and arranged for the construction of water, sanitary sewer, drainage and road facilities within the District either directly or through affiliate entities, including Risland Mantua Eagle Point LLC and Risland Homes LLC. Risland Mantua is a single-purpose operating company established and capitalized to develop its land holdings within the District. The company is actively engaged in the development and delivery of the Mantua Master Planned Community and associated public infrastructure. Its assets primarily consist of land holdings within the District, revenue associated with land and lot sales, as well as rights to reimbursement for eligible public infrastructure improvements. Risland Mantua maintains ongoing development operations and is positioned to generate revenues through the phased development and sale of residential lots, together with infrastructure reimbursements from the District.

Risland Mantua has developed approximately 133.84 acres (274 lots) within the District as the residential subdivision of Mantua Point, Phases 1, 2 and 3. As of September 1, 2026, Risland Mantua

continued to own 85 vacant developed lots, the acres currently under development within the District and the undeveloped but developable acres within the District.

Risland US Holdings LLC is a subsidiary of Risland Holdings, a Hong Kong-based multinational real estate conglomerate which offers a wide range of services such as residential development, commercial real estate operation, property management and infrastructure construction and operation.

In August 2024, MM Mantua 701, LLC, a Texas limited liability company ("MM Mantua") and single-purpose entity of Centurion American Development Group, ("Centurion") purchased approximately 701 acres within the District from Risland Mantua, LLC for the purpose of owning and developing such land and holding the developed single-family lots on such acreage. MM Mantua has commenced development on approximately 139 acres within the District representing Highpoint Mantua, Phase 1 (600 lots) and is expected to develop the remaining developable land held in phases.

Risland Mantua and MM Mantua are collectively referred to herein as the "Developers."

In February 2023, SHC Capital, LLC, a Texas limited liability company, purchased approximately 72 acres within the District for the purpose of owning and holding such land for investment. In July 2023, Tollway Collin Partners, LLC, a Texas limited liability company, purchased approximately 393 acres within the District for the purpose of owning and holding such land for investment. Neither SHC Capital, LLC nor Tollway Collin Partners, LLC are currently developing land in the District. See "THE DEVELOPERS/PRINCIPAL LANDOWNERS."

Homebuilders Within the District..... Homebuilders active within the District are David Weekley Homes, Highland Homes, Perry Homes and Risland Homes. Risland Homes is an affiliate of Risland Mantua. Home prices currently range from approximately $450,000 to approximately $800,000 and homes range in size from approximately 1,800 to 4,000 square feet. See "DEVELOPMENT WITHIN THE DISTRICT – Homebuilders within the District."

RISK FACTORS

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

SELECTED FINANCIAL INFORMATION
(UNAUDITED)

2026 Taxable Assessed Valuation	$ 61,188,314	(a)
Estimate of Value as of September 1, 2026	$ 73,281,694	(b)
Direct Debt		
The Bonds	$ 2,030,000	
Total	$ 2,030,000	
Estimated Overlapping Debt	$ 6,130,202	(c)
Total Direct and Estimated Overlapping Debt	$ 8,160,202	(c)
Direct Debt Ratios:		
As a Percentage of the 2026 Taxable Assessed Valuation	3.32 %	
As a Percentage of the Estimate of Value as of September 1, 2026	2.77 %	
Direct and Estimated Overlapping Debt Ratios:		
As a Percentage of the 2026 Taxable Assessed Valuation	13.34 %	
As a Percentage of the Estimate of Value as of September 1, 2026	11.14 %	
Road System Debt Service Fund Balance (as of the Date of Delivery)	$ 165,113	(d)
General Operating Fund Balance (as of August 27, 2026)	$ 6,358	(e)
2026 Tax Rate		
Utility System Debt Service	$0.000	
Road System Debt Service	0.000	
Maintenance and Operations	1.000	
Total	$1.000	(f)
Average Annual Debt Service Requirement (2027-2051)	$ 148,119	(g)
Maximum Annual Debt Service Requirement (2051)	$ 157,875	(g)
Debt Service Tax Rate per $100 of Taxable Assessed Valuation Required to Pay Average Annual Debt Service Requirement on the Bonds (2027-2051):		
Based on the 2026 Taxable Assessed Valuation at 95% Tax Collections	$ 0.26	
Based on the Estimate of Value as of September 1, 2026, at 95% Tax Collections	$ 0.22	
Debt Service Tax Rate per $100 of Taxable Assessed Valuation Required to Pay Maximum Annual Debt Service Requirement on the Bonds (2051):		
Based on the 2026 Taxable Assessed Valuation at 95% Tax Collections	$ 0.28	
Based on the Estimate of Value as of September 1, 2026, at 95% Tax Collections	$ 0.23	

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

(b) Provided by the Appraisal District for informational purposes only. This amount is an estimate of the taxable value of all taxable property located within the District as of September 1, 2026, and includes an estimate of additional taxable value resulting from the construction of taxable improvements from January 1, 2026, through September 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) Represents eighteen (18) months of capitalized interest on the Bonds to be deposited into the Road System Debt Service Fund (hereinafter defined) upon closing of the Bonds. Neither Texas law nor the Bond Order requires that the District maintain any particular sum in the Road System Debt Service Fund. Funds in the Road System Debt Service Fund are pledged only to pay debt service on bonds issued for the purpose of acquiring or constructing the Road System, including the Bonds. Funds in the Road System Debt Service Fund are not pledged to pay debt service on any bonds issued for the purpose of acquiring or constructing the Utility System.

(e) See "RISK FACTORS – Operating Funds."

(f) See "TAX DATA."

(g) See "DISTRICT DEBT – Debt Service Requirement Schedule."

OFFICIAL STATEMENT

relating to

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

(A political subdivision of the State of Texas, located within Collin County)

$2,030,000
UNLIMITED TAX ROAD BONDS
SERIES 2026

INTRODUCTION

This Official Statement provides certain information in connection with the issuance by Van Alstyne Municipal Utility District No. 2 of Collin County (the "District"), of its $2,030,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds").

The Bonds are issued pursuant to (i) the bond order authorizing the issuance of the Bonds (the "Bond Order") adopted by the board of directors of the District (the "Board") on the date of sale of the Bonds, (ii) Article III, Section 52 of the Texas Constitution, (iii) Chapter 8048 of the Texas Special District Local Laws Code, (iv) the general laws of the State of Texas, particularly Chapters 49 and 54, Texas Water Code, as amended, and (v) an election held within the District on May 1, 2021.

Certain capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Bond Order, except as otherwise indicated herein.

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.

RISK FACTORS

General

The Bonds are obligations of the District and are not obligations of the State of Texas; Collin County, Texas (the "County"); the City of Van Alstyne, Texas (the "City"); or any political subdivision other than the District. The Bonds are secured by the levy of a continuing direct annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property located within the District. See "THE BONDS – Source of Payment." 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.

Economic Factors Affecting Taxable Values and Tax Payments

Competition: The demand for and construction of single-family homes in the District could be affected by competition from other residential developments, including other residential developments located in the northern portion of the Dallas area market. In addition to competition for new home sales from other developments, there are numerous previously owned homes in the area of the District. Such homes could represent additional competition for new homes proposed to be sold within the District. The competitive position of a builder in the sale of single-family residential houses within the District is affected by most of the factors discussed in this section. Such a competitive position directly affects the growth and maintenance of taxable values in the District and tax revenues to be received by the District.

Economic Factors: The District is located in the Dallas, Texas, area, and the rate of development of the District is directly related to the vitality of the residential housing industry in said metropolitan area. New residential housing construction can be significantly affected by factors such as interest rates, construction costs, 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

Dependence on Principal Taxpayers and the Developers: There is a high concentration of ownership of taxable value in the District. The top ten principal taxpayers in the District represent approximately 73.59% of the 2026 Taxable Assessed Valuation, which represents ownership as of January 1, 2026. Risland Mantua (defined herein), including its affiliates, Risland Homes LLC and Risland Mantua Eagle Point LLC, represent approximately 43.27% of such value. If the Developers, their affiliates, 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 enforce and liquidate its tax lien, which is a time-consuming process, or to sell tax anticipation notes. 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 Order to maintain any specified amount of surplus in its debt service funds. See "TAX DATA – Principal Taxpayers" and "TAXING PROCEDURES – Levy and Collection of Taxes."

Developers Under No Obligation to the District: The Developers have informed the District of their current plans to continue to develop land in the District for residential purposes. However, the Developers are not obligated to implement such plan on any particular schedule or at all. Thus, the furnishing of information related to the proposed development by the Developer should not be interpreted as such a commitment. The District makes no representation about the probability of development continuing in a timely manner or about the ability of the Developers, or any other subsequent landowners to whom a party may sell all or a portion of their holdings within the District, to implement any plan of development. Furthermore, there is no restriction on the Developer's right to sell its land. The District can make no prediction as to the effects that current or future economic or governmental circumstances may have on any plans of the Developers. Failure to construct taxable improvements on developed lots and tracts and failure of the Developers to develop its land would restrict the rate of growth of taxable value in the District. The District is also dependent upon the Developers (see "TAX DATA – Principal Taxpayers") for the timely payment of ad valorem taxes, and the District cannot predict what the future financial condition of the Developer will be or what effect, if any, such conditions may have on its ability to pay taxes. See "THE DEVELOPERS/PRINCIPAL LANDOWNERS" and "DEVELOPMENT WITHIN THE DISTRICT."

Maximum Impact on District Tax Rate: Assuming no further development or construction of taxable improvements, 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 Taxable Assessed Valuation of property located within the District is $61,188,314 and the Estimate of Value as of September 1, 2026, is $73,281,694. See "TAX DATA."

After issuance of the Bonds, the maximum annual debt service requirement on the Bonds will be $157,875 (2051) and the average annual debt service requirement on the Bonds will be $148,119 (2027-2051). Assuming no decrease to the 2026 Taxable Assessed Valuation, tax rates of $0.28 and $0.26 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 Estimate of Value as of September 1, 2026, tax rates of $0.23 and $0.22 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 owner.

Increase in Costs of Building Materials

As a result of supply issues, shipping constraints, and ongoing trade disputes (including tariffs), there have been recent substantial increases in the cost of lumber and other building materials, causing many homebuilders and general contractors to experience budget overruns. Further, the unpredictable nature of current trade policy (including the threatened imposition of tariffs) may impact the ability of the developers or homebuilders in the District to estimate costs. Additionally, immigration policies may affect the State's

workforce, and any labor shortages that could occur may impact the rate of construction within the District. Uncertainty surrounding availability and cost of materials may result in decreased levels of construction activity, and may restrict the growth of property values in the District. The District makes no representations regarding the probability of development or homebuilding continuing in a timely manner or the effects that current or future economic or governmental circumstances may have on any plans of the developers or homebuilders.

Vacant Developed Lots

As of September 1, 2026, approximately 174 developed lots within the District remained available for construction. Failure of the Developer and/or builders to construct taxable improvements on developed lots could result in substantial increases in the rate of taxation by the District during the term of the Bonds to pay debt service on the Bonds and any other tax supported debt of the District issued in the future. Future increases in value will result primarily from the construction of homes by builders. The District makes no representation that the lot sales and building program will be successful.

Operating Funds

The District's only sources of operating revenue is maintenance tax revenue. The District levied a 2026 maintenance tax of $1.00 per $100 of assessed valuation. The District's general fund balance as of August 27, 2026, was $6,358. The revenue produced from a $1.00 maintenance tax in 2026 or a reduced maintenance tax in subsequent years may not be sufficient to offset the operating expenses of the District. Continued maintenance of a positive general fund balance will depend upon (1) cash subsidies from the Developer and (2) continued development and increased amounts of maintenance tax revenues. If funds from these sources are not forthcoming, the District would have to increase its maintenance tax rate. The District intends to levy its first debt service tax rate in 2026.

Tax Collection Limitations

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."

Bondholders' Remedies

In the event of default in the payment of principal of or interest on the Bonds, the registered holders of the Bonds ("Bondholders") have a right to seek a writ of mandamus requiring the District to levy adequate taxes each year to make such payments. Except for mandamus, the Bond Order does not provide for remedies to protect and enforce the interests of the Bondholders. 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 Bondholders.

Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's governmental 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 Order 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 Bondholders 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 Bondholders 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.

Bankruptcy Limitation to Bondholders' Rights

The enforceability of the rights and remedies of Bondholders may be limited 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. Texas law requires a district, such as the District, to obtain the approval of the Texas Commission on Environmental Quality (the "TCEQ") as a condition to seeking relief under the Federal Bankruptcy Code.

Notwithstanding noncompliance by the District with Texas law requirements, the District could file a voluntary bankruptcy petition under Chapter 9 of the Federal Bankruptcy Code ("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 a Bondholder could potentially and adversely impair the value of the Bondholder's claim.

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

The District may not be placed into bankruptcy involuntarily.

Marketability

The District has no understanding with the Initial Purchaser (hereinafter defined) regarding the reoffering yields or prices of the Bonds (other than the initial reoffering yields) and has no control over the trading of the Bonds in the secondary market. There is no assurance that a secondary market will be made for the Bonds. If there is a secondary market, the difference between the bid and asked price of the Bonds may be greater than the bid and asked spread of other bonds 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 May 1, 2021, voters of the District authorized the issuance of $2,438,121,400 principal amount of unlimited tax bonds for the purpose of acquiring or constructing a water, sewer, and drainage system to serve the District (the "Utility System"); $3,657,182,100 principal amount of unlimited tax bonds for the purpose of refunding bonds issued by the District for the Utility System; $1,293,841,200 principal amount of unlimited tax bonds for the purpose of acquiring or constructing a road system to serve the District (the "Road System"); and $1,940,761,800 principal amount of unlimited tax bonds for the purpose of refunding bonds issued by the District for the Road System. At an election held within the District on November 2, 2021, voters of the District authorized the District's issuance of $7,615,000 principal amount of unlimited tax bonds for the purpose of purchasing, constructing, acquiring, owning, leasing or operating fire protection facilities and equipment to serve the District (the "Fire System"); and $11,422,500 principal amount of unlimited tax bonds for the purpose of refunding bonds issued by the District for the Fire System.

The Bonds represent the first series of bonds issued by the District for the purpose of acquiring or constructing the Road System. The District has not previously issued any bonds for the purpose of acquiring or constructing the Utility System. Following the issuance of the Bonds, $2,438,121,400 for the purpose of acquiring or

constructing the Utility System; $3,657,182,100 for the purpose of refunding bonds issued by the District for the Utility System; $1,291,811,200 for the purpose of acquiring or constructing the Road System; $1,940,761,800 for the purpose of refunding bonds issued by the District for the Road System; $7,615,000 for the purpose of purchasing, constructing, acquiring, owning, leasing or operating the Fire System; and $11,422,500 for the purpose of refunding bonds issued by the District for the Fire System will remain authorized but unissued.

Following reimbursement to Risland Mantua from the proceeds of the Bonds, the District will owe the Developers approximately $23,500,000 of eligible expenses associated with construction of Utility System facilities on behalf of the District and $12,100,000 of eligible expenses for construction of Road System facilities on behalf of the District based on the most recent information provided and estimations available to date. Note that this does not include all expenditures associated with the public infrastructure associated with the commercial development nor does it account for the bonding capacity limitations remaining within the District.

Based on present engineering costs estimates and on development plans supplied by the Developers, in the opinion of the Engineer (hereinafter defined), following the issuance of the Bonds, the remaining principal amount of authorized but unissued bonds will be sufficient to fully reimburse the Developer for the existing facilities and to finance the water, sewer and drainage facilities and roads necessary to serve the remaining undeveloped but developable land within the District. If the amount of remaining voted authorization is insufficient, the District would need to hold an election to request additional bond authorization.

Continuing Compliance with Certain Covenants

The Bond Order 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 TCEQ may impact new industrial, commercial and residential development in the Dallas-Fort Worth area. Under the Clean Air Act ("CAA") Amendments of 1990, a ten-county Dallas-Fort Worth area ("2008 DFW Area") – Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Parker, Rockwall, Tarrant, and Wise Counties – has been designated a "severe" nonattainment area under the eight-hour ozone standard of 75 ppb

promulgated by the EPA in 2008 (the "2008 Ozone Standard") effective November 7, 2022, with an attainment year of 2026. The "severe" nonattainment classification 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.

Further, a nine-county Dallas-Fort Worth area ("2015 DFW Area") – Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Parker, Tarrant, and Wise Counties has been designated a "serious" nonattainment area under the eight-hour ozone standard of 70 ppb promulgated by the EPA in 2015 (the "2015 Ozone Standard"), effective July 22, 2024. The requirements for an area designated as "serious" vary and establish several attainment deadlines ranging from January 1, 2026 to January 1, 2050, with such deadlines applicable to the specific requirements of the EPA's final action.

In order to demonstrate progress toward attainment of the EPA's ozone standards, the TCEQ has established a state implementation plan ("SIP") for the 2008 and 2015 DFW Areas 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 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 2008 and 2015 DFW Areas to reach attainment with the ozone standards by the EPA's attainment deadlines. These additional controls could have a negative impact on the area's economic growth and development. As a result of the DFW Area's reclassification, the TCEQ must submit revisions of the SIP to the EPA no later than January 1, 2026, addressing the "serious" nonattainment classification.

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 DFW 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), 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 nonstormwater discharges into surface water in the state. It 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 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 Regional District, could potentially be subject to additional restrictions and requirements, including additional permitting requirements, in the future.

Potential Impact of Natural Disaster

The District could be impacted by a natural disaster such as wide-spread fires, earthquakes, or weather events such as hurricanes, tornados, tropical storms, or other severe weather events that could produce high winds, heavy rains, hail, and flooding. In the event that a natural disaster should damage or destroy improvements and personal property in the District, the assessed value of such taxable properties could be substantially reduced, resulting in a decrease in the taxable assessed value of the District or an increase in the District's tax rates. See "TAX PROCEDURES – Reappraisal of Property after Disaster."

There can be no assurance that a casualty will be covered by insurance (certain casualties, including flood, are usually excepted unless specific insurance is purchased), that any insurance company will fulfill its obligation to provide insurance proceeds, or that insurance proceeds will be used to rebuild, repair, or replace any taxable properties in the District that were damaged. Even if insurance proceeds are available and damaged properties are rebuilt, there could be a lengthy period in which assessed values in the District would be adversely affected. There can be no assurance the District will not sustain damage from such natural disasters.

Future and Proposed Legislation

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives, or litigation. The disclosures and opinions expressed herein are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and no opinion is expressed as of any date subsequent thereto or with

respect to any proposed or pending legislation, regulatory initiatives or litigation.

Changes in Tax Legislation

Certain tax legislation, whether currently proposed or proposed in the future, may directly or indirectly reduce or eliminate the benefit of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, may 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 proposed, pending or future legislation.

Marketability of the Bonds

The District has no understanding with the winning bidder for the Bonds (the "Initial Purchaser") 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 may be greater than the difference between the bid and asked price of bonds of comparable maturity and quality issued by more traditional issuers, since such bonds are more generally bought, sold and traded in the secondary market.

Cyber Security

The District's consultants use digital technologies to collect taxes, hold funds and process disbursements. These systems necessarily hold sensitive protected information that is valued on the black market. As a result, the electronic systems and networks of organizations like the District's consultants are considered targets for cyber-attacks and other potential breaches of their systems. To the extent the District is determined to be the party responsible for various electronic systems or suffers a loss of funds due to a security breach, there could be a material adverse effect on the District's finances. Insurance to protect against such breaches may be limited.

The 90th Texas Legislature

The regular session of the 90th Texas Legislature (the "Legislature") is scheduled to commence on January 12, 2027. The Legislature meets in regular session in odd numbered years for 140 days. When the Legislature is not in session, the Governor may call one or more special sessions, at the Governor's discretion, each lasting no more than 30 days, and for which the Governor sets the agenda. Texas Governor Greg Abbott has identified on his agenda property tax relief as a legislative priority. The District cannot predict the likelihood of legislative property tax reform at the legislative level or the impacts therefrom, if implemented.

Bond Insurance Risk Factors

In the event of default of the payment of principal or interest with respect to the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under a bond insurance policy (the "Insurance Policy") for such payments. However, in the event of any acceleration of the due date of such principal by reason of optional redemption, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such optional redemption. The Insurance Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Bonds by the District which is recovered by the issuer from the Bond owner as a voidable preference under applicable bankruptcy law is covered by the Insurance Policy, however, such payments will be made by the provider of the Insurance Policy, if any (the "Bond Insurer"), at such time and in such amounts as would have been due absent such prepayment by the District unless the Bond Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Bond Insurer without appropriate consent. The Bond Insurer may direct and must consent to any remedies and the Bond Insurer's consent may be required in connection with amendments to any applicable Bond documents.

In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Insurance Policy, the Bonds are payable solely from the moneys received pursuant to the applicable Bond documents. In the event the Bond Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or

the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Bond Insurer and its claim paying ability. The Bond Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the Bonds insured by the Bond Insurer will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See "MUNICIPAL BOND INSURANCE" and "RATINGS."

The obligations of the Bond Insurer are contractual obligations and in an event of default by the Bond Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies. Neither the District nor the Initial Purchaser have made independent investigation into the claims paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Bonds and the claims paying ability of the Bond Insurer, particularly over the life of the investment. See "MUNICIPAL BOND INSURANCE" and "RATINGS" herein for further information provided by the Bond Insurer and the Insurance Policy, which includes further instructions for obtaining current financial information concerning the Bond Insurer.

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 Order. A copy of the Bond Order may be obtained from the District upon request to Bond Counsel. The Bond Order authorizes the issuance and sale of the Bonds and prescribe the terms, conditions, and provisions for the payment of the principal of and interest on the Bonds by the District.

Description

The Bonds are dated December 1, 2026. Interest on the Bonds accrues from the initial date of delivery (on or about December 2, 2026) (the "Date of Delivery"), at the rates shown 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 prior redemption. The Bonds will be issued as fully registered bonds in the denomination of $5,000 or any integral multiple thereof. Principal of the Bonds will be payable to the Bondholder thereof at maturity or earlier redemption upon presentation of Bonds at the principal payment office of BOKF, NA, Dallas, Texas (the "Paying Agent/Registrar"). If not then subject to the Book-Entry-Only System described below, interest on the Bonds will be payable by check, dated as of the interest payment date, and mailed by the Paying Agent/Registrar to Bondholders 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 Bondholder at the expense and risk of the Bondholder.

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 (the "SEC"), and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as a 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 certificate will be issued for each maturity of the Bonds, 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 rating of AA+ from S&P Global Ratings. The DTC Rules applicable to its Participants are on file with the SEC. 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 detail information from the District or 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 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.

The information in the section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

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 Bondholders should be read to include the person for which the 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 Bondholders under the Bond Order will be given only to DTC.

Successor Paying Agent/Registrar

Provisions are made in the Bond Order for replacing the Paying Agent/Registrar. If the District replaces the Paying Agent/Registrar, such Paying Agent/Registrar shall, promptly upon the appointment of a successor, deliver the Paying Agent/Registrar's records to the successor Paying Agent/Registrar, and the successor Paying Agent/Registrar shall act in the same capacity as the previous Paying Agent/Registrar. Any successor Paying Agent/Registrar selected by the District shall be a commercial bank; a trust company organized under the laws of the State of Texas; or other entity duly qualified and legally authorized to serve and perform the duties of the Paying Agent/Registrar for the Bonds.

Record Date

The record date (the "Record Date") for payment of the interest on any regularly scheduled Interest Payment Date is defined as the 15th day of the month (whether or not a business day) preceding such Interest Payment Date.

Registration, Transfer and Exchange

In the event the Book-Entry-Only System should be discontinued, the Bonds may be transferred and exchanged on the registration books of the Paying Agent/Registrar only upon presentation and surrender thereof to the Paying Agent/Registrar at its corporate trust office and such transfer or exchange shall be without expenses or service charge to the Registered Owner, except for any tax or other governmental charges required to be paid with respect to such registration, exchange and transfer. A Bond may be assigned by the execution of an assignment form on the Bonds or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. See "Book-Entry-Only System" above for a description of the system to be utilized initially in regard to ownership and transferability of the Bonds.

Mutilated, Lost, Stolen or Destroyed Bonds

In the event the Book-Entry-Only System should be discontinued, the District has agreed to replace mutilated, destroyed, lost or stolen Bonds upon surrender of the mutilated Bonds to the Paying Agent/Registrar, or receipt of satisfactory evidence of such destruction, loss or theft, and receipt by the District and the Paying Agent/Registrar of security or indemnity which they determine to be sufficient to hold them harmless. The District may require payment of taxes, governmental charges, and other expenses in connection with any such replacement.

Authority for Issuance

The Bonds are issued pursuant to (i) the Bond Order adopted by the Board on the date of sale of the Bonds, (ii) Article III, Section 52 of the Texas Constitution, (iii) Chapter 8048 of the Texas Special District Local Laws Code, (iv) the general laws of the State of Texas, particularly Chapters 49 and 54, Texas Water Code, as amended, and (v) an election held within the District on May 1, 2021.

Issuance of Additional Debt

At an election held within the District on May 1, 2021, voters of the District authorized the issuance of $2,438,121,400 principal amount of unlimited tax bonds for the purpose of acquiring or constructing the Utility System; $3,657,182,100 principal amount of unlimited tax bonds for the purpose of refunding bonds issued by the District for the Utility System; $1,293,841,200 principal amount of unlimited tax bonds for the purpose of acquiring or constructing the Road System; and $1,940,761,800 principal amount of unlimited tax bonds for the purpose of refunding bonds issued by the District for the Road System. At an election held within the District on November 2, 2021, voters of the District authorized the District's issuance of $7,615,000 principal amount of unlimited tax bonds for the purpose of purchasing, constructing, acquiring, owning, leasing or operating the Fire System; and $11,422,500 principal amount of unlimited tax bonds for the purpose of refunding bonds issued by the District for the Fire System.

The Bonds represent the first series of bonds issued by the District for the purpose of acquiring or constructing the Road System. The District has not previously issued any bonds for the purpose of acquiring or constructing the Utility System. Following the issuance of the Bonds, $2,438,121,400 for the purpose of acquiring or constructing the Utility System; $3,657,182,100 for the purpose of refunding bonds issued by the District for the Utility System; $1,291,811,200 for the purpose of acquiring or constructing the Road System; $1,940,761,800 for the purpose of refunding bonds issued by the District for the Road System; $7,615,000 for the purpose of purchasing, constructing, acquiring, owning, leasing or operating the Fire System; and $11,422,500 for the purpose of refunding bonds issued by the District for the Fire System will remain authorized but unissued.

Following reimbursement to Risland Mantua from the proceeds of the Bonds, the District will owe the Developers approximately $23,500,000 of eligible expenses associated with construction of Utility System facilities on behalf of the District and $12,100,000 of eligible expenses for construction of Road System facilities on behalf of the District based on the most recent information provided and estimations available to date. Note that this does not include all expenditures associated with the public infrastructure associated with the commercial development nor does it account for the bonding capacity limitations remaining within the District.

Based on present engineering costs estimates and on development plans supplied by the Developers, in the opinion of the Engineer, following the issuance of the Bonds, the remaining principal amount of authorized but unissued bonds will be sufficient to fully reimburse the Developers for the existing facilities and to finance the water, sewer and drainage facilities and roads necessary to serve the remaining undeveloped but developable land within the District. If the amount of remaining voted authorization is insufficient, the District would need to hold an election to request additional bond authorization.

Additional bonds may hereafter be approved by the voters of 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 Bond Order imposes no limitation on the amount of additional parity bonds which may be authorized for issuance by the District's voters or the amount ultimately issued by the District. Bonds issued for water, sewer, and drainage purposes are required to be approved by the TCEQ.

Before the Bonds can be issued, the Attorney General of Texas must pass upon the legality of certain related matters. The Attorney General of Texas does not guarantee or pass upon the safety of the Bonds as an investment or upon the adequacy of the information contained in this Official Statement.

The amount of bonds issued and the remaining authorized but unissued bonds following the issuance of the Bonds are summarized below:

Election Date	Purpose	Amount Authorized	Issued to Date	Remaining Unissued
May 1, 2021	Utility System	$ 2,438,121,000	–	$ 2,438,121,400
May 1, 2021	Road System	1,293,841,200	$ 2,030,000 [(a)]	1,291,811,200
November 2, 2021	Fire System	7,615,000	–	7,615,000
May 1, 2021	Utility System Refunding	3,657,182,100	–	3,657,182,100
May 1, 2021	Road System Refunding	1,940,761,800	–	1,940,761,800
November 2, 2021	Fire System Refunding	11,422,500	–	11,422,500

(a) The Bonds.

Source of Payment

The Bonds are payable from the proceeds of a continuing direct annual ad valorem tax without legal limitation as to rate or amount levied against all taxable property located within the District. In the Bond Order, the District covenants to levy a sufficient tax to pay principal of and interest on the Bonds, with full allowance being made for delinquencies, costs of collections, and certain fees. Tax proceeds, after deduction for collection costs, will be placed in the Road System Debt Service Fund (hereinafter defined) and used solely to pay principal of and interest on the Bonds, and additional bonds payable from taxes which may be issued for the Road System.

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

Payment Record

The Bonds constitute the first series of unlimited tax bonds issued by the District. See "THE BONDS – Source of Payment."

Redemption of the Bonds

Optional Redemption: The Bonds maturing on and after September 1, 2033, shall be subject to redemption at the option of the District, in whole or from time to time in part, on December 1, 2032, or on any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. Notice of the exercise of the reserved right of redemption will be given at least thirty (30) days prior to the redemption date by sending such 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 bond register. If less than all of the Bonds are redeemed at any time, the maturities of the Bonds to be redeemed shall be selected by the District. If less than all of the Bonds of a certain maturity are to be redeemed, the particular Bonds or portions thereof to be redeemed will be selected by the Paying Agent/Registrar prior to the redemption date by a random selection method in integral multiples of $5,000 within any one maturity. The Registered Owner of any Bond, all, or a portion of which has been called for redemption, shall be required to present such Bond to the Paying Agent/Registrar for payment of the redemption price on the portion of the Bonds so called for redemption and issuance of a new Bond in the principal amount equal to the portion of such Bond not redeemed.

Mandatory Redemption: The Bonds maturing on September 1 in the years 2042, 2044, 2049 and 2051 are term bonds (the "Term Bonds") and shall be redeemed by lot or other customary method of random selection (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form) prior to maturity, at a price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption (the "Mandatory Redemption Date"), and in the principal amount set forth in the following schedule:

$175,000 Term Bonds Maturing on September 1, 2042

Mandatory Redemption Date	Principal Amount
September 1, 2041	$ 85,000
September 1, 2042 (Maturity)	$ 90,000

$195,000 Term Bonds Maturing on September 1, 2044

Mandatory Redemption Date	Principal Amount
September 1, 2043	$ 95,000
September 1, 2044 (Maturity)	$ 100,000

$260,000 Term Bonds Maturing on September 1, 2049

Mandatory Redemption Date	Principal Amount
September 1, 2048	$ 125,000
September 1, 2049 (Maturity)	$ 135,000

$290,000 Term Bonds Maturing on September 1, 2051

Mandatory Redemption Date	Principal Amount
September 1, 2050	$ 140,000
September 1, 2051 (Maturity)	$ 150,000

The principal amount of the Term Bonds of a maturity required to be redeemed pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the direction of the District, by the principal amount of any Term Bonds of such maturity which, at least thirty (30) days prior to a Mandatory Redemption Date, (1) shall have been acquired by the District at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and cancelled by the Paying Agent/Registrar at the request of the District with monies in the applicable debt service fund at a price not exceeding the principal amount of the Term Bonds plus accrued interest to the date of purchase thereof, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory sinking fund redemption requirements.

Annexation

Chapter 42, Local Government Code, provides that, within the limits described therein, the unincorporated area contiguous to the corporate limits of any municipality comprises that municipality's extraterritorial jurisdiction ("ETJ"). The size of an ETJ depends in part on the municipality's population. With certain exceptions, a municipality may annex territory only within the confines of its ETJ. When a municipality annexes additional territory, the municipality's ETJ expands in conformity with such annexation.

The District lies wholly within the ETJ of the City. Under current law, certain portions of the District may be annexed and dissolved by the City only if (i) such annexation has been approved by a majority of those voting in an election held for that purpose within the area to be annexed and (ii) if the registered voters in the area to be annexed do not own more than 50% of the land in the area, a petition has been signed by more than 50% of the land owners, consenting to annexation. If the District is annexed, the City must assume the District's assets and obligations (including the Bonds) and abolish the District within ninety (90) days of the date of annexation. Annexation of territory by the City is a policy-making matter within the discretion of the Mayor and City Council of the City, and therefore, the District makes no representation that the City will ever annex the District and assume its debt. Moreover, no representation is made concerning the ability of the City to make debt service payments should annexation occur. The Bond Order provides for the termination of the pledge of taxes to the Bonds upon annexation and dissolution by a city.

Consolidation

A district (such as 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, with the water and wastewater system of districts with which it is consolidating as well as its liabilities (which would include the Bonds). No representation is made concerning the likelihood of consolidation, but the District currently has no plans to do so.

No Arbitrage

The District will certify, on the date of delivery of the Bonds, 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 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.

Funds

The Bond Order establishes the District's fund for debt service on the Bonds and any additional unlimited tax bonds issued for the Road System (the "Road System Debt Service Fund"). Upon closing of the Bonds, eighteen (18) months of capitalized interest will be deposited into the Road System Debt Service Fund. The Road System Debt Service Fund, which constitutes a trust fund for the benefit of the owners of the Bonds, and any additional unlimited tax bonds issued by the District for the Road System, is to be kept separate from all other funds of the District, and is to be used for payment of debt service on the Bonds, and any additional unlimited tax bonds issued by the District for the Road System payable in whole or in part from taxes. Amounts on deposit in the Road System Debt Service Fund may also be used to pay the fees and expenses of the Paying Agent/Registrar, to defray the expenses of assessing and collecting taxes levied for payment of interest on and principal of the Bonds, and any unlimited tax bonds issued by the District for the Road System payable in whole or in part from taxes, and to pay any tax anticipation notes issued, together with interest thereon, as such tax anticipation notes become due. Amounts on deposit in the Road System Debt Service Fund may not be used to pay debt service on bonds issued by the District for the Utility System.

Defeasance

The Bond Order provides that the District may discharge its obligations to the Bondholders 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 or payment (paying agent) for obligations of the District payable from ad valorem taxes, amounts sufficient to provide for 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, including obligations that are unconditionally guaranteed by 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 investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent. The foregoing obligations may be in book entry form, and shall 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. If any of such Bonds are to be redeemed prior to their respective dates of maturity, provision must have been made for giving notice of redemption as provided in the Bond Order.

Upon such deposit as described above, such Bonds shall no longer be regarded to be 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. In the Bond Order, the District has specifically reserved the right to call the Bonds for redemption after the defeasance thereof.

Amendments to the Bond Order

The District may, without the consent of or notice to any Bondholders, amend the Bond Order in any manner not detrimental to the interests of the Bondholders, including the curing of any ambiguity, inconsistency or formal defect or omission therein. In addition, the District may, with the written consent of the Bondholders of a majority in aggregate principal amount of the Bonds then outstanding affected thereby, amend, add to or rescind any of the provisions of the Bond Order, provided that, without the consent of the Bondholders of all of the Bonds affected, and provided that it has not failed to make a timely payment of principal of or interest on the Bonds, no such amendment, addition or rescission may (1) change the date specified as the date on which the principal of or any installment of interest on any Bond is due and payable, reduce the principal amount thereof, the redemption price thereof, or the rate of interest thereon, change the place or places at, or the coin or currency in which any Bond or the interest thereon is payable, or in any other way modify the terms or sources of payment of the principal of or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) modify any of the provisions of the Bond Order relating to the amendment thereof, except to increase any percentage provided thereby or to provide that certain other provisions of the Bond Order cannot be modified or waived without the consent of the holder of each Bond affected thereby. In addition, a state, consistent with federal law, may, in the exercise of its police power, make such modifications in the terms and conditions of contractual covenants relating to the payment of indebtedness of a political subdivision as are reasonable and necessary for attainment of an important public purpose.

Bankruptcy Limitation to Bondholders' Rights

Other than a writ of mandamus and other relief authorized by law, the Bond Order does not expressly provide a specific remedy for a default. Even if a Bondholder could obtain a judgment against the District for a default in the payment of principal or interest, such judgment could not be satisfied by execution against any property of the District. If the District defaults, a Bondholder could petition for a writ of mandamus issued by a court of competent jurisdiction requiring the District and the District's officials to observe and perform the covenants, obligations or conditions prescribed in the Bond Order. Such remedy might need to be enforced on a periodic basis. The enforcement of a claim for payment on the Bonds would be subject to the applicable provisions of the federal bankruptcy laws, any other similar laws affecting the rights of creditors of political subdivisions, and general principles of equity. See "RISK FACTORS – Bondholders' Remedies," and "– Bankruptcy Limitation to Bondholders' Rights."

Legal Investment and Eligibility to Secure Public Funds in Texas

Pursuant to the Public Securities Procedures Act, Chapter 1201, Texas Government Code, as amended, and Section 49.186, Texas Water Code, the Bonds, whether rated or unrated, are (a) legal investments for banks, savings banks, trust companies, building and loan associations, savings and loan associations, insurance companies, fiduciaries, and trustees and (b) legal investments for the public funds of cities, towns, villages, school districts, and other political subdivisions or public agencies of the State of Texas. Most political subdivisions in the State of Texas are required to adopt investment guidelines under the Public Funds Investment Act, Chapter 2256, Texas Government Code, and such political subdivisions may impose a requirement consistent with such law that the Bonds have a rating of not less than "A" or its equivalent to be legal investments for such entity's funds. The Bonds are eligible under the Public Funds Collateral Act, Chapter 2257, Texas Government Code, to secure deposits of public funds of the State of Texas or any political subdivision or public agency of the State of Texas and are lawful and sufficient security for those deposits to the extent of their market value.

The District has not reviewed the laws in other states to determine whether the Bonds are legal investments for various institutions in those states or eligible to serve as collateral for public funds in those states. The District has made no investigation of any other laws, rules, regulations, or investment criteria that might affect the suitability of the Bonds for any of the above purposes or limit the authority of any of the above persons or entities to purchase or invest in the Bonds.

Estimated Use and Distribution of Bond Proceeds

Proceeds from the sale of the Bonds will be used to reimburse Risland Mantua for the road improvements and related engineering costs as shown below. Additionally, the proceeds of the Bonds will be used to pay eighteen (18) months of capitalized interest, developer interest and certain costs associated with the issuance of the Bonds.

	Amount
CONSTRUCTION COSTS	
A. Mantua Point Phase 1 Mass Grading	$ 70,633
B. Mantua Point Phase 1 Paving	567,072
C. Mantua Point Phase 1 Right of Way	327,826
D. Mantua Point Phase 2B Right of Way	172,724
E. Mantua Point Land Interest	251,208
TOTAL CONSTRUCTION COSTS	$ 1,389,464
NON-CONSTRUCTION COSTS	
A. Legal Fees	$ 60,900
B. Fiscal Agent Fees	40,600
C. Interest Costs	
1. Capitalized Interest (18 Months)	165,113
2. Developer Interest	226,907
D. Bond Discount (3.00%)	60,470
E. Attorney General Fee (0.10%)	2,030
F. Bond Engineering Report	15,000
G. Bond Issuance Costs	51,499
H. Contingency (a)	18,017
TOTAL NON-CONSTRUCTION COSTS	$ 640,536
TOTAL BOND ISSUE REQUIREMENT	**$ 2,030,000**

(a) Represents the difference between actual and allotted Bond Discount and Capitalized Interest.

The construction costs described above were compiled by the Engineer, based, in some cases, on the estimated costs of facilities. Non-construction costs are based upon either contract amounts or estimates. In the instance that estimated amounts exceed the actual costs, the difference comprises a surplus which may be expended for roads or improvements in aid thereof.

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THE DISTRICT

General

The District was duly created pursuant to Senate Bill 2530, 86th Texas Legislature, Regular Session, 2019, codified at Chapter 8048, Texas Special District Local Laws Code (the "District Act"). The District was created and operates pursuant to Article XVI, Section 59 and Article III, Section 52 of the Texas Constitution and Chapter 8048, Texas Special District Local Laws Code. The District operates under Chapters 49 and 54 of the Texas Water Code, as amended.

Authority

The rights, powers, privileges, authority, and functions of the District are established by the general laws of the State of Texas pertaining to municipal utility districts, particularly, Chapters 49 and 54 of the Texas Water Code, as amended, and Article XVI, Section 59, and Article III, Section 52 of the Texas Constitution, and the District Act.

The District is empowered, among other things, to purchase, construct, operate, and maintain all works, improvements, facilities, and plants necessary for the supply of water; the collection, transportation, and treatment of wastewater; and the control and diversion of storm water. The District is further empowered to construct roads as well as improvements in aid thereof. The District also is authorized to construct, develop, and maintain park and recreational facilities using operating revenues. In addition, the District is also empowered to establish, operate, and maintain fire-fighting facilities, independently or with one or more conservation and reclamation districts, subject to the approval of the TCEQ and the voters of the District. Additionally, the District may, subject to certain limitations, utilize non-tax revenues to develop and finance parks and recreational facilities.

Other than with respect to the construction and financing of roads and improvements in aid thereof, the TCEQ exercises continuing supervisory jurisdiction over the District. Construction of the District's Utility System is subject to the regulatory jurisdiction of additional governmental agencies.

Location

The District is located within the County and is located wholly within the ETJ of the City and wholly within Van Alstyne Independent School District. The District contains approximately 1,646.62 acres and is part of the approximately 2,000-acre master-planned community known as "Mantua."

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 within 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
Lorenzo Cola	President	2030
Beau Davis	Vice President	2028
David Hawn	Secretary	2028
Jacinda Marr	Assistant Secretary	2028
William Walker	Assistant Secretary	2030

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:

Tax Assessor/Collector: The District's Tax Assessor/Collector is the Collin County Tax Office.

Auditor: As required by the Texas Water Code, the District retains an independent auditor to audit the District's financial statements annually, which annual audit is filed with the TCEQ. A copy of the District's audit prepared by Mark C. Eyring, CPA, PLLC (the "Auditor") for the fiscal year ended April 30, 2026, is included as "APPENDIX A" to this Official Statement.

Bookkeeper: The District contracts with L&S District Services, LLC, for bookkeeping services.

Engineer: The consulting engineer retained by the District in connection with the design and construction of the District's facilities Kimley-Horn and Associates, Inc. (the "Engineer").

Bond Counsel: The District has engaged the firm of Coats Rose, P.C., Dallas, Texas, as Bond Counsel in connection with the issuance of the Bonds. The legal fees to be paid 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 on the sale and delivery of the Bonds. Coats Rose, P.C. also acts as general counsel for the District.

Disclosure Counsel: The District has engaged McCall, Parkhurst & Horton L.L.P., Dallas, Texas as Disclosure Counsel in connection with the issuance of the Bonds. The legal fees to be paid Disclosure Counsel for services rendered in connection with the issuance of the Bonds are contingent on the sale and delivery of the Bonds.

Financial Advisor: Cedar Creek Municipal Advisors, LLC serves as the District's financial advisor (the "Financial Advisor"). The fee for services rendered in connection with the issuance of the Bonds is based on a percentage of the Bonds actually issued, sold, and delivered and, therefore, such fee is contingent upon the sale and delivery of the Bonds. The Financial 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.

DEVELOPMENT WITHIN THE DISTRICT

Status of Development within the District

The District consists of approximately 1,646.62 total acres. To date, approximately 133.84 acres within the District have been developed with water, wastewater, and drainage facilities and road improvements to serve the single-family residential subdivision of Mantua Point, Phases 1, 2 and 3 (274 lots). As of September 1, 2026, the District was comprised of 62 completed homes (53 occupied and 1 unoccupied, and 8 model homes), 38 homes under construction, and 174 vacant developed lots. Additionally, approximately 139.00 acres are currently under development as Highpoint Mantua, Phase 1 (approximately 600 lots). The remaining acreage within the District is comprised of approximately 7.00 acres reserved for a future elementary school site, approximately 64.00 acres for future commercial, approximately 1,049.78 undeveloped but developable acres, and approximately 253.00 undevelopable acres.

The table below summarizes the development within the District as of September 1, 2026.

Mantua	Acreage	Section Lots	Homes Completed	Homes Under Construction	Vacant Lots
Mantua Point, Phase 1	17.14	16	16	–	–
Mantua Point, Phase 2	17.40	37	37	–	–
Mantua Point, Phase 3	99.30	221	9	38	174
Total	133.84	274	62	38	174

Residential Under Development (a)	139.00
Residential Developed	133.84
School Site	7.00
Future Commercial	64.00
Undevelopable	253.00
Remaining Developable	1,049.78
District Total	1,646.62

(a) Consists of Highpoint Mantua, Phase 1 (600 lots on approximately 139 acres).

Homebuilders within the District

Homebuilders active within the District are David Weekley Homes, Highland Homes, Perry Homes and Risland Homes. Risland Homes is an affiliate of Risland Mantua. Home prices currently range from approximately $450,000 to approximately $800,000 and homes range in size from approximately 1,800 to 4,000 square feet.

MANTUA

The District is part of the approximately 2,000-acre master-planned community known as Mantua. Mantua is comprised of the District and Van Alstyne Municipal Utility District No. 1 of Collin County ("VA MUD 1") (collectively referred to herein as the "Mantua Districts").

To date, approximately 253 acres (1,063 lots) have been developed with water, wastewater, and drainage facilities and road improvements to serve Mantua. As of September 1, 2026, Mantua consisted of approximately 514 completed homes, approximately 44 homes under construction, and approximately 505 vacant developed lots. Additionally, approximately 139 acres are currently under development as Highpoint Mantua, Phase 1 (approximately 600 lots). The remaining land within Mantua is comprised of approximately 16 acres developed as a part of Van Alstyne High School, approximately 13 acres reserved for a future elementary school site, approximately 1,243 undeveloped but developable acres, approximately 2 acres reserved for a future fire station, and approximately 334 undevelopable acres.

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PHOTOGRAPHS TAKEN WITHIN THE DISTRICT

(September 2026)

















PHOTOGRAPHS TAKEN IN THE DISTRICT

(September 2026)










THE DEVELOPERS/PRINCIPAL LANDOWNERS

The Role of a Developer

In general, the activities of a developer in a municipal utility district, such as the District, include the following: acquiring the land within the district, designing the subdivision, the utilities and streets to be constructed in the subdivision, and 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; and selling improved lots and commercial reserves to builders and other developers or other third parties. Pursuant to the rules of the TCEQ, a developer can be required to pay up to 30% of the cost of constructing certain water, wastewater, and drainage facilities in a municipal utility district. The relative success or failure of a developer to perform such activities in the development of property within a municipal utility district may have a profound effect on the security of the bonds issued by a district. A developer is generally under no obligation to a municipal utility district to develop the property that it owns in a district. Furthermore, there is no restriction on a developer's right to sell any or all of the land that the developer owns within a municipal utility district.

The Developers

Risland Mantua LLC, a Delaware limited liability company ("Risland Mantua"), a subsidiary of Risland US Holdings LLC, was created for the purpose of acquiring and developing tracts of land within Mantua. Risland Mantua has determined the overall development plan for such land and arranged for the construction of water, sanitary sewer, drainage and road facilities within the District either directly or through affiliate entities, including Risland Mantua Eagle Point LLC and Risland Homes LLC. Risland Mantua is a single-purpose operating company established and capitalized to develop its land holdings within the District. The company is actively engaged in the development and delivery of the Mantua Master Planned Community and associated public infrastructure. Its assets primarily consist of land holdings within the District, revenue associated with land and lot sales, as well as rights to reimbursement for eligible public infrastructure improvements. Risland Mantua maintains ongoing development operations and is positioned to generate revenues through the phased development and sale of residential lots, together with infrastructure reimbursements from the District.

Risland Mantua has developed approximately 133.84 acres (274 lots) within the District as the residential subdivision of Mantua Point, Phases 1, 2 and 3. As of September 1, 2026, Risland Mantua continued to own 85 vacant developed lots, the acres currently under development within the District and the undeveloped but developable acres within the District.

Risland US Holdings LLC is a subsidiary of Risland Holdings, a Hong Kong-based multinational real estate conglomerate which offers a wide range of services such as residential development, commercial real estate operation, property management and infrastructure construction and operation.

In August 2024, MM Mantua 701, LLC, a Texas limited liability company ("MM Mantua") and single-purpose entity of Centurion American Development Group, ("Centurion") purchased approximately 701 acres within the District from Risland Mantua, LLC for the purpose of owning and developing such land and holding the developed single-family lots on such acreage. MM Mantua has commenced development on approximately 139 acres within the District representing Highpoint Mantua, Phase 1 (600 lots) and is expected to develop the remaining developable land held in phases.

Risland Mantua and MM Mantua are collectively referred to herein as the "Developers."

In February 2023, SHC Capital, LLC, a Texas limited liability company, purchased approximately 72 acres within the District for the purpose of owning and holding such land for investment. In July 2023, Tollway Collin Partners, LLC, a Texas limited liability company, purchased approximately 393 acres within the District for the purpose of owning and holding such land for investment. Neither SHC Capital, LLC nor Tollway Collin Partners, LLC are currently developing land in the District.

Lot-Sales Contracts

Risland Mantua has entered into lot sales contracts with each of David Weekley Homes, Highland Homes, and Risland Homes. The contracts for the sale of lots between Risland Mantua and the builders require that earnest money be deposited with a title company, typically 10% of the total price of the completed lots. The sales contracts establish certain required lot purchases quarterly, with the earnest money deposit being returned to

the builders upon purchase of the last lots under each contract. Risland Mantua's sole remedy for builders not purchasing lots in accordance with the contracts is cancellation of the contract and retention of the remaining earnest money on deposit.

According to the Risland Mantua, each of the builders is in compliance with their respective lot sale contracts. As of September 1, 2026, the total number of lots contracted and purchased by each builder is listed below:

Builder	Total Lots Contracted	Total Lots Purchased
David Weekley Homes	70	43
Highland Homes	110	110
Perry Homes	37	16
Risland Homes	57	20
Totals	274	189

THE UTILITY SYSTEM AND THE ROAD SYSTEM

General

According to the Engineer, the Utility System and the Road System constructed within the District have been designed in accordance with accepted engineering practices and the requirements of all governmental agencies having regulatory or supervisory jurisdiction over the construction and operation of such facilities including, among others, the TCEQ, the City, and Collin County. According to the District's Engineer, the design of all such facilities has been approved by all required governmental agencies and, the water and sanitary sewer system has been inspected by the TCEQ.

Operation of the District's waterworks and sewer treatment facilities is subject to regulation by, among others, the Environmental Protection Agency and the TCEQ. In many cases, regulations promulgated by these agencies have become effective only recently and are subject to further development and revisions.

Description of the Road System

Construction of the roads within the boundaries of the District has been financed with funds advanced by the Developers and issuance of unlimited tax bonds for Road System purposes. Roadways within the District are constructed of reinforced concrete with curbs on lime-stabilized subgrade. Roads vary in width but are sized to accommodate the anticipated traffic demands of full build-out of the project. The District owns and maintains the roads constructed within the District.

Description of the Utility System

Wastewater Treatment and Conveyance System: The District is a party to the Development Agreement (the "Agreement") with the City and the Developers. In consideration of the District's acquiring and constructing of wastewater infrastructure on behalf of the City, the City agrees, pursuant to the terms and conditions of the Agreement, to own, operate and maintain the wastewater infrastructure located within the City's certificate of convenience and necessity ("CCN") and to utilize a portion of the capacity in such infrastructure equal to the capacity funded by or on behalf of the District for land within the District. The City agrees to provide retail wastewater service to District residents at the rates established by the City Council for service within the City limits, as amended from time to time.

Water Supply and Distribution: The City holds the water CCN for the land included in the District. The City maintains a 220,000-gallon elevated storage tank ("EST") and a 16" water distribution main that has available capacity of 5,000 gallons per minute ("GPM"). The 16" main is located in Collin McKinney Parkway within the first phase of development within the District. The City has constructed an additional 750,000-gallon EST which began operation in late 2022. As development progress, the District will extend service from the 16" water distribution main. The City agrees to provide retail water service to District residents at the rates established by the City Council for service within the City limits, as amended from time to time. The facilities will be designed and constructed to meet or exceed the City's and the TCEQ's minimum requirements.

Drainage: The storm water runoff within the District will be directed within the streets via curb and gutters to storm drain lines provided by the District. The storm drain system will convey the 100-year storm within a

pipe network to Hurricane Creek and its tributaries. Hurricane Creek eventually drains to Lake Lavon. All storm improvements will be owned and maintained by the District.

100 Year Flood Plain

"Flood Insurance Rate Map" or "FIRM" means an official map of a community on which the Federal Emergency Management Agency ("FEMA") has delineated the appropriate areas of flood hazards. The 1% chance of probable inundation, also known as the "100-year flood plain", is depicted on these maps. The 100-year flood plain as shown on the FIRM is the estimated geographical area that would be flooded by a rain storm of such intensity to statistically have a one percent chance of occurring in any given year. Generally speaking, homes must be built above the 100-year flood plain in order to meet local regulatory requirements and to be eligible for federal flood insurance. An engineering or regulatory determination that an area is above the 100-year flood plain is not an assurance that homes built in such area will not be flooded.

According to Federal Emergency Management Agency Flood Insurance Rate Map No. 48085C0065J, effective June 2, 2009, the proposed District approximately has 180.99 acres within the 100-year floodplain. Such acreage is not considered to be developable and no development within the District is expected to occur within the 100 year flood plain.

Atlas 14

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 interim floodplain regulations applying to a larger number of properties and consequently leaving less developable property within the District. Such regulations could additionally result in higher insurance rates, increased development fees, and stricter building codes for any property located within the expanded boundaries of the floodplain.

Fire and Emergency services

The District and Van Alstyne Municipal Utility District No. 1 of Grayson County entered into an Interlocal Cooperation Agreement for Fire-Fighting Services with the City of Van Alstyne, Texas (the "City") effective January 1, 2021, as amended (the "Fire ILA"). Pursuant to the Fire ILA, the District's percentage share of payment to the City is calculated based upon the District's total taxable appraised value in proportion to the total taxable value of the City Fire Department's service area. Until the issuance of the 1,500th building permit in the District, the taxable appraised valuation for the District and the Fire Department's Service Area will be calculated before reduction for exemptions. After the issuance of the 1,500th building permit in the District, the taxable appraised valuation for the District and the Fire Department's Service Area will be calculated after reduction for exemptions.

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DISTRICT DEBT

2026 Taxable Assessed Valuation	$ 61,188,314	(a)
Estimate of Value as of September 1, 2026	$ 73,281,694	(b)
Direct Debt		
The Bonds	$ 2,030,000	
Total	$ 2,030,000	
Estimated Overlapping Debt	$ 6,130,202	(c)
Total Direct and Estimated Overlapping Debt	$ 8,160,202	(c)
Direct Debt Ratios:		
As a Percentage of the 2026 Taxable Assessed Valuation	3.32 %	
As a Percentage of the Estimate of Value as of September 1, 2026	2.77 %	
Direct and Estimated Overlapping Debt Ratios:		
As a Percentage of the 2026 Taxable Assessed Valuation	13.34 %	
As a Percentage of the Estimate of Value as of September 1, 2026	11.14 %	
Road System Debt Service Fund Balance (as of the Date of Delivery)	$ 165,113	(d)
General Operating Fund Balance (as of August 27, 2026)	$ 6,358	(e)
2026 Tax Rate		
Utility System Debt Service	$0.000	
Road System Debt Service	0.000	
Maintenance and Operations	1.000	
Total	$1.000	(f)
Average Annual Debt Service Requirement (2027-2051)	$ 148,119	(g)
Maximum Annual Debt Service Requirement (2051)	$ 157,875	(g)
Debt Service Tax Rate per $100 of Taxable Assessed Valuation Required to Pay Estimated Average Annual Debt Service Requirement on the Bonds (2027-2051):		
Based on the 2026 Taxable Assessed Valuation at 95% Tax Collections	$ 0.26	
Based on the Estimate of Value as of September 1, 2026, at 95% Tax Collections	$ 0.22	
Debt Service Tax Rate per $100 of Taxable Assessed Valuation Required to Pay Estimated Maximum Annual Debt Service Requirement on the Bonds (2051):		
Based on the 2026 Taxable Assessed Valuation at 95% Tax Collections	$ 0.28	
Based on the Estimate of Value as of September 1, 2026, at 95% Tax Collections	$ 0.23	

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

(b) Provided by the Appraisal District for informational purposes only. This amount is an estimate of the taxable value of all taxable property located within the District as of September 1, 2026, and includes an estimate of additional taxable value resulting from the construction of taxable improvements from January 1, 2026, through September 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) Represents eighteen (18) months of capitalized interest on the Bonds to be deposited into the Road System Debt Service Fund upon closing of the Bonds. Neither Texas law nor the Bond Order requires that the District maintain any particular sum in the Road System Debt Service Fund. Funds in the Road System Debt Service Fund are pledged only to pay debt service on bonds issued for the purpose of acquiring or constructing the Road System, including the Bonds. Funds in the Road System Debt Service Fund are not pledged to pay debt service on any bonds issued for the purpose of acquiring or constructing the Utility System.

(e) See "RISK FACTORS – Operating Funds."

(f) See "TAX DATA."

(g) See "DISTRICT DEBT – Debt Service Requirement Schedule."

Direct and Estimated Overlapping Debt Statement

The following statement indicates the direct and estimated overlapping debt of the District. The table includes the estimated amount of indebtedness of governmental entities overlapping the District, defined as outstanding bonds payable from ad valorem taxes, and the estimated percentages and amounts of such indebtedness attributable to property located within the District. This information is based upon data secured from the individual jurisdictions and/or the *Texas Municipal Reports* published by the Municipal Advisory Council of Texas. The calculations by which the statement was derived were made in part by comparing the reported assessed valuation of the property in the overlapping taxing jurisdictions with the 2026 Taxable Assessed Valuation of property within the District. No effect has been given to the tax burden levied by any applicable taxing jurisdiction for maintenance and operational or other purposes.

	Outstanding Debt	Overlapping	
Taxing Jurisdiction	8/31/2026	Percent	Amount
Collin County	$1,133,210,000	0.02%	$ 244,961
Collin County Junior College District	415,555,000	0.02	98,861
Van Alstyne Independent School District	240,895,000	2.40	5,786,679
Total Estimated Overlapping Debt			$ 6,130,202
Direct Debt (a)			$ 2,030,000
Total Direct and Estimated Overlapping Debt			$ 8,160,202

(a) Includes the Bonds.

Debt Ratios

Direct Debt Ratios (a):	
As a percentage of 2026 Taxable Assessed Valuation	3.32 %
As a percentage of Estimate of Value as of September 1, 2026	2.77 %
Direct and Estimated Overlapping Debt Ratios (a):	
As a percentage of 2026 Taxable Assessed Valuation	13.34 %
As a percentage of Estimate of Value as of September 1, 2026	11.14 %

(a) Includes the Bonds.

Under Texas law, ad valorem taxes levied by each taxing authority other than the District create a lien which is on a parity with the lien in favor of the District on all taxable property within the District. In addition to the ad valorem taxes required to retire the foregoing direct and overlapping debt, the various taxing authorities mentioned above are also authorized by Texas law to assess, levy and collect ad valorem taxes for operation, maintenance, administration and/or general revenue purposes. Certain of the jurisdictions have in the past levied such taxes. The District has the power to assess, levy and collect ad valorem taxes for operation and maintenance purposes, and such taxes have been authorized by the duly qualified voters of the District. See "TAX DATA – Tax Rate Distribution."

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Debt Service Requirement Schedule

The following schedule sets forth the principal and interest requirements for the Bonds. Totals may not sum due to rounding.

Calendar Year	The Bonds			Total Debt Service
	Principal	Interest	Debt Service	
2027	$ –	$ 82,520	$ 82,520	$ 82,520
2028	40,000	110,075	150,075	150,075
2029	45,000	107,075	152,075	152,075
2030	45,000	103,700	148,700	148,700
2031	50,000	100,325	150,325	150,325
2032	50,000	96,575	146,575	146,575
2033	55,000	93,075	148,075	148,075
2034	60,000	89,225	149,225	149,225
2035	60,000	85,625	145,625	145,625
2036	65,000	82,625	147,625	147,625
2037	70,000	79,375	149,375	149,375
2038	75,000	75,875	150,875	150,875
2039	75,000	72,125	147,125	147,125
2040	80,000	68,375	148,375	148,375
2041	85,000	64,375	149,375	149,375
2042	90,000	60,125	150,125	150,125
2043	95,000	55,625	150,625	150,625
2044	100,000	50,875	150,875	150,875
2045	105,000	45,875	150,875	150,875
2046	115,000	40,625	155,625	155,625
2047	120,000	34,875	154,875	154,875
2048	125,000	28,875	153,875	153,875
2049	135,000	22,313	157,313	157,313
2050	140,000	15,225	155,225	155,225
2051	150,000	7,875	157,875	157,875
Total	$ 2,030,000	$ 1,672,963	$ 3,702,963	$ 3,702,963

Average Annual Debt Service Requirements on the Bonds (2027–2051)..... $ 148,119

Maximum Annual Debt Service Requirements on the Bonds (2051)..... $ 157,875

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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 for the purpose of constructing or acquiring the Road System (see "RISK FACTORS – Future Debt") and to pay the expenses of assessing and collecting such taxes. The Board is also authorized to levy an annual ad valorem tax, without legal limit as to rate or amount, on all taxable property in the District in sufficient amount to pay the principal of and interest on any bonds payable from taxes that the District has heretofore or may hereafter issue for the purpose of acquiring or constructing the Utility System (see "RISK FACTORS – Future Debt") and to pay the expenses of assessing and collecting such taxes. In the Bond Order, 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 is also authorized to levy and collect an annual ad valorem tax for the operation and maintenance of the District and its water, wastewater and drainage system and road system and for the payment of certain contractual obligations if authorized by its voters. See "TAX DATA – Tax Rate Limitation."

Property Tax Code and County-Wide Appraisal District

The Texas Property Tax Code (the "Property Tax Code"), specifies the tax procedures of all political subdivisions of the State of Texas, including the District. Provisions of the Property Tax Code are complex and are not fully summarized herein. The Property Tax 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 Collin Central Appraisal District (the "Appraisal District" or "CCAD"). The Appraisal District has the responsibility of appraising property for all taxing units within the County, including the District. Such appraisal values will be subject to review and change by the Collin Central 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.

The Property Tax Code requires the appraisal district, by May 15 of each year, or as soon thereafter as practicable, to prepare appraisal records of property as of January 1 of each year based upon market value. The chief appraiser must give written notice before May 15, or as soon thereafter as practicable, to each property owner whose property value is appraised higher than the value in the prior tax year or the value rendered by the property owner, or whose property was not on the appraisal roll the preceding year, or whose property was reappraised in the current tax year. Notice must also be given if ownership of the property changed during the preceding year. The appraisal review board has the ultimate responsibility for determining the value of all taxable property within the District; however, any property owner who has timely filed notice with the appraisal review board may appeal a final determination by the appraisal review board by filing suit in a Texas district court. Prior to such appeal or any tax delinquency date, however, the property owner must pay the tax due on the value of that portion of the property involved that is not in dispute or the amount of tax imposed in the prior year, whichever is greater, or the amount of tax due under the order from which the appeal is taken. 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. In addition, taxing units, such as the District, are entitled to challenge certain matters before the appraisal review board, including the level of appraisals of a certain category of property, the exclusion of property from the appraisal records of the granting in whole or in part of certain exemptions. A taxing unit may not, however, challenge the valuation of individual properties.

Although the District has the responsibility for establishing tax rates and levying and collecting its taxes each year, under the Property Tax Code, the District does not establish appraisal standards or determine the frequency of revaluation or reappraisal. The appraisal district is governed by a board of directors elected by the governing bodies of the county and all cities, towns, school districts and, if entitled to vote, the conservation and reclamation districts that participate in the appraisal district. The Property Tax Code requires each appraisal district to implement a plan for periodic reappraisal of property to update appraised values. Such plan must provide for reappraisal of all real property in the appraisal district at least once every three years. It is not known what frequency of future reappraisals will be utilized by the Appraisal District or whether reappraisals will be conducted on a zone or county-wide basis.

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, mobile homes, and certain categories of intangible personal property with a tax situs in the District 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; certain farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; and most individually-owned automobiles. In addition, the District may by its own action exempt residential homesteads of persons 65 years or older and certain disabled persons, to the extent deemed advisable by the Board of Directors of the District. The District may be required to offer such exemptions if a majority of voters approve same at an election. The District would be required to call an election upon petition by twenty percent (20%) of the number of qualified voters who voted in the preceding 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. By Resolution dated April 7, 2026, the District has adopted a $10,000 exemption regarding the appraised value of residential homesteads of individuals who are disabled or are over 65 years of age or older for the 2026 tax year.

Furthermore, the District must grant exemptions to disabled veterans or the surviving spouse or children of a deceased veteran who died while on active duty in the armed forces, if requested, but only to the maximum extent of between $5,000 and $12,000 depending upon the disability rating of the veteran claiming the exemption. A veteran who receives a disability rating of 100% is entitled to an exemption of full value of the veteran's residential homestead. Furthermore, qualifying surviving spouses of persons 65 years of age and older are entitled to receive a resident homestead exemption equal to the exemption received by the deceased spouse and surviving spouses of a deceased veteran who had received a disability rating of 100% are entitled to receive a residential homestead exemption equal to the exemption received by the deceased spouse until such surviving spouse remarries. 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.

Residential Homestead Exemptions: The Property Tax Code authorizes the governing body of each political subdivision in the State to exempt up to twenty percent (20%) of the appraised market 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 by July 15. The District has not adopted a general homestead exemption.

Freeport Goods Exemption and "Goods-in-Transit": 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 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.

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 one hundred percent (100%) of market value, as such is defined in the Property Tax Code. Nevertheless, certain land may be appraised at less than market value, as such is defined in the Property Tax Code. The Texas Constitution limits increases in the appraised value of residence homesteads to 10 percent annually regardless of the market value of the property.

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 property in the Appraisal District at least once every three years. It is not known what frequency of reappraisals 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.

During the 2nd Special Session, convened on June 27, 2023, the Texas Legislature passed Senate Bill 2 ("SB 2"), which, among other things, includes provisions that prohibit an appraisal district from increasing the appraised value of real property during the 2024 tax year on non-homestead properties (the "Subjected Property") whose appraised values are not more than $5,000,000 (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 (collectively, the "Appraisal Cap"). After the 2024 tax year, through December 31, 2026, the Appraisal Cap may be increased or decreased by the product of the preceding state fiscal year's increase or decrease in consumer price index, as applicable, to the Maximum Property Value. SB 2 was signed into law by the Governor on July 22, 2023. The provisions described hereinabove took effect on January 1, 2024.

Reappraisal of Property after Disaster

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.

Agricultural, Open Space, Timberland, and Inventory Deferment

The Property Tax Code permits land designated for agricultural use (including wildlife management), open space, or timberland to be appraised at its value based on the land's capacity to produce agriculture or timber products rather than at its fair market value. The Property Tax Code permits, under certain circumstances, that residential real property inventory held by a person in the trade or business be 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 any of such designations must apply for the designation, and the Appraisal District 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 and not as to others. If a claimant receives the 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 for the three (3) years prior to the loss of the designation for agricultural, timberland or open space land. The Developers have executed waivers of special appraisal, waiving their rights to special valuation as to taxation on property within the District.

Tay Payment Installments After Disaster

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.

Tax Abatement

The County may designate all or part of the area within the District as a reinvestment zone. Thereafter, the District, at the option and discretion of the District, 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 assessed valuation of property covered by the agreement over its assessed 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. Each taxing jurisdiction has discretion to determine terms for its tax abatement agreements without regard to the terms approved by the other taxing jurisdiction. None of the area within the District has been designated as a Reinvestment Zone to date, and the District has not approved any such tax abatement agreements.

District and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units, including the District, may appeal orders of the Appraisal Review Board by filing a timely petition for review in district court. In such event, the property value in question may 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.

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 Districts." 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 are 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 Districts: Special Taxing Districts 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, are required to hold a rollback 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 District 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, are required to hold a rollback 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 District and a Developed District, the district will be subject to the operation and maintenance tax threshold applicable to Developing Districts.

Developing Districts: Districts that do not meet the classification of a Special Taxing District or a Developed District are 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 operation and maintenance tax rate. If a rollback election is called and passes, 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 operation and maintenance tax rate.

The District: A determination as to a district's status as a Special Taxing District, Developed District or Developing District will be made on an annual basis. The Board determined the District was a "Developing District" for the 2026 tax year. 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 rollback election calculation.

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, 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 of 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, which 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 continue to accrue during the period of deferrals.

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 in which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties and interest ultimately imposed for the year on the property. The lien exists in favor of each taxing unit, including the District, having the power to tax the property. The District's tax lien is on a parity with the tax liens of other such taxing units. A tax lien on real property takes priority over the claims 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 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. 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 two (2) years for residential and agricultural property and six (6) months for commercial property and all other types of property after the purchasers deed at the foreclosure sale is filed in the county records.

TAX DATA

General

Taxable property within the District is subject to the assessment, levy, and collection by the District of an annual ad valorem tax, 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 Order 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. For the 2026 tax year, the District levied a total tax rate of $1.00 per $100 of assessed valuation comprised solely of a tax rate for maintenance and operations purposes.

Tax Rate Limitation

Utility System Debt Service:..... Unlimited (no legal limit as to rate or amount).
Road System Debt Service:..... Unlimited (no legal limit as to rate or amount).
Maintenance and Operation: ..... $1.20 per $100 Assessed Valuation.

Historical Values and Tax Collection History

The following table illustrates the collection history of the District for the 2022 – 2026 tax years:

Tax Year	Assessed Valuation	Tax Rate	Adjusted Levy	Collections Current Year	Current Year Ended 9/30	Collections 9/30/26
2022	$ 5,049,844	$1.0000	$ 50,498	99.39%	2023	99.71%
2023	5,521,804	1.0000	55,218	99.39%	2024	99.73%
2024	19,589,182	1.0000	195,892	95.24%	2025	97.38%
2025	47,883,542	1.0000	478,835	99.03%	2026	99.03%
2026	61,188,314	1.0000	611,883	(a)	2027	(a)

(a) In process of collections.

Tax Rate Distribution

	2026	2025	2024	2023	2022
Road System Debt Service	–	–	–	–	–
Utility System Debt Service	–	–	–	–	–
Maintenance	$1.0000	$1.0000	$1.0000	$1.0000	$1.0000
Total	$1.0000	$1.0000	$1.0000	$1.0000	$1.0000

Analysis of Tax Base

The following table illustrates the District's total taxable assessed value in the 2022–2026 tax years by type of property.

Type of Property	2026 Assessed Taxable Valuation	2025 Assessed Taxable Valuation	2024 Assessed Taxable Valuation	2023 Assessed Taxable Valuation	2022 Assessed Taxable Valuation
Land	$127,157,507	$123,093,200	$90,030,941	$48,688,769	$46,466,046
Improvements	14,314,238	10,088,210	6,721,332	2,961,303	2,633,335
Personal Property	1,690,986	1,591,425	1,421,665	202,586	131,222
Exemptions	(81,974,417)	(86,889,293)	(78,584,756)	(46,330,854)	(44,180,759)
Total	$ 61,188,314	$47,883,542	$19,589,182	$ 5,521,804	$ 5,049,844

Principal Taxpayers

Based upon information supplied by the District's Tax Assessor/Collector, the following table lists principal District taxpayers, type of property owned by such taxpayers, and the assessed valuation of such property as of January 1, 2026.

Taxpayer	Type of Property	Assessed Valuation 2026 Tax Roll	Percent of 2026 Value
Risland Mantua LLC (a)	Land & Improvements	$ 24,628,392	40.25%
MM Mantua 701 LLC (a)	Land & Improvements	11,281,077	18.44%
MRP HHHB LLC	Land & Improvements	2,610,000	4.27%
TXU Business Services	Land & Improvements	1,139,078	1.86%
Highland Homes Dallas LLC(b)	Land & Improvements	1,125,000	1.84%
Risland Homes LLC (a)(b)	Land & Improvements	1,113,707	1.82%
Weekley Homes LLC(b)	Land & Improvements	1,080,000	1.77%
Perry Homes LLC(b)	Land & Improvements	836,796	1.37%
Risland Mantua Eagle Point LLC (a)	Land & Improvements	734,562	1.20%
Homeowner	Land & Improvements	482,403	0.79%
Total		$ 45,031,015	73.59%

(a) See "THE DEVELOPERS/PRINCIPAL LANDOWNERS."
(b) See "DEVELOPMENT WITHIN THE DISTRICT – Homebuilders within the District."

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 Taxable Assessed Valuation ($61,188,314) or the Estimate of Value as of September 1, 2026 ($73,281,694). The calculations assume collection of 95% of taxes levied, the sale of the Bonds but not the sale of any additional bonds by the District, and an estimated interest rate on the Bonds of 5.75%.

Average Annual Debt Service Requirement (2027-2051)	$	148,119
Debt Service Tax Rate of $0.26 on the 2026 Taxable Assessed Valuation produces	$	151,135
Debt Service Tax Rate of $0.22 on the Estimate of Value as of September 1, 2026, produces	$	153,159
Maximum Annual Debt Service Requirement (2051)	$	157,875
Debt Service Tax Rate of $0.28 on the 2026 Taxable Assessed Valuation produces	$	162,761
Debt Service Tax Rate of $0.23 on the Estimate of Value as of September 1, 2026, produces	$	160,121

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 on the following page is an estimation of all 2026 taxes per $100 of assessed valuation levied by such jurisdictions. No recognition is given to local assessments for civic association dues, emergency medical service contributions, fire department contributions or any other charges made by entities other than political subdivisions. No prediction can be made of the tax rates that will be levied in future years by the respective taxing jurisdictions.

Taxing Jurisdiction	2026 Tax Rate Per $100 of A.V.
The District	$1.000000
Collin County	0.151414
Collin County Junior College District	0.081220
Van Alstyne Independent School District	1.168700
Total Tax Rate	$2.401334

LEGAL MATTERS

Legal Opinions

The District will furnish to the Initial Purchaser a transcript of certain certified proceedings incident to the issuance and authorization of the Bonds, including a certified copy of the approving legal opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Attorney General has examined a transcript of proceedings authorizing the issuance of the Bonds, and that based upon such examination, the Bonds are valid and binding obligations of the District payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property within the District. The District will also furnish the approving legal opinion of Coats Rose, P.C., Dallas, Texas, Bond Counsel, to the effect that, based upon an examination of such transcript, the Bonds are valid and binding obligations of the District under the Constitution and laws of the State, except to the extent that enforcement of the rights and remedies of the Bondholders of the Bonds may be limited 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 and to the effect that interest on the Bonds is excludable from gross income for federal income tax purposes under the statutes, regulations, published rulings and court decisions existing on the date of such opinion, assuming compliance by the District with certain covenants relating to the use and investment of the proceeds of the Bonds. See "TAX MATTERS" below. The legal opinion of Bond Counsel will further state that the Bonds are payable, both as to principal and interest,

from the levy of ad valorem taxes, without legal limitation as to rate or amount, upon all taxable property within the District. Bond Counsel's opinion will also address the matters described below.

In addition to serving as Bond Counsel, Coats Rose, P.C., also serves as counsel to the District on matters not related to the issuance of bonds. The legal fees to be paid to Bond Counsel for services rendered in connection with the issuance of the Bonds are based upon a percentage of bonds actually issued, sold and delivered, and, therefore, such fees are contingent upon the sale and delivery of the Bonds. Certain legal matters will be passed upon for the District by McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Disclosure Counsel.

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.

Legal Review

Bond Counsel has reviewed the information appearing in this Official Statement under "THE BONDS" (except for information under the subheadings " – Book-Entry-Only System" and " – Estimated Use and Distribution of Bond Proceeds"), "THE DISTRICT – General," "TAXING PROCEDURES," "LEGAL MATTERS," "TAX MATTERS," and "CONTINUING DISCLOSURE OF INFORMATION" solely to determine whether such information, insofar as it relates to matters of law, is true and correct and whether such information fairly summarizes matters of law and 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.

No-Litigation Certificate

The District will furnish the Initial Purchaser a certificate, dated as of the date of delivery of the Bonds, executed by both the President and Secretary of the Board, to the effect that no litigation of any nature has been filed or is to their knowledge then pending or threatened, either in state or federal courts, contesting or attacking the Bonds; restraining or enjoining the issuance, execution or delivery of the Bonds; affecting the provisions made for the payment of security for the Bonds; in any manner questioning the authority or proceedings for the issuance, execution or delivery of the Bonds; or affecting the validity of the Bonds.

No Material Adverse Change

The obligations of the Initial Purchaser to take up 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 subsequent to the date of sale from that set forth or contemplated in the Preliminary Official Statement, as it may have been supplemented or amended through the date of sale.

TAX MATTERS

Opinion

On the date of initial delivery of the Bonds, Coats Rose, P.C., Dallas, Texas, Bond Counsel, will render its opinion that, in accordance with statutes, regulations, published rulings and court decisions existing on the date thereof ("Existing Law"), (1) interest on the Bonds for federal income tax purposes will be excludable from the "gross income" of the holders thereof and (2) the Bonds will not be treated as "specified private activity bonds" the interest on which would be included as an alternative minimum tax preference item under section 57(a)(5) of the Internal Revenue Code of 1986 (the "Code"). Except as stated above, Bond Counsel will express no opinion as to any other federal, state or local tax consequences of the purchase, ownership or disposition of the Bonds.

In rendering its opinion, Bond Counsel will rely upon (a) certain information and representations of the District, including information and representations contained in the District's federal tax certificate and (b) covenants of the District contained in the Bond documents relating to certain matters, including arbitrage and the use of

the proceeds of the Bonds and the property financed or refinanced therewith. Failure by the District to observe the aforementioned representations or covenants could cause the interest on the Bonds to become taxable retroactively to the date of issuance.

The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be, and to remain, excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The opinion of Bond Counsel is conditioned on compliance by the District with such requirements, and Bond Counsel has not been retained to monitor compliance with these requirements subsequent to the issuance of the Bonds.

Bond Counsel's opinion represents its legal judgment based upon its review of Existing Law and the reliance on the aforementioned information, representations and covenants. Bond Counsel's opinion is not a guarantee of a result. Existing Law is subject to change by Congress and to subsequent judicial and administrative interpretation by the courts and the Department of the Treasury. There can be no assurance that such Existing Law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of the purchase, ownership or disposition of the Bonds.

A ruling was not sought from the Internal Revenue Service by the District with respect to the Bonds or the property financed or refinanced with proceeds of the Bonds. No assurances can be given as to whether the Internal Revenue Service will commence an audit of the Bonds, or as to whether the Internal Revenue Service would agree with the opinion of Bond Counsel. If an Internal Revenue Service audit is commenced, under current procedures the Internal Revenue Service is likely to treat the District as the taxpayer and the Bondholders may have no right to participate in such procedure. No additional interest will be paid upon any determination of taxability.

Federal Income Tax Accounting Treatment of Original Issue Discount

The initial public offering price to be paid for one or more maturities of the Bonds may be less than the principal amount thereof or one or more periods for the payment of interest on the Bonds is not equal to the accrual period or be in excess of one year (the "Original Issue Discount Bonds"). In such event, the difference between (i) the "stated redemption price at maturity" of each Original Issue Discount Bond, and (ii) the initial offering price to the public of such Original Issue Discount Bond would constitute original issue discount. The "stated redemption price at maturity" means the sum of all payments to be made on the Bonds less the amount of all periodic interest payments. Periodic interest payments are payments which are made during equal accrual periods (or during any unequal period if it is the initial or final period) and which are made during accrual periods which do not exceed one year.

Under Existing Law, any owner who has purchased such Original Issue Discount Bond in the initial public offering is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the accrual period. For a discussion of certain collateral federal tax consequences, see discussion set forth below.

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

Under Existing Law, the original issue discount on each Original Issue Discount Bond is accrued 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 Original Issue Discount 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 (a) 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 (b) the amounts payable as current interest during such accrual period on such Original Issue Discount Bond.

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

Collateral Federal Income Tax Consequences

The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership, or disposition of the Bonds. This discussion is based on Existing Law, which is subject to change or modification, retroactively.

The following discussion is applicable to investors, other than those who are subject to special provisions of the Code, such as financial institutions, property and casualty insurance companies, life insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals allowed an earned income credit, certain S corporations with accumulated earnings and profits and excess passive investment income, foreign corporations subject to the branch profits tax, taxpayers qualifying for the health insurance premium assistance credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase tax-exempt obligations.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP, AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE BONDS.

Under section 6012 of the Code, holders of tax-exempt obligations, such as the Bonds, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation. Section 1276 of the Code provides for ordinary income tax treatment of gain recognized upon the disposition of a tax-exempt obligation, such as the Bonds, if such obligation was acquired at a "market discount" and if the fixed maturity of such obligation is equal to, or exceeds, one year from the date of issue. Such treatment applies to "market discount bonds" to the extent such gain does not exceed the accrued market discount of such bonds; although for this purpose, a de minimis amount of market discount is ignored. A "market discount bond" is one which is acquired by the holder at a purchase price which is less than the stated redemption price at maturity or, in the case of a bond issued at an original issue discount, the "revised issue price" (i.e., the issue price plus accrued original issue discount). The "accrued market discount" is the amount which bears the same ratio to the market discount as the number of days during which the holder holds the obligation bears to the number of days between the acquisition date and the final maturity date.

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 has designated 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.

CONTINUING DISCLOSURE OF INFORMATION

The offering of the Bonds qualifies for SEC Rule 15c2-12 (the "Rule") (d)(2) exemption from SEC Rule (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 Order, 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 Municipal Securities Rulemaking Board (the "MSRB"). The MSRB has established the Electronic Municipal Market Access ("EMMA") System.

Annual Reports

The District will provide certain updated financial information and operating data to the MSRB annually. In addition, the District has agreed to provide information with respect to Risland Mantua, any person or entity to whom Risland Mantua voluntarily assigns (except as collateral) the right to receive a payment out of the proceeds from the sale of the bonds of the District, and each other person or entity, if any, to whom the District voluntarily makes or agrees or has agreed to make a payment out of such proceeds. The District will be obligated to provide information concerning Risland Mantua and any such other person or entity only if and so long as (1) such person owns more than 20% of the taxable property within the District by value, as reflected by the most recently certified tax rolls (and without effect to special valuation provisions), (2) such person has made tax or other payments to the District which were used or available to pay more than 20% of the District's debt service requirements in the applicable fiscal year, or (3) at the end of such fiscal year such person is obligated to the District to provide or pay the District facilities or debt in an amount which exceeds 20% of the amount of the District's bonds then outstanding.

The information and data to be updated include all quantitative financial information and operating data with respect to the District of the general type included in this Official Statement in "APPENDIX A" and with respect to Risland Mantua, information under "TAX DATA – Principal Taxpayers." The District will update and provide this information to the MSRB within six months after the end of each of its fiscal years ending in or after 2027. Any financial statements provided shall be prepared in accordance with generally accepted auditing standards 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 the MSRB within such six-month period and audited financial statements when the audit report becomes available.

The District's current fiscal year end is April 30. Accordingly, it must provide updated information by October 31 in each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify the TCEQ and the MSRB 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 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-exempt status of the Bonds, or other events affecting the tax-exempt 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 within the meaning of SEC Rule 15c2-12 (the "Rule"); (13) consummation of a merger, consolidation, or acquisition involving the District or other obligated person within the meaning of the Rule or the sale of all or substantially all of the assets of

the District or other obligated person within the meaning of the Rule, 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 within the meaning of the Rule, 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 within the meaning of the Rule, 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 within the meaning of the Rule, any of which reflect financial difficulties. 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 Order make any provision for debt service reserves or liquidity enhancement. The term "financial obligation" when used in this paragraph shall have the meaning ascribed to it under federal securities laws including meaning a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term "financial obligation" does not include municipal securities for which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule. 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

The District has agreed to provide the foregoing notices to the MSRB. The District is required to file its continuing disclosure information using EMMA, which is the format currently prescribed by the MSRB and has been established by the MSRB to make such continuing disclosure information available to investors free of charge. Investors may access continuing disclosure information filed with the MSRB at www.emma.msrb.org.

Limitations and Amendments

The District has agreed to update information and to provide notices of certain 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 or 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 holders and 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 to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or operations of the District or the Developers, but only if the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering described herein in compliance with the Rule, taking into account any amendments and interpretations of the Rule to the date of such amendment, as well as changed circumstances, and either the holders of a majority in aggregate principal amount of the outstanding Bonds consent 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 beneficial owners of the Bonds. The District may also amend or repeal the agreement of the SEC amends or repeals the applicable provisions of such rule or a court of final jurisdiction determines that such provisions are invalid, but in either case only to the extent that its right to do so would not prevent the Initial Purchaser from lawfully purchasing the Bonds in the offering described herein. 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 Bonds are the District's first issuance of unlimited tax bonds; therefore, the District has not previously entered into any continuing disclosure agreements in accordance with SEC Rule 15c2-12.

OFFICIAL STATEMENT

General

The information contained in this Official Statement has been obtained primarily from the District's records, the Engineer, the Developers, the Tax Assessor/Collector, the Auditor, information publicly available from the Collin Central Appraisal District and other sources believed to be reliable; however, no representation is made as to the accuracy or completeness of the information contained herein, except as described below. The summaries of the statutes, resolutions and engineering and other related reports set forth herein are included 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.

The District's audited financial statements for the year ended April 30, 2026, were prepared by Mark C. Eyring, CPA, PLLC, and have been included herein as "APPENDIX A." Mark C. Eyring, CPA, PLLC, has consented to the publication of such financial statements in this Preliminary Official Statement.

Experts

The information contained in this Official Statement relating to engineering and to the description of the Utility System, and, in particular, that engineering information included in the sections entitled "THE BONDS – Estimated Use and Distribution of Bond Proceeds," "THE DISTRICT – Description," "DEVELOPMENT WITHIN THE DISTRICT – Status of Development within the District," and "THE UTILITY SYSTEM AND THE ROAD SYSTEM" has been provided by the Engineer, and has been included herein in reliance upon the authority of said firms as experts in the field of civil engineering.

The information contained in this Official Statement relating to assessed valuations of property generally and, in particular, that information concerning collection rates and valuations contained in the sections captioned "TAX DATA" and "DISTRICT DEBT" was provided by the Tax Assessor/Collector and the Appraisal District. Such information has been included herein in reliance upon the Tax Assessor/Collector's authority as an expert in the field of tax collection and the Appraisal District's authority as an expert in the field of property appraisal.

Certification as to Official Statement

The District, acting by and through its Board in its official capacity and in reliance upon the experts listed above, hereby certifies, as of the date hereof, that to the best of its knowledge and belief, the information, statements, and descriptions pertaining to the District and its affairs herein contain no untrue statements of a material fact and do not omit to state any material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading. The information, descriptions, and statements concerning entities other than the District, including particularly other governmental entities, have been obtained from sources believed to be reliable, but the District has made no independent investigation or verification of such matters and makes no representation as to the accuracy or completeness thereof.

Updating the 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 elect 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 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 in writing 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 (but not more than 90 days after the date the District delivers the Bonds) until all of the Bonds have been sold to ultimate customers.

CONCLUDING STATEMENT

The information set forth herein has been obtained from the District's records, audited financial statements and other sources which are considered to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will ever be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents, and resolutions. These summaries do not purport to be complete statements of such provisions

and reference is made to such summarized documents for further information. Reference is made to official documents in all respects.

This Official Statement was approved by the Board of Directors of Van Alstyne Municipal Utility District No. 2 of Collin County as of the date specified on the first page hereof.

/s/ Lorenzo Cola
President, Board of Directors
Van Alstyne Municipal Utility District No. 2 of Collin County

ATTEST:

/s/ David Hawn
Secretary, Board of Directors
Van Alstyne Municipal Utility District No. 2 of Collin County

APPENDIX A

FINANCIAL STATEMENTS OF THE DISTRICT

VAN ALSTYNE MUNICIPAL UTILITY

DISTRICT NO. 2 OF COLLIN COUNTY

COLLIN COUNTY, TEXAS

ANNUAL AUDIT REPORT

APRIL 30, 2026

C O N T E N T S

INDEPENDENT AUDITOR'S REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-8
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET	9
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	10
NOTES TO THE FINANCIAL STATEMENTS	11-17
SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL, GENERAL FUND	18
SCHEDULE OF TEXAS SUPPLEMENTARY INFORMATION REQUIRED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY	19
SCHEDULE OF SERVICES AND RATES	20
EXPENDITURES FOR THE YEAR ENDED APRIL 30, 2026	21
ANALYSIS OF CHANGES IN DEPOSITS, ALL GOVERNMENTAL FUND TYPES	22
TAXES LEVIED AND RECEIVABLE	23-24
COMPARATIVE STATEMENTS OF REVENUES AND EXPENDITURES, GENERAL FUND	25
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS	26-27

Mark C. Eyring, CPA, PLLC

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August 27, 2026

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Van Alstyne Municipal Utility
District No. 2 of Collin County
Collin County, Texas

Opinions

I have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Van Alstyne Municipal Utility District No. 2 of Collin County as of and for the year ended April 30, 2026, and the related notes to the financial statements, which collectively comprise Van Alstyne Municipal Utility District No. 2 of Collin County's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Van Alstyne Municipal Utility District No. 2 of Collin County, as of April 30, 2026, and the respective changes in financial position and, where applicable, cash flows there of for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Van Alstyne Municipal Utility District No. 2 of Collin County, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Van Alstyne Municipal Utility District No. 2 of Collin County'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

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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. I 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 Van Alstyne Municipal Utility District No. 2 of Collin County's internal control. Accordingly, no such opinion is expressed. I 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. I conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Van Alstyne Municipal Utility District No. 2 of Collin County's ability to continue as a going concern for a reasonable period of time.

I am 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 I 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. I 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 I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Van Alstyne Municipal Utility District No. 2 of Collin County's basic financial statements. The supplementary information on Pages 19 to 27 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. Except for the portion marked "unaudited," the information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The supplementary information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on it. The accompanying supplementary information includes financial data excerpted from prior year financial statements which were audited by my firm.



Management's Discussion and Analysis

Using this Annual Report

Within this section of the Van Alstyne Municipal Utility District No. 2 of Collin County (the "District") annual report, the District's Board of Directors provides narrative discussion and analysis of the financial activities of the District for the fiscal year ended April 30, 2026.

The annual report consists of a series of financial statements plus additional supplemental information to the financial statements as required by its state oversight agency, the Texas Commission on Environmental Quality. In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program. In the District's case, the single governmental program is provision of water and sewer services. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented on the left side of the statements, a column for adjustments is to the right of the fund financial statements, and the government-wide financial statements are presented to the right side of the adjustments column. The following sections describe the measurement focus of the two types of statements and the significant differences in the information they provide.

Government-Wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the District. The District's government-wide financial statements include the statement of net position and statement of activities, which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the statement of net position is to attempt to report all of the assets and liabilities owned by the District. The District reports all of its assets when it acquires or begins to maintain the assets and reports all of its liabilities when they are incurred.

The difference between the District's total assets and total liabilities is labeled as *net position* and this difference is similar to the total owners' equity presented by a commercial enterprise.

The purpose of the statement of activities is to present the revenues and expenses of the District. Again, the items presented on the statement of activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the District. Thus, revenues are reported even when they may not be collected for several months or years after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

Although the statement of activities looks different from a commercial enterprise's income statement, the financial statement is different only in format, not substance. Whereas the bottom line in a commercial enterprise is its net income, the District reports an amount described as *change in net position*, essentially the same thing.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. 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 or governmental statutes or regulations.

Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures and change in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted into cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and water and sewer systems. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund's total assets and total liabilities is labeled the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's' activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the fiscal year.

Because the focus of the government-wide and fund financial statements are different, there are significant differences between the totals presented in these financial statements. For this reason, there is an analysis in Note 3 of the notes to the financial statements that reconciles the total fund balances to the amount of net position presented in the governmental activities column on the statement of net position. Also, there is an analysis in Note 3 of the notes to the financial statements that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column in the statement of activities.

Financial Analysis of the District as a Whole

Financial Analysis of the District as a Whole begins with an understanding of how financial resources flow through the District's funds. Resources in the Capital Projects Fund are derived principally from proceeds of the sale of bonds and expenditures from this fund are subject to the Rules of the Texas Commission on Environmental Quality. Resources in the Debt Service Fund are derived principally from the collection of property taxes and are used for the payment of tax collection costs and bond principal and interest. Resources in the General Fund are derived principally from property taxes and billings for water and sewer services and are used to operate and maintain the system and to pay costs of administration of the District.

Management has financial objectives for each of the District's funds. The financial objective for the Capital Projects Fund is to spend the funds as necessary in accordance with the Rules of the Texas Commission on Environmental Quality. The financial objective for the Debt Service Fund is to levy the taxes necessary to pay the fiscal year debt service requirements plus the cost of levying and collecting taxes, leaving the appropriate fund balance as recommended by the District's financial advisor. The financial objective for the General Fund is to keep the fund's expenditures as low as possible while ensuring that revenues are adequate to cover expenditures and maintaining the fund balance that Management believes is prudent. Management believes that these financial objectives were met during the fiscal year.

Management believes that the required method of accounting for certain elements of the government-wide financial statements makes the government-wide financial statements as a whole not useful for financial analysis. In the government-wide financial statements, certain non-cash costs of long-term debt are capitalized and amortized over the life of the related debt. Management believes that this required method of accounting is not useful for financial analysis of the District and prefers to consider the required cash flows of the debt as reported in the fund statements and the notes to the financial statements. In the government-wide financial statements, property tax revenues are required to be recorded in the fiscal year for which the taxes are levied, regardless of the year of collection. Management believes that the cash basis method of accounting for property taxes in the funds provides more useful financial information.

The following required summaries of the District's overall financial position and operations for the past two years are based on the information included in the government-wide financial statements. For the reasons described in the preceding paragraph, a separate analysis of the summaries is not presented.

Summary of Net Position

	2026	2025	Change
Current and other assets	$ 450,752	$ 206,678	$ 244,074
Capital assets	20,948,380	8,269,247	12,679,133
Total assets	21,399,132	8,475,925	12,923,207
Long-term liabilities	21,080,880	8,401,747	12,679,133
Other liabilities	21,742	16,633	5,109
Total liabilities	21,102,622	8,418,380	12,684,242
Net position:			
Unrestricted	296,510	57,545	238,965
Total net position	$ 296,510	$ 57,545	$ 238,965

Summary of Changes in Net Position

	2026	2025	Change
Revenues:			
Property taxes, including related penalty and interest	$ 571,096	$ 195,404	$ 375,692
Other revenues	3,255	31,067	(27,812)
Total revenues	574,351	226,471	347,880
Expenses:			
Service operations	335,386	108,341	227,045
Debt service	0	0	0
Total expenses	335,386	108,341	227,045
Change in net position	238,965	118,130	120,835
Net position, beginning of year	57,545	(60,585)	118,130
Net position, end of year	$ 296,510	$ 57,545	$ 238,965

Financial Analysis of the District's Funds

The District's General Fund balance as of the end of the fiscal year ended April 30, 2026, was $317,468. The General Fund balance increased by $169,751, as revenues exceeded expenditures.

General Fund Budgetary Highlights

The Board of Directors did not amend the budget during the fiscal year. There were several significant differences between the budgetary amounts and the actual amounts. A detailed comparison of budgeted and actual revenues and expenditures is presented on Page 18 of this report. The budgetary fund balance as of April 30, 2026, was expected to be $203,337 and the actual end of year fund balance was $317,468.

Capital Asset and Debt Administration

Capital Assets

Capital assets held by the District at the end of the current and previous fiscal years are summarized as follows:

	Capital Assets (Net of Accumulated Depreciation)		
	2026	2025	Change
Construction in progress	$ 20,948,380	$ 8,269,247	$ 12,679,133

Changes to capital assets during the fiscal year ended April 30, 2026, are summarized as follows:

Additions:	
Utilities and roads constructed by developer	$ 12,679,113
Net change to capital assets	$ 12,679,113

Debt

At April 30, 2026, the District had $2,438,121,400 of bonds authorized but unissued for the purposes of acquiring, constructing and improving a water, sanitary sewer and drainage system within the District, $1,293,841,200 authorized but unissued for road purposes and $7,615,000 authorized but unissued for fire protection and equipment.

As further described in Note 5 of the notes to the financial statements, the developer within the District has advanced funds to the District to cover initial operating deficits. As of April 30, 2026, the cumulative amount of developer advances for this purpose was $132,500.

As further described in Note 5 of the notes to the financial statements, the developer within the District is constructing water, sewer and drainage facilities and road improvements on behalf of the District under the terms of contracts with the District. The District has agreed to purchase these facilities from the proceeds of future bond issues subject to the approval of the Texas Commission on Environmental Quality as applicable. At April 30, 2026, the estimated amount due to the developer was $20,948,380.

RELEVANT FACTORS AND WATER SUPPLY ISSUES

Property Tax Base

The District's tax base increased approximately $28,235,000 for the 2025 tax year (approximately 144%) due to the addition of new property and improvements within the District.

The District's tax base is concentrated in a small number of taxpayers. The District's developers own a substantial portion of land within the District. If any one of the principal District taxpayers did not pay taxes due, the District might need to levy additional taxes or use other debt service funds available to meet the debt service obligations described in Note 5 of the Notes to the Financial Statements.

Relationship to the City of Van Alstyne

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the City of Van Alstyne (the "City"), the District must conform to a City ordinance consenting to the creation of the District. In addition, the District may be annexed by the City. If the District is annexed, the City will assume the District's assets and obligations (including the bonded indebtedness) and dissolve the District within ninety (90) days.

The District obtains water, sewer and drainage service from the City. In consideration of the District's acquiring and constructing these systems on behalf of the City, the City will own, operate and maintain such systems. The District will own and maintain the road system.

The District has entered into various interlocal cooperation agreements with the City for emergency services, such as law enforcement and fire fighting, to be provided by the City.

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET

APRIL 30, 2026

	General	Debt Service	Capital Projects	Total	Adjustments (Note 3)	Statement of Net Position
ASSETS						
Cash, including interest-bearing accounts, Note 7	$ 339,210	$	$	$ 339,210	$	$ 339,210
Receivables:						
Property taxes receivable	111,542			111,542		111,542
Capital assets, net of accumulated depreciation, Note 4:						
Capital assets not being depreciated				0	20,948,380	20,948,380
Depreciable capital assets				0		0
Total assets	$ 450,752	$ 0	$ 0	$ 450,752	20,948,380	21,399,132
LIABILITIES						
Accounts payable	$ 21,742	$	$	$ 21,742		21,742
Long-term liabilities, Note 5:						
Due within one year				0		0
Due in more than one year				0	21,080,880	21,080,880
Total liabilities	21,742	0	0	21,742	21,080,880	21,102,622
DEFERRED INFLOWS OF RESOURCES						
Property tax revenues	111,542	0	0	111,542	(111,542)	0
FUND BALANCES / NET POSITION						
Fund balances:						
Unassigned	317,468			317,468	(317,468)	0
Total fund balances	317,468	0	0	317,468	(317,468)	0
Total liabilities, deferred inflows, and fund balances	$ 450,752	$ 0	$ 0	$ 450,752		
Net position:						
Unrestricted, Note 5					296,510	296,510
Total net position					$ 296,510	$ 296,510

The accompanying notes are an integral part of the financial statements.

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED APRIL 30, 2026

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments (Note 3)	Statement of Activities
REVENUES						
Property taxes	$ 495,590	$	$	$ 495,590	$ 69,214	$ 564,804
Penalty and interest	6,292			6,292		6,292
Interest on deposits	3,255			3,255		3,255
Total revenues	505,137	0	0	505,137	69,214	574,351
EXPENDITURES / EXPENSES						
Service operations:						
Professional fees	110,775			110,775		110,775
Contracted services	8,365			8,365		8,365
Utilities	2,007			2,007		2,007
Administrative expenditures	16,582			16,582		16,582
Emergency services	197,657			197,657		197,657
Total expenditures / expenses	335,386	0	0	335,386	0	335,386
Excess (deficiency) of revenues over expenditures	169,751	0	0	169,751	69,214	238,965
Net change in fund balances / net position	169,751	0	0	169,751	69,214	238,965
Beginning of year	147,717	0	0	147,717	(90,172)	57,545
End of year	$ 317,468	$ 0	$ 0	$ 317,468	$ (20,958)	$ 296,510

The accompanying notes are an integral part of the financial statements.

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2026

NOTE 1: REPORTING ENTITY

Van Alstyne Municipal Utility District No. 2 of Collin County (the "District") was created by Act of the 86th Texas Legislature, Regular Session, codified at Chapter 8048, Texas Special District Local Laws Code, as a municipal utility district, effective September 1, 2019. The District operates in accordance with Texas Water Code Chapters 49 and 54 and Article III, Section 52 and Article XVI, Section 59, of the Texas Constitution. The District was confirmed by an election held within the District on May 1, 2021. The District is located within the extra territorial jurisdiction of the City of Van Alstyne and within Collin County, Texas. The District is a political subdivision of the State of Texas, governed by an elected five member Board of Directors. The Board of Directors held its first meeting on February 14, 2020. The District is subject to the continuing supervision of the TCEQ with respect to water, wastewater and drainage.

The District is empowered, among other things, to purchase, construct, operate and maintain all works, improvements, facilities and plants necessary for the supply of water; the collection, transportation and treatment of wastewater; and the control and diversion of storm water. The District may also provide solid waste collection and disposal service and operate and maintain recreational facilities. In addition, the District is authorized to construct, acquire, improve, maintain or operate roads located within its boundaries.

In evaluating how to define the District for financial reporting purposes, the Board of Directors of the District has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria established by the Governmental Accounting Standards Board. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, there were no other entities which were included as a component unit in the District's financial statements.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

The District's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board (the "GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board issued through November 30, 1989 (when applicable), that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the District are discussed below.

Basic Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and governmental fund financial statements (reporting the District's funds). Because the District is a single-program government as defined by the GASB, the District has combined the government-wide statements and the fund financial statements using a columnar format that reconciles individual line items of fund financial data to government-wide data in a separate column on the face of the financial statements. An additional reconciliation between the fund and the government-wide financial data is presented in Note 3.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District's net position are reported in three parts – invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The government-wide statement of activities reports the components of the changes in net position during the reporting period.

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for in a separate set of self-balancing accounts that comprises its assets, liabilities, fund balances, revenues and expenditures and changes in fund balances. The District's fund balances are reported as nonspendable, restricted, committed, assigned or unassigned. Nonspendable fund balances are either not in spendable form or are contractually required to remain intact. Restricted fund balances include amounts that can only be used for the specific purposes stipulated by constitutional provisions, external resource providers or enabling legislation. Committed fund balances include amounts that can only be used for the specific purposes determined by formal action of the District's Board of Directors. Assigned fund balances are intended for a specific purpose but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. The transactions of the District are accounted for in the following funds:

General Fund -- To account for all revenues and expenditures not required to be accounted for in other funds.

Debt Service Fund -- To account for the accumulation of financial resources for, and the payment of, bond principal and interest, paid principally from property taxes levied by the District.

Capital Projects Fund -- To account for financial resources designated to construct or acquire capital assets. Such resources are derived principally from proceeds of the sale of bonds.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Basis of Accounting

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting which recognizes all long-term assets and receivables as well as long-term debt and obligations. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Ad valorem property taxes are recognized as revenues in the fiscal year for which they have been levied and related penalties and interest are recognized in the fiscal year in which they are imposed. An allowance for uncollectibles is estimated for delinquent property taxes and reported separately in the financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred except for principal and interest on bonds payable which are recorded only when payment is due.

Interfund Activity

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is reported as interfund receivables or payables, as appropriate, as are all other outstanding balances between funds. Operating transfers between funds represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended.

Receivables

Service accounts receivable as reported are considered collectible. The District uses the direct write off method for uncollectible service accounts. Unbilled water and sewer revenues are not material and are not recorded at year end. The District considers service accounts revenues to be available if they are to be collected within 60 days after the end of the fiscal year.

In the fund financial statements, ad valorem taxes and penalties and interest are reported as revenues in the fiscal year in which they become available to finance expenditures of the fiscal year for which they have been levied. Property taxes which have been levied and are not yet collected (or have been collected in advance of the fiscal year for which they have been levied) are recorded as deferred revenues. Property taxes collected after the end of the fiscal year are not included in revenues.

Long-term Liabilities

Long-term debt and other long-term obligations are reported in the government-wide financial statements. Bond premiums and discounts, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable premium or discount. If bonds are refunded and the carrying amount of the new debt is different than the net carrying amount of the old debt, the difference is netted against the new debt and amortized using the effective interest method over the shorter of the remaining life of the refunded debt or the life of the new debt issued.

In the fund financial statements, ad valorem taxes and penalties and interest are reported as revenues in the fiscal year in which they become available to finance expenditures of the fiscal year for which they have been levied. Property taxes which have been levied and are not yet collected (or have been collected in advance of the fiscal year for which they have been levied) are recorded as deferred inflow of resources. Property taxes collected after the end of the fiscal year are not included in revenues.

NOTE 3: RECONCILIATION OF FUND TO GOVERNMENT-WIDE FINANCIAL STATEMENTS

Reconciliation of year end fund balances to net position:

Total fund balances, end of year		$ 317,468
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Total capital assets, net		20,948,380
Some long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:		
Bonds payable		
Deferred charge on refunding (to be amortized as interest expense)		
Due to developers for operating advances	$ (132,500)	
Due to developers for construction	(20,948,380)	(21,080,880)
Some receivables that do not provide current financial resources are not reported as receivables in the funds:		
Uncollected property taxes		111,542
Net position, end of year		$ 296,510

Reconciliation of net change in fund balances to change in net position:

Total net change in fund balances	$ 169,751
Some revenues reported in the statement of activities do not provide current financial resources and therefore are not reported as revenues in the funds:	
Uncollected property taxes	69,214
Change in net position	$ 238,965

NOTE 4: CAPITAL ASSETS

Capital asset activity for the fiscal year ended April 30, 2026, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Construction in progress	$ 8,269,247	$ 12,679,133	$	$ 20,948,380
Total capital assets not being depreciated	8,269,247	12,679,133	0	20,948,380
Total capital assets, net	$ 8,269,247	$ 12,679,133	$ 0	$ 20,948,380
Changes to capital assets:				
Increase in liability to developer for construction		$ 12,679,133	$	
Net increases / decreases to capital assets		$ 12,679,133	$ 0	

NOTE 5: LONG-TERM LIABILITIES AND CONTINGENT LIABILITIES

Long-term liability activity for the fiscal year ended April 30, 2026, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Due to developers for operating advances (see below)	$ 132,500	$	$	$ 132,500	----------
Due to developers for construction (see below)	8,269,247	12,679,133		20,948,380	----------
Total due to developers	8,401,747	12,679,133	0	21,080,880	0
Total long-term liabilities	$ 8,401,747	$ 12,679,133	$ 0	$ 21,080,880	$ 0

Water, sewer and drainage bonds voted	$ 2,438,121,400
Water, sewer and drainage bonds approved for sale and sold	0
Water, sewer and drainage bonds voted and not issued	2,438,121,400
Road bonds voted	$ 1,293,841,200
Road bonds approved for sale and sold	0
Road bonds voted and not issued	1,293,841,200
Fire protection and equipment bonds voted	$ 7,615,000
Fire protection and equipment bonds approved for sale and sold	0
Fire protection and equipment bonds voted and not issued	7,615,000

Developer Construction Commitments, Liabilities and Advances

The developer within the District is constructing certain facilities within the District's boundaries. The District has agreed to reimburse the developer for these construction and related engineering costs plus interest not to exceed the interest rate of the applicable District bond issue. These amounts are to be reimbursed from the proceeds of a future bond issue to the extent approved by the Texas Commission on Environmental Quality as applicable. The District's engineer stated that cost of the construction in progress at April 30, 2026, was $20,948,380. This amount has been recorded in the government-wide financial statements and in the schedules in Notes 4 and 5.

The developer within the District has advanced funds to the District to cover initial operating deficits. At April 30, 2026, the cumulative amount of unreimbursed developer advances was $132,500. These amounts have been recorded in the government-wide financial statements and in the schedules in Note 5. This amount has been recorded as a decrease in “Unrestricted net position” in the government-wide financial statements. Without this decrease, “Unrestricted net position” would have a balance of $429,010.

NOTE 6: PROPERTY TAXES

The Collin Central Appraisal District has the responsibility for appraising property for all taxing units within the county as of January 1 of each year, subject to review and change by the county Appraisal Review Board. The appraisal roll, as approved by the Appraisal Review Board, must be used by the District in establishing its tax roll and tax rate. The District's taxes are usually levied in the fall, are due when billed and become delinquent after January 31 of the following year or 30 days after the date billed, whichever is later. On January 1 of each year, a statutory tax lien attaches to property to secure the payment of all taxes, penalties and interest ultimately imposed for the year on the property.

At an election held May 1, 2021, the voters within the District authorized a maintenance tax not to exceed $1.20 per $100 valuation on all property subject to taxation within the District. This maintenance tax is being used by the General Fund to pay expenditures of operating the District.

On September 2, 2025, the District levied the following ad valorem taxes for the 2025 tax year on the adjusted taxable valuation of $47,824,172:

	Rate	Amount
Maintenance	$ 1.0000	$ 478,242

A reconciliation of the tax levy to property tax revenues on the Statement of Activities is as follows:

2025 tax year total property tax levy	$ 478,242
Appraisal district adjustments to prior year taxes	86,562
Statement of Activities property tax revenues	$ 564,804

Concentration of Tax Base

The District's tax base is concentrated in a small number of taxpayers. The District's developer owns a substantial portion of land within the District. If any one of the principal District taxpayers did not pay taxes due, the District might need to levy additional taxes or use other debt service funds available to meet the debt service obligations described in Note 5.

NOTE 7: DEPOSITS

The District complied with the requirements of the Public Funds Investment Act during the current fiscal year including the preparation of quarterly investment reports required by the Act.

State statutes authorize the District to invest and reinvest in direct or indirect obligations of the United States, the State of Texas, any county, city, school district, or other political subdivision of the state, or in local government investment pools authorized under the Public Funds Investment Act. Funds of the District may be placed in certificates of deposit of state or national banks or savings and loan associations within the state provided that they are secured in the manner provided for the security of the funds under the laws of the State of Texas. In accordance with the District's investment policies, during the current year the District's funds were invested in interest bearing accounts at authorized financial institutions.

In accordance with state statutes and the District's investment policies, the District requires that insurance or security be provided by depositories for all funds held by them. At the balance sheet date, the District's deposits were covered by federal insurance.

NOTE 8: 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; personal injuries and natural disasters. Significant losses are covered by insurance as described below. There were no significant reductions in insurance coverage from the prior fiscal year. There have been no settlements which have exceeded the insurance coverage for each of the past three fiscal years.

At April 30, 2026, the District had physical damage and boiler coverage of $286,000, comprehensive general liability coverage with a per occurrence limit of $1,000,000 and $3,000,000 general aggregate and consultant's crime coverage of $10,000.

NOTE 9: CITY OF VAN ALSTYNE

The District lies wholly within the extraterritorial jurisdiction of the City of Van Alstyne (the “City”) and obtains water, sewer and drainage service from the City. In consideration of the District's acquiring and constructing these systems on behalf of the City, the City will own, operate and maintain such systems.

The District has entered into various interlocal cooperation agreements with the City for emergency services, such as law enforcement and fire fighting, to be provided by the City.

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL, GENERAL FUND

FOR THE YEAR ENDED APRIL 30, 2026

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property taxes	$ 158,700	$ 158,700	$ 495,590	$ 336,890
Penalty	0	0	6,292	6,292
Lot fees	10,000	10,000	0	(10,000)
Interest on deposits	150	150	3,255	3,105
TOTAL REVENUES	168,850	168,850	505,137	336,287
EXPENDITURES				
Service operations:				
Professional fees	81,600	81,600	110,775	29,175
Contracted services	8,700	8,700	8,365	(335)
Utilities	2,000	2,000	2,007	7
Emergency services	0	0	197,657	197,657
Administrative expenditures	20,930	20,930	16,582	(4,348)
Capital outlay	0	0	0	0
TOTAL EXPENDITURES	113,230	113,230	335,386	222,156
EXCESS REVENUES (EXPENDITURES)	55,620	55,620	169,751	114,131
FUND BALANCE, BEGINNING OF YEAR	147,717	147,717	147,717	0
FUND BALANCE, END OF YEAR	$ 203,337	$ 203,337	$ 317,468	$ 114,131

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

SCHEDULE OF TEXAS SUPPLEMENTARY INFORMATION
REQUIRED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

APRIL 30, 2026

(Schedules included are checked or explanatory notes provided for omitted schedules.)

[X] TSI-1. Services and Rates

[X] TSI-2. General Fund Expenditures

[ ] TSI-3. Temporary Investments
Not Applicable. None at April 30, 2026.

[X] TSI-4. Taxes Levied and Receivable

[ ] TSI-5. Long-Term Debt Service Requirements by Years
Not Applicable. None at April 30, 2026.

[ ] TSI-6. Changes in Long-Term Bonded Debt
Not Applicable. None at April 30, 2026.

[X] TSI-7. Comparative Schedule of Revenues and Expenditures - General Fund and Debt Service Fund - Five Year
Not Applicable for Debt Service Fund.

[X] TSI-8. Board Members, Key Personnel and Consultants

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

SCHEDULE OF SERVICES AND RATES

APRIL 30, 2026

1. Services Provided by the District during the Fiscal Year:

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

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

X Other All services are provided by the City of Van Alstyne.

2. Retail Service Providers

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

      Contact the City of Van Alstyne.

   b. Water and Wastewater Retail Connections:

      Contact the City of Van Alstyne.

3. Total Water Consumption during the Fiscal Year (rounded to thousands):

   Contact the City of Van Alstyne.

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

   Does the District have Debt Service standby fees? Yes No X

   If yes, date of the most recent Commission Order: _____

   Does the District have Operation and Maintenance standby fees? Yes No X

   If yes, date of the most recent Commission Order: _____

5. Location of District (required for first audit year or when information changes, otherwise this information may be omitted):

   County in which the district is located: Collin

   Is the district located within one county? Yes X No __

   Is the district located within a city? Entirely __ Partly __ Not at all X

   Is the district located within a city's ETJ? Entirely X Partly __ Not at all __

   ETJ in which the district is located: City of Van Alstyne.

   Is the general membership of the Board appointed by an office outside the district? Yes __ No X

See accompanying independent auditor’s report.

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

EXPENDITURES

FOR THE YEAR ENDED APRIL 30, 2026

	General Fund	Debt Service Fund	Capital Projects Fund	Totals (Memorandum Only)
CURRENT				
Professional fees:				
Legal	$ 26,156	$	$	$ 26,156
Engineering	84,619			84,619
	110,775	0	0	110,775
Contracted services:				
Bookkeeping	4,397			4,397
Tax assessor-collector	836			836
Central appraisal district	3,132			3,132
	8,365	0	0	8,365
Utilities	2,007	0	0	2,007
Emergency services	197,657	0	0	197,657
Administrative expenditures:				
Director's fees	4,862			4,862
Animal control	4,000			4,000
Insurance	5,280			5,280
Communications	1,555			1,555
Other	885			885
	16,582	0	0	16,582
TOTAL EXPENDITURES	$ 335,386	$ 0	$ 0	$ 335,386

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

ANALYSIS OF CHANGES IN DEPOSITS
ALL GOVERNMENTAL FUND TYPES

FOR THE YEAR ENDED APRIL 30, 2026

	General Fund	Debt Service Fund	Capital Projects Fund	Totals (Memorandum Only)
SOURCES OF DEPOSITS				
Cash receipts from revenues	$ 505,137	$	$	$ 505,137
TOTAL DEPOSITS	505,137	0	0	505,137
APPLICATIONS OF DEPOSITS				
Cash disbursements for: Current expenditures	305,527			305,527
TOTAL DEPOSITS APPLIED	305,527	0	0	305,527
INCREASE (DECREASE) IN DEPOSITS	199,610	0	0	199,610
DEPOSITS BALANCES, BEGINNING OF YEAR	139,600	0	0	139,600
DEPOSITS BALANCES, END OF YEAR	$ 339,210	$ 0	$ 0	$ 339,210

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

TAXES LEVIED AND RECEIVABLE

FOR THE YEAR ENDED APRIL 30, 2026

	Maintenance Taxes
RECEIVABLE, BEGINNING OF YEAR	$ 42,328
Additions and corrections to prior year taxes	86,562
Adjusted receivable, beginning of year	128,890
2025 ADJUSTED TAX ROLL	478,242
Total to be accounted for	607,132
Tax collections: Current tax year	(462,214)
Prior tax years	(33,376)
RECEIVABLE, END OF YEAR	$ 111,542
RECEIVABLE, BY TAX YEAR	
2021	$ 10,211
2022	24,582
2023	24,624
2024	36,097
2025	16,028
RECEIVABLE, END OF YEAR	$ 111,542

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

TAXES LEVIED AND RECEIVABLE (Continued)

FOR THE YEAR ENDED APRIL 30, 2026

ADJUSTED PROPERTY VALUATIONS AS OF JANUARY 1 OF TAX YEAR	2025	2024	2023	2022
Land	$ 123,093,200	$ 90,030,941	$ 48,688,769	$ 46,466,046
Improvements	10,088,210	6,721,332	2,961,303	2,633,335
Personal property	1,591,425	1,421,665	202,586	131,222
Less exemptions	(86,948,663)	(78,584,756)	(46,330,854)	(44,180,759)
TOTAL PROPERTY VALUATIONS	$ 47,824,172	$ 19,589,182	$ 5,521,804	$ 5,049,844
Debt service tax rates, utilities and roads	$ 0.00000	$ 0.00000	$ 0.00000	$ 0.00000
Maintenance tax rates*	1.00000	1.00000	1.00000	1.00000
TOTAL TAX RATES PER $100 VALUATION	$ 1.00000	$ 1.00000	$ 1.00000	$ 1.00000
TAX ROLLS	$ 478,242	$ 195,892	$ 55,218	$ 50,498
PERCENT OF TAXES COLLECTED TO TAXES LEVIED	96.6 %	81.6 %	55.4 %	51.3 %

*Maximum tax rate approved by voters on May 1, 2021: $1.20

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

COMPARATIVE STATEMENTS OF REVENUES AND EXPENDITURES,
GENERAL FUND

FOR YEARS ENDED APRIL 30

	AMOUNT					PERCENT OF TOTAL REVENUES				
	2026	2025*	2024	2023	2022	2026	2025	2024	2023	2022
REVENUES										
Property taxes	$ 495,590	$ 153,241	$ 54,578	$ 50,508	$ 22,880	98.2 %	83.1 %	100 %	95.9 %	99.9 %
Lot fees	0	30,900	0	0	0	0.0	16.8	0.0	0.0	0.0
Penalty, interest and other	9,547	167	0	2,181	32	1.8	0.1	0.0	4.1	0.1
TOTAL REVENUES	505,137	184,308	54,578	52,689	22,912	100.0	100.0	100.0	100.0	100.0
EXPENDITURES										
Service operations:										
Professional fees	110,775	76,202	28,447	53,301	19,536	21.9	41.3	52.1	101.2	85.3
Contracted services	8,365	8,962	3,473	2,610	0	1.7	4.9	6.4	5.0	0.0
Utilities	2,007	2,001	1,871	1,576	1,634	0.4	1.1	3.4	3.0	7.1
Emergency services	197,657	0	0	0	0	39.1	0.0	0.0	0.0	0.0
Administrative expenditures	16,582	21,176	15,835	17,665	16,873	3.3	11.5	29.0	33.5	73.6
Capital outlay	0	0	0	0	0	0.0	0.0	0.0	0.0	0.0
TOTAL EXPENDITURES	335,386	108,341	49,626	75,152	38,043	66.4	58.8	90.9	142.7	166.0
EXCESS REVENUES (EXPENDITURES)	$ 169,751	$ 75,967	$ 4,952	$ (22,463)	$ (15,131)	33.6 %	41.2 %	9.1 %	(42.7) %	(66.0) %
TOTAL ACTIVE RETAIL WATER CONNECTIONS	N/A	N/A	N/A	N/A	N/A					
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	N/A	N/A	N/A	N/A	N/A					

*District was funded by developer advances for fiscal years 2025 and prior.

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS

APRIL 30, 2026

Complete District Mailing Address: Van Alstyne Municipal Utility District No. 2 of Collin County
c/o Coats Rose, P.C.
16000 North Dallas Parkway, Suite 350
Dallas, Texas 75248

District Business Telephone No.: 972-982-8461

Submission date of the most recent District Registration Form: June 3, 2026

Limit on Fees of Office that a Director may receive during a fiscal year: $7,200

BOARD MEMBERS

Name and Address	Term of Office (Elected/ Appointed)	Fees of Office Paid	Expense Reimb.	Title at Year End
Lorenzo Cola c/o Coats Rose, P.C. 16000 North Dallas Parkway, Suite 350 Dallas, Texas 75248	Elected 5/02/26- 5/04/30	$ 884	$ 0	President
Beau Davis c/o Coats Rose, P.C. 16000 North Dallas Parkway, Suite 350 Dallas, Texas 75248	Elected 5/04/24- 5/06/28	1,105	71	Vice President
David Hawn c/o Coats Rose, P.C. 16000 North Dallas Parkway, Suite 350 Dallas, Texas 75248	Elected 5/04/24- 5/06/28	1,105	71	Secretary
William Walker c/o Coats Rose, P.C. 16000 North Dallas Parkway, Suite 350 Dallas, Texas 75248	Elected 5/02/26- 5/04/30	884	57	Asst. Secretary
Jacinda Marr c/o Coats Rose, P.C. 16000 North Dallas Parkway, Suite 350 Dallas, Texas 75248	Elected 5/04/24- 5/06/28	884	86	Asst. Secretary

VAN ALSTYNE MUNICIPAL UTILITY DISTRICT NO. 2 OF COLLIN COUNTY

BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS (Continued)

APRIL 30, 2026

CONSULTANTS

Name and Address	Date Hired	Fees and Expense Reimbursements	Title at Year End
Coats Rose, P.C. 16000 North Dallas Parkway, Suite 350 Dallas, Texas 75248	2/14/20	$ 25,990	Attorney
Abernathy, Roeder, Boyd, and Hullett, P.C. 1700 N. Redbud Boulevard, Suite 300 McKinney, Texas 75069	4/01/25	167	Delinquent Tax Attorney
L & S District Services, LLC P.O. Box 170 Tomball, Texas 77377	2/14/20	4,584	Bookkeeper
Kimley-Horn & Associates, Inc. 6160 Warren Parkway, Suite 210 Frisco, Texas 75034	2/14/20	84,619	Engineer
Collin County Tax Assessor-Collector 2300 Bloomdale Road McKinney, Texas 75070	4/08/21	836	Tax Assessor-Collector
Collin Central Appraisal District 250 Eldorado Parkway McKinney, Texas 75069	Legislative Action	3,132	Central Appraisal District
Robert W. Baird & Co. 1331 Lamar, Suite 1360 Houston, Texas 77010	2/14/20	0	Financial Advisor
Mark C. Eyring, CPA, PLLC 12702 Century Drive, Suite C2 Stafford, Texas 77477	4/07/25	0	Independent Auditor

APPENDIX B

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $_____ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _____

Risk Premium: $_____
Member Surplus Contribution: $_____
Total Insurance Payment: $_____

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

SPECIMEN

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: _____
Authorized Officer

SPECIMEN

Notices (Unless Otherwise Specified by BAM)

Email:
claims@buildamerica.com
Address:
28 Liberty Street, 59th Floor
New York, New York 10005
Telecopy:
212-962-1524 (attention: Claims)

SPECIMEN