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

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 14, 2026

This Preliminary Official Statement is subject to completion and amendment and is intended solely for the purpose of soliciting initial bids on the Bonds. Upon the sale of the Bonds, the Official Statement will be completed and delivered to the Underwriter.

IN THE OPINION OF BOND COUNSEL, UNDER EXISTING LAW, INTEREST ON THE BONDS (I) IS EXCLUDABLE FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES UNDER SECTION 103 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND (II) IS NOT AN ITEM OF TAX PREFERENCE FOR PURPOSES OF THE ALTERNATIVE MINIMUM TAX ON INDIVIDUALS. SEE "TAX MATTERS" HEREIN, INCLUDING INFORMATION REGARDING POTENTIAL ALTERNATIVE MINIMUM TAX CONSEQUENCES FOR CORPORATIONS.

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

NEW ISSUE - Book-Entry-Only

$2,310,000
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 473
(A political subdivision of the State of Texas located within Harris County)
UNLIMITED TAX BONDS, SERIES 2026

Dated: December 1, 2026 **Due: October 1, as shown below**
Interest Accrual Date: Date of Delivery

Principal of the bonds described above (the "Bonds") will be payable at stated maturity or redemption upon presentation of the Bonds at the principal payment office of the paying agent/registrar, initially The Bank of New York Mellon Trust Company, N.A. (the "Paying Agent/Registrar," "Paying Agent" or "Registrar") in Houston, Texas. Interest on the Bonds will accrue from the date of initial delivery (expected to be on or about December 17, 2026) (the "Date of Delivery") and be payable each April 1 and October 1, commencing April 1, 2027 until the earlier of maturity or redemption. Interest will be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds will be issued only in fully registered form in $5,000 denominations or integral multiplies thereof. The Bonds are subject to redemption prior to maturity as shown below.

The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical certificates representing the Bonds but will receive a credit balance on the books of the nominees of such beneficial owners. So long as Cede & Co. is the registered owner of the Bonds, the principal of and interest on the Bonds will be paid by the Paying Agent 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 as described herein. See "BOOK-ENTRY-ONLY SYSTEM."

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND INITIAL REOFFERING YIELDS

Due (October 1)	Principal Amount (a)	Interest Rate	Initial Reoffering Yield (b)	CUSIP Number (c)	Due (October 1)	Principal Amount (a)	Interest Rate	Initial Reoffering Yield (b)	CUSIP Number (c)
2028	$ 110,000				2040	$ 100,000 (d)			
2029	100,000				2041	100,000 (d)			
2030	100,000				2042	100,000 (d)			
2031	100,000				2043	100,000 (d)			
2032	100,000				2044	100,000 (d)			
2033	100,000 (d)				2045	100,000 (d)			
2034	100,000 (d)				2046	100,000 (d)			
2035	100,000 (d)				2047	100,000 (d)			
2036	100,000 (d)				2048	100,000 (d)			
2037	100,000 (d)				2049	100,000 (d)			
2038	100,000 (d)				2050	100,000 (d)			
2039	100,000 (d)								

(a) The Underwriter (as defined herein) may elect to designate one or more maturities as term bonds. See accompanying "Official Notice of Sale" and "Official Bid Form."
(b) Initial reoffering yield represents the initial offering yield to the public which has been established by the Underwriter (as herein defined) for offers to the public and which may be subsequently changed by the Underwriter and is the sole responsibility of the Underwriter. The initial reoffering yields indicated above represent the lower of the yields resulting when priced at maturity or to the first call date.
(c) CUSIP Numbers have been assigned to the Bonds by CUSIP Global Services and are included solely for the convenience of the purchasers of the Bonds. Neither the District nor the Underwriter shall be responsible for the selection or correctness of the CUSIP Numbers set forth herein.
(d) Bonds maturing on and after October 1, 2033, are subject to redemption prior to maturity at the option of the District, in whole or from time to time in part, on October 1, 2032, or on any date thereafter, at a price equal to the principal amount thereof plus accrued interest to the date fixed for redemption. See "THE BONDS—Redemption Provisions."

The Bonds, when issued, will constitute valid and legally binding obligations of Harris County Municipal Utility District No. 473 (the "District") and will be payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property located within the District. The Bonds are obligations solely of the District and are not obligations of the State of Texas, Harris County, the City of Baytown or any entity other than the District. The Bonds are subject to special investment risks described herein. See "RISK FACTORS."

The Bonds are offered by the Underwriter subject to prior sale, when, as and if issued by the District and accepted by the Underwriter, subject, among other things, to the approval of the Bonds by the Attorney General of Texas and the approval of certain legal matters by Allen Boone Humphries Robinson LLP, Bond Counsel. Delivery of the Bonds through the facilities of DTC is expected on or about December 17, 2026.

Bids Due: Wednesday, November 18, 2026, at 9:15 A.M., Houston Time in Houston, Texas
Bid Award: Wednesday, November 18 2026, at 12:30 P.M., Houston Time in Houston, Texas

TABLE OF CONTENTS

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND INITIAL REOFFERING YIELDS 1
OFFICIAL STATEMENT SUMMARY 3
THE FINANCING 3
THE DISTRICT 4
SELECTED FINANCIAL INFORMATION 7
RISK FACTORS 8
THE BONDS 15
BOOK-ENTRY-ONLY SYSTEM 19
THE DISTRICT 21
MANAGEMENT 23
THE DEVELOPER 24
THE PRINCIPAL TAXPAYERS 24
ROAD SYSTEM 25
THE WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM 25
USE AND DISTRIBUTION OF BOND PROCEEDS 27
UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED 27
FINANCIAL STATEMENT 28
ESTIMATED OVERLAPPING DEBT STATEMENT 29
TAX DATA 30
TAX PROCEDURES 32
GENERAL FUND 36
DEBT SERVICE REQUIREMENTS 37
LEGAL MATTERS 38
TAX MATTERS 39
MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE 41
SALE AND DISTRIBUTION OF THE BONDS 41
REGISTRATION AND QUALIFICATION UNDER SECURITIES LAW 42
PREPARATION OF OFFICIAL STATEMENT 42
CONTINUING DISCLOSURE OF INFORMATION 43
MISCELLANEOUS 45
AERIAL PHOTOGRAPH 46
PHOTOGRAPHS OF THE DISTRICT 47
AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2026 ..... APPENDIX A

USE OF INFORMATION IN OFFICIAL STATEMENT

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

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

This Official Statement is not to be used in an offer to sell or the solicitation of an 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, resolutions, orders, contracts, audited financial statements, engineering and other related reports set forth in this Official Statement are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents, copies of which are available from Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, 77027, upon payment of duplication costs.

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, as amended.

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 as to the likelihood 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 this Official Statement until delivery of the Bonds to the Underwriter and thereafter only as specified in "PREPARATION OF OFFICIAL STATEMENT—Updating the Official Statement."

OFFICIAL STATEMENT SUMMARY

The following information is qualified in its entirety by the detailed information appearing elsewhere in this Official Statement.

THE FINANCING

The Issuer	Harris County Municipal Utility District No. 473 (the "District"), a political subdivision of the State of Texas, is located in Harris County, Texas and the City of Baytown. See "THE DISTRICT."
The Issue	$2,310,000 Unlimited Tax Bonds, Series 2026 (the "Bonds") are issued pursuant to a resolution (the "Bond Resolution") of the District's Board of Directors and are authorized pursuant to the election held within the District. See "THE BONDS—Authority for Issuance." The Bonds will be issued as fully registered bonds maturing on the years and in the amounts and paying interest at the rates shown on the cover hereof. Interest on the Bonds accrues from the Date of Delivery and is payable on April 1, 2027, and on each October 1 and April 1 thereafter until the earlier of maturity or prior redemption. See "THE BONDS." The Bonds maturing on and after October 1, 2033, are subject to redemption, in whole or from time to time in part, at the option of the District, prior to their maturity dates, on October 1, 2032, or on any date thereafter. Upon redemption, the Bonds will be payable at a price of par plus accrued interest to the date of redemption. See "THE BONDS—Redemption Provisions."
Book-Entry-Only System	The Depository Trust Company (defined as "DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds and will be deposited with DTC. See "BOOK-ENTRY-ONLY SYSTEM."
Source of Payment	The Bonds are payable from an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property within the District. See "TAX PROCEDURES." The Bonds are obligations of the District and are not obligations of the State of Texas, Harris County, the City of Baytown or any other political subdivision or agency other than the District. See "THE BONDS—Source of and Security for Payment."
Authority for Issuance	The Bonds are the third series of bonds issued out of an aggregate of $33,900,000 principal amount of unlimited tax bonds authorized by the District's voters for the purpose of acquiring or constructing water, sanitary sewer and drainage facilities and for the further purpose of refunding such bonds. The Bonds are issued by the District pursuant to the terms and conditions of an Order of the Texas Commission on Environmental Quality (the "TCEQ" or "Commission"), the Bond Resolution, approval by the City of Baytown, Article XVI, Section 59 of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, as amended, and the general laws of the State of Texas relating to the issuance of bonds by political subdivisions of the State of Texas. See "RISK FACTORS—Future Debt," "THE BONDS—Authority for Issuance," "—Issuance of Additional Debt."
Payment Record.....	The District has previously issued two series of unlimited tax bonds for water, sanitary sewer and drainage facilities and two series of unlimited tax road bonds, $13,675,000 of which remains outstanding as of October 2, 2026 (the "Outstanding Bonds"). The District has never defaulted on the payment of principal and interest on the Outstanding Bonds.
Use of Proceeds	Proceeds from the Bonds will be used to pay for the items shown herein under "USE AND DISTRIBUTION OF BOND PROCEEDS," including to pay for developer interest and certain costs associated with the issuance of the Bonds. See "USE AND DISTRIBUTION OF BOND PROCEEDS."
Qualified Tax-Exempt Obligations	The Bonds will be designated as "qualified tax-exempt obligations" for financial institutions. See "TAX MATTERS—Qualified Tax-Exempt Obligations."

Municipal Bond Rating and Municipal Bond Insurance ..... The District has not applied for an underlying investment grade rating nor is it expected that the District would have been successful if such application had been made. Applications have been made to municipal bond insurance companies for the qualification of the Bonds for municipal bond insurance. If qualified, such insurance will be available at the option and expense of the Underwriter. Any rating fees associated with the insurance will be the responsibility of the Underwriter. See "RISK FACTORS—Risk Factors Related to the Purchase of Municipal Bond Insurance" and "MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE."

Bond Counsel ..... Allen Boone Humphries Robinson LLP, Bond Counsel, Houston, Texas. See "MANAGEMENT," "LEGAL MATTERS," and "TAX MATTERS."

Financial Advisor ..... Masterson Advisors LLC, Houston, Texas. See "MANAGEMENT."

District Engineer ..... Vogler & Spencer Engineering, Inc., Houston, Texas.

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

THE DISTRICT

Description ..... Harris County Municipal Utility District No. 473 (the "District") is a municipal utility district created under Article XVI, Section 59 of the Texas Constitution pursuant to an order of the Commission on March 1, 2006, and operates under the provisions of Article XVI, Section 59 and Article III, Section 52, of the Texas Constitution, Chapter 8250 of the Texas Special District Local Laws Code, Chapters 49 and 54 of the Texas Water Code, as amended, and other general statutes applicable to municipal utility districts. The District is located wholly within the corporate limits of the City of Baytown, Texas (the "City"). The District contains approximately 198 acres of land.

Location ..... The District consists of two non-contiguous tracts. Approximately 139 acres within the District (the "Western Tract") are located approximately 21 miles east of the Central Business District of Houston in Harris County, Texas. Access to the Western Tract is provided by Thompson Road on the District's eastern boundary, Interstate Highway 10 on the District's northern boundary, and TX-330 on the District's southwestern boundary. Approximately 59 acres within the District (the "Eastern Tract") are located approximately 5 miles east of the original boundaries of the District. The Eastern Tract is bounded by the intersection of Interstate Highway 10 on its northern boundary and Sjolander Road on its eastern boundary. See "THE DISTRICT—Location of District" and "AERIAL PHOTOGRAPH."

Status of Development ..... The District has been developed for industrial, warehouse and distribution purposes. All of the developable land in the District is served with water, sanitary sewer and drainage facilities. The Thompson Ten Business Park consists of approximately 106 acres all of which currently have vertical improvements. In 2023, construction commenced on the Gateway Ten Business Park which consists of approximately 45 acres. There are four completed warehouses and one warehouse under construction with an estimated delivery of the first quarter of 2027 on approximately 24 acres in the Gateway Ten Business Park. The District contains approximately 47 acres of undevelopable land consisting of Harris County Flood Control District rights-of-way, street rights-of-way, and detention reserves.

Development in Thompson Ten Business Park primarily consists of the following warehouse/office/distribution facilities on approximately 106 acres: (1) an approximately 33,000 square foot commercial warehouse/distribution facility owned by PKST Baytown Thompson LLC and leased to Tidal Tank and Republic Services (the "Tidal Tank Facility") on approximately 14 acres, (2) an approximately 260,000 square foot commercial warehouse/distribution center owned by FABCO Properties VI, LLC on approximately 17 acres, which is being leased to SLM Warehouses, (3) an approximately 130,000 square foot commercial warehouse/distribution center owned by Caspian Whaye LLC on approximately 10 acres, which is being leased to Eventstable, (4) an approximately 35,000 square foot commercial warehouse/distribution facility owned by Tuffi Company Inc., is leased to Mustang Cat, on approximately 12 acres, (5) an approximately 146,000 square foot

commercial warehouse/distribution facility owned by TX Bay 101 Good and leased to Ironclad Environmental Solutions on approximately 10 acres, (6) an approximately 30,000 square foot Clean as New Gulf Coast building (the "Clean as New Gulf Coast Facility") on approximately 6 acres, (7) an approximately 121,000 square foot commercial warehouse/distribution/office facility owned by KBUSA Properties (the "KBUSA Facility") on approximately 9 acres**,** (8) four warehouse/office buildings owned by Lance Real Estate Investment, LLC and leased to Herc Rentals totaling approximately 38,000 square feet on approximately 8 acres, (9) an approximately 130,000 square foot commercial warehouse/distribution center on approximately 8 acres with an approximately 2 acre drop yard owned by Trep Thompson Development, and (10) an approximately 10 acre development owned by MG Real Properties Ltd. and leased to Tiger Industrial Rentals.

Development in Gateway Ten Business Park consists of the following on approximately 24 acres: (1) an approximately 50,000 square foot warehouse/storage facility and an approximately 50,000 square foot climate controlled storage facility under construction with an estimated delivery in the first quarter of 2027 owned by 7505 Gateway Blvd LLC and leased to Maplewood Industrial Services (the "Maplewood Industrial Services Facility"); (2) an approximately 15,000 square foot warehouse/storage/office facility owned by Elliott Electric Supply; (3) an approximately 15,000 square foot commercial warehouse facility and industrial outdoor storage owned by Gateway Ten Baytown IOS, LLC and leased to Opifex-Synergy; and (4) an approximately 15,000 square foot commercial warehouse facility and industrial outdoor storage owned by Premiere Real Estate Holdings III LLC and leased to EquipmentShare. Approximately 21 acres in Gateway Ten Business Park are served with utilities but are vacant, of which approximately 16 acres are owned by the Developer and approximately 4 acres are owned by Premiere Real Estate Holdings III LLC. See "THE DISTRICT—Status of Development."

Principal Taxpayers ..... Based upon the 2026 tax rolls, the top ten taxpayers are responsible for approximately 79.71% ($140,587,923) of the District's 2026 Certified Taxable Assessed Valuation ($176,381,602). See "RISK FACTORS—Dependence on Major Taxpayers."

The largest taxpayer is Clean as New Gulf Coast LLC, which represents approximately 18.79% ($33,150,362) of the District's 2026 Certified Taxable Assessed Valuation, consisting of the approximately 30,000 square foot Clean as New Gulf Coast Facility. The Clean as New Gulf Coast LLC Facility opened in 2019.

The second largest taxpayer is FABCO Properties VI LLC, which represents approximately 16.20% ($28,579,316) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 260,000 square feet commercial warehouse/distribution facility.

The third largest taxpayer is Caspian Whaye LLC, which represents approximately 7.94% ($14,000,000) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 130,000 square foot commercial warehouse/distribution facility.

The fourth largest taxpayer is KBUSA Properties, which represents approximately 7.65% ($13,497,444) of the District's 2026 Certified Taxable Assessed Valuation, consisting of the approximately 121,000 square foot KBUSA Facility.

The fifth largest taxpayer is Trep Thompson Development Owner LLC, which represents approximately 7.37% ($13,000,000) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 130,000 square foot commercial warehouse/distribution facility.

The sixth largest taxpayer is 7505 Gateway Blvd LLC, which represents approximately 5.85% ($10,323,195) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 50,000 square foot commercial warehouse/distribution facility. The eighth largest taxpayer is Venture Global Operations Support, which represents approximately 4.10% ($7,225,989) of the District's 2026 Certified Taxable Assessed Valuation, consisting of a portion of the personal property at the Maplewood Industrial Services Facility. The ninth largest taxpayer is Venture Global CP2 LNG LLC, which represents approximately 3.91% ($6,898,660) of the District's 2026 Certified Taxable Assessed Valuation, consisting of a portion of the personal property at the Maplewood Industrial Services Facility. In aggregate, the value of the property owned by these three taxpayers is $24,447,844 or approximately 13.86% of the District's 2026 Certified Taxable Assessed Valuation.

The seventh largest taxpayer is Tidal Tank, Inc., which represents approximately 4.15% ($7,312,957) of the District's 2026 Certified Taxable Assessed Valuation, consisting of a portion of the personal property in the Tidal Tank Facility. The tenth largest taxpayer is PKST Baytown Thompson LLC, which represents approximately 3.74% ($6,600,000) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 33,000 square foot commercial warehouse/distribution Tidal Tank Facility. In aggregate, the value of the property owned by these two taxpayers is $13,912,957 or approximately 7.89% of the District's 2026 Certified Taxable Assessed Valuation .

Approximately 33.56% ($59,197,080) of the District's 2026 Certified Taxable Assessed Valuation is personal property. See "RISK FACTORS—Dependence on Personal Property Tax Collections," "THE DISTRICT—Status of Development," "THE PRINCIPAL TAXPAYERS AND MAJOR LANDOWNER," "TAX DATA—Principal Taxpayers" and "—Summary of Assessed Valuation."

The Developer ..... Gateway Ten Business Park, LLC (the "Developer") is the owner of approximately 16 acres of land in the Eastern Tract. All of the land in the Eastern Tract is served with utilities. With the consent of the District and pursuant to a development financing agreement, the Developer has financed and, subject to certain conditions, is entitled to be reimbursed by the District for the design and construction of certain water, sanitary sewer, drainage, and road facilities. See "THE DEVELOPER."

The System ..... The District receives water supply and wastewater treatment directly from the City. The District does not own or operate a water supply or wastewater treatment plant facility. The District has entered into a Utility Functions and Services Allocation Agreement as amended (the "Utility Agreement") with the City. The Utility Agreement provides the terms and conditions whereby the land within the District will be served by the City's water and sewer systems. The City has reserved adequate water supplies and wastewater treatment capacity to serve the District at build out. See "THE WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM."

The Utility Agreement ..... The District has entered into the Utility Agreement with the City. The Utility Agreement (i) describes how the Facilities (as defined therein) servicing the District will be constructed; (ii) provides that upon completion and acquisition of the Facilities by the District that the District will convey the Facilities (but not the stormwater detention system) to the City for operation and maintenance; and (iii) provides that all revenues derived from water and sewer utilities serving the District are revenues of and belong to the City. The Utility Agreement also provides for the terms of the dissolution of the District by the City and the assumption of the District's obligations (including the Bonds, Outstanding Bonds, and any future outstanding bonds) by the City upon dissolution. See "THE DISTRICT—Utility Functions and Services Allocation Agreement with the City of Baytown."

RISK FACTORS

THE PURCHASE AND OWNERSHIP OF THE BONDS ARE SUBJECT TO SPECIAL RISK FACTORS AND ALL PROSPECTIVE PURCHASERS ARE URGED TO EXAMINE CAREFULLY THIS ENTIRE OFFICIAL STATEMENT WITH RESPECT TO THE INVESTMENT SECURITY OF THE BONDS, INCLUDING PARTICULARLY THE SECTION CAPTIONED "RISK FACTORS."

SELECTED FINANCIAL INFORMATION

2026 Certified Taxable Assessed Valuation	$176,381,602	(a)
Estimated Taxable Assessed Valuation as of August 15, 2026	$188,176,155	(b)
Gross Debt Outstanding (after the issuance of the Bonds)	$15,985,000	
Estimated Overlapping Debt	14,704,960	(c)
Gross Debt and Estimated Overlapping Debt	$30,689,960	
Ratios of Gross Debt to:		
2026 Certified Taxable Assessed Valuation	9.06%	
Estimated Taxable Assessed Valuation as of August 15, 2026	8.49%	
Ratios of Gross Debt and Estimated Overlapping Debt to:		
2026 Certified Taxable Assessed Valuation	17.40%	
Estimated Taxable Assessed Valuation as of August 15, 2026	16.31%	
2025 Tax Rate:		
Debt Service	$0.60	(d)
Maintenance and Operations	0.20	
Total	$0.80/$100 A.V.	
Anticipated 2026 Tax Rate:		
Debt Service	$0.60	
Maintenance and Operations	0.20	
Total	$0.80/$100 A.V.	(e)
Projected Maximum Annual Debt Service Requirements (2028) of the Outstanding Bonds and the Bonds at an assumed interest rate of 5.75% ("Maximum Annual Requirement")	$1,201,244	(f)
Projected Average Annual Debt Service Requirements (2027-2050) of the Outstanding Bonds and the Bonds at an assumed interest rate of 5.75% ("Average Annual Requirement")	$1,007,233	(f)
Tax rates required to pay Maximum Annual Requirement based upon:		
2026 Certified Taxable Assessed Valuation at a 95% collection rate	$0.72/$100 A.V.	(g)
Estimated Taxable Assessed Valuation as of August 15, 2026 at a 95% collection rate	$0.68/$100 A.V.	(g)
Tax rates required to pay Average Annual Requirement based upon:		
2026 Certified Taxable Assessed Valuation at a 95% collection rate	$0.61/$100 A.V.	(g)
Estimated Taxable Assessed Valuation as of August 15, 2026 at a 95% collection rate	$0.57/$100 A.V.	(g)

Area of District — 198 acres

(a) The 2026 Certified Taxable Assessed Valuation does not include $17,015,264 of uncertified value. The uncertified value is subject to change and downward revision or adjustment prior to certification. No tax will be levied on said uncertified value until it is certified by the Harris Central Appraisal District (the "Appraisal District"). See "TAXING PROCEDURES."

(b) Provided by the Appraisal District for informational purposes only. Such amounts reflect an estimate of the taxable appraised value within the District as of August 15, 2026. No tax will be levied on such amount until it is certified by the Appraisal District. Increases in value occurring between January 1, 2026 and August 15, 2026 will be certified as of January 1, 2027. See "TAX PROCEDURES."

(c) See "ESTIMATED OVERLAPPING DEBT STATEMENT."

(d) For tax year 2025, $0.405 is allocated to water, sewer and drainage debt service and $0.195 is allocated to road debt service. See "TAX DATA—Tax Rate Distribution."

(e) The District authorized publication of its intent to levy a total tax rate of $0.80 per $100 of taxable assessed valuation for tax year 2026, of which $0.60 per $100 of taxable assessed valuation is allocated to debt service and $0.20 per $100 of taxable assessed valuation is allocated to maintenance and operations. The District expects to adopt such tax rate in November 2026. See "TAX DATA—Tax Rate Distribution."

(f) See "DEBT SERVICE REQUIREMENTS."

(g) See "TAX DATA—Tax Adequacy for Debt Service," "THE PRINCIPAL TAXPAYERS AND MAJOR LANDOWNER" and "TAX DATA—Principal Taxpayers."

PRELIMINARY OFFICIAL STATEMENT

$2,310,000

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 473
(A political subdivision of the State of Texas located within Harris County)

UNLIMITED TAX BONDS
SERIES 2026

This Official Statement provides certain information in connection with the issuance by Harris County Municipal Utility District No. 473 (the "District") of its $2,310,000 Unlimited Tax Bonds, Series 2026 (the "Bonds").

The Bonds are issued pursuant to the terms and provisions of an Order of the Texas Commission on Environmental Quality (the "TCEQ"), Article XVI, Section 59 of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, as amended, the general laws of the State of Texas relating to the issuance of bonds by political subdivisions of the State of Texas, a resolution authorizing the issuance of the Bonds (the "Bond Resolution") adopted by the Board of Directors of the District (the "Board"), and an election held within the District.

This Official Statement includes descriptions, among others, of the Bonds and the Bond Resolution, and certain other information about the District and Gateway Ten Business Park, LLC (the "Developer"). All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each document. Copies of documents may be obtained from the District upon payment of the costs of duplication therefore.

RISK FACTORS

General

The Bonds are obligations solely of the District and are not obligations of the City of Baytown (the "City"), Harris County, the State of Texas, or any entity other than the District. Payment of the principal of and interest on the Bonds depends upon the ability of the District to collect taxes levied on taxable property within the District in an amount sufficient to service the District's bonded debt or in the event of foreclosure, on the value of the taxable property in the District and the taxes levied by the District and other taxing authorities upon the property within the District. See "THE BONDS—Source of and Security for Payment." The collection by the District of delinquent taxes owed to it and the enforcement by Registered Owners of the District's obligation to collect sufficient taxes may be a costly and lengthy process. Furthermore, the District cannot and does not make any representations that taxable property within the District will maintain taxable values sufficient to justify continued payment of taxes by property owners or that there will be a market for the property or that owners of the property will have the ability to pay taxes. See "—Registered Owners' Remedies and Bankruptcy Limitations" herein.

Dependence on Major Taxpayers

There is a high concentration of ownership of taxable value in the District. The top ten principal taxpayers within the District represent $140,587,923 or 79.71% of the District's 2026 Certified Taxable Assessed Valuation, which represents ownership as of January 1, 2026. An accurate principal taxpayer list related to the Estimated Taxable Assessed Valuation as of August 15, 2026, of $188,176,155, is not available as of the date hereof.

The largest taxpayer is Clean as New Gulf Coast LLC, which represents approximately 18.79% ($33,150,362) of the District's 2026 Certified Taxable Assessed Valuation, consisting of the approximately 30,000 square foot Clean as New Gulf Coast Facility. The Clean as New Gulf Coast LLC Facility opened in 2019.

The second largest taxpayer is FABCO Properties VI LLC, which represents approximately 16.20% ($28,579,316) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 260,000 square feet commercial warehouse/distribution facility.

The third largest taxpayer is Caspian Whaye LLC, which represents approximately 7.94% ($14,000,000) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 130,000 square foot commercial warehouse/distribution facility.

The fourth largest taxpayer is KBUSA Properties, which represents approximately 7.65% ($13,497,444) of the District's 2026 Certified Taxable Assessed Valuation, consisting of the approximately 121,000 square foot KBUSA Facility.

The fifth largest taxpayer is Trep Thompson Development Owner LLC, which represents approximately 7.37% ($13,000,000) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 130,000 square foot commercial warehouse/distribution facility.

The sixth largest taxpayer is 7505 Gateway Blvd LLC, which represents approximately 5.85% ($10,323,195) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 50,000 square foot commercial warehouse/distribution facility, the Maplewood Industrial Services Facility. The eighth largest taxpayer is Venture Global Operations Support, which represents approximately 4.10% ($7,225,989) of the District's 2026 Certified Taxable Assessed Valuation, consisting of a portion of the personal property at the Maplewood Industrial Services Facility. The ninth largest taxpayer is Venture Global CP2 LNG LLC, which represents approximately 3.91% ($6,898,660) of the District's 2026 Certified Taxable Assessed Valuation, consisting of a portion of the personal property at the Maplewood Industrial Services Facility. In aggregate, the value of the property owned by these three taxpayers is $24,447,844 or approximately 13.86% of the District's 2026 Certified Taxable Assessed Valuation.

The seventh largest taxpayer is Tidal Tank, Inc., which represents approximately 4.15% ($7,312,957) of the District's 2026 Certified Taxable Assessed Valuation, consisting of a portion of the personal property in the Tidal Tank Facility. The tenth largest taxpayer is PKST Baytown Thompson LLC , which represents approximately 3.74% ($6,600,000) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 33,000 square foot commercial warehouse/distribution Tidal Tank Facility. In aggregate, the value of the property owned by these two taxpayers is $13,912,957 or approximately 7.89% of the District's 2026 Certified Taxable Assessed Valuation. See "—Dependence on Personal Property Tax Collections" below, "THE DISTRICT—Status of Development" and "TAX DATA—Principal Taxpayers."

Certain of the District's principal taxpayers own warehouse and distribution facilities that may not be readily sold, re-leased or re-purposed should the businesses located in such facilities cease operations in the District. The ability of any principal taxpayer to make full and timely payments of taxes levied against its property by the District and similar taxing authorities will directly affect the District's ability to meet its debt service obligations. If, for any reason, any one or more principal taxpayers do not pay taxes due or do not pay in a timely manner, the District may need to levy a higher tax rate or use other funds available for debt service purposes. However, the District has not covenanted in the Bond Resolution, nor is it required by Texas law, to maintain any particular balance in its Debt Service Fund or any other funds to allow for any such delinquencies. Therefore, failure by one or more principal taxpayers to pay their taxes on a timely basis could have a material adverse effect upon the District's ability to pay debt service on the Bonds on a current basis.

Dependence on Personal Property Tax Collections

Approximately 33.56% ($59,197,080) of the of the District's 2026 Certified Taxable Assessed Valuation is personal property. See "TAX DATA—Summary of Assessed Valuation." Most other utility districts in Texas are not dependent to such an extent on taxes levied on personal property, and personal property taxation and collection create special risks for Registered Owners. See "TAX DATA—Principal Taxpayers," "—Summary of Assessed Valuation," and "TAX PROCEDURES."

Unlike real property, there is no certainty that personal property will remain in the District from year to year. Automobiles and other personal property are portable and could be removed from the District at any time. Personal property removed from the District as of January 1 of any year is not subject to taxation by the District for that year.

If personal property is subject to a lien for unpaid District taxes for any year, the District lien is lost if the property is sold in the ordinary course of business. A lien in the amount of the personal property taxes owed by a taxpayer attaches not only to personal property owned by the taxpayer as of January 1 with a tax situs in the District, but to any personal property then or thereafter owned by the taxpayer. However, the District may not be able to foreclose on personal property located outside the State of Texas and locating and foreclosing on property held outside the District may be costly, inefficient and difficult. Effective January 1, 2026, a person is entitled to an exemption from taxation by a taxing unit of $125,000 of the appraised value of the tangible personal property the person owns that is held or used for the production of income and has taxable situs at the same location in the taxing unit. A person who leases tangible personal property is also entitled to a tax exemption of $125,000, regardless of where the property is located in the taxing unit. The statute of limitations for collection of personal property taxes is four years from the date of delinquency, as contrasted with the 20-year statute of limitations for real property. Personal property may not be seized, and a suit may not be filed to collect delinquent personal property taxes if the tax has been delinquent for more than four years. A tax and any penalty and interest on the tax that is delinquent longer than the limitation period is presumed paid unless a suit to collect such personal property tax is pending. As with real property taxes, ad valorem taxes levied on personal property are the personal obligation of the taxpayer. See "TAX PROCEDURES."

Trade Disruptions and Increase in Costs of Building Materials

A majority of the development in the District includes warehouse distribution facilities, which may be dependent on foreign trade, and a significant portion of the District's tax base is comprised of personal property (see "Dependence on Personal Property Collections" herein). As a result of ongoing trade disputes including tariffs and retaliatory tariffs, the volume of personal property within the District could be materially impacted. Further, trade disruptions based on unpredictable tariff policy (including the threatened imposition of tariffs) could increase the cost of materials for new construction in the District. Any material impacts to the volume of personal property and decreased levels of construction activity within the District could restrict the growth of property values or could adversely impact existing values. The District makes no representations regarding the effects that current or future economic or governmental circumstances may have on property values or construction activity within the District.

Overlapping City of Baytown Tax Rate

According to the City's tax office, the City set a total tax rate of $0.698030 for the 2026 tax year. The District's anticipated 2026 tax rate of $0.80 per $100 of assessed valuation plus the overlapping tax rate of the City totals $1.498030; such combined tax rate of the City and the District is slightly higher than the tax rate that is common among many other similar utility districts providing water, sanitary sewer, and storm drainage services in the Harris County area. However, the property owners of the District also receive additional services from the City that are not provided to property owners of utility districts located in the unincorporated areas of Harris County. An increase in the District's tax rate or the City's tax rate substantially above the current level could have an adverse impact on future development in the District and on the District's ability to collect such tax and in the willingness of owners of property located in the District to pay ad valorem taxes levied by the District and the City. The District has no control over the City's tax rate as in effect from time to time and can make no assurances that any particular rate will be maintained by it or by the City.

Economic Factors and Interest Rates

A substantial percentage of the taxable value of the District results from the current market value of commercial, industrial, warehouses, land and personal property located therein. The market value of such properties is related to general economic conditions affecting the demand for properties. Demand for commercial and industrial properties of this type and the construction of structures thereon can be significantly affected by factors such as interest rates, credit availability, construction costs, energy availability and the prosperity and demographic characteristics of the urban center toward which the marketing of such properties is directed. Decreased levels of construction activity could tend to restrict the growth of property values in the District or could adversely impact such values.

Impact on District Tax Rate

Assuming no further development, the value of the land and improvements currently within the District will be the major determinant of the ability or willingness of District property owners to pay their taxes. The 2026 Certified Taxable Assessed Valuation of the District (see "FINANCIAL STATEMENT") is $176,381,602. After issuance of the Bonds, the maximum annual debt service requirement will be $1,201,244 (2028) and the average annual debt service requirement will be $1,007,233 (2027-2050). Assuming no increase or decrease from the 2026 Certified Taxable Assessed Valuation and no use of funds other than tax collections, a tax rate of $0.72 per $100 assessed valuation at a ninety-five percent (95%) collection rate would be necessary to pay the maximum annual debt service requirement of $1,201,244 and a tax rate of $0.61 per $100 assessed valuation at a ninety-five percent (95%) collection rate would be necessary to pay the average annual debt service requirement of $1,007,233. The Estimated Taxable Assessed Valuation as of August 15, 2026 is $188,176,155. Assuming no increase or decrease from the Estimated Taxable Assessed Value as of August 15, 2026, the issuance of no additional debt, and no other funds available for the payment of debt service, tax rates of $0.68 and $0.57 per $100 of assessed valuation at a ninety-five percent (95%) collection rate would be necessary to pay the maximum annual debt service requirement and average annual debt service requirement, respectively. See "DEBT SERVICE REQUIREMENTS."

Although calculations have been made regarding the tax rate necessary to pay the maximum and average annual debt service on the Bonds and the Outstanding Bonds based upon the Estimated Taxable Assessed Value as of August 15, 2026, the District can make no representations regarding the future level of assessed valuation within the District. Increases in the tax rate may be required in the event the District's assessed valuation does not continue to increase or in the event major taxpayers do not pay their District taxes timely. Increases in taxable values depend primarily on the continuing construction of other taxable improvements within the District. See "TAX DATA—Tax Adequacy for Debt Service" and "TAX PROCEDURES."

Potential Effects of Oil Price Volatility on the Houston Area

The economy of the Houston area has, in the past, been particularly affected by adverse conditions in the oil and gas industry, and such conditions and their spillover effects into other industries could result in declines in the demand for residential and commercial property in the Houston area and could reduce or negatively affect property values within the District. The District cannot predict the impact that negative conditions in the oil and gas industry could have on property values in the District.

Extreme Weather

The greater Houston area is subject to occasional severe weather events, including tropical storms and hurricanes. If the District were to sustain damage to its facilities requiring substantial repair or replacement, or if substantial damage were to occur to taxable property within the District as a result of such a weather event, the investment security of the Bonds could be adversely affected. The greater Houston area has experienced multiple storms exceeding a 0.2% probability (i.e. "500-year flood" events) since 2015, including Hurricane Harvey, which made landfall along the Texas Gulf Coast on August 25, 2017, and brought historic levels of rainfall during the successive four days.

According to the Engineer, the District's System did not sustain any material damage, there was no interruption of water and sewer service as a result of Hurricane Harvey. The District did not receive reports that any structures within the District experienced structural flooding or other material damage as a result of Hurricane Harvey.

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

Specific Flood Type Risks

The District may be subject to the following flood risks:

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

Riverine (or Fluvial) Flood: Riverine, or fluvial, flooding occurs when water levels rise over the top of river, bayou or channel banks due to excessive rain from tropical systems making landfall and/or persistent thunderstorms over the same area for extended periods of time. The damage from a riverine flood can be widespread. The overflow can affect smaller rivers and streams downstream or may sheet-flow over land. Flash flooding is a type of riverine flood that is characterized by an intense, high velocity torrent of water that occurs in an existing river channel with little to no notice. Flash flooding can also occur even if no rain has fallen, for instance, after a levee, dam or reservoir has failed or experienced an uncontrolled release, or after a sudden release of water by a debris or ice jam. In addition, planned or unplanned controlled releases from a dam, levee or reservoir also may result in flooding in areas adjacent to rivers, bayous or man-made drainage systems (canals or channels) downstream.

Environmental Regulations

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

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

Sanctions against a municipal utility district or other type of special purpose district for failure to comply with environmental laws and regulations may include a variety of civil and criminal enforcement measures, including assessment of monetary penalties, imposition of remedial requirements and issuance of injunctions to ensure future compliance. Environmental laws and compliance with environmental laws and regulations can increase the cost of planning, designing, constructing and operating water production and wastewater treatment facilities. Environmental laws can also inhibit growth and development within the District. Further, changes in regulations occur frequently, and any changes that result in more stringent and costly requirements could materially impact the District.

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

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

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

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

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

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

Pursuant to the federal Safe Drinking Water Act ("SDWA") and the EPA's National Primary Drinking Water Regulations ("NPDWRs"), which are implemented by the TCEQ's Water Supply Division, a municipal utility district's provision of water for human consumption is subject to extensive regulation as a public water system. Municipal utility districts must generally provide treated water that meets the primary and secondary drinking water quality standards adopted by the TCEQ, the applicable disinfectant residual and inactivation standards, and the other regulatory action levels established under the agency's rules. The EPA has established NPDWRs for more than ninety (90) contaminants and has identified and listed other contaminants which may require national drinking water regulation in the future. Further, the EPA has established a NPDWR for six (6) Per- and Polyflouroalkyl Substances ("PFAS"), which requires public water systems to perform certain monitoring and remediation measures. Public water systems may be subject to additional PFAS regulation in the future, which could increase the cost of constructing, operating, and maintaining water production and distribution facilities.

Texas Pollutant Discharge Elimination System ("TPDES") permits set limits on the type and quantity of discharge, in accordance with state and federal laws and regulations. The TCEQ reissued the TPDES Construction General Permit (TXR150000) ("CGP"), with an effective date of March 5, 2023, which is a general permit authorizing the discharge of stormwater runoff associated with small and large construction sites and certain non-stormwater discharges into surface water in the state. The CGP has a 5-year permit term, and is then subject to renewal. Moreover, the Clean Water Act ("CWA") and Texas Water Code require municipal wastewater treatment plants to meet secondary treatment effluent limitations and more stringent water quality-based limitations and requirements to comply with the Texas water quality standards. Any water quality-based limitations and requirements with which a municipal utility district must comply may have an impact on the municipal utility district's ability to obtain and maintain compliance with TPDES permits.

The District's stormwater discharges currently maintain permit coverage through the Municipal Separate Storm System Permit (the "Current Permit") issued to the Storm Water Management Joint Task Force consisting of Harris County, Harris County Flood Control District, the City of Houston, and the Texas Department of Transportation. In the event that at any time in the future the District is not included in the Current Permit, it may be required to seek independent coverage under the TCEQ's General Permit for Phase II (Small) Municipal Separate Storm Sewer Systems (the "MS4 Permit"), which authorizes the discharge of stormwater to surface water in the state from small municipal separate storm sewer systems. If the District's inclusion in the MS4 Permit were required at a future date, the District could incur substantial costs to develop, implement, and maintain the necessary plans as well as to install or implement best management practices to minimize or eliminate unauthorized pollutants that may otherwise be found in stormwater runoff in order to comply with the MS4 Permit.

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

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

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

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 local taxing authorities on the property against which taxes are levied, and such lien may be enforced by judicial 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, or (c) market conditions affecting the marketability of taxable property within the District and limiting the proceeds from a foreclosure sale of such property. Moreover, the proceeds of any sale of property within the District available to pay debt service on the Bonds may be limited by the existence of other tax liens on the property (see "ESTIMATED OVERLAPPING DEBT STATEMENT"), by the current aggregate tax rate being levied against the property, and by other factors (including the taxpayers' right to redeem property within two years of foreclosure for residential and agricultural use property and six months for other property). Finally, any bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a taxpayer within the District pursuant to the United States Bankruptcy Code could stay any attempt by the District to collect delinquent ad valorem taxes assessed against such taxpayer. In addition to the automatic stay against collection of delinquent taxes afforded a taxpayer during the pendency of a bankruptcy, a bankruptcy could affect payment of taxes in two other ways: first, a debtor's confirmation plan may allow a debtor to make installment payments on delinquent taxes for up to six years; and, second, a debtor may challenge, and a bankruptcy court may reduce, the amount of any taxes assessed against the debtor, including taxes that have already been paid. See "—Dependence on Personal Property Tax Collections."

Registered Owners' Remedies and Bankruptcy Limitations

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, if it fails to make payments into any fund or funds created in the Bond Resolution, or if it defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Resolution, the Registered Owners have the statutory right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Resolution. Except for mandamus, the Bond Resolution does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default, and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's sovereign immunity from suits for money damages, so that in the absence of other waivers of such immunity by the Texas Legislature, a default by the District in its covenants in the Bond Resolution may not be reduced to a judgment for money damages. If such a judgment against the District were obtained, it could not be enforced by direct levy and

execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions, such as the District.

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

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

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

A district may not be forced into bankruptcy involuntarily.

Future Debt

The District reserves in the Bond Resolution the right to issue the remaining $20,875,000 principal amount of authorized and unissued unlimited tax bonds for the purpose of acquiring or constructing water, sanitary sewer and drainage facilities and refunding of such bonds remaining after the issuance of the Bonds. The District may also issue the $10,055,000 principal amount of authorized and unissued unlimited tax bonds for the purpose of constructing roads and related improvements and refunding of such bonds. The District may issue additional bonds approved by District voters in future elections. See "THE BONDS—Issuance of Additional Debt" and "THE WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM." The issuance of such obligations may adversely affect the investment security of the Bonds. The District does not employ any formula with regard to assessed valuations or tax collections or otherwise to limit the amount of bonds which may be issued. Any bonds issued by the District, however, must be approved by the Attorney General of Texas and the Board of Directors of the District and any bonds issued to acquire or construct water, sanitary sewer and drainage facilities, but not road facilities, must be approved by the TCEQ.

Continuing Compliance with Certain Covenants

The Bond Resolution contains covenants by the District intended to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds. Failure by the District to comply with such covenants in the Bond Resolution 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."

Marketability

The District has no agreement with the Underwriter 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 of the Bonds may be greater than the difference between the bid and asked price of bonds of comparable maturity and quality issued by more traditional issuers as such bonds are generally bought, sold or traded in the secondary market.

Risk Factors Related to the Purchase of Municipal Bond Insurance

The District has applied for a bond insurance policy (the "Policy") to guarantee the scheduled payment of principal and interest on the Bonds. If the Policy is issued, investors should be aware of the following investment considerations.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Insurer and its claim paying ability. The 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 Insurer and of the ratings on the Bonds insured by the 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.

The obligations of the Insurer are contractual obligations and in an event of default by the 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 Underwriter have made independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial of the 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 Insurer, particularly over the life of the investment. See "MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE" for further information provided by the Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.

THE BONDS

General

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

The Bonds will be dated December 1, 2026, with interest accruing from the Date of Delivery, and are payable on each April 1 and October 1 commencing April 1, 2027, until the earlier of maturity or prior redemption. The Bonds mature on October 1 in the principal amounts and in each of the years and accrue interest at the rates shown on the cover page of this Official Statement. Interest calculations are based on a 360-day year comprised of twelve 30-day months. The Bonds will be issued only in fully registered form in $5,000 denominations or integral multiples thereof.

Authority for Issuance

At a bond election held within the District on May 4, 2019, the voters of the District authorized the issuance of a total of $33,900,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing water, sanitary sewer and drainage facilities and refunding of such bonds. The Bonds are being issued pursuant to such authorization and constitute the third issuance from such authorization.

The Bonds are issued by the District pursuant to the terms and provisions of the Bond Resolution, an Order of the TCEQ, Article XVI, Section 59 of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, as amended, approval by the City, the general laws of the State of Texas relating to the issuance of bonds by political subdivisions of the State of Texas and the election held within the District on May 4, 2019.

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.

Source of and Security for Payment

While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, the District covenants in the Bond Resolution to levy a continuing, direct, annual ad valorem tax, without legal limit as to rate or amount, upon all taxable property in the District sufficient to pay the principal of and interest on the Bonds, with full allowance being made for delinquencies and costs of collection. In the Bond Resolution, the District covenants that said taxes are irrevocably pledged to the payment of the interest on and principal of the Bonds and to no other purpose.

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

Method of Payment of Principal and Interest

In the Bond Resolution, the Board has appointed The Bank of New York Mellon Trust Company N.A., Houston, Texas as the initial Paying Agent/Registrar for the Bonds. The principal of the Bonds shall be payable, without exchange or collection charges, in any coin or currency of the United States of America, which, on the date of payment, is legal tender for the payment of debts due the United States of America. In the event the book-entry system is discontinued, principal of the Bonds shall be payable upon presentation and surrender of the Bonds as they respectively become due and payable, at the principal payment office of the Paying Agent/Registrar in Houston, Texas and interest on each Bond shall be payable by check payable on each Interest Payment Date, mailed by the Paying Agent/Registrar on or before each Interest Payment Date to the Registered Owner of record as of the close of business on March 15 or September 15 immediately preceding each Interest Payment Date (defined herein as the "Record Date"), to the address of such Registered Owner as shown on the Paying Agent/Registrar's records (the "Register") or by such other customary banking arrangements as may be agreed upon by the Paying Agent/Registrar and the Registered Owners at the risk and expense of the Registered Owners.

If the date for payment of the principal of or interest on any Bond is not a business day, then the date for such payment shall be the next succeeding business day, as defined in the Bond Resolution.

Funds

In the Bond Resolution, the Water, Wastewater and Drainage Debt Service Fund is confirmed, and the proceeds from all taxes levied, assessed and collected for and on account of the Bonds authorized by the Bond Resolution shall be deposited, as collected, in such fund.

The District also maintains a Road Debt Service Fund that is not pledged to the Bonds. Funds in the Road Debt Service Fund are not available to pay principal and interest on the Bonds.

The proceeds from the sale of the Bonds shall be deposited into the Water, Wastewater and Drainage Capital Projects Fund, to pay the costs of acquiring or constructing District water, wastewater and drainage facilities, to pay Developer interest and to pay the costs of issuing the Bonds. See "USE AND DISTRIBUTION OF BOND PROCEEDS" for a more complete description of the use of Bond proceeds.

No Arbitrage

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

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.

Redemption Provisions

The District reserves the right, at its option, to redeem the Bonds maturing on or after October 1, 2033, prior to their scheduled maturities, in whole or in part, in integral multiples of $5,000, on October 1, 2032, or on any date thereafter, at a price of par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. If fewer than all of the Bonds are redeemed at any time, the particular maturities of Bonds to be redeemed shall be selected by the District. If less than all the Bonds of any maturity are redeemed at any time, the particular Bonds within a maturity to be redeemed shall be selected by the Paying Agent/Registrar by lot or other customary method of selection (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form).

Notice of any redemption identifying the Bonds to be redeemed in whole or in part shall be given by the Paying Agent/Registrar at least thirty (30) days prior to the date fixed for redemption by sending written notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the register. Such notices shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment and, if fewer than all the Bonds outstanding within any one maturity are to be redeemed, the numbers of the Bonds or the portions thereof to be redeemed. Any notice given shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption. When Bonds have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Registered Owners to collect interest that would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

Registration and Transfer

So long as any Bonds remain outstanding, the Paying Agent/Registrar shall keep the register at its principal payment office and, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of the Bond Resolution. While the Bonds are in the Book-Entry-Only System, the Bonds will be registered in the name of Cede & Co. and will not be transferred. See "BOOK-ENTRY-ONLY SYSTEM."

Replacement of Paying Agent/Registrar

Provision is made in the Bond Resolution for replacement of the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, the new paying agent/registrar shall act in the same capacity as the previous Paying Agent/Registrar. Any paying agent/registrar selected by the District shall be a national or state banking institution, a corporation organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise trust powers, and subject to supervision or examination by federal or state authority, to act as Paying Agent/Registrar for the Bonds.

Lost, Stolen or Destroyed Bonds

In the event the Book-Entry-Only System is discontinued, upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. If any Bond is lost, stolen or destroyed, the District, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall, upon receipt of certain documentation from the Registered Owner and an indemnity bond, execute and the Paying Agent/Registrar shall authenticate and deliver a replacement Bond of like maturity, interest rate and principal amount bearing a number not contemporaneously outstanding. Registered Owners of lost, stolen or destroyed bonds will be required to pay the District's costs to replace such bond. In addition, the District or the Paying Agent/Registrar may require the Registered Owner to pay a sum sufficient to cover any tax or other governmental charge that may be imposed.

Issuance of Additional Debt

After issuance of the Bonds, the District will have $20,875,000 principal amount of authorized but unissued unlimited tax bonds for the purpose of acquiring or constructing water, sanitary sewer and drainage facilities and refunding such bonds. In addition, the District has $10,055,000 principal amount of authorized but unissued unlimited tax bonds for the purpose of constructing roads and related improvements and refunding such bonds. The Bond Resolution 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.

Issuance of additional bonds could increase the District's tax rate and dilute the investment security for the Bonds.

Dissolution of the District

Under Texas law, the District may be dissolved by the City without the District's consent. However, pursuant to an agreement with the District, the City may not dissolve the District until the Facilities that serve the District are complete and certain obligations are met. See "THE DISTRICT—Utility Functions and Services Allocation Agreement with the City of Baytown."

If the District is dissolved, the City will assume the District's assets and obligations (including the Bonds) and dissolve the District within ninety (90) days thereafter. Prior to dissolution by the City, the District shall have the opportunity to discharge any obligations of the District by selling its bonds or by causing the City to sell bonds of the City in an amount necessary to discharge such obligations. Dissolution of the District by the City is a policymaking matter within the discretion of the Mayor and the City Council of the City. Moreover, no representation is made concerning the ability of the City to make debt service payments should dissolution occur. See "—Remedies in Event of Default" herein.

Remedies in Event of Default

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Resolution, or defaults in the observance or performance of any other covenants, conditions, or obligations set forth in the Bond Resolution, the Registered Owners have the statutory right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Resolution. Except for mandamus, the Bond Resolution does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners.

Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's sovereign immunity from suits for money damages. In the absence of other waivers of such immunity by the Texas Legislature, a default by the District in its covenants in the Bond Resolution may not be reduced to a judgment for money damages. If such a judgment against the District were obtained, it could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions, such as the District. See "RISK FACTORS—Registered Owners' Remedies and Bankruptcy Limitations."

Legal Investment and Eligibility to Secure Public Funds in Texas

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

"(a) All bonds, notes, and other obligations issued by a district shall be legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, and trustees, and for all interest and sinking funds and other public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic."

"(b) A district's bonds, notes, and other obligations are eligible and lawful security for all deposits of public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of the bonds, notes, and other obligations when accompanied by any unmatured interest coupons attached to them."

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

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

Defeasance

The Bond Resolution provides that the District may discharge its obligations to the Registered Owners of any or all of the Bonds to pay principal, interest and redemption price thereon in any manner permitted by law. Under current Texas law, such discharge may be accomplished either (i) by depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of, premium, if any, and all interest to accrue on the Bonds to maturity or redemption or (ii) by depositing with any place of payment (paying agent) of the Bonds or other obligations of the District payable from revenues or from ad valorem taxes or both or with a commercial bank or trust company designated in the proceedings authorizing such discharge, amounts sufficient to provide for the payment and/or redemption of the Bonds; provided that such deposits may be invested and reinvested only in (a) direct obligations of the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and

that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and which mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds.

Upon such deposit as described above, such bonds shall no longer be regarded as outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the District to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided, however, that the right to call the Bonds for redemption is not extinguished if the District: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

There is no assurance that the current law will not be changed in the future in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds.

BOOK-ENTRY-ONLY SYSTEM

The information in this 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 or completeness thereof The District cannot and does not give any assurances that DTC, DTC Direct Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) prepayment or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will do so on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedure" of DTC to be followed in dealing with DTC Direct Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds, of each series will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. With respect to the Bonds, one fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 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+" by S&P Global Ratings. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in tum 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. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

All 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 the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds 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 to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but neither the District nor the Underwriter take any responsibility for the accuracy thereof.

THE DISTRICT

General

Harris County Municipal Utility District No. 473 (the "District") is a municipal utility district created under Article XVI, Section 59 of the Texas Constitution pursuant to an order of the TCEQ on March 1, 2006, and operates under the provisions of Article III, Section 52, Texas Constitution, Chapter 8250 of the Texas Special District Local Laws Code, Chapters 49 and 54 of the Texas Water Code, as amended, and other general statutes applicable to municipal utility districts. The District is located wholly within the corporate limits of the City.

The District is empowered, among other things, to purchase, construct, operate and maintain all works, improvements, facilities and plants necessary for the supply and distribution of water; the collection, transportation, and treatment of wastewater; and the control and diversion of storm water. The District may issue bonds and other forms of indebtedness to purchase or construct such facilities. The District is also empowered to establish parks and recreational facilities for the residents of the District (and after voter authorization to issue bonds for park and recreational facilities), to contract for or employ its own peace officers, and, after approval by the TCEQ and the voters of the District, to establish, operate, and maintain fire-fighting facilities, independently or with one or more conservation and reclamation districts. Additionally, the District is empowered to purchase, construct, and maintain roads and related improvements permitted under the Texas Water Code, and issue bonds for such roads.

The TCEQ exercises continuing supervisory jurisdiction over the District. The District is required to observe certain requirements of the City which, along with Texas law, limit the purposes for which the District may sell bonds for the acquisition, construction, and improvement of waterworks, wastewater, drainage, road, and the refunding of outstanding debt obligations; limit the net effective interest rate on such bonds and other terms of such bonds; and require certain public facilities to be designed in accordance with applicable City standards. Construction of the District's system is subject to the regulatory jurisdiction of additional government agencies. See "THE WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM."

Location of District

The District consists of two non-contiguous tracts. Approximately 139 acres within the District (the "Western Tract") are located approximately 21 miles east of the Central Business District of Houston in Harris County, Texas. Access to the Western Tract is provided by Thompson Road on the District's eastern boundary, Interstate Highway 10 on the District's northern boundary, and TX-330 on the District's southwestern boundary. Approximately 59 acres within the District (the "Eastern Tract") are located approximately 5 miles east of the original boundaries of the District. The Eastern Tract is bounded by the intersection of Interstate Highway 10 on its northern boundary and Sjolander Road on its eastern boundary. See "AERIAL PHOTOGRAPH."

Land Use

The District has been developed for industrial, warehouse and distribution purposes. All of the developable land in the District is served with water, sanitary sewer and drainage facilities. The Thompson Ten Business Park consists of approximately 106 acres all of which currently have vertical improvements. In 2023, construction commenced on the Gateway Ten Business Park which consists of approximately 45 acres. There are four completed warehouses and one warehouse under construction on approximately 24 acres in the Gateway Ten Business Park. There are approximately 21 acres of developed and vacant land in Gateway Ten Business Park. In addition, the District contains approximately 47 acres of undevelopable land consisting of Harris County Flood Control District rights-of-way, street rights-of-way, and detention reserves.

Status of Development

Development in Thompson Ten Business Park primarily consists of the following warehouse/office/distribution facilities on approximately 106 acres: (1) an approximately 33,000 square foot commercial warehouse/distribution facility owned by PKST Baytown Thompson LLC and leased to Tidal Tank and Republic Services (the "Tidal Tank Facility") on approximately 14 acres, (2) an approximately 260,000 square foot commercial warehouse/distribution center owned by FABCO Properties VI, LLC on approximately 17 acres, which is being leased to SLM Warehouses, (3) an approximately 130,000 square foot commercial warehouse/distribution center owned by Caspian Whaye LLC on approximately 10 acres, which is being leased to Eventstable, (4) an approximately 35,000 square foot commercial warehouse/distribution facility owned by Tuffi Company Inc., which is leased to Mustang Cat, on approximately 12 acres, (5) an approximately 146,000 square foot commercial warehouse/distribution facility owned by TX Bay 101 Good and leased to Ironclad Environmental Solutions on approximately 10 acres, (6) an approximately 30,000 square foot Clean as New Gulf Coast building (the "Clean as New Gulf Coast Facility") on approximately 6 acres, (7) an approximately 121,000 square foot commercial warehouse/distribution/office facility owned by KBUSA Properties (the "KBUSA Facility") on approximately 9 acres**,** (8) four warehouse/office buildings owned by Lance Real Estate Investment, LLC and leased to Herc Rentals totaling approximately 38,000 square feet on approximately 8 acres, (9) an approximately 130,000 square foot commercial warehouse/distribution center on approximately 8 acres with an approximately 2 acre drop yard owned by Trep Thompson Development, and (10) an approximately 10 acre development owned by MG Real Properties Ltd. and leased to Tiger Industrial Rentals.

Development in Gateway Ten Business Park consists of the following on approximately 24 acres: (1) an approximately 50,000 square foot warehouse/storage facility and an approximately 50,000 square foot climate controlled storage facility under construction with an estimated delivery in the first quarter of 2027 owned by 7505 Gateway Blvd LLC and leased to Maplewood Industrial Services (the "Maplewood Industrial Services Facility"); (2) an approximately 15,000 square foot warehouse/storage/office facility owned by Elliott Electric Supply; (3) an approximately 15,000 square foot commercial warehouse facility and industrial outdoor storage owned by Gateway Ten Baytown IOS, LLC and leased to Opifex-Synergy; and (4) an approximately 15,000 square foot commercial warehouse facility and industrial outdoor storage owned by Premiere Real Estate Holdings III LLC and leased to EquipmentShare. There remain 21 acres of developed vacant land, of which 16 acres are owned by the Developer and 4 acres are owned by Premiere Real Estate Holdings III LLC. See "THE PRINCIPAL TAXPAYERS AND MAJOR LANDOWNER."

Utility Functions and Services Allocation Agreement with the City of Baytown

The District operates pursuant to a certain Utility Functions and Services Allocation Agreement with the City dated as of August 31, 2005 (the "Utility Agreement"), which has been amended on December 18, 2017 and June 25, 2020, to accommodate annexations of land by the District. Pursuant to the Utility Agreement, the City must provide water supply and wastewater services to the District. The City is required to provide up to 511 equivalent single-family connections ("ESFCs") to serve the District. In exchange, the District must design and construct certain water supply and distribution, sanitary sewer collection, transportation and treatment, storm water collection detention, and drainage systems and roadway facilities to serve lands within the District's boundaries (the "Facilities") in compliance with all requirements and criteria of the City. For purposes of ownership and maintenance, Facilities do not include the Stormwater Detention System which are those onsite facilities used to detain the difference in stormwater runoff between the developed and the predeveloped run-off rate for the 100-year flood plain event, if any. In addition, the District must pay to the City impact fees, in the amount as adopted by the City Council, for water supply and wastewater services.

The Facilities

The Utility Agreement provides that the Facilities must be designed and constructed in compliance with all applicable requirements and criteria of the City, including the City's Consent Resolution, and of any other authorities having regulatory jurisdiction or authority over the financing, construction or operation of the Facilities. The design and construction of the Facilities is subject to the review and approval of the City. The Utility Agreement provides that the Facilities must be constructed by or on behalf of the District at the District's sole expense. Certain of the Facilities may be oversized to serve areas not within the District.

Authority of District to Issue Bonds; District Taxes

The District is authorized to assess, levy and collect ad valorem taxes upon all taxable properties within the District to pay all District obligations and for operation and maintenance purposes in accordance with state law. The District has the authority to issue, sell, and deliver bonds from time to time, as deemed necessary and appropriate by the District's Board of Directors, as permitted by federal law, state law, the City's Consent Resolution, and the City's Procedures for the Creation of In-City Municipal Utility Districts for all District Facilities. Unless and until the City dissolves the District and assumes the District's assets and obligations, bonds issued by the District remain obligations solely of the District and may not be construed to be obligations or indebtedness of the City.

Ownership, Operation, and Maintenance of the Facilities

The Utility Agreement provides that, as the Facilities are acquired and constructed, the District must convey the Facilities (except for Storm Water Detention System) to the City, including all warranties. As construction of each phase of the Facilities is completed, representatives of the City must inspect the completed Facilities. If the City finds that the Facilities have been completed in accordance with the final plans and specifications, the City must accept the Facilities, and the District must convey the Facilities to the City. If the Facilities have not been completed in accordance with the final plans and specifications, the City must advise the District of the manner in which the Facilities do not comply. The District must immediately correct any defects, at which time the City must again inspect the Facilities and accept them if the defects have been corrected. After conveyance of Facilities to the City by the District, the City must operate and maintain the Facilities (except for the Storm Water Detention System and Gateway Boulevard) at its sole expense. The District or property owners' association will be responsible for the operation and maintenance of the Storm Water Detention System. Pursuant to the Second Amendment to the Utility Agreement, after City acceptance as a public road, the District has assumed maintenance obligations of Gateway Boulevard pursuant to an agreement with the property owners association.

Rates for Service

Under the Utility Agreement, the City agrees to bill and collect from customers of the Facilities such rates and charges from such customers of the Facilities as the City, in its sole discretion, determines are necessary, provided that the rates and charges for services afforded by the Facilities will be equal and uniform to those charged other similar classifications of users in non-municipal utility district areas of the City. In addition, the City may impose a charge for connection to the Facilities at a rate determined by the City, provided the charge is equal to sums charged to other City users for comparable connections. As noted above, the District must pay to the City impact fees, in the amount as adopted by the City Council, for water supply and wastewater services. All revenues from the Facilities shall belong exclusively to the City.

Dissolution of the District

The City has the right to abolish and dissolve the District and to acquire the District's assets and assume the District's obligations in accordance with state law. The Utility Agreement provides, however, that the City may not dissolve the District until the Facilities required to serve the District have been completed. Furthermore, the City may not dissolve the District until (i) the Developer(s) developing Facilities in the District have been reimbursed by the District to the maximum extent permitted by state law, or (ii) the City assumes any obligation for such reimbursement of the District. To discharge any remaining District obligations, the City may (i) if requested by the District in writing, authorize the District to sell its bonds before or during a transition period prior to the effective date of the dissolution, as established by the City, (ii) pursuant to state law, issue and sell bonds of the City in at least the amount necessary to discharge the District's obligations, including those under any utility development and reimbursement agreements with Developers in the District, or (iii) provide written notice to the District that the City has sufficient funds available from other sources to discharge the District's obligations, including those under the utility development and reimbursement agreements with Developers in the District.

MANAGEMENT

Board of Directors

The District is governed by the Board of Directors, consisting of five directors, which has control over and management supervision of all affairs of the District. None of the Directors reside within the District; however, each Director owns a small parcel of land within the District subject to a Note and Deed of Trust in favor of the Developer. Directors are elected by the voters within the District for four-year staggered terms. Director elections are held only in even numbered years. The directors and officers of the District are listed below:

Name	Title	Term Expires
Kellie Fritcher	President	May 2030
Amy Nobles	Vice President	May 2030
Jason Klump	Secretary	May 2030
Rebecca Fredrickson	Assistant Vice President	May 2028
Allen Hall	Assistant Secretary	May 2028

While the District does not employ any full-time employees, it has contracted for certain services as follows:

Tax Assessor/Collector

Land and improvements within the District are appraised for ad valorem taxation purposes by Harris Central Appraisal District. The District's contracts with Assessments of the Southwest, Inc. to serve as Tax Assessor/Collector.

Bookkeeper

The District has engaged Artesian Financial Services, LLC to serve as the District's bookkeeper.

Engineer

The consulting engineer for the District in connection with the design and construction of the District's facilities is Vogler & Spencer Engineering, Inc. (the "Engineer").

Attorney

The District engages Allen Boone Humphries Robinson LLP as general counsel and 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.

Financial Advisor

Masterson Advisors LLC (the "Financial Advisor") serves as financial advisor to the District. The fees to be paid the Financial Advisor 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.

Disclosure Counsel

The District has engaged McCall, Parkhurst & Horton L.L.P., Houston, Texas as disclosure counsel. The fees paid to disclosure counsel in connection with the issuance of the Bonds are contingent upon the sale and delivery of the Bonds.

Auditor

The District's financial statements for the fiscal year ended June 30, 2026 were audited by the independent accounting firm of McGrath & Co., PLLC. See "APPENDIX A" for a copy of the audited financial statement of the District as of June 30, 2026.

THE DEVELOPER

Gateway Ten Business Park, LLC

Gateway Ten Business Park, LLC (the "Developer") is the owner of approximately 16 acres of land which is referred to herein as the Eastern Tract. All of the land in the Eastern Tract is served with utilities. With the consent of the District and pursuant to a development financing agreement, the Developer has financed and, subject to certain conditions, is entitled to be reimbursed by the District for the design and construction of certain water, sanitary sewer, drainage, and road facilities.

The Developer, nor any of its affiliates, is obligated to pay principal of or interest on the Bonds. Furthermore, the Developer does not have a binding commitment to the District to carry out any plan of development and the Developer may sell or otherwise dispose of its property, or any other assets, at any time, and the furnishing of information relating to the proposed development by the Developer should not be interpreted as such a commitment. Prospective purchasers are encouraged to inspect the District in order to acquaint themselves with the nature of development that has occurred or is occurring within the boundaries of the District. See "RISK FACTORS."

THE PRINCIPAL TAXPAYERS

The following is a description of the largest property owners in the District.

Based upon the 2026 certified tax rolls, the top ten taxpayers are responsible for approximately 79.71% ($140,587,923) of the District's 2026 Certified Taxable Assessed Valuation. See "RISK FACTORS—Dependence on Major Taxpayers."

The largest taxpayer is Clean as New Gulf Coast LLC, which represents approximately 18.79% ($33,150,362) of the District's 2026 Certified Taxable Assessed Valuation, consisting of the approximately 30,000 square foot Clean as New Gulf Coast Facility. The Clean as New Gulf Coast LLC Facility opened in 2019.

The second largest taxpayer is FABCO Properties VI LLC, which represents approximately 16.20% ($28,579,316) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 260,000 square feet commercial warehouse/distribution facility.

The third largest taxpayer is Caspian Whaye LLC, which represents approximately 7.94% ($14,000,000) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 130,000 square foot commercial warehouse/distribution facility

The fourth largest taxpayer is KBUSA Properties, which represents approximately 7.65% ($13,497,444) of the District's 2026 Certified Taxable Assessed Valuation, consisting of the approximately 121,000 square foot KBUSA Facility.

The fifth largest taxpayer is Trep Thompson Development Owner LLC, which represents approximately 7.37% ($13,000,000) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 130,000 square foot commercial warehouse/distribution facility.

The sixth largest taxpayer is 7505 Gateway Blvd LLC, which represents approximately 5.85% ($10,323,195) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 50,000 square foot commercial warehouse/distribution facility. The eighth largest taxpayer is Venture Global Operations Support, which represents approximately 4.10% ($7,225,989) of the District's 2026 Certified Taxable Assessed Valuation, consisting of a portion of the personal property at the Maplewood Industrial Services Facility. The ninth largest taxpayer is Venture Global CP2 LNG LLC, which represents approximately 3.91% ($6,898,660) of the District's 2026 Certified Taxable Assessed Valuation, consisting of a portion of the personal property at the Maplewood Industrial Services Facility. In aggregate, the value of the property owned by these three taxpayers is $24,447,844 or approximately 13.86% of the District's 2026 Certified Taxable Assessed Valuation.

The seventh largest taxpayer is Tidal Tank, Inc., which represents approximately 4.15% ($7,312,957) of the District's 2026 Certified Taxable Assessed Valuation, consisting of a portion of the personal property in the Tidal Tank Facility. The tenth largest taxpayer is PKST Baytown Thompson LLC, which represents approximately 3.74% ($6,600,000) of the District's 2026 Certified Taxable Assessed Valuation, consisting of an approximately 33,000 square foot commercial warehouse/distribution Tidal Tank Facility. In aggregate, the value of the property owned by these two taxpayers is $13,912,957 or approximately 7.89% of the District's 2026 Certified Taxable Assessed Valuation.

See "RISK FACTORS—Dependence on Personal Property Tax Collections," "THE DISTRICT—Status of Development," "TAX DATA—Principal Taxpayers" and "—Summary of Assessed Valuation."

ROAD SYSTEM

Several arterial/collector streets which lie within or near the boundaries of the District have been financed with a portion of the proceeds of the Outstanding Bonds. All roadways are designed and constructed in accordance with Harris County, Texas (the "County") and City standards, rules and regulations. Upon acceptance by the City of roadways or roadway facilities, the City is responsible for operation and maintenance thereof. However, the District has agreed to maintain Gateway Boulevard notwithstanding the City's acceptance thereof.

These roads lie within the public rights-of-way. In addition to the roadway, public utilities such as underground water, sewer and drainage facilities are located within the rights-of-way or easement dedicated to the District. The rights-of-way are also shared by streetlights, sidewalks and franchise utilities (power, gas, telephone and cable).

THE WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM

Regulation

The District's water, wastewater, and drainage facilities to serve the District (the "System") have been designed in conformance with accepted engineering practices and the requirements of certain governmental agencies having regulatory or supervisory jurisdiction over the construction and operation of such facilities, including, as applicable among others, the TCEQ, Harris County, and the City. According to the District's engineer, all such facilities constructed to date have been approved by all required governmental agencies. During construction, such facilities are subject to inspection by the foregoing governmental agencies having jurisdiction. Upon completion, the water and wastewater facilities will be transferred to the City.

The water and wastewater facilities constructed in the District are owned and operated by the City, and the customers of such facilities in the District pay rates and charges directly to the City. See "THE DISTRICT—Utility Functions and Services Allocation Agreement with the City of Baytown." Operation of the System is subject to regulation by, among others, the United States Environmental Protection Agency, the TCEQ, and the Texas Department of Health. According to the District's engineer, the Flood Insurance Rate Map currently in effect published by the Federal Emergency Management Agency which covers land located in the District indicates that a small portion of the land located in the District is located within the 100-year floodplain, none of which is planned for development.

Water Supply and Wastewater Treatment: Entities in the District receive their water and sewer service from the City and pay their water and sewer bills directly to the City. Pursuant to the Utility Functions and Services Allocation Agreement with the City (the "Utility Agreement"), the District has conveyed or will convey its water, sewer, and drainage facilities to the City and the City will operate and maintain the water and sewer utilities so conveyed.

The District has reserved 511 ESFCs of water and wastewater treatment capacity, which is adequate to serve the build-out of the District given currently anticipated development plans.

Drainage: Internal storm-water collection lines have been constructed for drainage system improvements to serve the District's development. This system serves the entire District's drainage area and conveys flows to the District's storm water detention basin owned and maintained by the District. The detention basin is designed to ultimately drain to Spring Creek Gully.

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" (or 1% chance of probable inundation) as shown on the FIRM is the estimated geographical area that would be flooded by a rainstorm 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 no assurance that homes built in such area will not be flooded. The District's drainage system has been designed and constructed to all current standards. See "RISK FACTORS—Extreme Weather."

According to the Engineer, a small portion of the District is within the floodplain, however no development is planned in the floodplain.

In 2018, the National Weather Service completed a rainfall study known as National Oceanic and Atmospheric Administration ("NOAA") Atlas 14, Volume 11 Precipitation-Frequency Atlas of for 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. 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.

USE AND DISTRIBUTION OF BOND PROCEEDS

The estimated use and distribution of Bond proceeds is shown below. Of proceeds to be received from sale of the Bonds, $1,862,281 is estimated for construction costs and $447,719 is estimated for non-construction costs.

CONSTRUCTION COSTS		
Gateway Park Drive Clearing, Grubbing, Water, Sanitary Sewer and Drainage and Detention….	$	209,910
Engineering….		279,792
Land Acquisition Costs, Gateway Park Drive Detention Reserve		1,372,579
Total Construction Costs…….	**$**	**1,862,281**
NON-CONSTRUCTION COSTS		
Bond Counsel Fees……	$	69,300
Financial Advisory Fees……		46,200
Developer Interest (Estimated)……		137,722
Bond Discount (Estimated at 3.00%) (a)……		69,300
Bond Issuance Expenses……		77,112
TCEQ Fee (0.25%)……		5,775
Bond Engineering Report……		40,000
Attorney General Fee……		2,310
Total Non-Construction Costs…….	**$**	**447,719**
TOTAL BOND ISSUE	**$**	**2,310,000**

(a) The TCEQ approved a maximum Bond Discount of 3.00%.

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

Future Debt

The Developer has financed the engineering and construction costs of water, sanitary sewer and drainage facilities and road improvements to serve District as well as certain other District improvements. After reimbursement from the proceeds of the Bonds, the Developer will be fully reimbursed. The District can make no representation that any additional development will occur within the District. The Engineer has stated that the District's authorized but unissued bonds will be adequate, under present land use projections, to finance such improvements.

UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED

Date of Authorization	Purpose	Amount Authorized	Issued to Date	Amount Unissued
5/04/2019	Water, Sanitary Sewer and Drainage ("WS&D") and Refunding of WS&D Bonds	$33,900,000	$13,025,000*	$20,875,000*
5/04/2019	Roads and Refunding of Road Bonds	$14,700,000	$4,645,000	$10,055,000

* Includes the Bonds.

FINANCIAL STATEMENT

2026 Certified Taxable Assessed Valuation	$176,381,602	(a)
Estimated Taxable Assessed Valuation as of August 15, 2026	$188,176,155	(b)
Gross Debt Outstanding (after the issuance of the Bonds)	$15,985,000	
Ratios of Gross Debt to:		
2026 Certified Taxable Assessed Valuation	9.06%	
Estimated Taxable Assessed Valuation as of August 15, 2026	8.49%	

Area of District — 198 acres

(a) The 2026 Certified Taxable Assessed Valuation does not include $17,015,264 of uncertified value. The uncertified value is subject to change and downward revision or adjustment prior to certification. No tax will be levied on said uncertified value until it is certified by the Harris Central Appraisal District (the "Appraisal District"). See "TAX PROCEDURES."

(b) Provided by the Appraisal District for informational purposes only. Such amounts reflect an estimate of the taxable appraised value within the District as of August 15, 2026. No tax will be levied on such amount. Taxes are levied on taxable value certified by the Appraisal District as of January 1 of each year. See "TAX PROCEDURES."

Cash and Investment Balances (unaudited as of October 14, 2026)

General Fund	Cash and Temporary Investments	$1,074,978	
Water, Sewer and Drainage Capital Projects Fund	Cash and Temporary Investments	$150,054	
Road Capital Projects Fund	Cash and Temporary Investments	$ 51,601	
Water, Sewer and Drainage Debt Service Fund	Cash and Temporary Investments	$1,215,125	(a)
Road Debt Service Fund	Cash and Temporary Investments	$ 355,238	(b)

(a) Funds in the Water, Sewer and Drainage Debt Service Fund are available to pay debt service on the District's bonds issued for water, sanitary sewer and drainage facilities (including the Bonds) and are not available to pay debt service on the District's bonds issued for road facilities. Neither Texas law nor any bond resolution (including the Bond Resolution) requires the District to maintain any minimum balance in the Water, Sewer and Drainage Debt Service Fund. See "USE AND DISTRIBUTION OF BOND PROCEEDS."

(b) Funds in the Road Debt Service Fund are available to pay debt service on the District's bonds issued for road facilities and are not available to pay debt service on the District's bonds issued for water, sanitary sewer and drainage facilities (including the Bonds). Neither Texas law nor any bond resolution requires the District to maintain any minimum balance in the Road Debt Service Fund.

District Investment Policy

The District's goal is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Funds of the District are invested either in short term U.S. Treasury obligations or certificates of deposit insured by the Federal Deposit Insurance Corporation or secured by collateral held by a third-party institution. The District does not own any long-term securities or derivative products in the District's investment portfolio.

Outstanding Bonds (as of October 2, 2026)

Series		Original Principal Amount	Outstanding Bonds 10/2/2026
2020		$ 6,215,000	$ 5,355,000
2021	(a)	3,120,000	2,495,000
2024	(a)	1,525,000	1,455,000
2025		4,500,000	4,370,000
Total		$ 15,360,000	$ 13,675,000

(a) Unlimited tax road bonds.

ESTIMATED OVERLAPPING DEBT STATEMENT

Expenditures of the various taxing entities within the territory of the District are paid out of ad valorem taxes levied by such entities on properties within the District. Such entities are independent of the District and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax bonds ("Tax Debt") was developed from information contained in the "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the District, the District has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional bonds since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot be determined. The following table reflects the estimated share of the overlapping Tax Debt of the District.

Taxing Jurisdiction	Outstanding Bonds	As of	Overlapping Percent	Overlapping Amount
Harris County	$ 2,952,415,112	9/30/2026	0.025%	$ 749,021
Harris County Department of Education	28,960,000	9/30/2026	0.025%	7,343
Harris County Flood Control District	1,001,580,000	9/30/2026	0.026%	259,551
Harris County Hospital District	1,644,825,000	9/30/2026	0.026%	426,181
Port of Houston Authority	386,074,397	9/30/2026	0.026%	100,057
Goose Creek Consolidated ISD	526,210,012	9/30/2026	0.872%	4,587,257
Lee College District	21,975,000	9/30/2026	0.800%	175,697
City of Baytown	348,330,000	9/30/2026	2.411%	8,399,853
Total Estimated Overlapping Debt				$ 14,704,960
The District	15,985,000 (a)	Current	100.00%	15,985,000
Total Direct and Estimated Overlapping Debt				$ 30,689,960
Ratio of Direct and Estimated Overlapping Debt to 2026 Taxable Assessed Valuation				17.40%
Ratio of Direct and Estimated Overlapping Debt to Estimated Taxable Assessed Valuation as of August 15, 2026				16.31%

(a) Includes the Outstanding Bonds and the Bonds.

Overlapping Tax Rates for 2026

	2026 Tax Rate per $100 of Taxable Assessed Valuation
Harris County (a)	$ 0.676267
City of Baytown	0.698030
Goose Creek CISD	1.070000
Lee College District	0.187060
Total Overlapping Tax Rate	$ 2.631357
The District	0.800000 (b)
Total Tax Rate	$ 3.431357

(a) Includes the Harris County Flood Control District, Harris County Hospital District, Harris County Department of Education and the Port of Houston Authority.

(b) The District authorized publication of its intent to levy a total tax rate of $0.80 per $100 of taxable assessed valuation for tax year 2026, of which $0.60 per $100 of taxable assessed valuation is allocated to debt service and $0.20 per $100 of taxable assessed valuation is allocated to maintenance and operations. The District expects to adopt such tax rate in November 2026. See "TAX DATA—Tax Rate Distribution."

TAX DATA

Tax Collections

The following statement of tax collections sets forth in condensed form the historical tax collection experience of the District. This summary has been prepared for inclusion herein, based upon information from District records. Reference is made to these records for further and more complete information.

Tax Year	Certified Taxable Assessed Valuation	Tax Rate	Total Tax Levy	Total Collections as of September 30, 2026 (a) Amount	Percent
2021	109,926,677	$ 0.800	879,413	879,360	99.99%
2022	123,493,140	0.800	987,945	987,945	100.00%
2023	114,699,811	0.800	917,598	917,598	100.00%
2024	168,270,200	0.800	1,346,162	1,346,162	100.00%
2025	179,782,725	0.800	1,438,262	1,438,262	100.00%

(a) Unaudited.

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. No split payments are allowed, and no discounts are allowed.

Tax Rate Distribution

	2026 (a)	2025	2024	2023	2022
Debt Service	$ 0.600	$ 0.600 (b)	$ 0.600	$ 0.600	$ 0.450
Maintenance and Operations	0.200	0.200	0.200	0.200	0.350
Total	$ 0.800	$ 0.800	$ 0.800	$ 0.800	$ 0.800

(a) The District authorized publication of its intent to levy a total tax rate of $0.80 per $100 of taxable assessed valuation for tax year 2026, of which $0.60 per $100 of taxable assessed valuation is allocated to debt service and $0.20 per $100 of taxable assessed valuation is allocated to maintenance and operations. The District expects to adopt such tax rate in November 2026.

(b) For tax year 2025, $0.405 is allocated to water, sewer and drainage debt service and $0.195 is allocated to road debt service.

Tax Rate Limitations

Debt Service: Unlimited (no legal limit as to rate or amount).
Maintenance and Operations: $1.50 per $100 of taxable assessed valuation.
Maintenance and Operations for Roads: $0.25 per $100 of taxable assessed valuation.

Debt Service Tax

The Board covenants in the Bond Resolution to levy and assess, for each year that all or any part of the Bonds remain outstanding and unpaid, a tax adequate to provide funds to pay the principal of and interest on the Bonds. For the 2025 tax year, the District levied a tax for debt service in the amount of $0.60 per $100 assessed valuation.

Maintenance and Operations Tax

The Board of Directors of the District has the statutory authority to levy and collect an annual ad valorem tax for maintenance of the District's improvements if such maintenance tax is authorized by vote of the District's electors. On May 4, 2019, the Board was authorized to levy such a maintenance tax in an amount not to exceed $1.50 per $100 of assessed valuation and to also levy a maintenance tax for operation and maintenance of roads in an amount not to exceed $0.25 per $100 of assessed valuation. Such maintenance taxes are in addition to taxes which the District is authorized to levy for paying principal of and interest on the District's bonds. For the 2025 tax year, the District levied a tax for maintenance and operations in the amount of $0.20 per $100 assessed valuation.

Tax Exemptions

As discussed in the section titled "TAX PROCEDURES" herein, certain property in the District may be exempt from taxation by the District. For 2026, the District has not granted any residential homestead exemptions.

Additional Penalties

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

Principal Taxpayers

The following list of principal taxpayers was provided by the District's tax assessor/collector and represents the principal taxpayers' value as a percentage of the District's 2026 Certified Taxable Assessed Valuation. This represents ownership as of January 1, 2026. An accurate principal taxpayer list related to the Estimated Taxable Assessed Valuation as of August 15, 2026 is not available as of the date hereof.

Taxpayer	Type of Property	2026 Certified Taxable Assessed Valuation	% of 2026 Certified Taxable Assessed Valuation
Clean As New Gulf Coast LLC	Commercial / Personal Property	$ 33,150,362	18.79%
FABCO Properties VI LLC	Commercial	28,579,316	16.20%
Caspian Whaye LLC	Commercial	14,000,000	7.94%
KBUSA Properties	Commercial	13,497,444	7.65%
Trep Thompson Development Owner LLC	Commercial	13,000,000	7.37%
7505 Gateway Blvd LLC (a)	Commercial / Vacant	10,323,195	5.85%
Tidal Tank Inc (b)	Personal Property	7,312,957	4.15%
Venture Global Operations Support (a)	Personal Property	7,225,989	4.10%
Venture Global CP2 LNG LLC (a)	Personal Property	6,898,660	3.91%
PKST Baytown Thompson LLC (b)	Commercial	6,600,000	3.74%
Total		$ 140,587,923	79.71%

(a) A portion of the personal property of Venture Global Operations Support and Venture Global CP2 LNG LLC is stored in the Maplewood Industrial Services Facility warehouse, which is owned by 7505 Gateway Blvd. See "RISK FACTORS—Dependence on Major Taxpayers," "—Dependence on Personal Property Tax Collections," "THE DISTRICT—Status of Development," and "THE PRINCIPAL TAXPAYERS AND MAJOR LANDOWNER."

(b) A portion of the personal property of Tidal Tank, Inc. is stored in the Tidal Tank Facility warehouse, which is owned by PKST Baytown Thompson LLC. See "RISK FACTORS—Dependence on Major Taxpayers," "—Dependence on Personal Property Tax Collections," "THE DISTRICT—Status of Development," and "THE PRINCIPAL TAXPAYERS AND MAJOR LANDOWNER."

Summary of Assessed Valuation

The following summary of the 2026, 2025, and 2024 Taxable Valuations are provided by the District's Tax Assessor/Collector based on information provided by the Appraisal District and contained in the 2026, 2025, and 2024 tax rolls of the District. An accurate breakdown of the Estimated Taxable Assessed Valuation as of August 15, 2026, is not available as of the date hereof.

	2026 Certified Taxable Valuation	2025 Certified Taxable Valuation	2024 Certified Taxable Valuation
Land	$ 25,225,481	$ 29,374,494	$ 25,917,206
Improvements	98,661,306	91,232,585	85,138,394
Personal Property (a)	59,197,080	64,313,793	61,556,453
Exemptions	(6,702,265)	(5,138,147)	(4,341,853)
Total	$ 176,381,602	$ 179,782,725	$ 168,270,200

(a) See TAX PROCEDURES—Property Subject to Taxation by the District."

Tax Adequacy for Debt Service

The calculations shown below assume, solely for purposes of illustration, no increase or decrease in assessed valuation over the District's 2026 Certified Taxable Assessed Valuation or the Estimated Taxable Assessed Valuation as of August 15, 2026, no use of available funds, collection of ninety-five percent (95%) of taxes levied and utilize tax rates necessary to pay the District's average annual debt service requirements on the Outstanding Bonds and the Bonds. See "RISK FACTORS—Impact on District Tax Rates" and "DEBT SERVICE REQUIREMENTS."

Average annual debt service requirement (2027-2050)	$1,007,233
$0.61 tax rate on the 2026 Certified Taxable Assessed Valuation of $176,381,602 at a 95% collection rate produces	$1,022,131
$0.57 tax rate on the Estimated Taxable Assessed Valuation as of August 15, 2026 of $188,176,155 at a 95% collection rate produces	$1,018,974

No representations or suggestions are made that the Estimated Taxable Assessed Valuation as of August 15, 2026 provided by the Appraisal District will be certified as taxable value by the Appraisal District, and no person should rely upon such amount or its inclusion herein as assurance of its attainment. See "TAX PROCEDURES."

TAX 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 an amount sufficient to pay the principal of and interest on the Outstanding Bonds, the Bonds, and any additional bonds payable from taxes which the District may hereafter issue (see "RISK FACTORS—Future Debt") and to pay the expenses of assessing and collecting such taxes. The District agrees in the Bond Resolution to levy such a tax from year to year as described more fully herein under "THE BONDS—Source of and Security for Payment." Under Texas law, the Board may also levy and collect an annual ad valorem tax for the operation and maintenance of the District and for the payment of certain contractual obligations. See "TAX DATA—Debt Service Tax" and "—Maintenance and Operations Tax."

Property Tax Code and County-Wide Appraisal District

Title I of the Texas Tax Code (the "Property Tax Code") specifies the taxing 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 here.

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 appraisal district. The Harris Central Appraisal District (the "Appraisal District") has the responsibility for appraising property for all taxing units within Harris County, including the District. Such appraisal values are subject to review and change by the Harris Central Appraisal Review Board (the "Appraisal Review Board").

Property Subject to Taxation by the District

Except for certain exemptions provided by Texas law, all real property, tangible personal property held or used for the production of income, and mobile homes, are subject to taxation by the District. Principal categories of exempt property include, but are not limited to, property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies, and personal effects; certain goods, wares, and merchandise in transit; farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; most individually owned automobiles; and intangible personal property. In addition, the District may by its own action exempt residential homesteads of persons 65 years or older and of certain disabled persons, and travel trailers, to the extent deemed advisable by the Board. The District may be required to offer such an exemption if a majority of voters approve it at an election. The District would be required to call such an election upon petition by 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. Furthermore, the District must grant exemptions to disabled veterans, or certain surviving dependents of disabled veterans if requested, but only to the maximum extent of $5,000 to $12,000 of assessed valuation depending upon the disability rating of the veteran, if such rating is less than 100%. A veteran who receives a disability rating of 100% is entitled to the exemption for the full amount of the residential homestead. Additionally, subject to certain conditions, the surviving spouse of a disabled veteran is entitled to an exemption for the full value of the veteran's residence homestead to which the disabled veterans' exemption applied including the surviving spouse of a disabled veteran who would have qualified for such exemption if it had been in effect on the date the disabled veteran died. 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 homesteads 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 in action is, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. The surviving spouse of a first responder who was killed or fatally injured in the line of duty is, subject to certain conditions, also entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and, subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. See "TAX DATA."

Residential Homestead Exemptions: The Property Tax Code authorizes the governing body of each political subdivision in the State of Texas to exempt up to 20% of the appraised value of residential homesteads from ad valorem taxation. Where ad valorem taxes have previously been pledged for the payment of debt, the assessor and collector of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged if the cessation of the levy would impair the obligations of the contract by which the debt was created. The adoption of a homestead exemption may be considered each year, but must be adopted before July 1. The District has never adopted an order granting a general residential homestead exemption.

Freeport Goods and Goods-in-Transit Exemptions: A "Freeport Exemption" applies to goods, wares, 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 that are destined to be forwarded outside of Texas and that are detained in Texas for assembling, storing, manufacturing, processing, or fabricating for fewer 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 that are covered by the Freeport Exemption, if, for tax year 2011 and prior applicable years, such property is acquired in or imported into Texas for assembling, storing, manufacturing, processing, or fabricating purposes and is subsequently forwarded to another location inside or outside of Texas not later than 175 days after acquisition or importation, and the location where said property is detained during that period is not directly or indirectly owned or under the control of the property owner. For tax year 2012 and subsequent years, such Goods-in-Transit Exemption includes tangible personal property acquired in or imported into Texas for storage purposes only if such property is stored under a contract of bailment by a public warehouse operator at one or more public warehouse facilities in Texas that are not in any way owned or controlled by the owner of such property for the account of the person who acquired or imported such property. A property owner who receives the Goods-in-Transit Exemption is not eligible to receive the Freeport Exemption for the same property. Local taxing units such as the District may, by official action and after public hearing, tax goods-in-transit personal property. A taxing unit must exercise its option to tax goods-in-transit property before January 1 of the first tax year in which it proposes to tax the property at the time and in the manner prescribed by applicable law.

Tax Abatement

Harris County or the City may designate all or part of the area within the District as a reinvestment zone. Thereafter, Harris County, the District, and the City 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 jurisdictions.

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. Generally, 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. In determining market value, either the replacement cost or the income or the market data method of valuation may be used, whichever is appropriate. Nevertheless, certain land may be appraised at less than market value under the Property Tax Code. Increases in the appraised value of residence homesteads are limited by the Texas Constitution to 10 percent annually regardless of the market value of the property.

The Property Tax Code permits land designated for agricultural use, open space, or timberland to be appraised at its value based on the land's capacity to produce agricultural or timber products rather than at its market value. The Property Tax Code permits under certain circumstances that residential real property inventory held by a person in the trade or business be valued at the price all such property would bring if sold as a unit to a purchaser who would continue the business. Provisions of the Property Tax Code are complex and are not fully summarized here. Landowners wishing to avail themselves of the agricultural use, open space, or

timberland designation or residential real property inventory designation must apply for the designation and the appraiser is required by the Property Tax Code to act on each claimant's right to the designation individually. A claimant may waive the special valuation as to taxation by some political subdivisions while claiming it as to another. If a claimant receives the agricultural use designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use, including taxes for the previous three (3) years for agricultural use, open space land and timberland.

The Property Tax Code requires the Appraisal District to implement a plan for periodic reappraisal of property to update appraisal values. The plan must provide for appraisal of all real property in the Appraisal District at least once every three (3) years. It is not known what frequency of reappraisal will be utilized by the Appraisal District or whether reappraisals will be conducted on a zone or county-wide basis. The District, however, at its expense has the right to obtain from the Appraisal District a current estimate of appraised values within the District or an estimate of any new property or improvements within the District. While such current estimate of appraised values may serve to indicate the rate and extent of growth of taxable values within the District, it cannot be used for establishing a tax rate within the District until such time as the Appraisal District chooses formally to include such values on its appraisal roll.

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

District and Taxpayer Remedies

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

Levy and Collection of Taxes

The District is responsible for the levy and collection of its taxes unless it elects to transfer such functions to another governmental entity. The rate of taxation is set by the Board of Directors, after the legally required notice has been given to owners of property within the District, based upon: a) the valuation of property within the District as of the preceding January 1, and b) the amount required to be raised for debt service, maintenance purposes, and authorized contractual obligations. Taxes are due October 1, or when billed, whichever comes later, and become delinquent if not paid before February 1 of the year following the year in which imposed. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty for collection costs of an amount established by the District and a delinquent tax attorney. A delinquent tax on personal property incurs an additional penalty, in an amount established by the District and a delinquent tax attorney, 60 days after the date the taxes become delinquent. The delinquent tax accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code makes provisions for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances which, at the option of the District, 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 deferral.

Tax Payment Installations After Disaster

Certain qualified taxpayers, including owners of residential homesteads, located within a designated disaster area or emergency area and whose property has been damaged as a direct result of the disaster or emergency, 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. Additionally, the Property Tax Code authorizes a taxing jurisdiction such as the District, solely at the jurisdiction's discretion to adopt a similar installment payment option for taxes imposed on property that is located within a designated disaster area or emergency area and is owned or leased by certain qualified business entities, regardless of whether the property has been damaged as a direct result of the disaster or emergency.

Rollback of Operation and Maintenance Tax Rate

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

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

Developed Districts: Developed Districts that adopt a total tax rate that would impose more than1.035 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 an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Developed District is the current year's debt service and contract tax rate plus 1.035 times the previous year's operation and maintenance tax rate plus any unused increment rates. In addition, if any part of a Developed District lies within an area declared for disaster by the Governor of Texas or President of the United States, alternative procedures and rate limitations may apply for a temporary period. If a district qualifies as both a Special Taxing Unit and a Developed District, the district will be subject to the operation and maintenance tax threshold applicable to Special Taxing Units.

Developing Districts: Districts that do not meet the classification of a Special Taxing Unit or a Developed District can be classified as Developing Districts. The qualified voters of these districts, upon the Developing District's adoption of a total tax rate that would impose more than 1.08 times the amount of the total tax rate imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are authorized to petition for an election to reduce the operation and maintenance tax rate. If an 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 Unit, Developed District or Developing District is made by the Board of Directors on an annual basis. The District has been designated as a "Developing District" for 2026. The District cannot give any assurances as to what its classification will be at any point in time or whether the District's future tax rates will result in a total tax rate that will reclassify the District into a new classification and new election calculation.

District's Rights in the Event of Tax Delinquencies

Taxes levied by the District are a personal obligation of the owner of the property as of January 1 of the year for which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of the State of Texas and each local taxing unit, including the District, having power to tax the property. The District's tax lien is on a parity with tax liens of such other taxing units. See "ESTIMATED OVERLAPPING DEBT STATEMENT—Overlapping Tax Rates for 2026." A tax lien on real property

takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by applicable federal law. Personal property under certain circumstances is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both subject to the restrictions on residential homesteads described above under "Levy and Collection of Taxes." In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the cost of suit and sale, 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 (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 purchaser's deed issued at the foreclosure sale is filed in the county records) or by bankruptcy proceedings which restrict the collection of taxpayer debts. The District's ability to foreclose its tax lien or collect penalties or interest on delinquent taxes may be limited on property owned by a financial institution which is under receivership by the Federal Deposit Insurance Corporation pursuant to the Federal Deposit Insurance Act, 12 U.S.C. 1825, as amended. See "RISK FACTORS—Tax Collection Limitations."

GENERAL FUND

General

The Bonds and the Outstanding Bonds are payable from the levy of an ad valorem tax, without legal limitation as to rate or amount, upon all taxable property in the District. Surplus revenues, if any, of the District's general fund are not pledged to the payment of the Bonds but are available for any lawful purpose including payment of debt service on the Bonds and the Outstanding Bonds, at the discretion and upon action of the Board. It is not anticipated that any significant revenues will be available for the payment of debt service on the Bonds or the Outstanding Bonds.

Operating Statement

The following statement sets forth in condensed form the historical results of operation of the District's General Fund. The City operates the water and sewer system that serves the District, so the District collects no net revenues from operating the System. Such summary is based upon information obtained from the District's audited financial statements for fiscal years ended June 30, 2022 through 2026 prepared by the District's bookkeeper. Reference is made to such statements and records for further and more complete information.

	Fiscal Year Ended June 30				
	2026	2025	2024	2023	2022
Revenues					
Property Taxes	$ 330,244	$ 324,471	$ 271,780	$ 394,986	$ 260,914
Investment Earnings	39,498	41,047	40,148	25,448	1,099
Miscellaneous		-	834	-	2,600
Total Revenues	$ 369,742	$ 365,518	$ 312,762	$ 420,434	$ 264,613
Expenditures					
Professional Fees	$ 74,791	$ 96,280	$ 102,572	$ 136,352	$ 78,774
Contracted Services	20,591	21,905	22,160	19,910	12,750
Repairs and Maintenance	71,904	59,169	18,493	26,325	49,634
Utilities	27,704	13,874	5,444	3,608	5,372
Administrative	29,837	28,252	31,442	20,421	10,462
Total Expenditures	$ 224,827	$ 219,480	$ 180,111	$ 206,616	$ 156,992
Revenues Over (Under) Expenditures	$ 144,915	$ 146,038	$ 132,651	$ 213,818	$ 107,621
Other Sources					
Internal Transfers	$ -	$ (10,562)	$ -	$ -	$ -
Fund Balance (Beginning of Year)	$ 1,013,508	$ 878,032	$ 745,381	$ 531,563	$ 423,942
Fund Balance (End of Year)	$ 1,158,423	$ 1,013,508	$ 878,032	$ 745,381	$ 531,563

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the District's outstanding debt and the estimated debt service requirements for the Bonds at an assumed interest rate of 5.75% per annum. See "USE AND DISTRIBUTION OF BOND PROCEEDS."

Year	Outstanding Bonds Debt Service Requirements	Debt Service on the Bonds			Total Debt Service Requirements
		Principal	Interest	Total	
2027	$ 962,909		$ 104,784	$ 104,784	$ 1,067,693
2028	958,419	$ 110,000	132,825	242,825	1,201,244
2029	958,319	100,000	126,500	226,500	1,184,819
2030	962,144	100,000	120,750	220,750	1,182,894
2031	960,081	100,000	115,000	215,000	1,175,081
2032	962,281	100,000	109,250	209,250	1,171,531
2033	963,313	100,000	103,500	203,500	1,166,813
2034	964,575	100,000	97,750	197,750	1,162,325
2035	965,800	100,000	92,000	192,000	1,157,800
2036	966,188	100,000	86,250	186,250	1,152,438
2037	965,506	100,000	80,500	180,500	1,146,006
2038	973,900	100,000	74,750	174,750	1,148,650
2039	975,981	100,000	69,000	169,000	1,144,981
2040	971,094	100,000	63,250	163,250	1,134,344
2041	975,194	100,000	57,500	157,500	1,132,694
2042	982,625	100,000	51,750	151,750	1,134,375
2043	973,213	100,000	46,000	146,000	1,119,213
2044	972,875	100,000	40,250	140,250	1,113,125
2045	970,956	100,000	34,500	134,500	1,105,456
2046	562,600	100,000	28,750	128,750	691,350
2047	440,750	100,000	23,000	123,000	563,750
2048	446,500	100,000	17,250	117,250	563,750
2049	336,000	100,000	11,500	111,500	447,500
2050	-	100,000	5,750	105,750	105,750
Total	$ 20,171,221	$ 2,310,000	$ 1,692,359	$ 4,002,359	$ 24,173,581

Average Annual Debt Service Requirements (2027-2050) $1,007,233
Maximum Annual Debt Service Requirements (2028) $1,201,244

LEGAL MATTERS

Legal Proceedings

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

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

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

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

No Material Adverse Change

The obligations of the Underwriter to take and pay for the Bonds, and of the District to deliver the Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the condition (financial or otherwise) of the District from that set forth or contemplated in the Preliminary Official Statement, as it may be amended or supplemented through the date of the sale.

No-Litigation Certificate

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

TAX MATTERS

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

Tax Exemption

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

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

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

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

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

Qualified Tax-Exempt Obligations

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

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

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

Additional Federal Income Tax Considerations

Collateral Tax Consequences

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

An "applicable corporation" (as defined in section 59(k) of the Code) may be subject to a 15 percent alternative minimum tax imposed under section 55 of the Code on its "adjusted financial statement income" (as defined in section 56A of the Code) for such taxable year. Because interest on tax-exempt obligations, such as the Bonds, is included in a corporation's "adjusted financial statement income," ownership of the Bonds could subject certain corporations to alternative minimum tax consequences.

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

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

Tax Accounting Treatment of Original Issue Premium

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

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

Tax Accounting Treatment of Original Issue Discount

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

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

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

Under existing law, the original issue discount on each OID Bond accrues daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the date of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such OID Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (i) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (ii) the amounts payable as current interest during such accrual period on such Bond.

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

Tax Legislative Changes

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

MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE

The District has not applied for an underlying investment grade rating on the Bonds nor is it expected that the District would have been successful if such application had been made. Applications have been made to municipal bond insurance companies for the qualification of the Bonds for municipal bond insurance. If qualified, such insurance will be available at the option and expense of the Underwriter. Any rating fees associated with the insurance will be the responsibility of the Underwriter. See "RISK FACTORS—Risk Factors Related to the Purchase of Municipal Bond Insurance."

SALE AND DISTRIBUTION OF THE BONDS

Award of the Bonds

After requesting competitive bids for the Bonds, the District accepted the bid resulting in the lowest net interest cost, which bid was tendered by _____ (the "Underwriter") bearing the interest rates shown on the cover page hereof, at a price of _____% of the principal amount thereof which resulted in a net effective interest rate of _____% as calculated pursuant to Chapter 1204 of the Texas Government Code.

Prices and Marketability

The prices and other terms with respect to the offering and sale of the Bonds may be changed at any time by the Underwriter after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts. In connection with the offering of the Bonds, the Underwriter may over-allot or effect transactions that stabilize or maintain the market prices of the Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The District has no control over trading of the Bonds in the secondary market. Moreover, there is no guarantee that a secondary market will be made in the Bonds. In such a secondary market, the difference between the bid and asked price of utility district bonds may be greater than the difference between the bid and asked price 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.

Securities Laws

No registration statement relating to the offer and sale of the Bonds has been filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any other 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 shall 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.

REGISTRATION AND QUALIFICATION UNDER SECURITIES LAW

The offer and sale of the Bonds have not been registered or qualified 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; and the Bonds have not been registered or qualified under the securities laws of any other jurisdiction.

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 sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

PREPARATION OF OFFICIAL STATEMENT

Sources and Compilation of Information

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

Financial Advisor

Masterson Advisors LLC, is employed as the Financial Advisor to the District to render certain professional services, including advising the District on a plan of financing and preparing the Official Statement, including the Official Notice of Sale and the Official Bid Form for the sale of the Bonds. In its capacity as Financial Advisor, Masterson Advisors LLC, has compiled and edited this Official Statement. In addition to compiling and editing, the Financial Advisor has obtained the information set forth herein under the caption indicated from the following sources:

> "THE DISTRICT" – Gateway 10 Business Park, LLC, Vogler & Spencer Engineering, Inc. ("Engineer"), and Records of the District ("Records"); "THE DEVELOPER" – Developer; "THE ROAD SYSTEM" and "THE WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM" – Engineer; "UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED" – Records; "FINANCIAL STATEMENT" – Harris Central Appraisal District and Assessments of the Southwest, Inc., Tax Assessor/Collector; "ESTIMATED OVERLAPPING DEBT STATEMENT" – Municipal Advisory Council of Texas and Financial Advisor; "TAX DATA" – Assessments of the Southwest, Inc.; "MANAGEMENT" – District Records; "DEBT SERVICE REQUIREMENTS" – Financial Advisor; "THE BONDS," "TAX PROCEDURES," and "LEGAL MATTERS" – Allen Boone Humphries Robinson LLP.

The Financial Advisor has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the District and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

Consultants

In approving this Official Statement, the District has relied upon the following consultants.

Engineer: The information contained in this Official Statement relating to engineering matters and to the description of the System and in particular that information included in the sections entitled "THE DISTRICT," "THE ROAD SYSTEM," and "THE WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM" has been provided by Vogler & Spencer Engineering, Inc., Consulting Engineers and has been included herein in reliance upon the authority of said firm as experts in the field of civil engineering.

Appraisal District: The information contained in this Official Statement relating to the assessed valuations has been provided by the Harris Central Appraisal District and has been included herein in reliance upon the authority of such entity as experts in assessing the values of property in Harris County, including the District.

Tax Assessor/Collector: The information contained in this Official Statement relating to the historical breakdown of the Assessed Valuations, principal taxpayers, and certain other historical data concerning tax rates and tax collections has been provided by Assessments of the Southwest, Inc. and is included herein in reliance upon such firm as an expert in assessing and collecting taxes.

Auditor: The District's financial statements for the fiscal year ending June 30, 2026 were audited by McGrath & Co., PLLC. See APPENDIX A for a copy of the District's audited financial statements for the fiscal year ended June 30, 2026.

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 Underwriter, of any adverse event which causes the Official Statement to be materially misleading, and unless the Underwriter elects to terminate its obligation to purchase the Bonds, the District will promptly prepare and supply to the Underwriter an appropriate amendment or supplement to the Official Statement satisfactory to the Underwriter; 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 Underwriter, unless the Underwriter notifies the District on or before such date that less than all of the Bonds have been sold to ultimate customers, in which case the District's obligations hereunder will extend for an additional period of time as required by law (but not more than 90 days after the date the District delivers the Bonds).

Certification of Official Statement

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

CONTINUING DISCLOSURE OF INFORMATION

In the Bond Resolutions, the District has made the following agreement for the benefit of the Registered 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 certain specified 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 financial information and operating data annually to the MSRB. The financial information and operating data which will be provided with respect to the District includes all quantitative financial information and operating data of the general type included in this Official Statement under the headings "FINANCIAL STATEMENT," "TAX DATA," "DEBT SERVICE REQUIREMENTS" and APPENDIX A (the Annual Audit Report and supplemental schedules). 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 by the District 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 year to the MSRB within such six month period and audited financial statements when the audit becomes available.

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

Specified Event Notices

The District will provide timely notices of certain specified events to the MSRB, but in no event will such notices be provided to the MSRB in excess of ten business days after the occurrence of an event. The District will provide notice of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of beneficial owners of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the District or other obligated person; (13) consummation of a merger, consolidation, or acquisition involving the District or other obligated person or the sale of all or substantially all of the assets of the District or other obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the District or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District or other obligated person, any of which affect Beneficial Owners of the Bonds, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District or other obligated person, any of which reflect financial difficulties. The terms "obligated person" and "financial obligation" when used in this paragraph shall have the meanings ascribed to them under SEC Rule 15c2-12 (the "Rule"). The term "material" when used in this paragraph shall have the meaning ascribed to it under federal securities laws. Neither the Bonds nor the Bond Resolution makes any provision for debt service reserves or liquidity enhancement. In addition, the District will provide timely notice of any failure by the District to provide financial information, operating data, or financial statements in accordance with its agreement described under "—Annual Reports."

Availability of Information from MSRB

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

Limitations and Amendments

The District has agreed to update information and to provide notices of specified events only as described above. The District has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects 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 Registered or Beneficial Owners of Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The District may amend its continuing disclosure agreement from time to time to adapt the changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, if but only if the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering made hereby in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the holders of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or any person unaffiliated with the District (such as nationally recognized bond counsel) determines that

the amendment will not materially impair the interests of the Registered and Beneficial Owners of the Bonds. The District may amend or repeal the agreement in the Bond Resolution if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid or unenforceable, but only to the extent that its right to do so would not prevent the Underwriter from lawfully purchasing the Bonds in the initial offering. If the District so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance with Prior Undertakings

During the last five years, the District has complied in all material respects with its continuing disclosure agreements made in accordance with SEC Rule 15c2-12.

MISCELLANEOUS

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

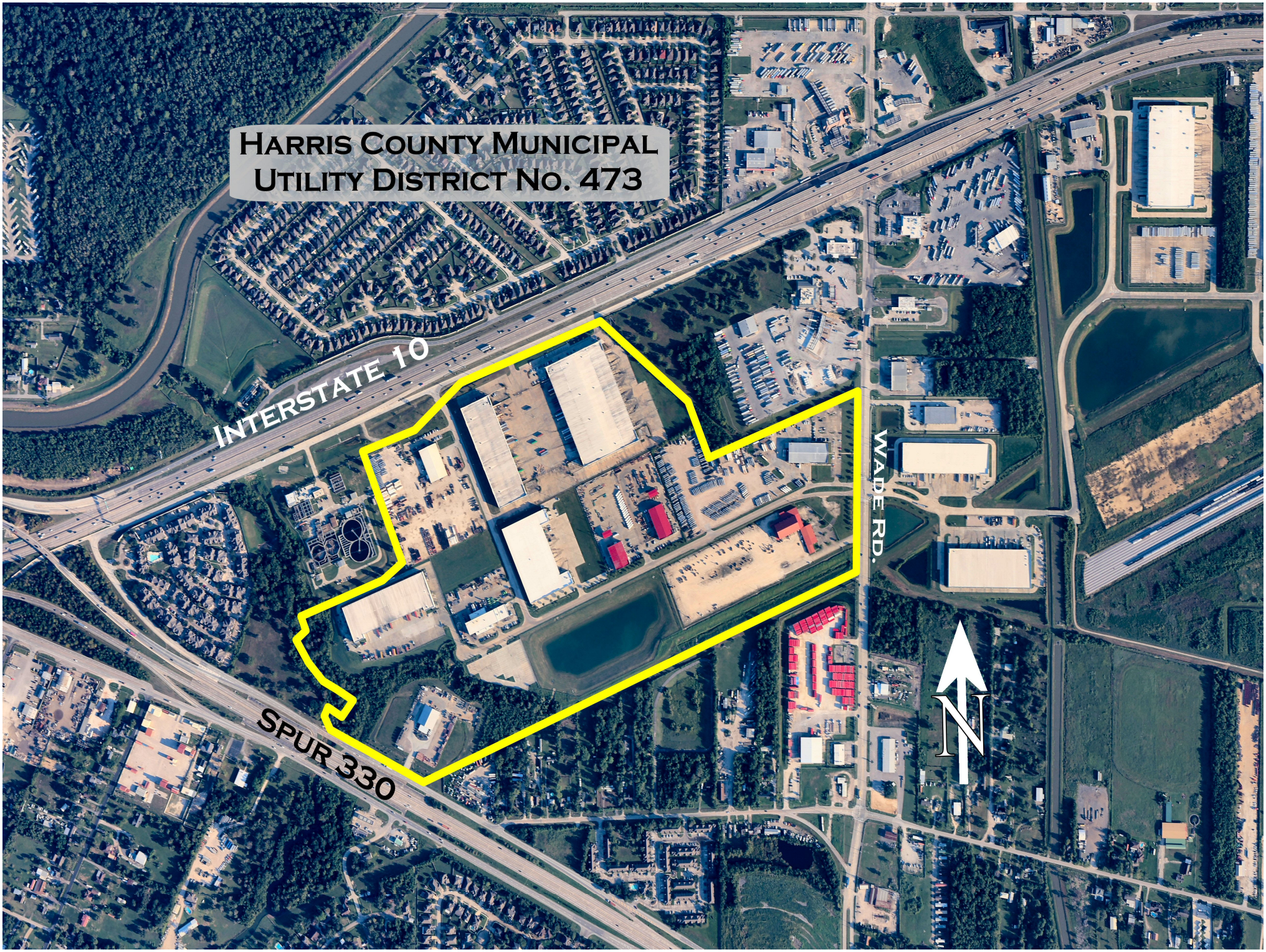
This Official Statement was approved by the Board of Directors of Harris County Municipal Utility District No. 473, as of the date shown on the cover page.

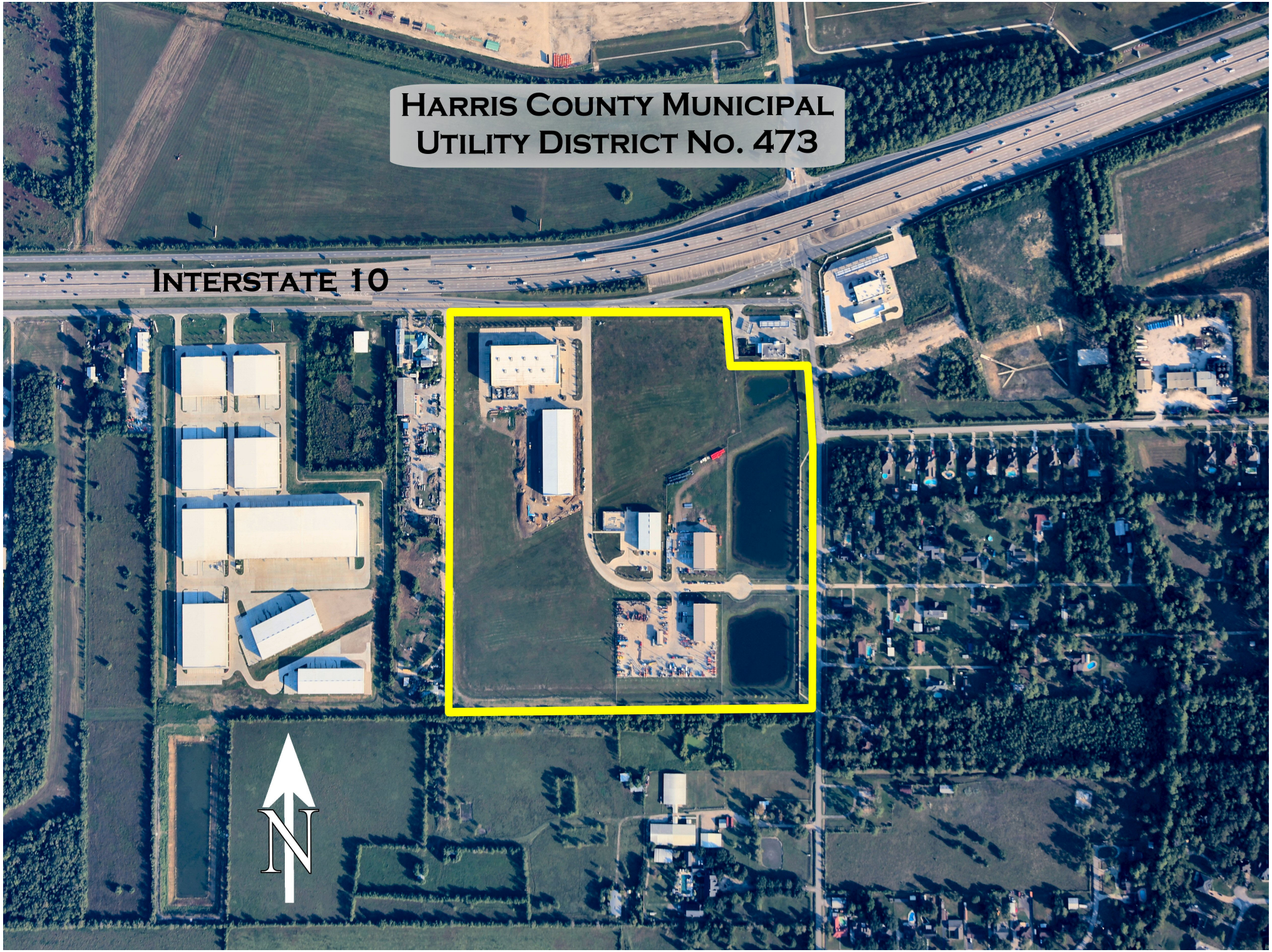
/s/ _____
President, Board of Directors
Harris County Municipal Utility District No. 473

ATTEST:

/s/ _____
Secretary, Board of Directors
Harris County Municipal Utility District No. 473

AERIAL PHOTOGRAPH
(Approximate boundaries of the District as of October 2026)


HARRIS COUNTY MUNICIPAL
UTILITY DISTRICT NO. 473
INTERSTATE 10
WADE RD.
SPUR 330
N


Harris County Municipal
Utility District No. 473
Interstate 10
N

PHOTOGRAPHS OF THE DISTRICT
(Taken October 2026)


REPUBLIC
SERVICES
832-514-6450


HereRentals


CLEAN AS NEW


1203
COSCO SHIPPING
DCSGROUP
Del Corona & Scardigli U.S.A. Inc.
IBT


IRONCLAD




FDC
7505
GATEWAY BLVD.


SLM GROUP


For Sale
or Lease
Thompson
Distribution Center
1403 Thompson Park Dr.
713.300.0300
Trten
STREAM



APPENDIX A

District Audited Financial Statements for the fiscal year ended June 30, 2026

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 473

HARRIS COUNTY, TEXAS

FINANCIAL REPORT

June 30, 2026

Table of Contents

	Schedule	Page
Independent Auditor's Report		1
Management's Discussion and Analysis		7
BASIC FINANCIAL STATEMENTS		
Statement of Net Position and Governmental Funds Balance Sheet		16
Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances		17
Notes to Financial Statements		19
REQUIRED SUPPLEMENTARY INFORMATION		
Budgetary Comparison Schedule – General Fund		34
Notes to Required Supplementary Information		35
TEXAS SUPPLEMENTARY INFORMATION		
Services and Rates	TSI-1	38
General Fund Expenditures	TSI-2	40
Investments	TSI-3	41
Taxes Levied and Receivable	TSI-4	42
Long-Term Debt Service Requirements by Years	TSI-5	43
Change in Long-Term Bonded Debt	TSI-6	48
Comparative Schedule of Revenues and Expenditures – General Fund	TSI-7a	50
Comparative Schedule of Revenues and Expenditures – Debt Service Fund	TSI-7b	52
Board Members, Key Personnel, and Consultants	TSI-8	54

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713.493.2620

Independent Auditor's Report

Board of Directors
Harris County Municipal Utility District No. 473
Harris County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Harris County Municipal Utility District No. 473 (the "District"), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Harris County Municipal Utility District No. 473, as of June 30, 2026, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic

financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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



Houston, Texas
October 14, 2026

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Management's Discussion and Analysis

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Overview of the District

The management's discussion and analysis (MD&A) section of this financial report is intended to help residents of Harris County Municipal Utility District No. 473 (the "District") and other readers understand the District's financial condition as presented in the financial statements and notes, and the reasons it changed from the prior year. The analysis draws on information presented elsewhere in this financial report and provides management's perspective based on its knowledge of the District's financial condition and activities during the fiscal year.

The District is a municipal utility district created under the Texas Water Code. Its primary purpose is to finance and construct the public infrastructure necessary to provide water, wastewater, and storm drainage facilities within its boundaries. Pursuant to a utility agreement with the City of Baytown, completed utility facilities are conveyed to the City, which owns, operates, and maintains the utility system and provides water and wastewater service to District residents. The District retains ownership of certain detention facilities and is also authorized to finance and construct roads and other public improvements. While completed facilities are conveyed to another governmental entity, the costs of constructing those facilities are reflected in the District's financial statements and can have a significant impact on its financial position and changes in financial position.

Overview of the Financial Statements

The District's financial report contains basic financial statements that present the District's finances at both an overall government-wide level and a detailed fund level.

Government-wide financial statements focus on the District's overall financial position and both its long-term and short-term activities. The District's government-wide financial statements consist of the *Statement of Net Position* and the *Statement of Activities*. The *Statement of Net Position* includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual reported as net position. The *Statement of Activities* reports how the District's net position has changed during the fiscal year. All revenues and expenses are included on this statement, regardless of whether cash has been received or paid.

The fund financial statements consist of the *Governmental Funds Balance Sheet* and the *Governmental Funds Revenues, Expenditures, and Changes in Fund Balances*. These statements focus on specific activities and report on the District's use of available financial resources and the balances of those resources at year end. In addition to its main operating fund, the General Fund, the District has established funds to account for the repayment of debt, and the disbursement of bond proceeds.

Rather than presenting two sets of financial statements, the District uses a combined format that presents both the fund financial statements and the government-wide financial statements in a single statement. Each statement includes an adjustments column that identifies the differences between the fund-level and government-wide presentations.

Immediately following the financial statements are the notes to the financial statements, which are as important to understanding the District's finances as the financial statements themselves because they expand upon the information presented in the statements by providing additional detail, explanations, and required disclosures. The notes describe the nature of reported amounts, explain how those amounts were determined, and disclose certain information that does not meet the recognition criteria of the financial statements, such as certain contingencies.

Types of Information in the Financial Statements

The District's government-wide financial statements use the *economic resources measurement focus and accrual basis of accounting*. In other words, they report all types of financial statement elements:

- Assets - resources the District controls, from short-term assets like cash to long-term assets like water and sewer systems.
- Liabilities - amounts the District owes, from short-term liabilities such as accounts payable to long-term liabilities such as outstanding debt and due to developers.
- Deferred outflows of resources and deferred inflows of resources - resource flows that have already occurred but will not be reported as expenses or revenues until the future period to which they relate.
- Revenues and expenses - inflows and outflows of economic resources, respectively, related to the current year.

Governmental fund financial statements use the *current financial resources measurement focus and modified accrual basis of accounting* to report on the sources, uses, and balances of current financial resources. Governmental funds do not report nonfinancial assets, such as capital assets, or certain other long-term items, such as bonds payable, but they do report the flows of current financial resources related to those long-term items, including the proceeds from issuing bonds, as well as principal and interest payments on bonds, and spending on the construction of infrastructure assets.

	Government-Wide	Governmental Fund
Types of assets and liabilities	All assets and liabilities, both financial and nonfinancial, short term and long term	Only current financial resources, such as cash, taxes receivable, and accounts payable
Types of revenues and additions	All types of revenues/ additions that flow into the District during the year that relates to the year, regardless of when cash is received	Only revenues that are measurable and available to finance expenditures of the current year

	Government-Wide	Governmental Fund
Types of expenses, deductions, and expenditures	All types of expenses/ deductions that flow out of the District during the year that relate to the year, regardless of when cash is paid	Only expenditures for which the related liability is incurred in that year
Types of deferred outflows of resources and deferred inflows of resources	All types of resources that flow into and out of the District during the year that relate to a future year	Current financial resources that flow into and out of the District during the year that relate to a future year

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

Financial Summary and Analysis

Amounts presented in the following tables are in thousands of dollars and, due to rounding, may not add to the totals presented.

Government-Wide

Net Position
(amounts expressed in thousands)

	2026	2025	Change	Percentage Change
Current and other assets	$ 3,795	$ 2,894	$ 901	31%
Capital assets	5,536	4,511	1,025	23%
Total assets	9,331	7,405	1,926	26%
Current liabilities	628	428	200	47%
Long-term liabilities	15,628	13,680	1,947	14%
Total liabilities	16,256	14,108	2,148	15%
Net position				
Net investment in capital assets	(1,666)	(1,090)	(576)	(53%)
Restricted	2,262	1,697	565	33%
Unrestricted	(7,521)	(7,309)	(211)	(3%)
Total net position	$ (6,925)	$ (6,703)	$ (222)	(3%)

The District's net position as of June 30, 2026, was negative $6,924,597, a decrease of $221,980 compared to the prior year. As previously discussed, the District is authorized to finance and construct public infrastructure that is conveyed to other governmental entities upon completion of construction. As of June 30, 2026, the District has transferred approximately $7,209,411 of public

infrastructure to other governmental entities. Although the liabilities incurred to finance the construction of public infrastructure conveyed to other governments are reflected in the District's financial statements, the capital assets are not reported on the *Statement of Net Position*. As a result, the District's liabilities exceed assets, and the District reports negative net position. This effect will generally diminish over time as the related liabilities are repaid.

Changes in Net Position
(amounts expressed in thousands)

	2026	2025	Change	Percentage Change
Revenues				
Property taxes	$ 1,455	$ 1,201	$ 254	21%
Other	135	94	41	44%
Total revenues	1,590	1,295	296	23%
Expenses				
Operating	317	246	71	29%
Financing	1,405	306	1,099	359%
Capital asset related	90	90		0%
Total expenses	1,812	643	1,170	182%
Revenues over (under) expenses	(222)	652	(874)	(134%)
Unusual or infrequent items				
Write off of penalties and interest		(44)	44	100%
Change in net position	(222)	609	(831)	(136%)
Net position, beginning of year	(6,703)	(7,311)	609	8%
Net position, end of year	$ (6,925)	$ (6,703)	$ (222)	(3%)

The change in the District's net position reflects the combined effect of the revenues and expenses presented above. The following discussion focuses on those changes in revenues and expenses that were significant to the District's financial results for the current fiscal year.

Revenues

Property Taxes

The District is authorized to levy ad valorem property taxes for both debt service and maintenance and operations purposes. Property taxes are a significant source of the District's financial resources, comprising 92% of total resource inflows during the current fiscal year.

Property tax revenues are determined primarily by the taxable assessed value of property within the District and the annual property tax rates adopted by the Board of Directors. The annual property tax levy consists of separate rates for maintenance and operations, road debt service, and water, sewer, and drainage debt service. The District is authorized to levy a maintenance and operations tax not to

exceed $1.50 per $100 of assessed valuation. The debt service tax rate rates are established annually based on the District's projected debt service requirements and are not subject to a statutory maximum. The minimal year-over-year change in property tax revenues is primarily due to the fact that both assessed values and the District's overall property tax rate remained consistent.

Expenses

Overall expenses increased by $1,169,928 from the prior year primarily as a result of an increase in financing expenses. For purposes of this analysis, expenses reported on the *Statement of Activities* are grouped into three broad categories: operating expenses, financing expenses, and capital asset related expenses. The table below identifies the financial statement line items included in each category:

Operating	Financing	Capital Asset Related
Professional fees Contracted services Repairs and maintenance Utilities Administrative and other	Interest Developer interest Debt issuance costs	Depreciation

The relative composition of expenses between these categories is as follows:

Allocation of Expenses
(Amounts expressed in thousands)

	Amount	Percentage of Total
Operating	$ 317	18%
Financing	1,405	77%
Capital asset related	90	5%
Total	$ 1,812	100%

Operating Expenses

Operating expenses represent the general costs of administering the District's activities and primarily consist of amounts paid to consultants for services provided to the District. The nominal year-over-year variance reflects stable operational activity, consistent with the District's established infrastructure and mature development.

Financing Expenses

Financing expenses derive from the incurrence of liabilities to acquire capital assets. These expenses consist of issuance costs when bonds are issued and subsequent interest on outstanding

liabilities. The year-over-year increase in financing expenses of $1,098,839 is primarily attributable to the issuance of bonds during the fiscal year, which resulted in bond issuance costs and interest paid to the developer on reimbursed capital asset construction costs, as well as higher interest expense due to an increase in outstanding bonds.

Capital Asset Related Expenses

The cost of the District's investment in capital assets is recognized as depreciation expense as the assets are used to provide services. Depreciation expense remained consistent with the prior year because there were no significant changes in capital asset balances.

Governmental Funds

Most of the previous discussion regarding government-wide activities is equally applicable to the finances of the governmental funds. However, due to the focus on current financial resources, certain factors that are relevant to the District's current financial health are more apparent in the fund financial statements than the government-wide statements.

Revenues, Expenditures, and Changes in Fund Balances
(amounts expressed in thousands)

	General Fund		Debt Service Fund		Capital Projects Fund	
	2026	2025	2026	2025	2026	2025
Total revenues	$ 370	$ 366	$ 1,112	$ 1,058	$ 7	$ 5
Total expenditures	(225)	(219)	(795)	(617)	(4,181)	(0)
Revenues over (under) expenditures	145	146	317	440	(4,174)	5
Other financing sources (uses)						
Internal transfers		(11)				11
Debt activity (net)			222		4,278	
Net change	145	135	540	440	104	15
Beginning fund balances	1,014	878	1,771	1,331	96	80
Ending fund balances	$ 1,158	$ 1,014	$ 2,311	$ 1,771	$ 200	$ 96

General Fund

The General Fund is the District's primary operating fund and accounts for most of the District's day-to-day operating activities. Fund balance in the general fund increased by $144,915, or 14%, during the current fiscal year. Property tax revenues increased from prior year because assessed values increased from prior year.

Debt Service Fund

The Debt Service Fund accounts for the financial resources used to pay principal and interest on the District's outstanding bonds. Fund balance in the Debt Service Fund increased by $539,609, or 30%,

during the current fiscal year. Property taxes, which comprised 78% of total resources, increased $26,601, or 3%, from the prior year due to the increase in assessed values. Capitalized interest from the sale of bonds was also a significant inflow, comprising 17% of the total.

During the current fiscal year, the District made scheduled principal payments of $340,000 on its outstanding bonds.

Capital Projects Fund

The Capital Projects Fund accounts for financial resources used to finance the District's capital improvement program. Fund balance in the Capital Projects Fund increased by $103,797, or 108%, during the current fiscal year. The change was primarily attributable to the net effect of the issuance of $4,500,000 in bonds and $3,192,432 of capital outlay expenditures, including amounts used to reimburse the developer, as discussed in the next section.

Significant Capital Asset and Long-Term Financing Activity

The District finances water, wastewater, drainage, and other public infrastructure needed to serve development within the District. These facilities are typically constructed and initially financed by developers in accordance with approved plans and applicable regulatory requirements. Upon completion, the District records a liability for eligible reimbursable construction costs. Facilities that are conveyed to the City for ownership and maintenance are reported as transfers to other governments rather than as capital assets of the District. As development continues, the District issues bonds, subject to approval by the Texas Commission on Environmental Quality (TCEQ), to reimburse developers for eligible construction costs. As developers are reimbursed, the liability is reduced and replaced with long-term bonded debt that is generally repaid through property taxes levied within the District.

Overall, the carrying value of capital assets (original cost less accumulated depreciation) increased $1,024,579, or 23%, to $5,535,717 from the prior year.

Liability Composition

(amounts expressed in thousands)

	2026	2025	Change	Percentage Change
Due to developer	$ 1,953	$ 4,030	$ (2,078)	(52%)
Bonds payable	14,150	9,990	4,160	42%
Total	$ 16,103	$ 14,020	$ 2,082	15%

Total liabilities related to financing capital assets increased by $2,082,319 or, 15%, to $16,102,569. During the current fiscal year, the District issued $4,500,000 in unlimited tax bonds to reimburse its developer for previously completed infrastructure. The resulting increase in bonds payable is partially offset by a decrease in due to developer as bond proceeds were used to reimburse the developer.

Although bonds may be issued over time as needed, the total amount that may be issued is limited to the amount previously authorized by the District's voters. At June 30, 2026, the District has remaining voter authorization to issue additional bonds to reimburse developers or fund capital improvement projects, if needed.

Currently Known Facts, Decisions, or Conditions

Trends in Relevant Economic Data

The District's tax base has decreased approximately $1,029,550, or 1%, for the next fiscal year. Because the District's tax base is substantially built out, with little undeveloped land remaining within its boundaries, future changes in assessed valuation are expected to be driven primarily by market appreciation or depreciation rather than new development.

General Fund Budget

The District's adopted fiscal year 2027 budget reflects certain changes that are expected to have a significant effect on its financial position and results of operations. Based on the District's adopted fiscal year 2027 budget, fund balance in the General Fund is expected to increase by approximately $60,928, or 5%. The projected increase is primarily attributable to budgeted revenues exceeding budgeted expenditures.

Future Bond Financing

On October 14, 2026, the District approved a preliminary official statement and notice of sale for its Series 2026 Unlimited Tax Bonds in the amount of $2,310,000 to reimburse its developer for approximately $1,862,000 infrastructure improvements and land acquisition in the District, which is included in the amount of due to developer as of fiscal year end, and approximately $137,000 in developer interest.

Basic Financial Statements

Harris County Municipal Utility District No. 473
Statement of Net Position and Governmental Funds Balance Sheet
June 30, 2026

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Assets						
Cash	$ 25,988	$ 95,869	$ -	$ 121,857	$ -	$ 121,857
Investments	1,133,158	2,212,027	225,159	3,570,344		3,570,344
Taxes receivable	22,388	80,611		102,999		102,999
Interfund receivables	25,607	14,077		39,684	(39,684)	
Capital assets not being depreciated					2,472,666	2,472,666
Capital assets, net					3,063,051	3,063,051
Total Assets	$ 1,207,141	$ 2,402,584	$ 225,159	$ 3,834,884	5,496,033	9,330,917
Liabilities						
Accounts payable	$ 12,118	$ -	$ -	$ 12,118		12,118
Other payables	135	11,047		11,182		11,182
Interfund payables	14,077		25,607	39,684	(39,684)	
Accrued interest payable					129,645	129,645
Due to developer					1,952,569	1,952,569
Long-term debt						
Due within one year					475,000	475,000
Due after one year					13,675,000	13,675,000
Total Liabilities	26,330	11,047	25,607	62,984	16,192,530	16,255,514
Deferred Inflows of Resources						
Deferred property taxes	22,388	80,611		102,999	(102,999)	
Fund Balances/Net Position						
Fund Balances						
Restricted		2,310,926	199,552	2,510,478	(2,510,478)	
Unassigned	1,158,423			1,158,423	(1,158,423)	
Total Fund Balances	1,158,423	2,310,926	199,552	3,668,901	(3,668,901)	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,207,141	$ 2,402,584	$ 225,159	$ 3,834,884		
Net Position						
Net investment in capital assets					(1,665,736)	(1,665,736)
Restricted for debt service					2,261,892	2,261,892
Unrestricted					(7,520,753)	(7,520,753)
Total Net Position					$ (6,924,597)	$ (6,924,597)

See notes to basic financial statements.

Harris County Municipal Utility District No. 473
Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2026

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
Revenues						
Property taxes	$ 330,244	$ 1,036,988	$ -	$ 1,367,232	$ 88,262	$ 1,455,494
Penalties and interest		6,678		6,678	12,869	19,547
Miscellaneous		1,061		1,061		1,061
Investment earnings	39,498	67,474	7,417	114,389		114,389
Total Revenues	369,742	1,112,201	7,417	1,489,360	101,131	1,590,491
Expenditures/Expenses						
Operating and administrative						
Professional fees	74,791		64,200	138,991		138,991
Contracted services	20,591	25,732		46,323		46,323
Repairs and maintenance	71,904			71,904		71,904
Utilities	27,704			27,704		27,704
Administrative	29,837	2,451		32,288		32,288
Capital outlay			3,192,432	3,192,432	(3,192,432)	
Debt service						
Principal		340,000		340,000	(340,000)	
Interest and fees		426,772		426,772	53,692	480,464
Developer interest			525,523	525,523		525,523
Debt issuance costs			399,102	399,102		399,102
Depreciation					90,172	90,172
Total Expenditures/Expenses	224,827	794,955	4,181,257	5,201,039	(3,388,568)	1,812,471
Revenues Over (Under) Expenditures	144,915	317,246	(4,173,840)	(3,711,679)	3,711,679	
Other Financing Sources						
Proceeds from sale of bonds		222,363	4,277,637	4,500,000	(4,500,000)	
Net Change in Fund Balances	144,915	539,609	103,797	788,321	(788,321)	
Change in Net Position					(221,980)	(221,980)
Fund Balance/Net Position						
Beginning of the year	1,013,508	1,771,317	95,755	2,880,580	(9,583,197)	(6,702,617)
End of the year	$ 1,158,423	$ 2,310,926	$ 199,552	$ 3,668,901	$ (10,593,498)	$ (6,924,597)

See notes to basic financial statements.

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Note 1 – Summary of Significant Accounting Policies

The accounting policies of Harris County Municipal Utility District No. 473 (the "District") conform with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB"). The following is a summary of the most significant policies:

Creation

The District was organized, created and established pursuant to an order of the Texas Commission on Environmental Quality dated March 1, 2006, under the terms and conditions of Article XVI, Section 59 of the Texas Constitution and operates in accordance with the Texas Water Code, Chapters 49 and 54. On January 11, 2018, the City granted the District road powers under the terms and conditions of Article III, Section 52. The Board of Directors held its first meeting on August 15, 2017, and the first bonds were issued on October 15, 2020.

The District's primary activities include construction of water, sewer, drainage, and paving facilities. As further discussed in Note 10, the District transfers these facilities, with the exception of detention facilities, to the City of Baytown for operation and maintenance upon completion of construction. The District has contracted with various consultants to provide services to operate and administer the affairs of the District. The District has no employees, related payroll or pension costs.

Reporting Entity

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

Government-Wide and Fund Financial Statements

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

Fund financial statements display information at the individual fund level. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for a specific purpose. Each fund is considered to be a separate accounting entity. Most governments

typically have many funds; however, governmental financial statements focus on the most important or "major" funds with non-major funds aggregated in a single column. The District has three governmental funds, which are all considered major funds.

The following is a description of the various funds used by the District:

- The General Fund is used to account for the operations of the District and all other financial transactions not reported in other funds. The principal source of revenue is property taxes. Expenditures include costs associated with the daily operations of the District.
- The Debt Service Fund is used to account for the payment of interest and principal on the District's general long-term debt. The primary source of revenue for debt service is property taxes. During the current fiscal year, financial resources also included capitalized interest from the sale of bonds. Expenditures include costs incurred in assessing and collecting these taxes.
- The Capital Projects Fund is used to account for the expenditures of bond proceeds for the construction of the District's water, sewer, and drainage facilities and road improvements.

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

Measurement Focus and Basis of Accounting

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

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized in the accounting period in which it becomes both available and measurable to finance expenditures of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Revenues susceptible to accrual include property taxes and interest earned on investments. Property taxes receivable at the end of the fiscal year are treated as deferred inflows because they are not considered available to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due.

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

Use of Restricted Resources

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

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Receivables from and payables to external parties are reported separately and are not offset, unless a legal right of offset exists. At June 30, 2026, an allowance for uncollectible accounts was not considered necessary.

Interfund Activity

During the course of operations, transactions occur between individual funds. This can include internal transfers, payables, and receivables. This activity is eliminated in the government-wide financial statement presentation.

Capital Assets

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

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

Depreciable capital assets, which primarily consist of stormwater detention systems, are depreciated using the straight-line method as follows:

Assets	Useful Life
Stormwater detention facilities	45 years
Road improvements	30 years

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

Deferred Inflows and Outflows of Financial Resources

A deferred inflow of financial resources is the acquisition of resources in one period that is applicable to a future period, while a deferred outflow of financial resources is the consumption of financial resources in one period that is applicable to a future period. A deferred inflow results from the acquisition of an asset without a corresponding revenue or assumption of a liability. A deferred

outflow results from the use of an asset without a corresponding expenditure or reduction of a liability.

At the fund level, property taxes receivable not collected within 60 days of fiscal year end do not meet the availability criteria required for revenue recognition and are recorded as deferred inflows of financial resources.

Net Position – Governmental Activities

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

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

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

Unrestricted – resources not included in the other components.

Fund Balances – Governmental Funds

Governmental accounting standards establish the following fund balance classifications:

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

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. The District's restricted fund balances consist of unspent bond proceeds in the Capital Projects Fund and property taxes levied for debt service and capitalized interest from the sale of bonds in the Debt Service Fund.

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

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

Unassigned - all other spendable amounts in the General Fund.

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

Use of Estimates

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

Note 2 – Adjustment from Governmental to Government-wide Basis

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

Total fund balance, governmental funds		$ 3,668,901
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
Historical cost	$ 5,966,541	
Less accumulated depreciation	(430,824)	
		5,535,717
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. The difference consists of:		
Accrued interest payable	(129,645)	
Due to developer	(1,952,569)	
Bonds payable	(14,150,000)	
		(16,232,214)
Deferred inflows in the fund statements consist of property taxes receivable that have been levied and are due, but are not available to pay current period expenditures. These amounts are included in revenues in the government-wide statements.		102,999
Total net position - governmental activities		$ (6,924,597)

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

Net change in fund balances - total governmental funds		$ 788,321
Governmental funds do not report revenues that are not available to pay current obligations. In contrast, such revenues are reported in the *Statement of Activities* when earned. The difference is for property taxes and related penalties and interest.		101,131
Financial reporting for capital assets varies significantly between the fund statements and the government-wide statements. Reporting at the fund level focuses on the impact of transactions on financial resources (i.e., cash), while reporting at the government-wide level seeks to allocate the cost of the acquisition of capital assets over their useful lives and to measure the economic impact of developer financing of capital assets used by the District or conveyed to other governmental entities. The differences during the current fiscal year are for the following:		
Capital outlays	$ 3,192,432	
Depreciation expense	(90,172)	
		3,102,260
Financial reporting for certain obligations varies between the fund statements and the government-wide statements. At the fund level, the focus is on increases and decreases of financial resources as debt is issued and repaid. At the government-wide level, the focus is on measuring and reporting on changes in the District's obligation to repay liabilities in the future. Differences during the current fiscal year are for the following:		
Issuance of long-term debt	(4,500,000)	
Principal payments	340,000	
Interest expense accrual	(53,692)	
		(4,213,692)
Change in net position of governmental activities		$ (221,980)

Note 3 – Implementation of New Accounting Standards

During the current fiscal year, the District implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, and GASB Statement No. 104, *Disclosure of Certain Capital Assets*. Implementation of GASB 103 did not affect the amounts reported in the District's financial statements but resulted in changes to the presentation and content of required supplementary information, including management's discussion and analysis and the budgetary comparison

schedules. Implementation of GASB 104 had no substantive impact on the District's financial statements.

Note 4 – Deposits and Investments

Deposit Custodial Credit Risk

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

Investments

The District is authorized by the *Public Funds Investment Act* (Chapter 2256, Texas Government Code) to invest in the following: (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including Federal Home Loan Banks, (2) direct obligations of the State of Texas or its agencies and instrumentalities, (3) certain collateralized mortgage obligations, (4) other obligations, which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies or instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, (5) certain A rated or higher obligations of states and political subdivisions of any state, (6) bonds issued, assumed or guaranteed by the State of Israel, (7) certain insured or collateralized certificates of deposit and share certificates, (8) certain fully collateralized repurchase agreements, (9) bankers' acceptances with limitations, (10) commercial paper rated A-1 or P-1 or higher and a maturity of 270 days or less, (11) no-load money market mutual funds and no-load mutual funds, with limitations, (12) certain guaranteed investment contracts, (13) certain qualified governmental investment pools and (14) a qualified securities lending program.

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

As of June 30, 2026, the District's investments consist of the following:

Type	Fund	Carrying Value	Rating	Weighted Average Maturity
TexPool	General	$ 1,133,158		
	Debt Service	2,212,027		
	Capital Projects	225,159		
		$ 3,570,344	AAAm	47 days

TexPool

The District participates in TexPool, the Texas Local Government Investment Pool. The State Comptroller of Public Accounts exercises oversight responsibility of TexPool, which includes (1) the ability to significantly influence operations, (2) designation of management and (3) accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure.

As permitted by GAAP, TexPool uses amortized cost (which excludes unrealized gains and losses) rather than market value to compute share price and seeks to maintain a constant dollar value per share. Accordingly, the fair value of the District's position in TexPool is the same as the value of TexPool shares. Investments in TexPool may be withdrawn on a same day basis, as long as the transaction is executed by 3:30 p.m.

Investment Credit and Interest Rate Risk

Investment credit risk is the risk that the investor may not recover the value of an investment from the issuer, while interest rate risk is the risk that the value of an investment will be adversely affected by changes in interest rates. The District's investment policies do not address investment credit and interest rate risk beyond the rating and maturity restrictions established by state statutes.

Note 5 – Interfund Balances and Transactions

Amounts due to/from other funds at June 30, 2026, consist of the following:

Receivable Fund	Payable Fund	Amounts	Purpose
Debt Service Fund	General Fund	$ 14,077	Amounts remitted in excess of maintenance tax collections
General Fund	Capital Projects Fund	25,607	Bond application fees and issuance costs paid by the General Fund

Amounts reported as internal balances between funds are considered temporary balances and will be paid during the following fiscal year.

Note 6 – Capital Assets

A summary of changes in capital assets, for the year ended June 30, 2026, is as follows:

	Beginning Balances	Additions	Ending Balances
Capital assets not being depreciated			
Land and improvements	$ 1,357,915	$ 1,114,751	$ 2,472,666
Capital assets being depreciated			
Stormwater detention facilities	2,366,116		2,366,116
Road improvements	1,127,759		1,127,759
	3,493,875		3,493,875
Less accumulated depreciation			
Stormwater detention facilities	(227,876)	(52,580)	(280,456)
Road improvements	(112,776)	(37,592)	(150,368)
	(340,652)	(90,172)	(430,824)
Subtotal depreciable capital assets, net	3,153,223	(90,172)	3,063,051
Capital assets, net	$ 4,511,138	$ 1,024,579	$ 5,535,717

Note 7 – Due to Developer

The District has entered into financing agreements with its developer for the financing of the construction of water, sewer, drainage facilities and road improvements. Under the agreements, the developers will construct facilities on behalf of the District. The developer will be reimbursed from proceeds of future bond issues or other lawfully available funds, subject to approval by TCEQ, as applicable. The District does not record the capital asset and related liability on the government-wide statements until construction of the facilities is complete. The initial cost is estimated based on construction costs plus 10-15% for engineering and other fees. Estimates are trued up when the developer is reimbursed.

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

Due to developer, beginning of year	$ 4,030,250
Developer reimbursements	(3,192,432)
Developer funded construction and adjustments	1,114,751
Due to developer, end of year	$ 1,952,569

Note 8 – Long-Term Debt

Long-term debt is comprised of the following:

Bonds payable	$ 14,150,000
Due within one year	$ 475,000

The District's bonds payable at June 30, 2026, consists of unlimited tax bonds as follows:

Series	Amounts Outstanding	Original Issue	Interest Rates	Maturity Date, Serially, Beginning/ Ending	Interest Payment Dates	Call Dates
2020	$ 5,540,000	$ 6,215,000	2.00% - 4.00%	October 1, 2022/2045	October 1, April 1,	October 1, 2025
2021 Road	2,620,000	3,120,000	2.00% - 3.00%	October 1, 2022/2046	October 1, April 1,	October 1, 2026
2024 Road	1,490,000	1,525,000	4.00% - 5.00%	October 1, 2025/2048	October 1, April 1,	October 1, 2030
2025	4,500,000	4,500,000	4.00% - 6.00%	October 1, 2026/2049	October 1, April 1,	October 1, 2031
	$ 14,150,000					

Payments of principal and interest on all series of bonds are to be provided from taxes levied on all properties within the District. Investment income realized by the Debt Service Fund from investment of idle funds will be used to pay outstanding bond principal and interest. The District is in compliance with the terms of its bond resolutions.

At June 30, 2026, the District had the following authorized but unissued bonds:

Type	Authorization
Water, sewer, and drainage facilities and refunding	$ 23,185,000
Road facilities and refunding	10,055,000

On September 11, 2025, the District issued its $4,500,000 Series 2025 Unlimited Tax Bonds at a net effective interest rate of 5.042624%. Proceeds of the bonds were used to reimburse its developer for the cost of capital assets constructed within the District plus interest expense at the net effective interest rate of the bonds and to pay capitalized interest into the Debt Service Fund.

The change in the District's long-term debt during the year is as follows:

Bonds payable, beginning of year	$ 9,990,000
Bonds issued	4,500,000
Bonds retired	(340,000)
Bonds payable, end of year	$ 14,150,000

As of June 30, 2026, annual debt service requirements on bonds outstanding are as follows:

Year	Principal	Interest	Totals
2027	$ 475,000	$ 510,745	$ 985,745
2028	460,000	495,665	955,665
2029	470,000	480,870	950,870
2030	485,000	465,232	950,232
2031	505,000	448,614	953,614
2032	520,000	431,181	951,181
2033	540,000	412,797	952,797
2034	560,000	393,944	953,944
2035	580,000	375,187	955,187
2036	600,000	355,993	955,993
2037	620,000	335,846	955,846
2038	640,000	314,703	954,703
2039	670,000	292,441	962,441
2040	695,000	268,537	963,537
2041	715,000	243,144	958,144
2042	745,000	216,409	961,409
2043	780,000	187,919	967,919
2044	800,000	158,044	958,044
2045	830,000	126,915	956,915
2046	860,000	94,278	954,278
2047	485,000	66,675	551,675
2048	385,000	46,125	431,125
2049	410,000	26,250	436,250
2050	320,000	8,000	328,000
	$ 14,150,000	$ 6,755,514	$ 20,905,514

Note 9 – Property Taxes

On May 4, 2019, the voters of the District authorized the District's Board of Directors to levy taxes annually for use in financing general operations limited to $1.50 per $100 of assessed value. In addition, the voters of the District authorized the District's Board of Directors to levy taxes annually for road maintenance limited to $0.25 per $100 of assessed value. The District's bond resolutions require that property taxes be levied for use in paying interest and principal on long-term debt and

for use in paying the cost of assessing and collecting taxes. Taxes levied to finance debt service requirements on long-term debt are without limitation as to rate or amount.

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

Property taxes are collected based on rates adopted in the year of the levy. The District's 2026 fiscal year was financed through the 2025 tax levy, pursuant to which the District levied property taxes of $0.80 per $100 of assessed value, of which $0.20 was allocated to maintenance and operations, $0.405 was allocated to water, sewer, and drainage debt service, and $0.195 was allocated to road debt service. The resulting tax levy was $1,461,454 on the adjusted taxable value of $182,681,693.

Property taxes receivable, at June 30, 2026, consisted of the following:

Current year taxes receivable	$ 89,490
Prior years taxes receivable	54
	89,544
Penalty and interest receivable	13,455
Property taxes receivable	$ 102,999

Note 10 – Utility Agreement with the City of Baytown

On August 31, 2005, the City entered into a Utility Functions and Services Allocation Agreement ("UFA") with Burnet Bay, LTD., on behalf of the then proposed District. The UFA was assigned to the District on March 1, 2006, and the assignment was approved by the City. The UFA was amended December 18, 2017, and July 13, 2020, to accommodate annexation of land by the District. Pursuant to the amended agreement, the City will provide water supply and wastewater services to the District for up to 511 equivalent single-family connections. The District agrees to construct various water distribution lines, sanitary sewer collection systems and drainage facilities and road facilities. As the system is acquired or constructed, the District transfers the system to the City (with the exception of stormwater detention systems and Gateway Boulevard pursuant to the second amendment to the UFA) and the City will own, operate and maintain the facilities at its own expense.

Note 11 – Risk Management

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

Note 12 – Concentration Risk

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

Note 13 – Subsequent Event

On October 14, 2026, the District approved a preliminary official statement and notice of sale for its Series 2026 Unlimited Tax Bonds in the amount of $2,310,000. The acceptance of bids and award of sale is scheduled for December 17, 2026. Proceeds of the bonds will primarily be used to reimburse its developer for amounts currently reported in "Due to developer."

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Required Supplementary Information

Harris County Municipal Utility District No. 473
Required Supplementary Information - Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance Actual Over (Under) Final Budget
Revenues			
Property taxes	$ 215,000	$ 330,244	$ 115,244
Investment earnings	36,600	39,498	2,898
Total Revenues	251,600	369,742	118,142
Expenditures			
Operating and administrative			
Professional fees	122,600	74,791	(47,809)
Contracted services	24,000	20,591	(3,409)
Repairs and maintenance	66,758	71,904	5,146
Utilities	3,600	27,704	24,104
Administrative	26,572	29,837	3,265
Total Expenditures	243,530	224,827	(18,703)
Revenues Over Expenditures	8,070	144,915	136,845
Fund Balance			
Beginning of the year	1,013,508	1,013,508	
End of the year	$ 1,021,578	$ 1,158,423	$ 136,845

Harris County Municipal Utility District No. 473
Required Supplementary Information - Note to Budgetary Comparison Schedule
For the Year Ended June 30, 2026

	General Fund Over (Under)
Budgetary Revenues	
Differences-final budget to actual:	
Property tax revenues were greater than budgeted because the budget was adopted before assessed values were available, and actual assessed values exceeded the amounts estimated in the budget.	$ 115,244
Budgetary Expenditures	
Differences-final budget to actual:	
Professional fees were less than budgeted primarily because legal and engineering fees were less than anticipated.	(47,809)

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Texas Supplementary Information

Harris County Municipal Utility District No. 473
TSI-1. Services and Rates
June 30, 2026

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

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

☐ Participates in joint venture, regional system and/or wastewater service

☒ Other (Specify): Services provided to residents by City of Baytown

2. Retail Service Providers N/A

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

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

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

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

b. Water and Wastewater Retail Connections:

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

See accompanying auditor's report.

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

Gallons pumped into system:	N/A	Water Accountability Ratio: (Gallons billed / Gallons pumped)
Gallons billed to customers:	N/A	N/A

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

   The District does not have Debt Service standby fees.

   The District does not have Operation and Maintenance standby fees.

5. Location of District:

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

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

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

   City(ies) in which the District is located: City of Baytown

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

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

   ETJs in which the District is located:

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

   If Yes, by whom?

See accompanying auditor's report.

Harris County Municipal Utility District No. 473
TSI-2. General Fund Expenditures
For the Year Ended June 30, 2026

Professional fees		
Legal	$	51,350
Audit		16,500
Engineering		6,941
		74,791
Contracted services		
Bookkeeping		17,641
Tax assessor/collector		2,950
		20,591
Repairs and maintenance		71,904
Utilities		27,704
Administrative		
Directors fees		12,315
Printing and office supplies		3,085
Insurance		2,667
Other		11,770
		29,837
Total expenditures	$	224,827

See accompanying auditor's report.

Harris County Municipal Utility District No. 473
TSI-3. Investments
June 30, 2026

Fund	Interest Rate	Maturity Date	Balance at End of Year
General			
TexPool	Variable	N/A	$ 1,133,158
Debt Service			
TexPool	Variable	N/A	1,747,884
			464,143
			2,212,027
Capital Projects			
TexPool	Variable	N/A	174,036
TexPool	Variable	N/A	51,123
			225,159
Total - All Funds			$ 3,570,344

See accompanying auditor's report.

Harris County Municipal Utility District No. 473
TSI-4. Taxes Levied and Receivable
June 30, 2026

	Maintenance Taxes	Debt Service Taxes	Road Debt Service Taxes	Totals
Taxes Receivable, Beginning of Yea	$ 389	$ 434	$ 457	$ 1,280
Adjustments to Prior Year Tax Levy	(1,490)	(3,314)	(1,154)	(5,958)
Adjusted Receivable	(1,101)	(2,880)	(697)	(4,678)
2025 Original Tax Levy	348,795	706,311	340,076	1,395,182
Adjustments	16,568	33,550	16,154	66,272
Adjusted Tax Levy	365,363	739,861	356,230	1,461,454
Total to be accounted for	364,262	736,981	355,533	1,456,776
Tax collections:				
Current year	342,991	694,557	334,416	1,371,964
Prior years	(1,117)	(2,897)	(718)	(4,732)
Total Collections	341,874	691,660	333,698	1,367,232
Taxes Receivable, End of Year	$ 22,388	$ 45,321	$ 21,835	$ 89,544
Taxes Receivable, By Years				
2025	$ 22,372	$ 45,304	$ 21,814	$ 89,490
2021	16	17	21	54
Taxes Receivable, End of Year	$ 22,388	$ 45,321	$ 21,835	$ 89,544

	2025	2024	2023	2022
Property Valuations:				
Land	$ 29,374,494	$ 25,917,206	$ 24,669,983	$ 19,993,122
Improvements	94,351,952	85,138,394	63,346,381	62,424,632
Personal Property	64,093,394	61,556,453	31,105,240	41,636,884
Exemptions	(5,138,147)	(4,341,853)	(4,421,793)	(561,498)
Total Property Valuations	$182,681,693	$168,270,200	$114,699,811	$123,493,140
Tax Rates per $100 Valuation:				
Maintenance tax rates	$ 0.200	$ 0.200	$ 0.200	$ 0.35
Debt service tax rates	0.405	0.445	0.345	0.34
Road debt service tax rates	0.195	0.155	0.255	0.11
Total Tax Rates per $100 Valuation	$ 0.800	$ 0.800	$ 0.800	$ 0.80
Adjusted Tax Levy:	$ 1,461,454	$ 1,346,162	$ 917,598	$ 987,945
Percentage of Taxes Collected to Taxes Levied **	93.88%	100.00%	100.00%	100.00%

* Maximum Maintenance Tax Rate Approved by Voters: $1.50 on May 4, 2019

* Maximum Road Maintenance Tax Rate Approved by Voters: $0.25 on May 4, 2019

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

See accompanying auditor's report.

Harris County Municipal Utility District No. 473
TSI-5. Long-Term Debt Service Requirements
Series 2020--by Years
June 30, 2026

Due During Fiscal Years Ending	Principal Due October 1	Interest Due October 1, April 1	Total
2027	$ 185,000	$ 159,769	$ 344,769
2028	195,000	155,683	350,683
2029	200,000	151,238	351,238
2030	210,000	146,313	356,313
2031	220,000	140,938	360,938
2032	225,000	135,375	360,375
2033	235,000	129,478	364,478
2034	245,000	123,025	368,025
2035	255,000	115,831	370,831
2036	265,000	108,031	373,031
2037	275,000	99,931	374,931
2038	285,000	91,531	376,531
2039	300,000	82,756	382,756
2040	310,000	73,413	383,413
2041	320,000	63,569	383,569
2042	335,000	53,334	388,334
2043	350,000	42,413	392,413
2044	365,000	30,794	395,794
2045	375,000	18,769	393,769
2046	390,000	6,338	396,338
	$ 5,540,000	$ 1,928,529	$ 7,468,529

See accompanying auditor's report.

Harris County Municipal Utility District No. 473
TSI-5. Long-Term Debt Service Requirements
Series 2021 Road--by Years
June 30, 2026

Due During Fiscal Years Ending	Principal Due October 1	Interest Due October 1, April 1	Total
2027	$ 125,000	$ 65,944	$ 190,944
2028	125,000	63,444	188,444
2029	125,000	60,944	185,944
2030	125,000	58,381	183,381
2031	125,000	55,694	180,694
2032	125,000	52,881	177,881
2033	125,000	49,944	174,944
2034	125,000	46,944	171,944
2035	125,000	43,881	168,881
2036	125,000	40,756	165,756
2037	125,000	37,553	162,553
2038	125,000	34,272	159,272
2039	125,000	30,991	155,991
2040	125,000	27,600	152,600
2041	125,000	24,100	149,100
2042	125,000	20,475	145,475
2043	125,000	16,725	141,725
2044	125,000	12,975	137,975
2045	125,000	9,225	134,225
2046	125,000	5,475	130,475
2047	120,000	1,800	121,800
	$ 2,620,000	$ 760,004	$ 3,380,004

See accompanying auditor's report.

Harris County Municipal Utility District No. 473
TSI-5. Long-Term Debt Service Requirements
Series 2024 Road--by Years
June 30, 2026

Due During Fiscal Years Ending	Principal Due October 1	Interest Due October 1, April 1	Total
2027	$ 35,000	$ 66,569	$ 101,569
2028	40,000	64,975	104,975
2029	40,000	63,275	103,275
2030	40,000	61,575	101,575
2031	45,000	59,769	104,769
2032	45,000	57,912	102,912
2033	50,000	56,012	106,012
2034	50,000	54,012	104,012
2035	55,000	51,912	106,912
2036	55,000	49,644	104,644
2037	60,000	47,200	107,200
2038	60,000	44,650	104,650
2039	65,000	41,994	106,994
2040	70,000	39,037	109,037
2041	70,000	35,888	105,888
2042	75,000	32,625	107,625
2043	80,000	29,138	109,138
2044	80,000	25,438	105,438
2045	85,000	21,519	106,519
2046	90,000	17,250	107,250
2047	95,000	12,625	107,625
2048	100,000	7,750	107,750
2049	105,000	2,625	107,625
	$ 1,490,000	$ 943,394	$ 2,433,394

See accompanying auditor's report.

Harris County Municipal Utility District No. 473
TSI-5. Long-Term Debt Service Requirements
Series 2025--by Years
June 30, 2026

Due During Fiscal Years Ending	Principal Due October 1	Interest Due October 1, April 1	Total
2027	$ 130,000	$ 218,463	$ 348,463
2028	100,000	211,563	311,563
2029	105,000	205,413	310,413
2030	110,000	198,963	308,963
2031	115,000	192,213	307,213
2032	125,000	185,013	310,013
2033	130,000	177,363	307,363
2034	140,000	169,963	309,963
2035	145,000	163,563	308,563
2036	155,000	157,562	312,562
2037	160,000	151,162	311,162
2038	170,000	144,250	314,250
2039	180,000	136,700	316,700
2040	190,000	128,487	318,487
2041	200,000	119,587	319,587
2042	210,000	109,975	319,975
2043	225,000	99,643	324,643
2044	230,000	88,837	318,837
2045	245,000	77,402	322,402
2046	255,000	65,215	335,215
2047	270,000	52,250	337,250
2048	285,000	38,375	343,375
2049	305,000	23,625	343,625
2050	320,000	8,000	328,000
	$ 4,500,000	$ 3,123,587	$ 7,688,587

See accompanying auditor's report.

Harris County Municipal Utility District No. 473
TSI-5. Long-Term Debt Service Requirements
All Bonded Debt Series--by Years
June 30, 2026

Due During Fiscal Years Ending	Principal Due October 1	Interest Due October 1, April 1	Total
2027	$ 475,000	$ 510,745	$ 985,745
2028	460,000	495,665	955,665
2029	470,000	480,870	950,870
2030	485,000	465,232	950,232
2031	505,000	448,614	953,614
2032	520,000	431,181	951,181
2033	540,000	412,797	952,797
2034	560,000	393,944	953,944
2035	580,000	375,187	955,187
2036	600,000	355,993	955,993
2037	620,000	335,846	955,846
2038	640,000	314,703	954,703
2039	670,000	292,441	962,441
2040	695,000	268,537	963,537
2041	715,000	243,144	958,144
2042	745,000	216,409	961,409
2043	780,000	187,919	967,919
2044	800,000	158,044	958,044
2045	830,000	126,915	956,915
2046	860,000	94,278	954,278
2047	485,000	66,675	551,675
2048	385,000	46,125	431,125
2049	410,000	26,250	436,250
2050	320,000	8,000	328,000
	$ 14,150,000	$ 6,755,514	$ 20,905,514

See accompanying auditor's report.

Harris County Municipal Utility District No. 473
TSI-6. Change in Long-Term Bonded Debt
June 30, 2026

	Bond Issue		
	Series 2020	Series 2021 Road	Series 2024 Road
Interest rate	2.00% - 4.00%	2.00% - 3.00%	4.00% - 5.00%
Dates interest payable	10/1; 4/1	10/1; 4/1	10/1; 4/1
Maturity dates	10/1/22 - 10/1/45	10/1/22 - 10/1/46	10/1/25 - 10/1/48
Beginning bonds outstanding	$ 5,720,000	$ 2,745,000	$ 1,525,000
Bonds issued			
Bonds retired	(180,000)	(125,000)	(35,000)
Ending bonds outstanding	$ 5,540,000	$ 2,620,000	$ 1,490,000
Interest paid during fiscal year	$ 163,513	$ 68,444	$ 68,056
Paying agent's name and city			
All Series	Bank of New York Mellon Trust Company, N.A., Houston, TX		

Bond Authority:	Water, Sewer and Drainage and Refunding Bonds	Road and Refunding Bonds
Amount Authorized by Voters	$ 33,900,000	$ 14,700,000
Amount Issued	(10,715,000)	(4,645,000)
Remaining To Be Issued	$ 23,185,000	$ 10,055,000

All bonds are secured with tax revenues. Bonds may also be secured with other revenues in combination with taxes.

Debt Service Fund cash and investments balance as of June 30, 2026:	$ 2,307,896
Average annual debt service payment (principal and interest) for remaining term of all debt:	$ 871,063

See accompanying auditor's report.

Bond Issue	
Series 2025	Totals
4.00% - 6.00% 10/1; 4/1 10/1/26 - 10/1/49	
$ -	$ 9,990,000
4,500,000	4,500,000
	(340,000)
$ 4,500,000	$ 14,150,000
$ 123,535	$ 423,548

See accompanying auditor's report.

Harris County Municipal Utility District No. 473

TSI-7a. Comparative Schedule of Revenues and Expenditures - General Fund

For the Last Five Fiscal Years

	Amounts				
	2026	2025	2024	2023	2022
Revenues					
Property taxes	$ 330,244	$ 324,471	$ 271,780	$ 394,986	$ 260,914
Miscellaneous			834		2,600
Investment earnings	39,498	41,047	40,148	25,448	1,099
Total Revenues	369,742	365,518	312,762	420,434	264,613
Expenditures					
Operating and administrative					
Professional fees	74,791	96,280	102,572	136,352	78,774
Contracted services	20,591	21,905	22,160	19,910	12,750
Repairs and maintenance	71,904	59,169	18,493	26,325	49,634
Utilities	27,704	13,874	5,444	3,608	5,372
Administrative	29,837	28,252	31,442	20,421	10,462
Total Expenditures	224,827	219,480	180,111	206,616	156,992
Revenues Over Expenditures	144,915	146,038	132,651	213,818	107,621
Other Financing Uses					
Internal transfers		(10,562)			
Net Change in Fund Balance	144,915	135,476	132,651	213,818	107,621
Beginning fund balance	1,013,508	878,032	745,381	531,563	423,942
Ending fund balance	$1,158,423	$1,013,508	$ 878,032	$ 745,381	$ 531,563

*Percentage is negligible

See accompanying auditor's report.

Percent of Fund Total Revenues				
2026	2025	2024	2023	2022
89%	89%	87%	94%	99%
		*		1%
11%	11%	13%	6%	*
100%	**100%**	**100%**	**100%**	**100%**
20%	26%	33%	32%	30%
6%	6%	7%	5%	5%
19%	16%	6%	6%	19%
7%	4%	2%	1%	2%
8%	8%	10%	5%	4%
60%	**60%**	**58%**	**49%**	**60%**
40%	**40%**	**42%**	**51%**	**40%**

See accompanying auditor's report.

Harris County Municipal Utility District No. 473
TSI-7b. Comparative Schedule of Revenues and Expenditures - Debt Service Fund
For the Last Five Fiscal Years

	Amounts				
	2026	2025	2024	2023	2022
Revenues					
Property taxes	$1,036,988	$1,010,387	$ 750,622	$ 505,812	$ 614,742
Penalties and interest	6,678	2,143	35,032	3,379	621
Miscellaneous	1,061		39,468		
Investment earnings	67,474	45,113	37,167	22,448	1,612
Total Revenues	1,112,201	1,057,643	862,289	531,639	616,975
Expenditures					
Tax collection services	28,183	26,184	59,279	16,743	19,087
Debt service					
Principal	340,000	295,000	290,000	285,000	
Interest and fees	426,772	296,306	247,781	255,956	230,494
Total Expenditures	794,955	617,490	597,060	557,699	249,581
Revenues Over (Under) Expenditures	317,246	440,153	265,229	(26,060)	367,394
Other Financing Sources					
Proceeds from sale of bonds	222,363		68,800		77,194
Net Change in Fund Balance	539,609	440,153	334,029	(26,060)	444,588
Beginning fund balance	1,771,317	1,331,164	997,135	1,023,195	578,607
Ending fund balance	$2,310,926	$1,771,317	$1,331,164	$ 997,135	$1,023,195

*Percentage is negligible

See accompanying auditor's report.

Percent of Fund Total Revenues				
2026	2025	2024	2023	2022
93%	96%	87%	95%	100%
1%	*	4%	1%	*
*		5%		
6%	4%	4%	4%	*
100%	**100%**	**100%**	**100%**	**100%**
3%	2%	7%	3%	3%
31%	28%	34%	54%	
38%	28%	29%	48%	37%
72%	**58%**	**70%**	**105%**	**40%**
28%	**42%**	**30%**	**(5%)**	**60%**

See accompanying auditor's report.

Harris County Municipal Utility District No. 473
TSI-8. Board Members, Key Personnel and Consultants
For the Year Ended June 30, 2026

Complete District Mailing Address: 3200 Southwest Freeway, Suite 2400, Houston, TX 77027

District Business Telephone Number: (713) 860-6400

Submission Date of the most recent District Registration Form
(TWC Sections 36.054 and 49.054): May 15, 2026

Limit on Fees of Office that a Director may receive during a fiscal year: $ 7,200
(Set by Board Resolution -- TWC Section 49.060)

Names:	Term of Office (Elected or Appointed) or Date Hired	Fees of Office Paid *	Expense Reimburse-ments	Title at Year End
Board Members				
Kellie Fritcher	05/26 - 05/30	$ 1,768	$ 26	President
Amy Nobles	05/26 - 05/30	663	132	Vice President
Jason Klump	05/26 - 05/30	2,210	259	Secretary
Rebecca Fredrickson	09/25 - 05/28	2,006	228	Assistant Vice President
Allen Hall	05/24 - 05/28	1,344		Assistant Secretary
Teri Laguarta	05/22 - 05/26	1,105	140	Former Director
Consultants		Amounts Paid		
Allen Boone Humphries Robinson LLP	2017			Attorney
General legal fees		$ 55,496		
Bond counsel		134,528		
Artesian Financial Services, LLC	2022	25,559		Bookkeeper
B&A Municipal Tax Service, LLC	2017	2,950		Prior Tax Collector
Assesments of the Southwest Inc.	2026	8,348		Tax Collector
Harris Central Appraisal District	Legislation	15,704		Property Valuation
Perdue, Bradon, Fielder, Collins & Mott L.L.P	2019			Delinquent Tax Attorney
Vogler & Spencer Engineering, Inc.	2024	66,166		Engineer
McGrath & Co., PLLC	2017	24,500		Auditor
Masterson Advisors, LLC	2018	93,862		Financial Advisor

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

See accompanying auditor's report.