

AGENDA

TO: THE BOARD OF DIRECTORS OF TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 26, TRAVIS COUNTY, TEXAS, AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of Travis County Municipal Utility District No. 26 will hold a regular meeting on Friday, October 17, 2025, at 11:00 a.m., outside the boundaries of the District, at McLean & Howard, L.L.P., 4301 Bull Creek Road, Ste. 150, Austin, Texas 78731. The meeting will be held for the following purposes:

Meeting Packet:

A copy of the meeting packet is available at the following website: <https://txdistrictinfo.org>

Public Comment:

Public comment will be allowed during the Public Comment agenda item.

Meeting Topics:

The meeting will be held for the following purposes:

1. Public Comments.
2. Consider and take action regarding approval of the minutes from the August 20, 2025, Board of Directors' meeting.
3. Consider and take action regarding District utility operations, maintenance and service matters.
 - a. Receive Operator's Report regarding monthly operations; and
 - b. Consider and approve Wastewater and Drainage System Repairs, Maintenance and Service Matters.
4. Consider and take action regarding Engineer's Report and Recommendations relating to the following matters pertaining to construction of public infrastructure and other improvements within or serving the District:
 - a. Approve award of contracts for construction of public improvement improvements;
 - b. Approve Construction Pay Estimates;
 - c. Approve Construction Change Orders;
 - d. Approval Completion and Acceptance of public infrastructure and improvement projects; and
 - e. Approve such other action as may be recommended by the District Engineer related to the construction and operation of public infrastructure and improvement projects serving the District.
5. Consider and take action regarding TCEQ wastewater permit compliance matters.
6. Consider and take action regarding approval of drainage and water quality maintenance, repairs and improvements.

7. Consider and take action regarding approval of License Agreement with Stallion Run Residential Community, inc. relating to operation and maintenance of District drainage and other lands.
8. Consider and take action regarding Beneficial Reuse of Wastewater Effluent:
 - a. Consider and take action regarding authorization for preparation and filing of Chapter 210 beneficial reuse application to the Texas Commission on Environmental Quality; and
 - b. Discussion relation to preparation of effluent supply agreement with homeowners association.
9. Consideration and take action with respect to the issuance of the District's \$1,910,000 Unlimited Tax Bonds, Series 2025A (the "Bonds").
 - a. Status Update;
 - b. Approve Preliminary Official Statement for the Bonds;
 - c. Authorize Notice of the Sale of the Bonds;
 - d. Approve Engagement of Auditor to prepare Agreed Upon Procedures Report relating to disbursement of proceeds of the Bonds; and
 - e. Authorize such action as may be necessary, convenient or appropriate to facilitate the sale and issuance of the Bonds.
10. Consideration and take action with respect to the issuance of the District's \$3,490,000 Unlimited Tax Road Bonds, Series 2025B (the "Road Bonds").
 - a. Status Update;
 - b. Approve Preliminary Official Statement for the Road Bonds;
 - c. Authorize Notice of the Sale of the Road Bonds;
 - d. Approve Engagement of Auditor to prepare Agreed Upon Procedures Report relating to disbursement of proceeds of the Road Bonds; and
 - e. Authorize such action as may be necessary, convenient or appropriate to facilitate the sale and issuance of the Road Bonds.
11. Discussion and possible action relating to annual review and approval of Investment Policy and Investment Strategies.
12. Consider and take action regarding engagement of auditor to undertake Fiscal Year 2025 Financial Audit.
13. Receive Report from Representative(s) of Century Land Holdings II, LLC regarding the status of development and home sales activities within the District; and

14. Consider and take action regarding Approval of Bookkeeper Report and Payment of Bills and Invoices.



Anthony S. Corbett

Attorney for the District

The Board of Directors may go into Executive Session if necessary, pursuant to the applicable section of Subchapter D, Chapter 551, Texas Government Code, of the Texas Open Meetings Act, on any of the above matters. No final action, decision or vote will be taken on any subject or matter in Executive Session.

The District is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please call 512-328-2008 for further information.

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 26
Wednesday, August 20, 2025

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

The Board of Directors of Travis County Municipal Utility District No. 26 (the “*District*”) held a regular meeting, open to the public, at 11:00 a.m., on August 20, 2025, at the offices of McLean & Howard, L.L.P., located at 4301 Bull Creek Road, Suite 150, Austin, Texas 78731. Notices of the time, place and the subject of the meeting, and the actions to be taken at the meeting, were posted at the places and for the time required by the laws of the State of Texas.

The roll was called of the directors of the Board, to-wit:

President	Rick Rosenberg
Vice President	Alex Blackburn
Secretary	Robert E. Bobo
Assistant Secretary	Alex Boogren
Assistant Secretary	Blake Rue

and all of said persons were present except Director Rosenberg, thus constituting a quorum.

Also participating were Lexi Kolmodin of Municipal Accounts & Consulting, L.P.; Prabin Basnett of Jones-Heroy & Associates, Inc.; Keith Parkan from Century Communities; John Barganski from Masterson Advisors, L.L.C.; William Abshire and Danna Oakes from SiEnvironmental, L.L.C.; Kevin Smith; and Anthony S. Corbett of McLean & Howard, L.L.P.

1. The Board requested public comment. No public comment was received.
2. The Board then considered approval of the minutes from the June 18, 2025, Board of Directors’ meeting. After discussion, Director Blackburn made a motion to approve the minutes from the June 18, 2025, Board meeting as presented. Director Rue seconded the motion, which the Board passed unanimously (4-0).
3. Ms. Oakes and Mr. Abshire presented the Operator’s Report summarizing the status of utility operations, maintenance and service matters. No action was taken by the Board in

response to the report. A copy of the written Operator's Report is attached as an exhibit to these minutes.

4. Mr. Basnett presented the Engineer's Report. Director Blackburn moved that the Board authorize the engineer to prepare information for the proposed issuance of road bonds by the District. Director Boogren seconded the motion, which carried unanimously (4-0). A copy of the written Engineer's Report is attached as an exhibit to these minutes.

5. The Board briefly discussed beneficial reuse of the District's wastewater effluent. Mr. Parkan noted that an application for beneficial reuse authorization had been filed with TCEQ. The Board took no action regarding the matter.

6. The Board then convened a public hearing relating to adoption of final tax rates for the 2025 tax year. No public comments were received, and the Board closed the public hearing.

7. Ms. Kolmodin presented a draft budget for the 2025-2026 Fiscal Year. After discussion, Director Blackburn made a motion to adopt the Resolution Approving a Budget for the District's 2025-2026 Fiscal Year as presented. Director Boogren seconded the motion, which the Board passed unanimously (4-0). A copy of the Resolution Approving Budget for 2025-2026 Fiscal Year, including the approved budget, is attached as an exhibit to these minutes.

8. The Board then considered adopting final debt service and maintenance tax rates for the 2025 Tax Year. Mr. Barganski presented tax rate recommendations to the Board. Upon a motion by Director Blackburn and a second by Director Boogren, the Board unanimously approved an Order Levying Taxes for Tax Year 2025, thereby approving a final maintenance tax rate of \$0.49/\$100 of taxable assessed valuation and a final debt service tax rate of \$0.41/\$100 of taxable assessed valuation, all in accordance with the Financial Advisor's recommendation. A copy of the Order Levying Taxes is attached to these meeting minutes.

9. The Board did not take action regarding the Amendment to the District Information Form since the total tax rate remain unchanged.

10. The Board considered approval of a revised fee schedule by Jones Heroy & Associates, Inc. for Engineering Services. After discussion, Director Blackburn made a motion to approve the revised fee schedule by Jones Heroy & Associates, Inc., for Engineering Services. Director Rue seconded the motion, which the Board passed unanimously (4-0). A copy of the revised fee schedule is attached as an exhibit to these minutes.

11. The Board then considered matters relating to the potential issuance of the District's Unlimited Tax Bonds, Series 2025. Mr. Barganski provided a report regarding the status of the

District's Bonds. He noted that TCEQ approval had not yet been received. No action was taken by the Board.

12. Keith Parkan provided a report regarding the status of residential home sales in the District. The Board took no action in response to the report.

13. Ms. Kolmodin presented the Bookkeeper Report. After discussion, Director Blackburn moved that the Board approve the report, including the Investment Report, and the payment of bills and invoices as presented in the Bookkeeper's Report. The motion was seconded by Director Boogren and passed unanimously (4-0). A copy of the Bookkeeper Report approved by the Board is attached as an exhibit to these minutes.

14. By unanimous acclamation, the Board adjourned at approximately 11:40 a.m.

Secretary, Board of Directors

(SEAL)

October 15, 2025

To: Board of Directors
Travis County Municipal Utility District No. 26

From: Ken Heroy, P. E.
Jones – Heroy & Associates, Inc.

Subject: Travis County Municipal Utility District No. 26
Engineers Report for period ending October 7, 2025
JHA No. 0313-001

Engineering Matters - We are pleased to present the following update for projects within the District.

Stallion Run Take 2 Units 5 & 6 (JHA No. 0313-011)

Unit 5 and Unit 6 have been bid together, so are now combined in the Engineer’s report. Construction plans for both Units have been reviewed and our comments are cleared. We are awaiting documentation of LCRA’s plan approval. The projects have been bid. We are awaiting the publisher’s bid affidavit with tear sheets, the design engineer’s recommendation of bid award, and the bid tabulation.

Unbridled Avenue (JHA No. 0313-xxx)

Construction plans have been reviewed and our comments are cleared. We are awaiting fully approved construction plans.

Project Tracking:

Project	SF Lots	JHA #	Contract Award	MUD Accepted
WWTP and Offsite Effluent Line	0	0313-004	08/05/2022	02/21/2024
Stallion Run Unit 1	120	0313-005	03/29/2022	03/08/2023
Stallion Run Unit 2	52	0313-006	03/29/2022	03/08/2023
Del Caballo/Stallion Run Unit 3	158	0313-007	05/19/2023	08/21/2024
Stallion Run Unit 4	109	0313-008	12/16/2024	06/18/2025
Stallion Run Take 2 Units 5 & 6	198	0313-011		

MONTHLY OPERATIONS REPORT

TRAVIS COUNTY M.U.D. 26



September 18, 2025

For August 2025 Operations

2306 RR 620 N., Austin, TX 78734
Main: 512-738-8840

"The Customer is the Most Important Person in our Business"



Travis County Municipal Utility District #26
 Board of Directors
 Operations Report Covering August 2025

Management Report Summary

1. Maintenance & Repairs:

- Waste Water treatment Plant
 - i. Surge protectors at lift station and inside the WWTP were damaged during a storm event in July 2025, they have both been repaired under warranty and re-installed.
 - ii. Leak repaired in water line connection running to WWTP.
 - 1. WWTP is running off 2” irrigation meter adapted to 1” line. Dedicated meter and water service line is needed for the WWTP.
 - iii. Working with developer to transfer WWTP garbage/dumpster service into District’s name.
- TCEQ Notice of Violation
 - i. Effluent totalizer requirement by TCEQ has been satisfied through re-programming/calibrating existing equipment- Notice of Resolved NOV received 5/1/2025
 - ii. Submitted Compliance Special Environmental Project Application for violations associated with enforcement action in March 2024
 - 1. Phone call with TCEQ 8/15/2025 to answer questions
 - 2. Email to TCEQ to check-in on progress 9/18/2025
 - 3. Effluent chlorine residuals have remained in compliance.
- Sanitary Sewer Collection

i. 17 sewer taps were inspected for Century Communities in August 2025.

<i>Sewer Taps Inspected</i>	
April	10
May	16
June	9
July	10
August	17
Total: 62	

2. Other Pending:

- None

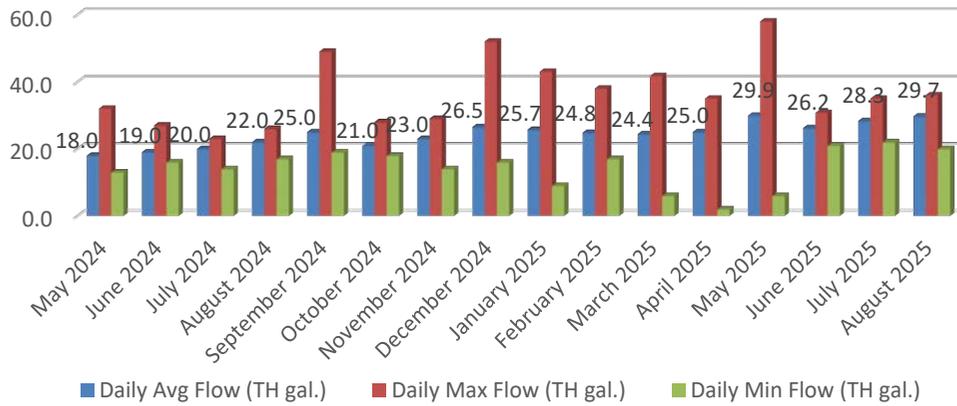
Month	Effluent Parameters Within Permit	Daily Avg Flow (TH gal.)	Daily Max Flow (TH gal.)	Daily Min Flow (TH gal.)	Monthly Total Flow (TH gal.)
May 2024	No	18.0	32.0	13.0	571.0
June 2024	No	19.0	27.0	16.0	564.0
July 2024	Yes	20.0	23.0	14.0	607.0
August 2024	Yes	22.0	26.0	17.0	675.0
September 2024	Yes	25.0	49.0	19.0	749.0
October 2024	Yes	21.0	28.0	18.0	664.0
November 2024	Yes	23.0	29.0	14.0	677.0
December 2024	Yes	26.5	52.0	16.0	823.0
January 2025	Yes	25.7	43.0	9.0	797.0
February 2025	Yes	24.8	38.0	17.0	693.5
March 2025	Yes	24.4	41.7	6.0	757.3
April 2025	Yes	25.0	35.0	2.0	736.0
May 2025	Yes	29.9	58.0	6.0	926.0
June 2025	Yes	26.2	30.7	21.0	785.0
July 2025	Yes	28.3	35.0	22.0	875.0
August 2025	Yes	29.7	36.0	20.0	920.0

Permit Excursions: None
Quarterly Effluent E.coli Analysis completed on 7/2/2025, within parameter
Effluent Chlorine Residuals

	June 2025	July 2025	August 2025
Average	2.9	2.1	1.8
Minimum	1.0	1.0	1.1
Maximum	3.8	3.8	2.6

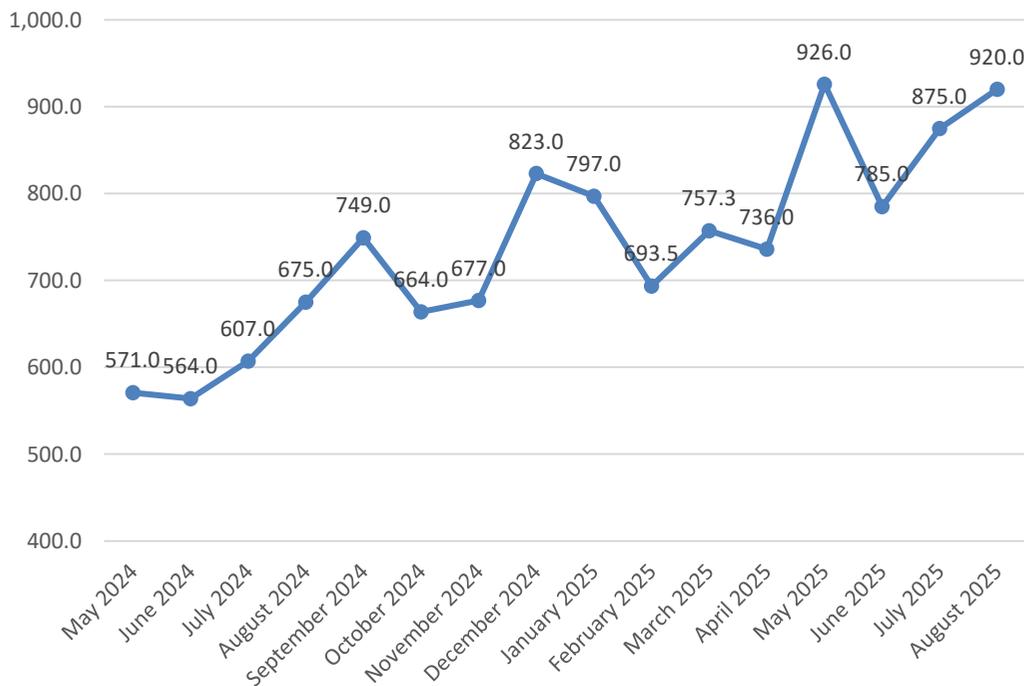
Travis County M.U.D. 26
Wastewater Treatment Facility Report

Monthly Effluent Average, Minimum, Maximum

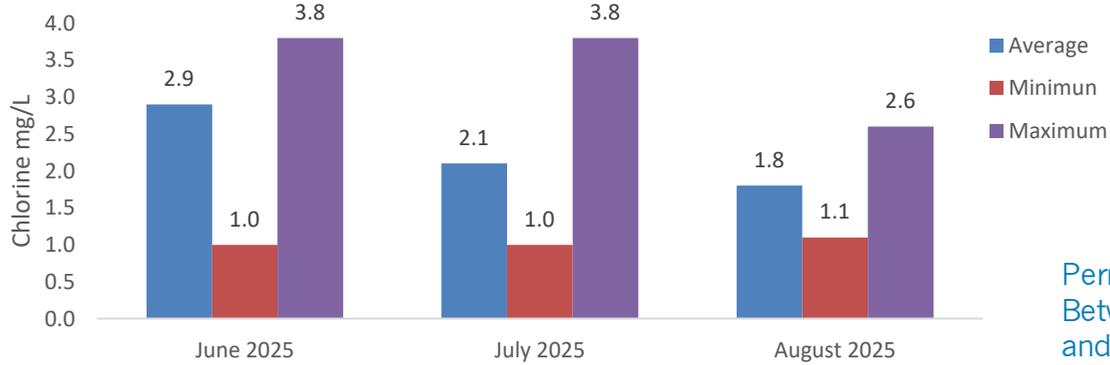


Permit Limit:
Daily Avg. less
than 60 TH Gal

Monthly Effluent Total Flow (TH gal.)



Monthly Effluent Chlorine Residuals



Permit Limit:
Between 1.0
and 4.0

WASTEWATER TREATMENT PLANT REPORT

CLIENT: **Travis County M.U.D. # 26**

MONTH: **Aug 2025**

LOCATION: **12012 Unbridled Lane**

PERMIT #: **15822-001**

DATE	TEMP F	PREC "	TOTALIZER	FLOW (Th Gal)	Cl2 gallons used	Cl2 Res mg/L
1	87	0	6709	30.3	3	1.9
2				30.3	3	
3				30.3	3	
4	84	0.1	6800	26	4	2.2
5	80	0	6826	31	5	2.0
6	80	0	6857	28	4	2.6
7	78	0	6885	32	7	2.1
8	90	0	6917	29	5	1.9
9				29	5	
10				29	5	
11	84	0	7004	29	3	2.1
12	92	0	7033	29	4	1.5
13	90	0	7062	28	7	1.3
14	94	0.25	7090	27	4	2.0
15	86	0	7117	27.7	5	1.4
16				27.7	4	
17				27.7	4	
18	78	0	7200	29	6	1.8
19	83	0	7229	27	3	1.9
20	82	0	7256	29	8	1.4
21	94	0	7285	27	11	1.5
22	85	0.5	7312	36	3	1.8
23				36	3	
24				36	2	
25	94	0	7420	27	9	1.7
26	90	0	7447	30	3	2.0
27	92	0	7477	20	0	1.1
28	78	0	7497	24	2	1.1
29	79	0	7521	36	29	2.1
30				36	28	
31				36	28	
1	82	1	7629			
Total		1.9		920.0	210.0	
Avg.	86			29.7	6.8	1.8
Max.	94	0.5		36.0	29.0	2.6
Min.	78	0.0		20.0	0.0	1.1

Operator:

License #:

Date:

Name of Plant: Stallion Run Wastewater Trmt. Facility

PERMIT #: 15822-001

Shaded cells represent values less than the number shown

1		3		4		5				6								
Date	Precip. Inches	SEWAGE FLOW		RAW INFLUENT				FINAL EFFLUENT										
		Treated gpd (th gal)	Treated MGD	NH3N mg/L	BOD mg/L	TSS mg/L	pH mg/L	NH3N mg/L	CBOD mg/L	TSS mg/L	TP mg/L	pH mg/L	DO mg/L	NH3N lbs/day	CBOD lbs/day	TSS lbs/day	TP lbs/day	E. Coli MPN/100 mL
1	0	30.33	0.030															
2		30.33	0.030															
3		30.33	0.030															
4	0.1	26.00	0.026															
5	0	31.00	0.031															
6	0	28.00	0.028	44.8	447.0	244.0	6.8	1.0	1.0	1.0	0.2	7.7	5.8	0.2	0.2	0.2	0.04	
7	0	32.00	0.032															
8	0	29.00	0.029															
9		29.00	0.029															
10		29.00	0.029															
11	0	29.00	0.029															
12	0	29.00	0.029															
13	0	28.00	0.028					0.1	1.0	1.0	0.6		5.4	0.01	0.23	0.23	0.15	
14	0.25	27.00	0.027															
15	0	27.67	0.028															
16		27.67	0.028															
17		27.67	0.028															
18	0	29.00	0.029															
19	0	27.00	0.027															
20	0	29.00	0.029	43.1	470.0	176.0	8.0	0.1	1.0	1.0	1.1		6.4	0.01	0.24	0.24	0.27	
21	0	27.00	0.027															
22	0.5	36.00	0.036															
23		36.00	0.036															
24		36.00	0.036															
25	0	27.00	0.027															
26	0	30.00	0.030															
27	0	20.00	0.020					0.1	1.0	1.0	1.0		6.5	0.01	0.17	0.17	0.16	
28	0	24.00	0.024															
29	0	36.00	0.036															
30	0	36.00	0.036															
31	0	36.00	0.036															
Total	1	920.0	0.920	87.9	917	420		1.15	4.00	4.00	2.90			0.27	0.88	0.88	0.62	
Avg.		29.7	0.030	44.0	459	210	7.4	0.29	1.00	1.00	0.72	7.7	6.0	0.07	0.22	0.22	0.15	
Max.	0.5	36.0	0.036	44.8	470	244	8.0	1.00	1.00	1.00	1.10	7.7	6.5	0.23	0.24	0.24	0.27	0.00
Min.	0.0	20.0	0.020	43.1	447	176	6.8	0.05	1.00	1.00	0.17	7.7	5.4	0.01	0.17	0.17	0.04	0.00

Name of Operator:

License #:

Grade:

MONTHLY OPERATIONS REPORT

TRAVIS COUNTY M.U.D. 26



October 8, 2025
For September 2025 Operations

2306 RR 620 N., Austin, TX 78734
Main: 512-738-8840

"The Customer is the Most Important Person in our Business"



Travis County Municipal Utility District #26
 Board of Directors
 Operations Report Covering September 2025

Management Report Summary

1. Maintenance & Repairs:

- Waste Water treatment Plant
 - i. Leak repaired in water line connection running to WWTP.
 - 1. WWTP is running off 2” irrigation meter adapted to 1” line.
Dedicated meter and water service line is needed for the WWTP.
 - ii. Working with developer to transfer WWTP garbage/dumpster service into District’s name.
 - iii. Vegetation/debris removed from effluent outfall. Heavy equipment needed to clear overgrowth.
- TCEQ Notice of Violation
 - i. Submitted Compliance Special Environmental Project Application for violations associated with enforcement action in March 2024
 - 1. 10/8/202- Conditional approval of CSEP Application for entire payable penalty amount. Additional requested documents are being gathered for TCEQ.

- Sanitary Sewer Collection

- i. 4 sewer taps were inspected for Century Communities in September 2025.

<i>Sewer Taps Inspected</i>	
April	10
May	16
June	9
July	10
August	17
September	4
Total: 66	

2. Other Pending:

- None

Month	Effluent Parameters Within Permit	Daily Avg Flow (TH gal.)	Daily Max Flow (TH gal.)	Daily Min Flow (TH gal.)	Monthly Total Flow (TH gal.)
September 2024	Yes	25.0	49.0	19.0	749.0
October 2024	Yes	21.0	28.0	18.0	664.0
November 2024	Yes	23.0	29.0	14.0	677.0
December 2024	Yes	26.5	52.0	16.0	823.0
January 2025	Yes	25.7	43.0	9.0	797.0
February 2025	Yes	24.8	38.0	17.0	693.5
March 2025	Yes	24.4	41.7	6.0	757.3
April 2025	Yes	25.0	35.0	2.0	736.0
May 2025	Yes	29.9	58.0	6.0	926.0
June 2025	Yes	26.2	30.7	21.0	785.0
July 2025	Yes	28.3	35.0	22.0	875.0
August 2025	Yes	29.7	36.0	20.0	920.0
September 2025	Yes	30.6	37.0	25.0	920.0

Permit Excursions: None

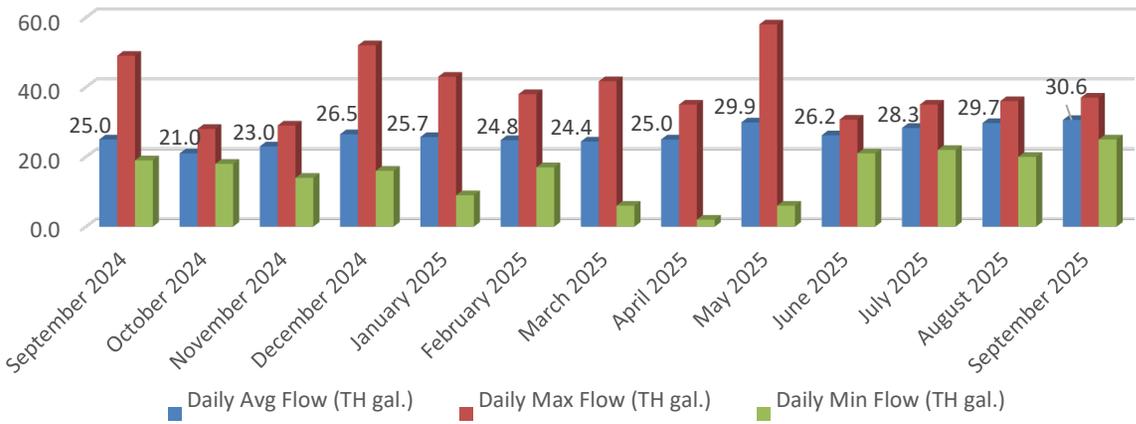
3rd Quarter Effluent E.coli Analysis completed on 7/2/2025, within parameter

Effluent Chlorine Residuals

	July 2025	August 2025	September 2025
Average	2.1	1.8	2.08
Minimum	1.0	1.1	1
Maximum	3.8	2.6	3.8

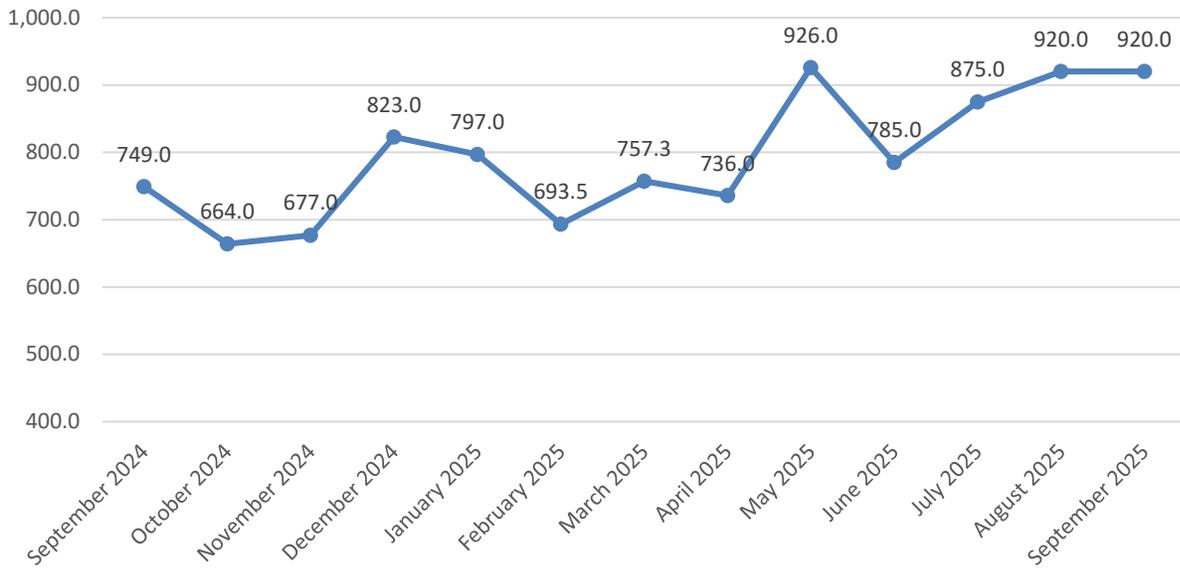
Travis County M.U.D. 26
Wastewater Treatment Facility Report

Monthly Effluent Average, Minimum, Maximum

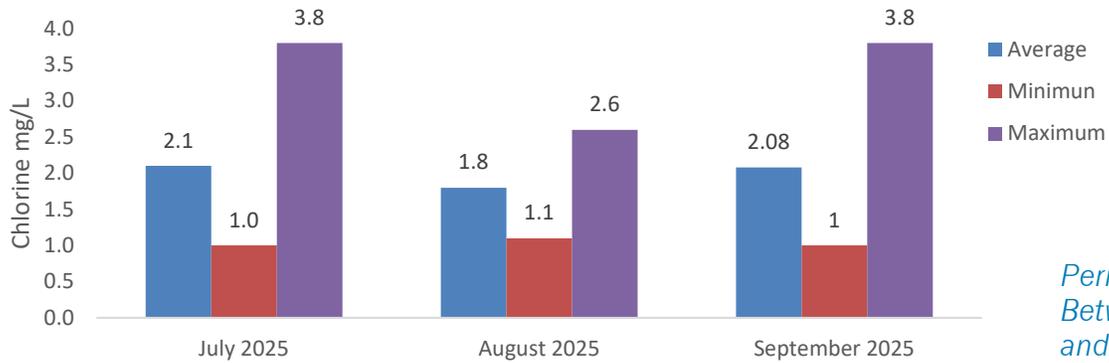


Permit Limit: Daily Avg. less than 60 TH Gal

Monthly Effluent Total Flow (TH gal.)



Monthly Effluent Chlorine Residuals



Permit Limit: Between 1.0 and 4.0

WASTEWATER TREATMENT PLANT REPORT

CLIENT: **Travis County M.U.D. # 26**

MONTH: **Sep 2025**

LOCATION: **12012 Unbridled Lane**

PERMIT #: **15822-001**

DATE	TEMP F	PREC "	TOTALIZER	FLOW (Th Gal)	Cl2 gallons used	Cl2 Res mg/L
1	82	1	7629	30.0	3	1.2
2	93		7659	30.0	15	1.3
3	75		7689	29.0	10	1.1
4	84		7718	25	4	3.0
5	102		7743	30	6	3.8
6				30	5	
7				30	5	
8	80	0.3	7833	26	10	2.1
9	79		7859	28	1	3.1
10	64		7887	28	3	3.4
11	67		7915	31	4	1.8
12	92		7946	32	4	1.9
13				32	4	
14				32	3	
15	78		8042	28.0	3	2.9
16	77		8070	37.0	6	2.0
17	80		8107	30.0	5	1.4
18	80		8137	31	0	2.0
19	82		8168	32	3	1.5
20				32	3	
21				32	2	
22	88		8264	29	3	2.1
23	84		8293	32	4	1.6
24	92		8325	34	8	1.0
25	79		8359	28	6	2.2
26	80		8387	34.3	5	2.0
27				34.3	4	
28				34.3	4	
29	82		8490	28	4	2.4
30	80		8518	31	5	2.0
1			8549			
Total		1.3		920.0	142.0	
Avg.	82			30.7	4.7	2.1
Max.	102	1.0		37.0	15.0	3.8
Min.	64	0.3		25.0	0.0	1.0

Operator:

License #:

Date:

Name of Plant: Stallion Run Wastewater Trmt. Facility

PERMIT #: 15822-001

Shaded cells represent values less than the number shown

1		3		4		5				6								
Date	Precip. Inches	SEWAGE FLOW		RAW INFLUENT				FINAL EFFLUENT										
		Treated gpd (th gal)	Treated MGD	NH3N mg/L	BOD mg/L	TSS mg/L	pH mg/L	NH3N mg/L	CBOD mg/L	TSS mg/L	TP mg/L	pH mg/L	DO mg/L	NH3N lbs/day	CBOD lbs/day	TSS lbs/day	TP lbs/day	E. Coli MPN/100 mL
1	1	30.00	0.030															
2		30.00	0.030															
3		29.00	0.029	42.2	532.0	487.0	7.8	0.1	1.0	1.0	0.6	7.6	7.4	0.0	0.2	0.2	0.1	
4		25.00	0.025															
5		30.00	0.030															
6		30.00	0.030															
7		30.00	0.030															
8	0.3	26.00	0.026															
9		28.00	0.028															
10		28.00	0.028					0.1	1.0	1.0	0.4		7.0	0.0	0.2	0.2	0.1	
11		31.00	0.031															
12		32.00	0.032															
13		32.00	0.032															
14		32.00	0.032															
15		28.00	0.028															
16		37.00	0.037															
17		30.00	0.030	45.6	317.0	188.0	8.0	0.1	1.0	1.0	1.8		5.6	0.0	0.3	0.3	0.4	
18		31.00	0.031															
19		32.00	0.032															
20		32.00	0.032															
21		32.00	0.032															
22		29.00	0.029															
23		32.00	0.032															
24		34.00	0.034					0.1	2.0	1.0	0.2		6.2	0.0	0.6	0.3	0.1	
25		28.00	0.028															
26		34.33	0.034															
27		34.33	0.034															
28		34.33	0.034															
29		28.00	0.028															
30		31.00	0.031															
Total	1.3	920.0	0.920	87.8	849	675		0.20	5.00	4.00	2.93			0.05	1.29	1.01	0.73	
Avg.		30.7	0.031	43.9	425	338	7.9	0.05	1.25	1.00	0.73	7.6	6.6	0.01	0.32	0.25	0.18	
Max.	1.0	37.0	0.037	45.6	532	487	8.0	0.05	2.00	1.00	1.79	7.6	7.4	0.01	0.57	0.28	0.45	0.00
Min.	0.3	25.0	0.025	42.2	317	188	7.8	0.05	1.00	1.00	0.18	7.6	5.6	0.01	0.23	0.23	0.05	0.00

**Values included in this report include DRAFT results and are subject to change

Signature of Operator:

License #:

Grade:

LICENSE AGREEMENT

(Travis County MUD 26 Drainage Lands)

This A LICENSE AGREEMENT (this “*Agreement*”) is made and entered into as of the ____ day of _____, 2025 (the “*Effective Date*”), by and among **TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 26**, a political subdivision of the State of Texas (the “*District*”) and **STALLION RUN RESIDENTIAL COMMUNITY, INC.**, a Texas non-profit corporation (the “*Association*”).

RECITALS:

A. The Association is the homeowners association established to administer the affairs of Stallion Run, a subdivision located in Travis County, Texas (the “*Subdivision*”). The Association has been established and is governed by that certain Master Covenant recorded as Document No. 2022152391, Official Public Records of Travis County, Texas (as it may be amended from time to time, the “*Declaration*”). The membership of the Association is comprised of the owners of the property encumbered by the Declaration.

B. Century Land Holdings II, LLC has conveyed that certain real property more particularly described in **Exhibit “A”** attached hereto (the “*Property*”); and (ii) the District has accepted the Property for operation and maintenance.

C. The District and the Association have agreed that, subject to the terms and conditions set forth in this Agreement, the Association will operate and maintain the Property, together with all other improvements, fixtures, equipment, furnishings, and personal property owned by the District on the Property (collectively, the “*Premises*”), as “Common Area” under the Declaration.

NOW THEREFORE, for and in consideration of the mutual covenants and obligations set forth herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the District and the Association hereby agree as follows.

1. Grant of License. The District hereby grants unto the Association, subject to the provisions, conditions, and limitations set forth in this Agreement, a license solely for the limited purpose of operating and maintaining the Premises as Common Area for the benefit of the Subdivision in accordance with the Declaration and this Agreement (the “*License*”). The Association understands and hereby acknowledges that the License is granted solely for the limited purposes expressly set forth in this Agreement. The License is non-exclusive, and the District expressly reserves and retain all rights not inconsistent with the limited purpose of the License.

2. Acceptance of License. The Association hereby accepts the License and agrees to operate and maintain the Premises in accordance with the Declaration and this Agreement.

3. Term; Termination. The term of this Agreement will commence on the Effective Date and will continue in effect from year to year thereafter, subject to the District’s right to terminate and revoke this Agreement upon delivery of notice of such termination to the Association, in accordance with this Section 3. The District’s right of termination hereunder may be exercised at any time by the District in the District’s sole and absolute discretion. The Association will have no right to receive any reimbursement or compensation of any kind from

the District for or in connection with the termination of this Agreement. Upon the termination of this Agreement, the Association, at its sole expense, will repair any damage to the Premises caused by the Association or the Association's permittees. The termination of this Agreement shall not affect any rights, claims, or causes of action based (in whole or part) on rights hereunder and events occurring prior to the termination, all of which will survive the termination.

4. Use and Occupancy. From the Effective Date until the termination of this Agreement, the Association shall operate and maintain the Premises for the use and benefit of the Subdivision and the members of the Association in accordance with the provisions of the Declaration, this Agreement, applicable law, and all reasonable standards and criteria reviewed and approved from time-to-time by The District. Notwithstanding the foregoing, or any other provision herein to the contrary, the District shall be entitled to inspect and use the Premises in any manner consistent with the rights reserved to the District pursuant to this Agreement, provided that such inspection or use does not unreasonably interfere with the Association's use of the Premises as permitted hereunder. The District and the Association acknowledge and agree that the Association may only use the Premises in the manner authorized in this Section 4, unless the District consents to an alternate use of the Premises in writing (which consent may be granted or withheld in the District's sole discretion). **UNDER NO CIRCUMSTANCES SHALL THE ASSOCIATION USE OR OPERATE THE FACILITY IN A MANNER THAT IMPAIRS THE PROPER DRAINAGE AND CONVEYANCE OF STORMWATER.**

5. Repairs and Maintenance. The Association shall at all times keep the Premises (including, without limitation, all of the improvements thereon) in good order, condition, and repair, and in a clean, orderly, sanitary, and safe condition, subject only to ordinary wear and tear and damage by casualty or condemnation, which the Association is not obligated to repair hereunder. The Association shall operate and maintain the Premises as necessary to ensure the property collection, treatment and drainage of stormwater at all times. All maintenance, repairs, and replacements shall be performed: (i) in a good and workmanlike manner; (ii) in accordance with all applicable federal, state and local laws, codes, ordinances, rules, and regulations; (iii) of materials of equal or better quality than those used in the original construction; and (iv) as necessary to maintain the proper collection, treatment (if applicable) and conveyance of stormwater in accordance with all applicable regulatory requirements, including any MS4 permitting requirements applicable to the District applicable to the Premises. The Association agrees not to commit or allow any waste or damage to be committed on any portion of the Premises, or to allow the Premises to be in any condition under which stormwater is not properly collected, treated or conveyed. In the event that the Association fails to maintain, repair, and replace (as necessary) the Premises in accordance with this Agreement, and such failure continues following thirty (30) days' written notice by the District, then the District shall have the right (but not the obligation) to perform such maintenance, repairs, or replacements and shall be entitled to reimbursement from the Association for all costs and expenses incurred in connection therewith, which reimbursement shall be made in full within thirty (30) days after receipt of an invoice for payment. . The District shall have no liability for any damage to any improvements constructed by the Association arising out of any maintenance, repairs or replacements undertaken by the District.

6. Alterations. The Association shall have the right, from time to time, to make additions, modifications, and alterations to the Premises at the Association's sole cost and expense, subject to the prior written consent of the District, which consent shall not be unreasonably withheld. Provided, however, all such additions, modifications and alterations must not be impair or impede the proper drainage, collection, treatment and conveyance of

stormwater, and must be in accordance with all regulatory requirements applicable to the Premises (including MS4 permitting requirements).

7. **Liens by the Association.** The Association shall keep the Premises free from any liens arising out of any work performed, materials furnished, or obligations incurred by or for the Association. In the event that any lien should be filed against the Premises (or any portion thereof) as a result of any such work performed, materials furnished, or obligations incurred by or for the Association, then the Association shall either pay or bond around such lien within thirty (30) days after notice to the Association of any such lien. No work that the Association performs on the Premises shall be deemed to be for the immediate use and benefit of the District, so that no mechanics or other lien shall be allowed against the District by reason of its consent to such work. If any such mechanic's liens or materialmen's liens shall be recorded against the Premises (or any portion thereof), the Association shall cause the same to be removed or bonded around or, in the alternative, if the Association in good faith desires to contest same, the Association shall be privileged to do so, but in such case, THE ASSOCIATION HEREBY AGREES TO INDEMNIFY AND HOLD THE DISTRICT HARMLESS FROM ALL LIABILITY FOR DAMAGES OCCASIONED THEREBY, AND SHALL, IN THE EVENT OF A JUDGMENT OF FORECLOSURE ON SAID LIEN, CAUSE THE SAME TO BE DISCHARGED AND REMOVED PRIOR TO THE EXECUTION OF SUCH JUDGMENT.

8. **Condition of Premises.** The Association represents, warrants, and acknowledges to and agrees with the District that the Association is licensing the Premises in an "AS-IS" CONDITION "WITH ALL FAULTS" and specifically and expressly without any warranties, representations, or guarantees, either express or implied, or any kind, nature, or type whatsoever from or on behalf of the District. THE ASSOCIATION EXPRESSLY UNDERSTANDS THAT THE DISTRICT SHALL HAVE NO DUTY OR OBLIGATION TO OPERATE, MAINTAIN, OR REPAIR THE PREMISES. THE ASSOCIATION HEREBY EXPRESSLY ASSUMES ALL OBLIGATIONS, RISKS, AND PERILS ASSOCIATED WITH SUCH USE. The District will have no responsibility, liability, or obligation with respect to any property of the Association or the Association's agents, employees, and invitees, it being acknowledged and understood by the Association that the safety and security of any such property is the sole responsibility and risk of the Association. The Association shall make adequate provisions for the safety and convenience of all persons using the Premises and the protection of their property.

9. **Utilities.** The Association shall be solely responsible for paying all utility bills for utilities serving the Premises during the term of this Agreement.

10. **Environmental Compliance.** The Association shall not use, and shall not permit anyone to use any portion of the Premises for the placement, storage, manufacture, disposal, or handling of any Hazardous Materials (as herein defined), except in accordance with all applicable rules, regulations, orders, guidelines, or other instructions or directives of the United States of America, the State of Texas, any political subdivision of either of such governmental entities, or any other governmental entity having authority to regulate such Hazardous Materials. The District shall be under no obligation to supervise the Association's business, operations, or procedures. The Association shall be responsible for the costs of any removal, abatement, or remediation of any Hazardous Materials placed, stored, manufactured, disposed of, or handled by the Association or any of the Association's employees, agents, or invitees, on the Premises. Such costs shall include, without limitation, the reasonable cost of any consultant retained by the District in connection with such work. THE ASSOCIATION SHALL INDEMNIFY THE DISTRICT AND HOLD THE DISTRICT HARMLESS FROM AND AGAINST ANY LOSS, COST, LIABILITY, OR EXPENSE (INCLUDING REASONABLE ATTORNEYS' FEES AND COURT COSTS) ARISING OUT OF THE PLACEMENT, STORAGE, MANUFACTURE,

DISPOSAL, HANDLING, REMOVAL, ABATEMENT, OR REMEDIATION OF ANY HAZARDOUS MATERIALS BY THE ASSOCIATION, OR ANY REMOVAL, ABATEMENT, OR REMEDIATION OF ANY HAZARDOUS MATERIALS REQUIRED HEREUNDER TO BE PERFORMED OR PAID FOR BY THE ASSOCIATION, WITH RESPECT TO ANY PORTION OF THE PREMISES, OR ARISING OUT OF ANY BREACH BY THE ASSOCIATION OF ITS OBLIGATIONS UNDER THIS SECTION 10. The provisions of this Section 10 shall survive the termination of this Agreement. The term "*Hazardous Materials*" as used herein shall mean: (i) any substance, the presence of which requires special handling, investigation, notification, or remediation under any federal, state, or local statute, regulation, ordinance, order, action, policy, or common law; (ii) any substance which is or becomes defined as a hazardous waste, hazardous substance, pollutant, or contaminant under any federal, state, or local statute, regulation, rule, or ordinance, or amendments thereto; (iii) any substance which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency, or instrumentality of the United States, the State of Texas, or any political subdivision thereof; (iv) any substance, the presence of which causes or threatens to cause an erosion, contamination, drainage, or nuisance problem (including to adjacent properties, nearby public roads, and rights-of-ways) or poses or threatens to pose a hazard to the health or safety of persons on or about the Premises; (v) any substance which contains gasoline, diesel fuel, or other petroleum hydrocarbons; and (vi) any substance which contains polychlorinated biphenyls, asbestos, or urea formaldehyde foam insulation.

11. Condemnation. If, at any time during the term of this Agreement, the Premises, or any portion thereof, is taken in condemnation or by the exercise of power of eminent domain or sale under threat thereof (such condemnation, power or sale being hereinafter collectively referred to as "*such condemnation*"), such that the Association cannot reasonably continue to use and occupy the Premises in substantially the manner in which they were used and occupied immediately prior to such condemnation, the Association shall have the right, at its option, to terminate this Agreement as to all or that portion of the Premises so condemned, by written notice to the District effective as of the time that possession of such portion of the Premises is surrendered, and the parties shall be relieved of any further obligations hereunder with respect to that portion of the Premises so taken. All proceeds of such condemnation shall be distributed to the District.

12. Insurance. The Association shall, at all times during the term of this Agreement, at its expense, maintain a policy of insurance insuring the Premises against loss or damage by fire, explosion, or other hazards and contingencies, in the amount of the full replacement value thereof. The Association agrees that all of its personal property located upon the Premises shall be at the risk of the Association and that the District shall not be liable for any damage thereto or theft thereof. The Association will not permit anything to be done which will in any way increase the rate of fire and casualty insurance on the Premises. The Association shall, at its expense, maintain at all times a policy or policies of insurance insuring the Association against all liability for injury to or death of a person or persons and for damage to or destruction of property occasioned by or arising out of or in connection with the use or occupancy of the Premises or by the condition of the Premises with a combined single limit of \$3,000,000 for bodily injury and property damage. The Association shall provide to the District, on the Effective Date and annually thereafter, certificates of such insurance evidencing the coverage required hereunder and naming the District as an additional insured. All policies of insurance maintained by the Association as required hereunder shall also provide that the District will be notified at least thirty (30) days prior to any cancellation or termination of any such policies. If the Association fails to maintain any insurance required by this Agreement, then the District (or either of them) may obtain and

maintain such insurance and the Association shall reimburse the District or District, as applicable, for the cost thereof.

13. Casualty. In the event the Premises are fully or partially damaged or destroyed by fire or other casualty, the Association shall give immediate notice thereof to the District. The Association shall repair all damage and restore the damaged portions of the Premises to substantially the same condition as existed immediately prior to the occurrence of the casualty. Such repairs shall be commenced promptly upon receipt by the Association of the proceeds of the insurance required to be maintained by the Association hereunder and issuance of the required building and other permits (which insurance proceeds and permits shall be diligently pursued by the Association), and shall be completed as soon as reasonably practicable thereafter. Notwithstanding the foregoing, the District may, in their sole discretion, elect to reconstruct, repair, and restore the Premises following any such damage or destruction by fire or other casualty, in which event the Association shall assign and deliver to the District, upon request, the proceeds of any insurance received by the Association in connection with such casualty.

14. Condition of Premises Upon Surrender. Upon the termination of this Agreement, the Association shall surrender the Premises to the District in the same condition as received, except for ordinary wear and tear, which the Association is not otherwise obligated to remedy under any provision of this Agreement. All alterations, additions, and improvements made to the Premises that the District do not require the Association to remove shall become the District' property and shall be surrendered to the District upon the termination of this Agreement.

15. Taxes. The District is a tax-exempt political subdivision of the State of Texas and, therefore, no taxes or assessments of any kind are expected to be imposed on the Premises. Notwithstanding the foregoing, the Association shall pay or cause to be paid, if and when the same shall become due, all of the following (collectively, "Taxes"): any charges, assessments and taxes of any nature levied by any public authority or utility provider, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever, which shall or may during the term of this Agreement be assessed, levied, charged, confirmed or imposed by public authority or utility provider upon or which accrue or become due or payable out of or on account of or become a lien on the Premises or any part thereof, the appurtenances thereto, the sidewalks, streets or alleys adjacent thereto, any alterations thereto, and all fixtures, equipment or items of personal property located thereon. Failure by the Association to pay Taxes prior to delinquency shall constitute an event of default hereunder. In addition, the District (or either of them) may, at the District' (or District's) election (but shall not be obligated to) pay any delinquent Taxes with any interest and penalties due thereon, and the District(s) shall be entitled to reimbursement from the Association for all costs and expenses incurred in connection therewith; provided, however, before the District(s) may pay any Taxes on behalf of the Association, the District(s) shall give the Association ten (10) days' prior written notice of such intended payment by the District(s) unless payment within less time is necessary to protect the District' (or District's) interest in the Premises.

16. Sub-licensing and Assignment. No portion of the Premises or of the Association's interest in this Agreement may be acquired by any other person or entity, whether by sub-license, assignment, operation of law, or other act of the Association, without the prior written consent of the District, which may be granted or withheld at their sole discretion. Any attempted transfer without consent shall be void and shall constitute a non-curable breach of this Agreement. Any permitted sub-licensee, assignee, or other transferee shall agree in writing, for

the benefit of the District, to be bound by, assume, and perform all of the terms, covenants, and conditions of this Agreement.

17. Default. If a monetary obligation payable by the Association hereunder remains unpaid for more than ten (10) days after written notice from the District, or if the Association fails to fulfill any other covenant or obligation of the Association under this Agreement and such failure continues for more than thirty (30) days after written notice from the District to the Association, then the Association shall be in default under this Agreement and the District may elect to: (i) suspend this Agreement by written notice to the Association until such default is cured, and during the time in which this Agreement is suspended, neither the Association nor any resident of the Subdivision nor any member of the Association shall have any right to access or use the Premises; (ii) avail themselves of any and all remedies at law or in equity available to the District under Texas law; or (iii) cure such default and be reimbursed by the Association, within fifteen (15) days following written demand, for all costs and expenses incurred in connection with such cure. If the District breach any covenant or fail to fulfill any of their obligations under this Agreement, and such failure continues for more than thirty (30) days after written notice from the Association, or, in the event such breach or failure cannot reasonably be cured within thirty (30) days, if the District shall not have commenced to cure such breach or failure within said 30-day period and be diligently pursuing such cure, then the Association may elect to: (i) terminate this Agreement by written notice to the District, in which event the Association shall immediately surrender the Premises to the District in the condition required by this Agreement, and the parties shall have no further obligations hereunder; or (ii) avail itself of any and all remedies available to the Association at law or in equity under Texas law.

18. RELEASE. THE ASSOCIATION DOES HEREBY FULLY AND UNCONDITIONALLY RELEASE AND FOREVER DISCHARGE THE DISTRICT AND ITS DIRECTORS, OFFICERS, AGENTS, EMPLOYEES, CONSULTANTS, AFFILIATES, REPRESENTATIVES, CONTRACTORS, AND INVITEES (COLLECTIVELY, THE "DISTRICT PARTIES") FROM ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS, CAUSES OF ACTION, SUITS, COSTS, EXPENSES, AND/OR LIABILITIES WHATSOEVER, WHETHER KNOWN OR UNKNOWN, ACCRUED OR UNACCRUED, AT LAW OR IN EQUITY (COLLECTIVELY, "CLAIMS"), WHICH THE ASSOCIATION, OR ANY OF THE ASSOCIATION'S PAST, PRESENT, OR FUTURE MEMBERS, PARTNERS, VENTURERS, EMPLOYEES, AGENTS, ATTORNEYS, REPRESENTATIVES, INVITEES, PERMITTEES, OR SURETIES, OR THEIR RESPECTIVE HEIRS, LEGAL OR PERSONAL REPRESENTATIVES, PREDECESSORS, SUCCESSORS, OR ASSIGNS (COLLECTIVELY, THE "ASSOCIATION PARTIES"), MAY NOW OR HEREAFTER HAVE AGAINST THE DISTRICT PARTIES, IF ANY, AND IRRESPECTIVE OF WHETHER SUCH CLAIMS ARISE OUT OF CONTRACT, TORT, VIOLATION OF LAWS, OR REGULATIONS OR OTHERWISE, WHICH PERTAIN TO, ARISE OUT OF, OR IN ANY MANNER RESULT FROM OR IN CONNECTION WITH THE ASSOCIATION'S OPERATION, MAINTENANCE, AND USE OF THE PREMISES (INCLUDING ANY ACTIVITIES THEREIN OR THEREON), THE LICENSE, OR ANY INSTRUMENTS EXECUTED IN CONNECTION WITH THE PREMISES OR THE LICENSE, OR FOR OR BECAUSE OF ANY MATTER OR THING DONE, OMITTED, OR SUFFERED TO BE DONE BY THE DISTRICT PARTIES IN CONNECTION WITH ANY OF THE FOREGOING. **THIS RELEASE IS INTENDED TO COVER CLAIMS WHICH ARISE DUE TO THE NEGLIGENCE OF THE DISTRICT AND/OR DUE TO THE NEGLIGENCE OF ANY OF THE OTHER DISTRICT PARTIES.** THE ASSOCIATION EXPRESSLY WARRANTS, REPRESENTS, AND COVENANTS TO AND WITH THE DISTRICT PARTIES THAT THE ASSOCIATION IS LEGALLY COMPETENT AND HAS THE REQUISITE AUTHORITY (WITHOUT THE JOINDER OF ANY OTHER PARTY BEING REQUIRED) TO VALIDLY EXECUTE AND DELIVER THIS RELEASE, AND THAT NO

OTHER PERSON OR ENTITY, BY ASSIGNMENT, SUBROGATION, OR OTHERWISE, HAS OR RETAINS ANY RIGHT, TITLE, OR INTEREST IN AND TO ANY RESPECTIVE CLAIMS COVERED BY THIS RELEASE. THIS PROVISION WILL SURVIVE THE TERMINATION OF THE LICENSE.

19. INDEMNITY. THE ASSOCIATION HEREBY AGREES TO DEFEND, INDEMNIFY, AND HOLD THE DISTRICT PARTIES HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, INCLUDING REASONABLE ATTORNEYS' FEES, BROUGHT OR ASSERTED AGAINST THE DISTRICT PARTIES ARISING IN WHOLE OR IN PART FROM THE ASSOCIATION'S OPERATION, MAINTENANCE, AND USE OF THE PREMISES (INCLUDING ANY ACTIVITIES THEREIN OR THEREON), THE LICENSE, OR ANY INSTRUMENTS EXECUTED IN CONNECTION WITH THE PREMISES OR THE LICENSE, OR FOR OR BECAUSE OF ANY MATTER OR THING DONE, OMITTED, OR SUFFERED TO BE DONE BY THE DISTRICT PARTIES IN CONNECTION WITH ANY OF THE FOREGOING, **INCLUDING CLAIMS INVOLVING ALLEGED NEGLIGENCE OF AN INDEMNITEE.** THIS PROVISION WILL SURVIVE THE TERMINATION OF THE LICENSE.

20. Disclaimer of Property Code.

(a) To the maximum extent permitted by law, the District and the Association desire to treat this Agreement as merely a license and not a lease, and hereby disclaim any "landlord-tenant" relationship between the parties.

(b) To the extent the above waiver and disclaimer are invalid under applicable law and/or a court determines that this Agreement creates a landlord-tenant relationship between the District and the Association, then the parties agree as follows:

(i) The District waive all of its obligations under Subsection B of Section 92 of the Texas Property Code ("Subsection B"), and the Association waives any remedies it may have under Subsection B. **The Association will be solely responsible to repair or remedy, at its expense, any condition covered by Subsection B. The Association has inspected the Premises and represents to the District, that that the Premises is free of any condition which would materially affect the health or safety of an ordinary tenant, and the Association acknowledges and agrees that the District has no reasonable basis to believe that any such condition will occur in the Premises during the term of the License.**

21. Notices. All notices, requests, consents, and other communications required or permitted under this Agreement shall be in writing (including email) and shall (at the election of the sender) be hand delivered by messenger or courier service, mailed, postage prepaid, by registered or certified mail, return receipt requested, addressed to the respective parties at the addresses set forth below or at such other addresses as the parties may designate by notice to the other in accordance with this paragraph. Each such notice shall be deemed delivered: (i) on the date delivered, if by hand delivery; (ii) on the date sent, if by email; and (iii) on the date upon which the return receipt is signed, delivery is refused, or the notice is designated by postal authorities as undeliverable or unclaimed, as the case may be, if mailed.

If to the District:

Travis County Municipal Utility District No. 26
c/o McLean & Howard, LLP
4301 Bull Creek Road, Suite 150
Austin, Texas 78731

If to the Association: Stallion Run Residential Community, Inc.

22. Third Party Beneficiary. Except as provided herein, nothing in this Agreement shall be deemed or construed to make any person or party a third-party beneficiary hereof, nor to dedicate to the public or to any public entity any rights, title, or interest in the Premises.

23. Limitation of Liability. Notwithstanding anything to the contrary contained in this Agreement, in no event shall the District be liable to the Association for any lost profit, damage to or loss of business, or any form of special, indirect, or consequential damage.

24. Miscellaneous & General Terms.

(a) Attorneys' Fees. The prevailing party in any legal action brought by either party against the other party to enforce the terms hereof, or otherwise relating to the Premises, shall be entitled to all costs incurred in connection with such action, including reasonable attorneys' fees, paralegals' fees, and court costs, if any.

(b) Successors and Assigns. All provisions of this Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors, and assigns.

(c) Entire Agreement. The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties.

(d) Applicable Law and Venue. This Agreement shall be construed under and in accordance with the laws of the State of Texas. Venue shall be in a court of appropriate jurisdiction in Bastrop County, Texas.

(e) Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

(f) Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute an original and all of which together shall constitute a single instrument.

(g) Non-Waiver. Any failure by a party to insist, or any election by a party not to insist, upon strict performance by the other party of any of the terms, provisions, or conditions of this Agreement shall not be deemed to be a waiver thereof or of any other term, provision, or condition hereof, and such party shall have the right at any time or times thereafter to insist upon strict performance of any and all of the terms, provisions, and conditions hereof.

(h) Further Assurances. Each party will be obligated to execute and deliver any and all documents and instruments and to perform such additional acts reasonably requested by the other party to implement the terms of this Agreement.

25. Required Notices and Verifications.

(a) Not a Sanctioned Company (Chapter 2252, TGC). The Association represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201 of the TGC. The foregoing representation excludes any applicable entity (including the Association and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any) that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(b) No Boycott of Israel (Chapter 2271, TGC). Pursuant to Chapter 2271 of the TGC, the Association hereby verifies, represents and warrants that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001 of the TGC.

(c) Verification Under Chapter 2274, TGC, Relating to Contracts with Companies that Discriminate Against the Firearm and Ammunition Industries and Firearm Trade Associations. The Association hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3) of the TGC.

(d) Verification Under Chapter 2276, TGC, Relating to Contracts with Companies Boycotting Certain Energy Companies. The Association hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1) of the TGC.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the District and the Association have caused this Agreement to be executed to be effective as of the Effective Date.

DISTRICT:

TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT
NO. 26,
a political subdivision of the State of Texas

By: _____

Name: _____

Title: _____

Date: _____

THE ASSOCIATION:

STALLION RUN RESIDENTIAL COMMUNITY,
INC., a Texas nonprofit corporation

By: _____

Name: _____

Title: _____

Date: _____

Exhibit "A"
Description of Property

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 15, 2025

This Preliminary Official Statement is subject to completion and amendment and is intended solely for the solicitation of initial bids to purchase the Bonds. Upon sale of the Bonds, the Official Statement will be completed and delivered to the Initial Purchasers.

THE DELIVERY OF THE BONDS IS SUBJECT TO THE OPINION OF BOND COUNSEL AS TO THE VALIDITY OF THE BONDS AND THE OPINION OF SPECIAL TAX COUNSEL TO THE EFFECT THAT INTEREST ON THE BONDS IS EXCLUDABLE FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES UNDER STATUTES, REGULATIONS, COURT DECISIONS, AND PUBLISHED RULINGS EXISTING ON THE DATE THEREOF, SUBJECT TO THE MATTERS DESCRIBED UNDER "TAX MATTERS" HEREIN, INCLUDING THE ALTERNATIVE MINIMUM TAX ON CERTAIN CORPORATIONS.

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

NEW ISSUE-Book-Entry-Only

TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

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

**\$1,910,000
UNLIMITED TAX BONDS
SERIES 2025A**

**\$3,490,000
UNLIMITED TAX ROAD BONDS
SERIES 2025B**

Dated Date: December 1, 2025

Due: September 1, as shown on the inside cover

Interest Accrual Date: Date of Delivery

The \$1,910,000 Unlimited Tax Bonds, Series 2025A (the "Series 2025A Bonds") and the \$3,490,000 Unlimited Tax Road Bonds, Series 2025B (the "Series 2025B Road Bonds") (collectively referred to herein as the "Bonds") are obligations solely of Travis County Municipal Utility District No. 26 (the "District") and are not obligations of the State of Texas, Travis County, Texas, the City of Mustang Ridge, Texas, or any entity other than the District. 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."

Principal of the Bonds is payable at maturity or prior redemption at the principal payment office of the paying agent/registrars, initially BOKF, NA in Dallas, Texas (the "Paying Agent/Registrar"). Interest on the Bonds accrues from the initial date of delivery (expected to be on or about December 18, 2025) (the "Date of Delivery") and is payable on each September 1 and March 1 (each an "Interest Payment Date") commencing March 1, 2026, until maturity or prior redemption. The Bonds will be issued only in fully registered form and in denominations of \$5,000 each or integral multiples thereof. The Bonds mature and are subject to redemption prior to their maturity as shown on the inside cover.

The Bonds will be registered and delivered only 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 (as defined herein under "BOOK-ENTRY-ONLY SYSTEM") of the Bonds will not receive physical certificates representing the Bonds but will receive a credit balance on the books of the DTC participants. So long as Cede & Co. is the registered owner of the Bonds, the principal of and interest on the Bonds will be paid by the Paying Agent/Registrar, as herein defined, directly to DTC, which will, in turn, remit such principal and interest to its participants for subsequent disbursement to the Beneficial Owners. See "BOOK-ENTRY-ONLY SYSTEM."

See "MATURITY SCHEDULES" on the inside cover.

The Bonds, when issued, will constitute valid and legally binding obligations of the District and will be payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property within the District, as further described herein.

The Bonds are offered when, as and if issued by the District, subject, among other things, to the approval of the Bonds by the Attorney General of Texas and the approval of certain legal matters by McLean & Howard, L.L.P., Bond Counsel, Austin, Texas and McCall, Parkhurst & Horton L.L.P., Special Tax Counsel, Dallas, Texas. Delivery of the Bonds in book-entry form through DTC is expected on or about December 18, 2025.

**Bids Due: Wednesday, November 12, 2025, at 9:00 A.M., Central Daylight Time, in Austin, Texas
Bid Award: Wednesday, November 12, 2025, at 11:00 A.M., Central Daylight Time, in Austin, Texas**

This Certified 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 Certified 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.

MATURITY SCHEDULES

\$1,910,000 SERIES 2025A BONDS

Due (Sept. 1)	Principal Amount (a)	Interest Rate	Initial Reoffering Yield (b)	CUSIP Number (c)	Due (Sept. 1)	Principal Amount (a)	Interest Rate	Initial Reoffering Yield (b)	CUSIP Number (c)
2027	\$ 40,000				2039	\$ 75,000	(d)		
2028	45,000				2040	80,000	(d)		
2029	45,000				2041	85,000	(d)		
2030	50,000				2042	90,000	(d)		
2031	50,000				2043	95,000	(d)		
2032	55,000	(d)			2044	100,000	(d)		
2033	55,000	(d)			2045	105,000	(d)		
2034	60,000	(d)			2046	110,000	(d)		
2035	60,000	(d)			2047	115,000	(d)		
2036	65,000	(d)			2048	120,000	(d)		
2037	70,000	(d)			2049	130,000	(d)		
2038	75,000	(d)			2050	135,000	(d)		

\$3,490,000 SERIES 2025B ROAD BONDS

Due (Sept. 1)	Principal Amount (a)	Interest Rate	Initial Reoffering Yield (b)	CUSIP Number (c)	Due (Sept. 1)	Principal Amount (a)	Interest Rate	Initial Reoffering Yield (b)	CUSIP Number (c)
2027	\$ 75,000				2039	\$ 140,000	(d)		
2028	80,000				2040	145,000	(d)		
2029	85,000				2041	155,000	(d)		
2030	90,000				2042	165,000	(d)		
2031	95,000				2043	170,000	(d)		
2032	100,000	(d)			2044	180,000	(d)		
2033	105,000	(d)			2045	190,000	(d)		
2034	110,000	(d)			2046	200,000	(d)		
2035	115,000	(d)			2047	210,000	(d)		
2036	120,000	(d)			2048	220,000	(d)		
2037	125,000	(d)			2049	235,000	(d)		
2038	135,000	(d)			2050	245,000	(d)		

- (a) The Initial Purchasers (as defined herein) may 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 Initial Purchasers for offers to the public and which subsequently may be changed. 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 Initial Purchasers shall be responsible for the selection or correctness of the CUSIP Numbers set forth herein.
- (d) The Bonds maturing on or after September 1, 2032 are subject to redemption prior to maturity at the option of the District, in whole or, from time to time in part, on September 1, 2031, or on any date thereafter, at a price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption. See “THE BONDS—Redemption Provisions.”

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FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024..... APPENDIX A

USE OF INFORMATION IN OFFICIAL STATEMENT

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

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

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, 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 McLean & Howard, L.L.P., Bond Counsel, 4301 Bull Creek Road, Suite 150, Austin, Texas, 78731, for further information.

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 Initial Purchasers (as herein defined) and thereafter only as specified in “PREPARATION OF OFFICIAL STATEMENT—Updating the Official Statement.”

Neither the District nor the Initial Purchasers make any representations as to the accuracy, completeness, or adequacy of the information supplied by The Depository Trust Company for use in this Official Statement.

OFFICIAL STATEMENT SUMMARY

The following is a brief summary of certain information contained herein which is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. The summary should not be detached and should be used in conjunction with more complete information contained herein. A full review should be made of the entire Official Statement and of the documents summarized or described therein.

THE BONDS

Description...

The \$1,910,000 Unlimited Tax Bonds, Series 2025A (the “Series 2025A Bonds”) and the \$3,490,000 Unlimited Tax Road Bonds, Series 2025B (the “Series 2025B Road Bonds”) (collectively referred to herein as the “Bonds”) are being issued as fully registered bonds pursuant to separate resolutions (collectively, the “Bond Resolutions”) authorizing the issuance of each series of the Bonds adopted by the Board of Directors (the “Board”) of Travis County Municipal Utility District No. 26 (the “District”). The Series 2025A Bonds and the Series 2025B Road Bonds are scheduled to mature serially on September 1 in each of the years 2027 through 2050, both inclusive, each in the principal amounts and accruing interest at the rates shown on the inside cover hereof. The Bonds will be issued in denominations of \$5,000 or integral multiples of \$5,000. Interest on the Bonds accrues from the Date of Delivery (expected to be on or about December 18, 2025), and is payable on March 1, 2026, and on each September 1 and March 1 thereafter, until maturity or prior redemption. See “THE BONDS.”

Book-Entry-Only System...

The Depository Trust Company (“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 series and maturity of the Bonds and will be deposited with DTC or its designee. See “BOOK-ENTRY-ONLY SYSTEM.”

Redemption...

The Bonds maturing on or after September 1, 2032, are subject to redemption prior to maturity at the option of the District, in whole or, from time to time in part, on September 1, 2031, or on any date thereafter, at a price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption. See “THE BONDS—Redemption Provisions.”

Use of Proceeds for the Series 2025A Bonds...

Proceeds of the Series 2025A Bonds will be used to pay for engineering and construction costs associated with sanitary sewer shown herein under “THE SYSTEM—Use and Distribution of Series 2025A Bond Proceeds.” In addition, Series 2025A Bond proceeds will be used to capitalize twelve (12) months of interest on the Series 2025A Bonds; to pay for interest on funds advanced by the Developer on behalf of the District; and to pay engineering fees, administrative costs, and certain other costs related to the issuance of the Series 2025A Bonds. See “THE SYSTEM—Use and Distribution of Series 2025A Bond Proceeds.”

Use of Proceeds for the

Series 2025B Road Bonds... Proceeds of the Series 2025B Road Bonds will be used to finance road facilities as described herein under “THE ROAD SYSTEM—Use and Distribution of Series 2025B Road Bond Proceeds.” In addition, the Series 2025B Road Bond proceeds will be used to capitalize twelve (12) months of interest on the Series 2025B Road Bonds; to pay interest on funds advanced by the Developer on behalf of the District; to pay engineering fees and administrative costs; and to pay certain other costs related to the issuance of the Series 2025B Road Bonds. See “THE ROAD SYSTEM—Use and Distribution of Series 2025B Road Bond Proceeds.”

Authority for Issuance...

The Series 2025A Bonds are the second series of bonds issued out of an aggregate of \$270,000,000 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. The Series 2025A Bonds are issued by the District pursuant to the terms and provisions of Article XVI, Section 59 of the Texas Constitution, the general laws of the State of Texas, including, without limitation, Chapters 49 and 54 of the Texas Water Code, as amended, and Chapter 7888, Texas Special District Local Laws Code, an election held within the District, an order of the Texas Commission on Environmental Quality (the “TCEQ”) approving the issuance of said bonds, and the terms and conditions of a resolution authorizing the issuance of the Series 2025A Bonds (the “Series 2025A Bond Resolution”). See and “RISK FACTORS—Future Debt,” “THE BONDS—Authority for Issuance,” and “—Issuance of Additional Debt.”

The Series 2025B Road Bonds are the first series of bonds issued out of an aggregate of \$65,000,000 principal amount of unlimited tax bonds authorized by the District’s voters for the purpose of financing and constructing road facilities to serve the land within its boundaries. The Series 2025B Road Bonds are issued by the District pursuant to the terms and conditions of a resolution authorizing the issuance of the Series 2025B Road Bonds (the “Series 2025B Road Bond Resolution”), Article III, Section 52 of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, as amended, and Chapter 7888, Texas Special District Local Laws Code, an election held within the District, 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,” and “—Issuance of Additional Debt.”

Source of Payment...

Principal of and interest on the Bonds are payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property within the District. See “TAX PROCEDURES” The Bonds are obligations of the District and are not obligations of the State of Texas, Travis County, the City of Mustang Ridge or any other political subdivision or agency other than the District. See “THE BONDS—Source and Security for Payment.”

Payment Record...

The District has previously issued one series of unlimited tax bonds for the purpose of acquiring or constructing water, sanitary sewer and drainage facilities, all of which is outstanding (the “Outstanding Bonds”) as of October 1, 2025. The District has never defaulted on the debt service payments on the Outstanding Bonds. See “FINANCIAL STATEMENT (UNAUDITED)—Outstanding Bonds.”

*Qualified Tax-Exempt
Obligations...*

The District expects to designate the Bonds as “qualified tax-exempt obligations” pursuant to Section 265(b) of the Internal Revenue Code of 1986, as amended, and will represent that the total amount of tax-exempt obligations (including the Bonds) issued by it during calendar year 2024 is not reasonably expected to exceed \$10,000,000. See “TAX MATTERS—Qualified Tax-Exempt Obligations for Financial Institutions.”

*Municipal Bond Rating
and*

Municipal Bond Insurance... The District has not applied for an underlying rating nor is it expected that the District would have received an investment grade rating had such application been made. Application has been made to various municipal bond insurance companies for qualification of each series of the Bonds for municipal bond insurance. If qualified, such insurance will be available at the option of the applicable Initial Purchaser and at the applicable Initial Purchaser's expense. See "RISK FACTORS—Risk Factors Related to the Purchase of Municipal Bond Insurance" and "MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE."

Bond Counsel... McLean & Howard, L.L.P., Austin, Texas. See "MANAGEMENT OF THE DISTRICT—District Consultants" and "LEGAL MATTERS."

Special Tax Counsel... McCall, Parkhurst & Horton L.L.P., Dallas, Texas.

Financial Advisor... Masterson Advisors LLC, Houston, Texas.

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

Engineer... Jones-Heroy & Associates, Inc., Austin, Texas.

Paying Agent/Registrar... BOKF, NA, Dallas, Texas. See "THE BONDS—Method of Payment of Principal and Interest."

THE DISTRICT

Description... The District was created by order of the Texas Commission on Environmental Quality (the "Commission" or "TCEQ") dated January 22, 2021. The District presently contains approximately 179 acres of land. The District is located in southwest Travis County, Texas (the "County") approximately two miles northwest of the central area of the City of Mustang Ridge, Texas (the "City"), which City is located approximately 17 miles southwest of the central business district of the City of Austin, Texas. The District lies wholly within the corporate limits of the City. See "THE DISTRICT."

Status of Development... The District is being developed primarily for single family residential purposes as Stallion Run. Water, sanitary sewer and drainage facilities have been constructed to serve Stallion Run, Units 1, 2 and 4 and Del Caballo, Unit 3 (approximately ____ acres of land developed into 439 single-family residential lots). As of October 1, 2025, the District contained ____ single-family homes completed and occupied, ____ single-family home completed and not occupied, ____ single-family homes in various stages of construction, 2 model homes, and ____ vacant developed lots available for new home construction. The current builder in Stallion Run is Century Communities. New homes in the District range in offering prices from approximately \$285,000 to \$400,000 with square footage ranging from 1,200 to 2,400 square feet.

In addition to the development described above, the District contains approximately ____ acres of developable land which are not provided with underground water, sanitary sewer and drainage facilities. Also, approximately 58 acres of undevelopable land is contained in easements, rights of way, storm water detention facilities and other land uses. See "THE DISTRICT – Status of Development."

The Developer...

The developer of land within the District is Century Land Holdings II, LLC (“Century” or the “Developer”), a Texas limited liability company. Century has developed water, sewer and drainage facilities to serve all the sections within the District known as Stallion Run and Del Caballo. Century is wholly owned by Century Communities, Inc., a publicly held corporation, the stock of which is listed on the New York Stock Exchange under the trading symbol CCS. See “THE DEVELOPER.”

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.”

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SELECTED FINANCIAL INFORMATION (UNAUDITED)

2025 Taxable Assessed Valuation.....	\$82,388,012 (a)
Estimated Taxable Assessed Valuation as of September 1, 2025	\$91,484,805 (b)
 Gross Direct Debt Outstanding (the Bonds and the Outstanding Bonds).....	 \$12,100,000 (c)
Estimated Overlapping Debt	<u>2,059,487 (d)</u>
Gross Direct Debt and Estimated Overlapping Debt.....	\$14,159,487
 Ratios of Gross Direct Debt to:	
2025 Taxable Assessed Valuation.....	14.69%
Estimated Taxable Assessed Valuation as of September 1, 2025	13.23%
 Ratios of Gross Direct Debt and Estimated Overlapping Debt to:	
2025 Taxable Assessed Valuation.....	17.19%
Estimated Taxable Assessed Valuation as of September 1, 2025	15.48%
 2025 Debt Service Tax Rate.....	\$0.41
2025 Maintenance and Operations Tax Rate.....	<u>0.49</u>
2025 Total Tax Rate.....	\$0.90 (e)
 Average Annual Debt Service Requirement (2026-2050) of the Bonds and the Outstanding Bonds (“Average Requirement”) at an estimated interest rate of 5.25%	\$833,577 (f)
 Maximum Annual Debt Service Requirement (2049) of the Bonds and the Outstanding Bonds (“Maximum Requirement”) at an estimated interest rate of 5.25%	\$890,038 (f)
 Tax Rate Required to Pay Average Requirement (2026-2050) at a 95% Collection Rate:	
Based upon 2025 Taxable Assessed Valuation.....	\$1.07 (g)
Based upon Estimated Taxable Assessed Valuation as of September 1, 2025.....	\$0.96 (g)
 Tax Rate Required to Pay Maximum Requirement (2049) at a 95% Collection Rate:	
Based upon 2025 Taxable Assessed Valuation.....	\$1.14 (g)
Based upon Estimated Taxable Assessed Valuation as of September 1, 2025.....	\$1.03 (g)
 Status of Development as of October 1, 2025:	
Single-Family Residential – Homes Completed and Occupied.....	_____
Single-Family Residential – Homes Completed and Unoccupied.....	_____
Single-Family Residential – Homes Under Construction	_____
Single-Family Residential – Vacant Developed Lots.....	_____
Model Homes	<u> 2</u>
Total Connections	439

Estimated 2025 Population — ____ (h)

- (a) The 2025 Taxable Assessed Valuation shown herein includes \$77,531,205 of certified value and \$4,856,807 of uncertified value. The uncertified value represents the landowners’ opinion of the value; however, such value is subject to change and downward revision prior to certification. No tax will be levied on said uncertified value until it is certified by the Travis 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 assessed value within the District on September 1, 2025. No tax will be levied on such amount until it is certified. Increases in value occurring between January 1, 2025 and September 1, 2025, will be certified as of January 1, 2026, and provided for purposes of taxation in the summer of 2026. See “TAX PROCEDURES.”
- (c) Includes the Bonds and the Outstanding Bonds. See “FINANCIAL STATEMENT (UNAUDITED)—Outstanding Bonds.”
- (d) See “ESTIMATED OVERLAPPING DEBT STATEMENT.”
- (e) See “TAX DATA—Historical Tax Rate Distribution.”
- (f) See “DEBT SERVICE REQUIREMENTS.”
- (g) See “TAX DATA—Tax Adequacy for Debt Service.”
- (h) Estimate based on 3.5 persons per occupied single-family residence.

PRELIMINARY OFFICIAL STATEMENT

TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 26 (A political subdivision of the State of Texas located within Travis County, Texas)

\$1,910,000
UNLIMITED TAX BONDS
SERIES 2025A

\$3,490,000
UNLIMITED TAX ROAD BONDS
SERIES 2025B

This Preliminary Official Statement provides certain information in connection with the issuance by Travis County Municipal Utility District No. 26 (the “District”) of its \$1,910,000 Unlimited Tax Bonds, Series 2025A (the “Series 2025A Bonds”) and the \$3,490,000 Unlimited Tax Road Bonds, Series 2025B (the “Series 2025B Road Bonds”) (collectively referred herein as the “Bonds”).

The Series 2025A Bonds are issued by the District pursuant to an order of the Texas Commission on Environmental Quality (the “TCEQ”) approving the issuance of the Series 2025A Bonds, Article XVI, Section 59 of the Texas Constitution, the general laws of the State of Texas, including, without limitation, Chapters 49 and 54 of the Texas Water Code, as amended, Chapter 7888, Texas Special District and Local Laws Code, an election held within the District, and a resolution authorizing the issuance, sale and delivery of the Series 2025A Bonds (the “Series 2025A Bond Resolution”) adopted by the Board of Directors of the District (the “Board”).

The Series 2025B Road Bonds are issued by the District pursuant to the terms and provisions of Article III, Section 52 of the Texas Constitution, the general laws of the State of Texas, including, without limitation, Chapters 49 and 54 of the Texas Water Code, as amended, Chapter 7888, Texas Special District and Local Laws Code, an election held within the District, and a resolution authorizing the issuance, sale and delivery of the Series 2025B Road Bonds (the “Series 2025B Road Bond Resolution”) adopted by the Board.

The Series 2025A Bond Resolution and the Series 2025B Road Bond Resolution are collectively referred to herein as the “Bond Resolutions.”

This OFFICIAL STATEMENT includes descriptions, among others, of the Bonds and the Bond Resolutions, and certain other information about the District and the Developer of land within the District. 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.

This PRELIMINARY OFFICIAL STATEMENT speaks only as to its date, and the information contained herein is subject to change. A copy of the final Official Statement pertaining to the Bonds will be filed by the Initial Purchaser with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (“EMMA”) system. See “CONTINUING DISCLOSURE OF INFORMATION” for a description of the District’s undertaking to provide certain information on a continuing basis.

RISK FACTORS

General

The Bonds are obligations solely of the District and are not obligations of the State of Texas, Travis County, the City of Mustang Ridge, Texas (the “City”), 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 and Security of 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 continued development of taxable property within the District will accumulate or 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.

Economic Factors and Interest Rates

A substantial percentage of the taxable value of the District results from the current market value of single-family residences and of developed lots which are currently being marketed by the Developer for sale to homebuilders for the construction of primary residences. The market value of such homes and lots is related to general economic conditions in the Austin region and the national economy and those conditions can affect the demand for residences. Demand for lots of this type and the construction of residential dwellings thereon can be significantly affected by factors such as interest rates, credit availability (see “—Credit Market and Liquidity in the Financial Markets” herein), construction costs and the prosperity and demographic characteristics of the urban center toward which the marketing of lots is directed. Decreased levels of construction activity would 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 2025 Taxable Assessed Valuation of the District is \$82,388,012 (\$77,531,205 certified plus \$4,856,807 uncertified) and the Estimated Taxable Assessed Valuation as of September 1, 2025, is \$91,484,805 (see “FINANCIAL STATEMENT (UNAUDITED)”). After issuance of the Bonds, the maximum annual debt service requirement will be \$890,038 (2049) and the average annual debt service requirement will be \$833,577 (2026-2050). Assuming no increase or decrease from the 2025 Taxable Assessed Valuation and no use of funds other than tax collections, a tax rate of \$1.14 per \$100 assessed valuation at a 95% collection rate would be necessary to pay the maximum annual debt service requirement of \$890,038 and a tax rate of \$1.07 per \$100 assessed valuation at a 95% collection rate would be necessary to pay the average annual debt service requirement of \$833,577 (see “TAX DATA—Tax Adequacy for Debt Service”). Assuming no increase or decrease from the Estimated Taxable Assessed Valuation as of September 1, 2025, the issuance of no additional debt, and no other funds available for the payment of debt service, a tax rate of \$1.03 per \$100 of taxable assessed valuation at a ninety-five percent (95%) collection rate would be necessary to pay the maximum annual debt service requirement and \$0.96 per \$100 of taxable assessed valuation would be necessary to pay the average annual debt service requirement. Although calculations have been made regarding average and maximum tax rates necessary to pay the debt service on the Bonds and the Outstanding Bonds (defined herein) based upon the 2025 Taxable Assessed Valuation, 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 and sale of homes and other taxable improvements within the District. See “TAX DATA—Tax Adequacy for Debt Service” and “TAX PROCEDURES.”

Dependence Upon Developer and Homebuilder

The Developer, principal landowners and active homebuilder are the principal taxpayers in the District. The growth of the tax base is dependent upon additional construction of homes within the District. The Developer is under no obligation to continue to market developed tracts of land for improvement. Thus, the furnishing of information related to the proposed development by the Developer should not be interpreted as such a commitment by the Developer. The District makes no representation about the probability of development continuing in a timely manner or about the ability of the Developer, the homebuilder within the District, or other entities to whom such parties may sell all or a portion of their holdings within the District to implement any plan of development. Furthermore, there is no restriction on the Developer's right to sell its land. The District can make no prediction as to the effects that current or future economic or governmental circumstances may have on any plans of the Developer. Failure to construct taxable improvements on developed lots and tracts or failure of the Developer to develop its land would restrict the rate of growth of taxable value in the District. See “THE DISTRICT—Status of Development” and “THE DEVELOPER.”

Based upon the most recently available information from the Travis Central Appraisal District, the principal taxpayers in the District represented \$12,921,795 or approximately 16.67% of the District's 2025 Certified Taxable Assessed Valuation of \$77,531,205. As of January 1, 2025, the Developer and their related entities owned property located within the District, the total aggregate assessed value of which comprised approximately 12.03% of the District's total assessed valuation. If the Developer (or other principal taxpayer) were to default in the payment of taxes in an amount which exceeds the District's debt service fund surplus, the ability of the District to make timely payment of debt service on the Bonds will be dependent on its ability to enforce and liquidate its tax lien, which is a time-consuming process, or to sell tax anticipation notes. Failure to recover or borrow funds in a timely fashion could result in an excessive District tax rate, hindering growth and leading to further defaults in the payment of taxes. The District is not required by law or the Bond Resolutions to maintain any specified amount of surplus in its debt service fund. See "Tax Collection Limitations" in this section, "TAX DATA—Principal Taxpayers," and "TAX PROCEDURES—Levy and Collection of Taxes."

Increase in Costs of Building Materials

As a result of supply issues, shipping constraints, and ongoing trade disputes (including tariffs), there have been recent substantial increases in the cost of lumber and other building materials, causing many homebuilders and general contractors to experience budget overruns. Further, the unpredictable nature of current trade policy (including the threatened imposition of tariffs) may impact the ability of the Developer or homebuilders in the District to estimate costs. Additionally, immigration policies may affect the State's workforce, and any labor shortages that could occur may impact the rate of construction within the District. Uncertainty surrounding availability and cost of materials may result in decreased levels of construction activity, and may restrict the growth of property values in the District. The District makes no representations regarding the probability of development or homebuilding continuing in a timely manner or the effects that current or future economic or governmental circumstances may have on any plans of the Developer or homebuilders.

Undeveloped Acreage and Vacant Lots

There are approximately 29 developable acres that have not been provided with water distribution, wastewater collection, and storm drainage facilities and ____ developed lots that remain vacant as of October 1, 2025. The District makes no representation as to when or if the undeveloped land will be developed or if construction of homes on vacant lots will occur. See "THE DISTRICT – Status of Development."

Future Debt

At a bond election held within the District on May 1, 2021, the voters of the District authorized the issuance of a total of \$270,000,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing water, sanitary sewer, and drainage facilities to serve the District and a total of \$65,000,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing road improvements. After issuance of the Bonds, the District will have \$261,390,000 of authorized but unissued unlimited tax bonds for water, sanitary sewer, and drainage facilities and \$61,510,000 of authorized but unissued unlimited tax bonds for road facilities. At the same election, the voters of the District authorized the issuance of a total of \$420,000,000 principal amount of unlimited tax bonds for refunding bonds issued for the water, sanitary sewer, and drainage facilities and \$97,500,000 principal amount of unlimited tax bonds for refunding bonds issued for road purposes. All of such bonds remain authorized but unissued. See "THE BONDS—Issuance of Additional Debt." The issuance of such future 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 the District and any bonds issued to acquire or construct water, sanitary sewer and drainage facilities must be approved by the TCEQ. Any additional bonds issued by the District may dilute the security for the Bonds.

The Developer has financed the engineering and construction costs of underground utilities to serve the District, as well as certain other District improvements. After reimbursement from the proceeds of the Bonds, the Developer will have expended approximately \$_____ (as of October 1, 2025) for design, construction and acquisition of District improvements not yet reimbursed. It is anticipated that proceeds from future issues of District bonds will be used, in part, to reimburse the Developer for these costs to the extent allowed by the Commission. According to the Engineer, the District's authorized but unissued bonds will be adequate, under present land use projections, to finance such improvements.

Specific Flood Type 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.
- Imposing substantial liabilities for pollution resulting from facility operations.

Compliance with environmental laws and regulations can increase the cost of planning, designing, constructing and operating water production and wastewater treatment facilities. Sanctions against a water 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 as to future compliance of and the ability to operate the District's water supply, wastewater treatment, and drainage facilities. Environmental laws and regulations can also impact an area's ability to grow and develop. The following is a discussion of certain environmental concerns that relate to the District. It should be noted that changes in environmental laws and regulations occur frequently, and any changes that result in more stringent and costly requirements could materially impact the District.

Air Quality Issues: The Federal Clean Air Act ("CAA") requires the United States Environmental Protection Agency (the "EPA") to adopt and periodically revise national ambient air quality standards ("NAAQS") for each air pollutant that may reasonably be anticipated to endanger public health or welfare. Areas that exceed the NAAQS for a given pollutant can be designated as nonattainment by the EPA. A nonattainment designation then triggers a process by which the affected state must develop and implement a plan to improve air quality and "attain" compliance with the appropriate standard. This so called State Implementation Plan ("SIP") entails enforceable control measures and time frames.

In 1997, the EPA adopted an ozone standard with a standard for fine particulates, often referred to as the 8-hour standard because it is based on an 8-hour average and is intended to protect public health against longer exposure. In 2008, the EPA tightened the existing eight-hour ozone standard from 0.08 ppm to 0.075 ppm. The Austin area, consisting of Williamson, Hays, Travis, Bastrop, and Caldwell Counties (the "Austin Area"), was not designated "nonattainment" for any NAAQS by the EPA in 2012; however, the Austin Area has been just below the 2008 eight-hour ozone standard.

On November 26, 2014, the EPA announced a new proposed ozone NAAQS range of between 65-70 ppb. The Austin Area is vulnerable to being designated nonattainment if the EPA adopts the new proposed ozone NAAQS or otherwise maintains the existing standard applied to more recent air quality monitoring data.

On October 1, 2015, the EPA adopted new NAAQS for ground level ozone of 70 ppb. On November 6, 2017, the EPA issued final designations for the 2015 Ozone NAAQS for most areas of the United States and found that the Austin Area met the standards and thus designated the Austin Area “attainment/unclassified.”

Should the Austin Area fail to achieve attainment under an EPA NAAQS, or should the Austin Area fail to satisfy a then effective SIP (for nonattainment or otherwise), or for any other reason should a lapse in conformity with the CAA occur, the Austin Area may be subjected to sanctions pursuant to the CAA. Under such circumstances, the TCEQ would be required under the CAA to submit to the EPA a new SIP under the CAA for the Austin Area. Due to the complexity of the nonattainment/conformity analysis, the status of EPA’s implementation of any future EPA NAAQS and the incomplete information surrounding any SIP requirements for areas designated nonattainment under any future EPA NAAQS, the exact nature of sanctions or any potential SIP that may be applicable to the Austin Area in the future is uncertain. The CAA provides for mandatory sanctions, including the suspension of federal highway funding, should the State fail to submit a proper SIP, or associated submissions, or fail to revise or implement a SIP, or fail to comply with an existing SIP. Subject to certain exceptions, if the Austin Area falls out of conformity and the mandatory highway funding suspension sanction is implemented, the United States Secretary of Transportation may be prohibited from approving or awarding transportation projects or grants within the area.

It is possible that nonattainment, a lapse in conformity under the CAA, litigation involving injunctive or other relief, or other environmental issues may impact new industrial, commercial and residential development in the Austin Area.

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:

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

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

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

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

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

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

The District’s ability to make debt service payments may be adversely affected by its inability to collect ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District constitutes a lien in favor of the District on a parity with the liens of all other 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—Overlapping Taxes for 2024.”), 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 Federal 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.

Registered Owners' Remedies and Bankruptcy Limitations

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Resolutions, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Resolutions, 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 Resolutions. Except for mandamus, the Bond Resolutions do 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 Resolutions 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 a 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, the District could file a voluntary bankruptcy petition under Chapter 9, thereby invoking the protection of the automatic stay until the bankruptcy court, after a hearing, dismisses the petition. A federal bankruptcy court is a court of equity and federal bankruptcy judges have considerable discretion in the conduct of bankruptcy proceedings and in making the decision of whether to grant the petitioning District relief from its creditors. While such a decision might be appealable, the concomitant delay and loss of remedies to the Registered 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 involuntary bankruptcy.

Continuing Compliance with Certain Covenants

The Bond Resolutions contain 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 Resolutions 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 Initial Purchasers 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 more generally bought, sold or traded in the secondary market.

Potential Impact of Natural Disaster

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

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

2025 Legislative Session

The 89th Regular Legislative Session convened on January 14, 2025, and concluded on June 2, 2025. The Texas Legislature meets in regular session in odd numbered years for 140 days. When the Texas Legislature is not in session, the Governor of Texas (the "Governor") may call one or more special sessions, at the Governor's discretion, each lasting no more than 30 days, and for which the Governor sets the agenda. During this time, the Texas Legislature may enact laws that materially change current law as it relates to the District. The Governor called a Second Special Session which concluded on September 3, 2025. The District can make no representation regarding any actions the Texas Legislature may take or the effect of such actions.

Changes in Tax Legislation

Certain tax legislation, whether currently proposed or proposed in the future, may directly or indirectly reduce or eliminate the benefit of the exclusion of interest on the Bonds from gross income for federal tax purposes. Any proposed legislation, whether or not enacted, may also affect the value and liquidity of the Bonds. Prospective purchasers should consult with their own tax advisors with respect to any proposed, pending or future legislation.

Approval of the Bonds

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

Risk Factors Related to the Purchase of Municipal Bond Insurance

The District has applied for a bond insurance policy (the "Policy") on each series of Bonds to guarantee the scheduled payment of principal and interest on the Bonds. If the Policy is purchased, investors should be aware of the following risk factors:

The long-term ratings on the Bonds are dependent in part on the financial strength of the insurers (the "Insurers") and its claim paying ability. The Insurers' 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 Insurers and of the ratings on the Bonds insured by the Insurers will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See description of "MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE."

The obligations of the Insurers are contractual obligations and in an event of default by the Insurers, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the District nor the Initial Purchasers have made independent investigation into the claims paying ability of the Insurers and no assurance or representation regarding the financial strength or projected financial strength of the Insurers 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 Insurers, particularly over the life of the investment. See “MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE” for further information provided by the Insurers and the Policy, which includes further instructions for obtaining current financial information concerning the Insurers.

THE BONDS

Description

The Bonds will be dated December 1, 2025, with interest payable each September 1 and March 1, beginning March 1, 2026 (each an “Interest Payment Date”), and will mature on the dates and in the principal amounts and accrue interest at the rates shown on the inside cover page hereof. Interest on the Bonds initially accrues from the Date of Delivery (expected on or about December 18, 2025), and thereafter, from the most recent Interest Payment Date. The Bonds are issued in fully registered form, in denominations of \$5,000 or any integral multiple of \$5,000. Interest calculations are based on a 360-day year comprised of twelve 30-day months.

Method of Payment of Principal and Interest

In the Bond Resolutions, the Board has appointed BOKF, NA, Dallas, Texas as the initial Paying Agent/Registrar for the Bonds (the “Paying Agent/Registrar”). 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 Dallas, 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 (the “Registered Owner”) as of the close of business on February 15 or August 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 Resolutions.

Source and Security for Payment

While the Bonds, the Outstanding Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, the District covenants to levy and annually assess and collect in due time, form and manner, and at the same time as other District taxes are appraised, levied and collected, in each year, a continuing direct annual ad valorem tax, without limit as to rate, upon all taxable property in the District sufficient to pay the interest on the Bonds as the same becomes due and to pay each installment of the principal of the Bonds as the same matures, with full allowance being made for delinquencies and costs of collection. In the Bond Resolutions, 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, Travis County, the City of Mustang Ridge (the “City”), or any entity other than the District.

Funds

In the Bond Resolutions, the 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 Resolutions shall be deposited, as collected, in such fund.

Twelve (12) months of capitalized interest will be deposited into the Debt Service Fund from both the Series 2025A Bonds and the Series 2025B Road Bonds. The remaining proceeds from the sale of the Bonds shall be deposited into the Capital Projects Fund, to be used for the purpose of reimbursing the Developer for certain construction costs, paying Developer interest, and for paying the costs of issuance of the Bonds. Any monies remaining in the Capital Projects Fund will be used as described in the Bond Resolutions or ultimately transferred to the Debt Service Fund. See “USE AND DISTRIBUTION OF BOND PROCEEDS” for a complete description of the use of Bond proceeds and the projects related thereto.

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 Resolutions 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.

Outstanding Bonds

The District has previously issued one series of unlimited tax bonds, as follows: \$6,700,000 Unlimited Tax Bonds, Series 2024. As of October 1, 2025, all of which remains outstanding (the “Outstanding Bonds”)

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 September 1, 2032, prior to their scheduled maturities, in whole or from time-to-time in part, in integral multiples of \$5,000 on September 1, 2031, or any date thereafter, at a price of par value plus accrued interest on the principal amounts called for redemption to the date fixed for redemption.

If less than all of the Bonds are redeemed at any time, the particular series and maturities of the Bonds to be redeemed will be selected by the District. If less than all the Bonds of a certain series and maturity are to be redeemed, the particular Bonds to be redeemed shall be selected by the Paying Agent/Registrar by lot or other random method (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form).

If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

Notice of any redemption identifying the Bonds to be redeemed in whole or in part shall be given by the Paying Agent/Registrar at least thirty (30) days prior to the date fixed for redemption by sending written notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the Register. Such notices shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment and, if less than all the Bonds outstanding are to be redeemed, the numbers of the Bonds or the portions thereof to be redeemed. Any notice given shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption.

When Bonds have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Registered Owners to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

Authority for Issuance

At an election held within the District on May 1, 2021, voters of the District authorized a total of \$270,000,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing water, sanitary sewer and drainage facilities and a total of \$65,000,000 principal amount of unlimited tax bonds for road facilities. The Series 2025A Bonds and the Series 2025B Road Bonds are being issued pursuant to such authorizations, respectively. See “—Issuance of Additional Debt” herein. The Commission has approved the sale of the Series 2025A Bonds for the purposes described in “USE AND DISTRIBUTION OF BOND PROCEEDS.”

The Series 2025A Bonds are issued by the District pursuant to the terms and provisions of the Series 2025A Bond Resolution; Article XVI, Section 59 of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, as amended, Chapter 7888, Texas Special District Local Laws Code; and an order of the TCEQ. The Series 2025B Road Bonds are issued by the District pursuant to the terms and provisions of the Series 2025B Road Bond Resolution; Article III, Section 52 of the Texas Constitution; Chapters 49 and 54 of the Texas Water Code, as amended; Chapter 7888, Texas Special District Local Laws Code; and the general laws of the State of Texas relating to the issuance of the bonds by political subdivisions of the State of Texas.

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.

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 Resolutions.

In the event the Book-Entry-Only System should be discontinued, each Bond shall be transferable only upon the presentation and surrender of such Bond at the principal payment office of the Paying Agent/Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Bond in proper form for transfer, the Paying Agent/Registrar has been directed by the District to authenticate and deliver in exchange therefor, within three (3) business days after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same series and maturity and aggregate principal amount and paying interest at the same rate as the Bond or Bonds so presented.

All Bonds shall be exchangeable upon presentation and surrender thereof at the principal payment office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination in an aggregate amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Paying Agent/Registrar is authorized to authenticate and deliver exchange Bonds. Each Bond delivered shall be entitled to the benefits and security of the Bond Resolutions to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

Neither the District nor the Paying Agent/Registrar shall be required to transfer or to exchange any Bond during the period beginning on a Record Date and ending the next succeeding Interest Payment Date or to transfer or exchange any Bond called for redemption during the thirty (30) day period prior to the date fixed for redemption of such Bond.

The District or the Paying Agent/Registrar may require the Registered Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the District.

Lost, Stolen or Destroyed Bonds

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

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

Replacement of Paying Agent/Registrar

Provision is made in the Bond Resolutions 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.

Issuance of Additional Debt

After the issuance of the Series 2025A Bonds and Series 2025B Road Bonds, the District will have \$261,390,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing water, sanitary sewer and drainage facilities authorized but unissued and will have \$61,510,000 principal amount of unlimited tax bonds for road facilities authorized but unissued. In addition, the District has also authorized \$420,000,000 principal amount of unlimited tax bonds for refunding bonds issues for the water, sanitary sewer and drainage facilities, and \$97,500,000 principal amount of unlimited tax bonds for refunding bonds issued for road facilities, all of which remains authorized but unissued. See "RISK FACTORS—Future Debt."

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 or acquire contract rights therefor. The District is also empowered to establish parks and recreational facilities for the residents of the District, to contract for or employ its own peace officers and, after approval by the City, the Commission and the voters of the District, to establish, operate, and maintain firefighting facilities, independently or with one or more conservation and reclamation districts.

The Bond Resolutions impose 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 debt could dilute the investment security for the Bonds. See "RISK FACTORS—Future Debt."

Abolishment by the City of Mustang Ridge

Under existing Texas law, because the District lies wholly within the corporate limits of the City, the District may be abolished by the City without the District's consent. Provided, however, the City has agreed in the Consent Agreement (defined herein) that the District will not be dissolved until after the completion of at least ninety percent (90%) of the construction of the public infrastructure necessary to serve the District with water, wastewater, drainage facilities, road improvements, and other facilities eligible for reimbursement under the rules of TCEQ or other law, and either (i) bonds have been issued by the District to reimburse Developer's eligible infrastructure costs related to such facilities, or (ii) the City has expressly agreed to assume the obligation to reimburse the Developer for such costs. See "THE DISTRICT – Consent Agreement." If the District is abolished, the City will assume the District's assets and obligations (including the Bonds). Abolishment of the District by the City is a policy-making matter within the discretion of the Mayor and City Council of the City, and therefore, the District makes no representation that abolishment will or will not occur or as to the ability of the City to make debt service payments on the Bonds should abolishment occur.

Consolidation

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

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

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

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

BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning the Depository Trust Company (“DTC”), New York, NY 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 is on file with DTC.

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

DTC, the world's largest 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 on-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a rating of "AA+" from S&P Global Ratings. The DTC Rules applicable to its Participants are on file with the 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 turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District (or the Trustee on behalf thereof) 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).

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

THE DISTRICT

General

The District is a municipal utility district created by order of the TCEQ on January 22, 2021, and operates under the provisions of 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 and within the boundaries of Del Valle Independent School District.

The District is empowered, among other things, to purchase, construct, operate and maintain all works, improvements, facilities and plants, and contract rights therefore, 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 or contract rights therefor. The District is also empowered to establish parks and recreational facilities for the residents of the District, to contract for or employ its own peace officers and, after approval by the City, the Commission and the voters of the District, to establish, operate, and maintain fire-fighting facilities, independently or with one or more conservation and reclamation districts. See “THE BONDS – Issuance of Additional Debt.”

The Commission exercises continuing supervisory jurisdiction over the District. The District is required to observe certain requirements of the City which limit the purposes for which the District may sell bonds; limit the net effective interest rate on such bonds and other terms of such bonds; and require public water, sewer, and drainage facilities to be designed in accordance with certain City standards. Construction and operation of the District’s drainage system are subject to the regulatory jurisdiction of additional government agencies. See “THE SYSTEM.”

Location

The District presently contains approximately 179 acres of land. The District is located in southwest Travis County approximately two miles northwest of the central area of the City, which City is located approximately 17 miles southwest of the central business district of the City of Austin, Texas. The District lies wholly within the corporate limits of the City.

Status of Development

The District is being developed primarily for single family residential purposes as Stallion Run. Water, sanitary sewer and drainage facilities have been constructed to serve Stallion Run, Units 1, 2 and 4 and Del Caballo, Unit 3 (approximately ____ acres of land developed into 439 single-family residential lots). As of October 1, 2025, the District contained ____ single-family homes completed and occupied, ____ single-family home completed and not occupied, ____ single-family homes in various stages of construction, 2 model homes, and ____ developed lots available for new home construction.

In addition to the development described above, the District contains approximately ____ acres of developable land which are not provided with underground water, sanitary sewer and drainage facilities. Also, approximately 58 acres of undevelopable land is contained in easements, rights of way, storm water detention facilities and other land uses.

The Developer is the sole homebuilder in the District. New homes in the District range in offering prices from approximately \$285,000 to \$400,000. As of October 1, 2025, the District contained ____ single-family homes completed as shown below:

Status of Home Construction as of October 1, 2025:

Single-Family Residential – Completed and Occupied	_____
Single-Family Residential – Completed and Unoccupied	_____
Single-Family Residential – Homes Under Construction	_____
Single-Family Residential – Vacant Developed Lots	_____
Model Homes	<u>2</u>
Total	439

Consent Agreement

The District is party to that certain Consent Agreement dated to be effective May 11, 2020 (the “Consent Agreement”), entered into by and between the City; MR Stallion Run, LLC (“MR Stallion”); and the District. MR Stallion subsequently assigned its rights, interests, and obligations under the Consent Agreement to the Developer. The Consent Agreement provides, among other terms, the City's consent to creation of the District and the City's agreement not to dissolve the District until after the completion of at least ninety percent (90%) of the construction of the public infrastructure necessary to serve the District with water, wastewater, drainage facilities, road improvements, and other facilities eligible for reimbursement under the rules of TCEQ or other law, and either (i) bonds have been issued by the District to reimburse Developer’s eligible infrastructure costs related to such facilities, or (ii) the City has expressly agreed to assume the obligation to reimburse the Developer for such costs. The City will thereafter have the right, but not the obligation to dissolve the District. The Consent Agreement also provides (i) the purposes for which the District is authorized to issue bonds, such purposes as permitted by the laws of the State of Texas, and (ii) the terms for the City's approval of bonds to be issued by the District.

Pursuant to the Consent Agreement with the District, the City has agreed to rebate to the District an amount equal to the City's ad valorem tax revenues actually collected and received by the City, exclusive of any interest and penalties paid by the taxpayer to the City and exclusive of any collection costs incurred by the City, from taxable property within the District less a sum equal to \$0.135 per \$100 of assessed valuation (the “Tax Rebate”). Pursuant to the Consent Agreement, the City agrees to pay a portion of such City taxes collected upon taxable property within the District beginning with taxes collected for the 2022 tax year, the District’s initial year of receiving a tax roll from Travis Central Appraisal District, and continuing each year thereafter until the dissolution of the District. The amount of rebate payment will vary with changes in the District’s appraised valuation. Consequently, the amounts subject to rebate by the City under the formula will vary from year to year. Any significant reduction in the amount of the tax rebate could increase the District’s rate of taxation. Also, pursuant to the Consent Agreement, the rebate shall be incrementally reduced in the event the District levies a total tax at a rate that is less than \$0.48 per \$100 of assessed valuation, which shall not occur until satisfaction of both of the following conditions have been met: (i) the Developer and all developers within the District have been fully reimbursed, with interest, in accordance with the rules of the TCEQ; and (ii) the District has completely financed and constructed 100% of District facilities. Once such conditions have been met, the Tax Rebate shall be reduced by an amount equal to the decrease in the District total tax rate below \$0.48 per \$100 assessed valuation.

Under the Consent Agreement, the District is responsible for the repair and maintenance of roads within the District.

MANAGEMENT OF THE DISTRICT

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 listed below reside within the District; however, each of the Directors owns an undivided interest in a small parcel of land in the District. 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 of the District are listed below:

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Rick Rosenberg	President	May 2026
Alex Blackburn	Vice President	May 2028
Robert Bobo	Secretary	May 2028
Blake Rue	Assistant Secretary	May 2028
Alex Boogren	Assistant Secretary	May 2026

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

District Consultants

The District does not have a general manager or other full-time employees, but contracts for certain necessary services as described below.

General Counsel and Bond Counsel: The District engages McLean & Howard, L.L.P. 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.

Special Tax Counsel: McCall, Parkhurst & Horton L.L.P., Dallas, Texas has been retained as Special Tax Counsel. The fees payable to Special Tax Counsel are contingent upon the issuance, sale and delivery of the Bonds.

Disclosure Counsel: McCall, Parkhurst & Horton L.L.P., Austin, Texas has been retained as Disclosure Counsel. Fees for services rendered by Disclosure Counsel in connection with the issuance of the Bonds are contingent upon the sale and delivery of the Bonds.

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

Auditor: The financial statements of the District as of September 30, 2024 and for the year then ended, included in this offering document, have been audited by McCall Gibson Swedlund Barfoot Ellis PLLC, independent auditors, as stated in their report appearing herein. The District has engaged McCall Gibson Swedlund Barfoot Ellis PLLC to audit its financial statements for the year ended September 30, 2025. See "APPENDIX A" for a copy of the District's September 30, 2024 audited financial statements.

Engineer: The consulting engineer for the District in connection with the design and construction of the District's facilities is Jones- Heroy & Associates, Inc. (the "Engineer").

Tax Assessor/Collector: The tax assessor/collector for the District is the Travis County Tax Office (the "Tax Assessor/Collector").

Tax Appraisal: The Travis Central Appraisal District (the "Appraisal District") has the responsibility of appraising all property within the District located within their respective jurisdictions. The Appraisal District also contracts with the District of the collection of taxes. See "TAX PROCEDURES."

Bookkeeper: The District has engaged Municipal Accounts & Consulting, L.P. to serve as the District's bookkeeper (the "Bookkeeper").

THE DEVELOPER

Role of a Developer

In general, the activities of a landowner or developer in a municipal utility district such as the District include designing the project; defining a marketing program and setting building schedules; securing necessary governmental approvals and permits for development; arranging for the construction of roads and the installation of utilities; and selling or leasing improved tracts or commercial reserves to other developers or third parties. In some instances, a landowner or developer will be required by the Commission to pay thirty percent (30%) of the cost of placing the water distribution, wastewater collection, and storm drainage facilities in a district, exclusive of water supply and storage and wastewater treatment plants of which the district incurs one hundred percent (100%) of the cost. While a developer is required by the Commission to pave streets (in areas where District facilities are being financed with bonds), a developer is under no obligation to a district to undertake development activities according to any particular plan or schedule. Furthermore, there is no restriction on a developer's right to sell any or all of the land which the developer owns within a district. In addition, the developer is ordinarily the major taxpayer within the district during the early stages of development. The relative success or failure of a developer to perform in the above-described capacities may affect the ability of a district to collect sufficient taxes to pay debt service and retire bonds.

Neither the Developer (as hereinafter defined) nor any of their affiliates, is obligated to pay principal of or interest on the Bonds. See "RISK FACTORS—Dependence Upon Developer and Homebuilder." Furthermore, neither the Developer nor any of their affiliates has any binding commitment to the District to carry out any plan of development, and the furnishing of information relating to the proposed development by the Developer 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.

The Developer

The developer of land within the District is Century Land Holdings II, LLC ("Century" or the "Developer"), a Texas limited liability company. Century has developed water, sewer and drainage facilities to serve all the sections within the District known as Stallion Run and Del Caballo. Century financed, or is financing, the development of Stallion Run, Units 1, 2 and 4 and Del Caballo, Unit 3 in the District with funds provided by its parent company, Century Communities, Inc. The Developer is also the sole homebuilder in the District.

The Developer is wholly owned by Century Communities, Inc. ("Century Communities"). Century Communities is a publicly traded corporation whose stock is listed on the New York Stock Exchange under the trading symbol CCS. Audited financial statements for Century Communities can be found online at <https://investors.centurycommunities.com/financials-and-filings/annual-reports>. Century Communities is subject to the information requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith files reports and other information with the United States Securities and Exchange Commission ("SEC"). Reports, proxy statements and other information filed by Century Communities can be inspected at the office of the SEC at Judiciary Plaza, Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such material can be obtained from the Public Reference Section of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. Copies of the above reports, proxy statements and other information may also be inspected at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005. The SEC maintains a website at <http://www.sec.gov> that contains reports, proxy information statements and other information regarding registrants that file electronically with the SEC.

THE SYSTEM

Regulation

According to the Engineer, the District's water supply and distribution, wastewater collection, and storm drainage facilities (collectively, the "System") have been designed in accordance with accepted engineering practices and the then current requirements of various entities having regulatory or supervisory jurisdiction over the construction and operation of such facilities. The construction of the System was required to be accomplished in accordance with the standards and specifications of such entities and is subject to inspection by each such entity. The regulations and requirements of entities exercising regulatory jurisdiction over the System are subject to further development and revision which, in turn, could require additional expenditures by the District in order to achieve compliance. In particular, additional or revised requirements in connection with any permit for the wastewater treatment plant in which the District owns capacity beyond the criteria existing at the time of construction of the plant could result in the need to construct additional facilities in the future. The following descriptions are based upon information supplied by the District's Engineer.

Water, Sanitary sewer and Drainage Facilities

Construction of the water, sanitary sewer and drainage facilities to serve the District have been, or will be, financed with funds advanced by the Developer. It is expected that proceeds from sale of future issues of District Bonds will be used to reimburse the Developer for certain of the advances.

Source of Water Supply: Creedmoor-Maha Water Supply Corporation ("CMWSC") provides retail water service to all residents within the District pursuant to Non-Standard Service Agreement dated October 21, 2020 entered into by CMWSC and MR Stallion (the "Water Agreement"). The Water Agreement sets forth the terms and conditions pursuant to which CMWSC agreed to provide up to 645 equivalent single family connections ("ESFCs") of retail water service to customers within the District. MR Stallion subsequently assigns its rights, interest and obligations under the Water Agreement to the Developer, the Developer subsequently assigned rights under the Water Agreement to the District for limited purposes on March 22, 2024. The Developer remains responsible for the performance of all obligations, including the construction of facilities and payment of costs and fees, under the Water Agreement on behalf of the District. The Developer will fund and construct the water facilities required to serve customers within the District on behalf of the District. Upon completion, the facilities are conveyed to CMWSC for ownership and operation pursuant to Section 54.2351 of the Texas Water Code.

Construction and Reimbursement Agreements: MR Stallion and the District previously entered into entered into the following agreements (collectively, the "Construction and Reimbursement Agreements") setting forth the terms and conditions pursuant to which MR Stallion agreed to fund certain costs, and construct certain improvements (including water, wastewater, drainage and road facilities), on behalf of the District, and the District agreed to issue its bonds to reimburse eligible costs of MR Stallion together with allowable interest thereon: (i) that certain "Utility and Parks Construction and Reimbursement Agreement" dated June 16, 2021 relating to the 119.625-acre tract of real property more particularly described therein; (ii) that certain "Road Construction and Reimbursement Agreement" dated June 16, 2021 relating to the 119.625-acre of real property more particularly described therein; (iii) that certain "Utility and Parks Construction and Reimbursement Agreement" dated June 16, 2021 relating to the 59.782-acre tract of real property more particularly described therein; and (iv) that certain "Road Construction and Reimbursement Agreement" dated June 16, 2021 relating to the 59.782-acre tract of real property more particularly described therein. MR Stallion subsequently assigned its rights, duties and obligations under the Construction and Reimbursement Agreements to the Developer by instruments dated July 1, 2021 and July 6, 2023 in connection with the conveyance of real property in the District by MR Stallion to the Developer. Under the Construction and Reimbursement Agreements, the Developer is responsible for funding and constructing the water, sewer, drainage, recreation and road facilities on behalf of the District, and the District is responsible for reimbursement of eligible costs funded by the Developer through the issuance of bonds by the District under the terms and conditions set forth therein. Upon completion of construction, the water facilities are conveyed to CMWSC, and the wastewater and drainage facilities are conveyed to the District.

Source of Wastewater Treatment: The District's wastewater treatment is provided by a wastewater treatment plant (the "WWTP") and irrigation disposal system that provides 120,000 gallons per day ("gpd") of treatment and disposal capacity. According to the Engineer, the plant's current wastewater capacity is capable of serving a total of 400 ESFCs based on a design capacity of 300 gpd per ESFC. The District will expand the WWTP and disposal facilities as needed in order to complete the balance of the development. A portion of the proceeds from the sale of the Bonds will be used, in part, to reimburse the Developer for a portion of the construction costs for such facilities.

100-Year Floodplain

“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 rain storm of such intensity to statistically have a one percent chance of occurring in any given year. Generally speaking, homes and other improvements 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 and other improvements built in such area will not be flooded. The District’s drainage system has been designed and constructed to all current standards.

According to the District’s Engineer, approximately 58 acres of land within the District are located within the 100-year flood plain as designated by the most recent Federal Emergency Management Agency Flood Insurance Rate Map.

Atlas 14

In 2018, the National Weather Service completed a rainfall study known as NOAA Atlas 14, Volume 11 Precipitation-Frequency Atlas of the United States (“Atlas 14”). Floodplain boundaries within the District may be redrawn based on the Atlas 14 study based on a higher statistical rainfall amount, resulting in the application of more stringent floodplain regulations applying to a larger area. The application of 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.

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Use and Distribution of Series 2025A Bond Proceeds

The estimated use and distribution of the Series 2025A Bond proceeds is shown below. Of proceeds to be received from the sale of the Series 2025A Bonds, \$1,297,501 is estimated for construction costs and \$612,499 is estimated for non-construction costs.

CONSTRUCTION RELATED COSTS	
• Wastewater Treatment Plant.....	\$ 1,378,258
Total Construction Related Costs.....	\$ 1,378,258
Less Surplus Construction Funds.....	\$ (80,757)
TOTAL CONSTRUCTION COST.....	\$ 1,297,501
NON-CONSTRUCTION COSTS	
• Bond Discount (Estimated at 3.00%) (a).....	\$ 57,300
• Capitalized Interest (Twelve (12) Months Estimated at 5.25%) (a).....	100,275
• Developer Interest (Estimated).....	195,435
• Operating Expenses.....	79,144
Total Non-Construction Costs.....	\$ 432,154
ISSUANCE COSTS AND FEES	
• Issuance Costs and Professional Fees.....	\$ 131,660
• Bond Engineering Report Costs.....	42,000
• State Regulatory Fees.....	6,685
Total Issuance Costs and Fees.....	\$ 180,345
TOTAL BOND ISSUE REQUIREMENT.....	\$ 1,910,000

(a) The TCEQ approved a maximum Bond Discount of 3.00% and twelve (12) months of capitalized interest at an estimated interest rate of 5.25%.

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

THE ROAD SYSTEM

Unbridled Avenue is the major collector street serving the District. The road meets Travis County’s criteria for collector roadway designation. All roadways are designed and constructed in accordance with Travis County standards, rules, and regulations. Upon acceptance of roadway facilities, Travis County will be responsible for operation and maintenance thereof.

The roads lie within the public right-of-way. In addition to the roadway, public utilities such as underground water, sewer, and drainage facilities are located within the right-of-way. The right-of-way is also shared by street lights, sidewalks, and franchise utilities (power, gas, telephone, and cable). See “—Use and Distribution of Series 2025B Road Bond Proceeds” herein.

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Use and Distribution of Series 2025B Road Bond Proceeds

The estimated use and distribution of the Series 2025B Road Bond proceeds is shown below. Of proceeds to be received from the sale of the Series 2025B Road Bonds, \$2,678,241 is estimated for construction costs and \$811,759 is estimated for non-construction costs.

CONSTRUCTION RELATED COSTS

• Stallion Run Unit 1.....	\$ 1,634,000
• Engineering.....	175,233
• Right-of-Way Land Costs.....	<u>869,008</u>
Total Construction Related Costs.....	\$ 2,678,241

NON-CONSTRUCTION COSTS

• Bond Discount (a).....	\$ 104,700
• Capitalized Interest (Twelve (12) Months) (a).....	183,225
• Developer Interest (Estimated).....	<u>321,221</u>
Total Non-Construction Costs.....	\$ 609,146

ISSUANCE COSTS AND FEES

• Issuance Costs and Professional Fees.....	\$ 185,163
• Engineering Report Costs.....	13,960
• Attorney General Fee (0.1%).....	<u>3,490</u>
Total Issuance Costs and Fees.....	\$ 202,613

TOTAL BOND ISSUE REQUIREMENT..... \$ 3,490,000

(a) The District will capitalize twelve (12) months of interest at an estimated interest rate of 5.25% on the Series 2025 Road Bonds.

UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED

<u>Date of Authorization</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Issued to Date</u>	<u>Amount Unissued</u>
5/1/2021	Water, Sanitary Sewer and Drainage	\$270,000,000	\$8,610,000 *	\$261,390,000
5/1/2021	Road Bonds	\$65,000,000	\$3,490,000 **	\$61,510,000
5/1/2021	Recreational Bonds	\$10,000,000	\$0	\$10,000,000
5/1/2021	Refunding Water, Sanitary Sewer and Drainage Bonds	\$420,000,000	\$0	\$420,000,000
5/1/2021	Refunding Road Bonds	\$97,500,000	\$0	\$97,500,000

* Includes the Series 2025A Bonds.

** Includes the Series 2025B Road Bonds.

FINANCIAL STATEMENT (UNAUDITED)

2025 Taxable Assessed Valuation.....	\$82,388,012 (a)
Estimated Taxable Assessed Valuation as of September 1, 2025	\$91,484,805 (b)
Gross Direct Debt Outstanding (the Bonds and the Outstanding Bonds).....	\$12,100,000 (c)
Estimated Overlapping Debt	2,059,487 (d)
Gross Direct Debt and Estimated Overlapping Debt.....	\$14,159,487
Ratios of Gross Direct Debt to:	
2025 Taxable Assessed Valuation.....	14.69%
Estimated Taxable Assessed Valuation as of September 1, 2025	13.23%
Ratios of Gross Direct Debt and Estimated Overlapping Debt to:	
2025 Taxable Assessed Valuation.....	17.19%
Estimated Taxable Assessed Valuation as of September 1, 2025	15.48%

Area of District — 179 acres
Estimated 2025 Population — ____ (e)

- (a) The 2025 Taxable Assessed Valuation shown herein includes \$77,531,205 of certified value and \$4,856,807 of uncertified value. The uncertified value represents the landowners’ opinion of the value; however, such value is subject to change and downward revision prior to certification. No tax will be levied on said uncertified value until it is certified by the Travis 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 assessed value within the District on September 1, 2025. No tax will be levied on such amount until it is certified. Increases in value occurring between January 1, 2025 and September 1, 2025, will be certified as of January 1, 2026, and provided for purposes of taxation in the summer of 2026. See “TAX PROCEDURES.”
- (c) Includes the Bonds and the Outstanding Bonds. See “FINANCIAL STATEMENT (UNAUDITED)—Outstanding Bonds.”
- (d) See “ESTIMATED OVERLAPPING DEBT STATEMENT.”
- (e) Estimate based on 3.5 persons per occupied single-family residence.

Cash and Investment Balances (unaudited as of August 20, 2025)

General Operating Fund	Cash and Temporary Investments	\$375,838
Capital Projects Fund	Cash and Temporary Investments	\$81,432
Debt Service Fund	Cash and Temporary Investments	\$437,737 (a)

- (a) Twelve (12) months of capitalized interest will be deposited into such fund from proceeds of the Series 2025A Bonds and Series 2025B Road Bonds (estimated amounts of \$100,275 and \$183,225, respectively). Neither the Bond Resolutions nor Texas law requires that the District maintain any particular balance in the Debt Service Fund.

Outstanding Bonds (as of October 1, 2025)

Series	Original Principal Amount	Outstanding Bonds (as of 10/1/25)
2024	\$ 6,700,000	\$ 6,700,000
Total	\$ 6,700,000	\$ 6,700,000

ESTIMATED OVERLAPPING DEBT STATEMENT

The following table indicates the outstanding debt payable from ad valorem taxes, of governmental entities within which the District is located and the estimated percentages and amounts of such indebtedness attributable to property within the District. Debt figures equated herein to outstanding obligations payable from ad valorem taxes are based upon data obtained from individual jurisdictions or Texas Municipal Reports compiled and published by the Municipal Advisory Council of Texas. Furthermore, certain entities listed below may have issued additional obligations since the date listed and may have plans to incur significant amounts of additional debt. Political subdivisions overlapping the District are authorized by Texas law to levy and collect ad valorem taxes for the purposes of operation, maintenance and/or general revenue purposes in addition to taxes for the payment of debt service and the tax burden for operation, maintenance and/or general revenue purposes is not included in these figures. The District has no control over the issuance of debt or tax levies of any such entities.

Taxing Jurisdiction	Outstanding Bonds (a)	As of	Overlapping	
			Percent	Amount
Travis County.....	\$ 1,169,850,000	9/30/2025	0.02%	\$ 198,875
City of Mustang Ridge.....	295,000	9/30/2025	16.05%	47,339
Travis County Healthcare District.....	157,670,000	9/30/2025	0.02%	28,381
Austin Community College District.....	657,685,000	9/30/2025	0.01%	92,076
Del Valle Independent School District.....	600,290,000	9/30/2025	0.28%	1,692,818
Total Estimated Overlapping Debt.....				\$ 2,059,487
Direct Debt.....	12,100,000 (b)	Current	100.00%	12,100,000
Total Direct and Estimated Overlapping Debt...				\$ 14,159,487
Ratio of Estimated Direct and Overlapping Debt to 2025 Taxable Assessed Valuation.....				17.19%
Ratio of Estimated Direct and Overlapping Debt to Estimate of Taxable Assessed Valuation as of September 1, 2025.....				15.48%

- (a) Includes principal amounts of current interest bonds and capital appreciation bonds. Capital appreciation bonds are shown at original principal amount as opposed to maturity value.
- (b) Includes the Bonds and the Outstanding Bonds.

Overlapping Taxes for 2024

	2024 Tax Rate per \$100 of Taxable <u>Assessed Valuation</u>
Travis County.....	\$ 0.34445
Del Valle Independent School District.....	0.94370
City of Mustang Ridge.....	0.23880
Travis County Healthcare District.....	0.10797
Austin Community College District.....	0.10130
Travis County ESD No. 11.....	0.01000
Total Overlapping Tax Rate.....	\$ 1.74621
The District(a).....	<u>\$ 0.90000</u>
Total Tax Rate.....	\$ 2.64621

(a) Represents the 2025 tax rate. See "TAX DATA—Tax Rate Distribution."

TAX DATA

Historical Tax Collections

The following statement of tax collections sets forth in condensed form a portion of the historical tax experience of the District. Such table has been prepared for inclusion herein, based upon information obtained from the District's Tax Assessor/Collector. Reference is made to such statements and records for further and complete information. See "— Summary of Assessed Valuation" herein.

Tax Year	Taxable Assessed Valuation (a)	Tax Rate	Total Tax Levy	Total Collections as of September 1, 2025 (c)	
				Amount	Percent
2021	\$ 265,812 (b)	\$ 0.6100	\$ 1,621	\$ 1,621	100.00%
2022	1,113,368	0.7725	8,601	8,601	100.00%
2023	16,981,927	0.9000	152,837	152,837	100.00%
2024	57,224,366	0.9000	515,019	514,314	99.86%
2025	87,244,819	0.9000	785,203	(d)	(d)

- (a) As certified by the Appraisal District less any exemptions granted. See "Summary of Assessed Valuation" herein.
 (b) Initial year of tax levy.
 (c) Reflects unaudited collections.
 (d) In process of collections. Taxes for 2025 are due by January 31, 2026.

Taxes are due when billed and become delinquent after January 31 of the following year. No split payments are allowed and no discounts are allowed.

Tax Rate Distribution

	2025	2024	2023	2022	2021
Debt Service	\$0.4100	\$0.2000	\$ -	\$ -	\$ -
Maintenance and Operations	0.4900	0.7000	0.9000	0.7725	0.6100
Total	\$0.9000	\$0.9000	\$0.9000	\$0.7725	\$0.6100

Tax Rate Limitations

Debt Service: Unlimited (no legal limit as to rate or amount).
 Maintenance and Operations: \$1.00 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 Board levied a debt service tax in the amount of \$0.41 per \$100 assessed valuation.

Maintenance and Operations Tax

The Board 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 1, 2021, the Board was authorized to levy such a maintenance tax in an amount not to exceed \$1.00 per \$100 of assessed valuation. For the 2025 tax year, the Board levied a maintenance tax in the amount of \$0.49 per \$100 assessed valuation. Such tax is in addition to taxes which the District is authorized to levy for paying principal and interest on the District's bonds.

Tax Exemptions

As discussed in the section titled "TAX PROCEDURES" herein, certain property in the District may be exempt from taxation by the District. The District does not exempt any percentage of the market value of any residential homesteads from taxation.

Additional Penalties

The District has contracted with Travis County to collect delinquent taxes. Travis County has contracted with a delinquent tax attorney to collect certain delinquent taxes. The contract establishes 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. See “TAX PROCEDURES – Levy and Collection of Taxes.”

Summary of Assessed Valuation

The District's assessed value as of January 1 of each year is used by the District in establishing its tax rate. See “TAX PROCEDURES—Valuation of Property for Taxation.” The following represents the composition of property comprising the 2023 through 2025 Taxable Assessed Valuation. Accurate breakdowns of the uncertified portion (\$4,856,807) of the 2025 Taxable Assessed Valuation of \$82,388,012 and the Estimated Taxable Assessed Valuation as of September 1, 2025 of \$91,484,805, are not available. Taxes are levied on taxable value certified by the Appraisal District as of January 1 of each year.

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Land	\$ 25,527,916	\$ 17,032,132	\$ 14,010,919
Improvements	58,960,023	40,351,509	2,971,008
Personal Property	17,367	44,817	238
Exemptions	<u>(2,117,294)</u>	<u>(204,092)</u>	<u>(238)</u>
Certified Total	\$ 82,388,012	\$ 57,224,366	\$ 16,981,927
Uncertified Value	<u>4,856,807</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 87,244,819</u>	<u>\$ 57,224,366</u>	<u>\$ 16,981,927</u>

Principal Taxpayers

The following table represents the principal taxpayers, the taxable assessed valuation of such property, and such property’s taxable assessed valuation as a percentage of the certified portion (\$77,531,205) of the 2025 Taxable Assessed Valuation. Accurate principal taxpayer lists related to the uncertified portion (\$4,856,807) of the 2025 Taxable Assessed Valuation of \$82,388,012 and the Estimated Taxable Assessed Valuation as of September 1, 2025, of \$91,484,805, are not available as of the date hereof.

<u>Taxpayer</u>	<u>Type of Property</u>	<u>2025 Certified Taxable Assessed Valuation</u>	<u>% of 2025 Certified Taxable Assessed Valuation</u>
Century Land Holdings II LLC (a)	Land & Improvements	\$ 9,326,162	12.03%
Fire House RE LLC	Land & Improvements	515,702	0.67%
Homeowner	Land & Improvements	391,978	0.51%
Homeowner	Land & Improvements	391,186	0.50%
Homeowner	Land & Improvements	390,407	0.50%
Homeowner	Land & Improvements	383,525	0.49%
Homeowner	Land & Improvements	383,096	0.49%
Homeowner	Land & Improvements	381,053	0.49%
Homeowner	Land & Improvements	380,260	0.49%
Homeowner	Land & Improvements	378,426	0.49%
Total		<u>\$ 12,921,795</u>	<u>16.67%</u>

(a) The Developer. See “THE DEVELOPER.”

Tax Adequacy for Debt Service

The tax rate calculations set forth below are presented to indicate the tax rates per \$100 taxable assessed valuation which would be required to meet average annual and maximum annual debt service requirements if no growth in the District’s tax base occurred beyond the 2025 Taxable Assessed Valuation of \$82,388,012 (\$77,531,205 of certified value plus \$4,856,807 of uncertified value) or the Estimated Taxable Assessed Valuation as of September 1, 2025, of \$91,484,805. The calculations contained in the following table merely represent the tax rates required to pay principal of and interest on the Bonds and Outstanding Bonds when due, assuming no further increase or any decrease in taxable values in the District, collection of ninety-five percent (95%) of taxes levied, the sale of no additional bonds, and no other funds available for the payment of debt service.

Average annual debt service requirement (2026-2050)	\$833,577
\$1.07 tax rate on the 2025 Taxable Assessed Valuation	
of \$82,388,012 at a 95% collection rate produces	\$837,474
\$0.96 tax rate on the Estimated Taxable Assessed Valuation as of September 1, 2025	
of \$91,484,805 at a 95% collection rate produces	\$834,341
Maximum annual debt service requirement (2049)	\$890,038
\$1.14 tax rate on the 2025 Taxable Assessed Valuation	
of \$82,388,012 at a 95% collection rate produces	\$892,262
\$1.03 tax rate on the Estimated Taxable Assessed Valuation as of September 1, 2025	
of \$91,484,805 at a 95% collection rate produces	\$895,179

No representation or suggestion is made that the uncertified portion of the 2025 Taxable Assessed Valuation will not be adjusted downward or that the Estimated Taxable Assessed Valuation as of September 1, 2025 provided by the Appraisal District for the District will be certified as taxable value by the Appraisal District, and no person should rely upon such amounts or its inclusion herein as assurance of their 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 Resolutions to levy such a tax from year to year as described more fully herein under “THE BONDS—Source 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. 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 Appraisal District has the responsibility for appraising property for all taxing units within Travis County, including the District. Such appraisal values are subject to review and change by the Travis County 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, mobile homes and certain categories of intangible personal property with a tax situs in the District are subject to taxation by the District. Principal categories of exempt property include, but are not limited to: property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies, and personal effects; certain goods, wares and merchandise in transit; farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; travel trailers; and most individually owned automobiles. In addition, the District may by its own action exempt residential homesteads of persons sixty-five (65) years or older and of certain disabled persons 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 twenty percent (20%) of the number of qualified voters who voted in the preceding election. The District is authorized by statute to disregard exemptions for the disabled and elderly if granting the exemption would impair the District's obligation to pay tax supported debt incurred prior to adoption of the exemption by the District. Furthermore, the District must grant exemptions to disabled veterans or certain surviving dependents of disabled veterans, if requested, of between \$5,000 and \$12,000 depending on the disability rating of the veteran if such rating is less than 100%. A veteran who receives a disability rating of 100%, and subject to certain conditions, the surviving spouse of such a veteran is entitled to the exemption for the full amount of the residential homestead. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veteran's disability rating of the residence homestead was donated by a charitable organization. Also, the surviving spouse of a member of the armed forces who was killed or fatally injured in the line of duty is, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. The surviving spouse of a first responder who was killed or fatally injured in the line of duty is, subject to certain conditions, also entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and, subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. See "TAX DATA."

Residential Homestead Exemptions: The Property Tax Code authorizes the governing body of each political subdivision in the State of Texas to exempt up to twenty percent (20%) of the appraised value of residential homesteads from ad valorem taxation. Where ad valorem taxes have previously been pledged for the payment of debt, the governing body of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged, if the cessation of the levy would impair the obligations of the contract by which the debt was created. The adoption of a homestead exemption may be considered each year, but must be adopted before July 1. See "TAX DATA."

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

Tax Abatement

Travis County may designate all or part of the area within the District as a reinvestment zone. Thereafter, Travis County, the District, and the City (after annexation of the District), at the option and discretion of each entity, 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. Assessments under the Property Tax Code are to be based on one hundred percent (100%) of market value, as such is defined in the Property Tax Code.

Nevertheless, certain land may be appraised at less than market value under the Property Tax Code. In November 1997, Texas voters approved a constitutional amendment to limit increases in the appraised value of residence homesteads to ten percent (10%) 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 fair market value. The Property Tax Code permits under certain circumstances that residential real property inventory held by a person in the trade or business be valued at the price all such property would bring if sold as a unit to a purchaser who would continue the business. 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, open space or timberland 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.

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 sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda which could result in the repeal of certain tax increases. The Property Tax Code also establishes a procedure for notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

Levy and Collection of Taxes

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

Rollback of Operation and Maintenance Tax Rate

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

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

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

Developing Districts: Districts that do not meet the classification of a Special Taxing Unit or a Developed District can be classified as Developing Districts. The qualified voters of these districts, upon the Developing District's adoption of a total tax rate that would impose more than 1.08 times the amount of the total tax rate imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are authorized to petition for an election to reduce the 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 will be made by the Board of Directors on an annual basis. For the 2025 tax year, the District was designated as a "Developing District." 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 "FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED)—Overlapping Taxes for 2024." 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 under "—Levy and Collection of Taxes." In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights or by bankruptcy proceedings which restrict the collection of taxpayer debts. A taxpayer may redeem property within six (6) months for commercial property and two (2) years for residential and all other types of property after the purchaser's deed issued at the foreclosure sale is filed in the county records. See "RISK FACTORS—General" and "—Tax Collection Limitations."

Tax Payment Installments 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 as been damaged as a direct result of the disaster or emergency.

GENERAL FUND OPERATIONS

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. Net revenues, if any, derived from the operation of the District's water and sewer operations are not pledged to the payment of the Bonds and the Outstanding 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. Accounting principles customarily employed in the determination of net revenues have been observed and in all instances exclude depreciation. Such summary is based upon information obtained from the District's audited financial statements for the fiscal years ended September 30, 2023 through September 30, 2024. The unaudited summary shown below for the fiscal year ended September 30, 2025 has been provided by the Bookkeeper. Reference is made to such statements and records for further and more complete information.

	Fiscal Year Ended September 30		
	2025 (a)	2024	2023 (b)
Revenues			
Property Taxes		\$ 151,757	\$ 8,601
Sewer Fees		106,156	12,223
Tap, Connection and Inspection Fees		1,775	1,150
Penalty and Interest		984	228
Developer Advances		460,000	182,287
Investment and Miscellaneous Revenues		2,471	188
Total Revenues	\$ -	\$ 723,143	\$ 204,677
Expenditures			
Professional Fees		\$ 64,867	\$ 54,023
Contracted Services		120,713	29,788
Utilities		20,875	1,149
Repairs and Maintenance		17,154	-
Other		305,977	173,207
Capital Outlay		24,000	-
Total Expenditures	\$ -	\$ 553,586	\$ 258,167
Revenues Over (Under) Expenditures	\$ -	\$ 169,557	\$ (53,490)
Fund Balance (Beginning of Year)	\$ 119,971	\$ (49,586)	\$ 3,904
Fund Balance (End of Year)	\$ 119,971	\$ 119,971	\$ (49,586)

(a) Unaudited, prepared by the Bookkeeper.

(b) The District's first audited financial statements.

DEBT SERVICE REQUIREMENTS

The following sets forth the actual debt service on the Outstanding Bonds plus the estimated debt service on the Bonds at an estimated interest rate of 5.25% per annum.

Year	Outstanding	Plus:		Plus:		Total
	Bonds	The Series 2025A Bonds		The Series 2025B Road Bonds		
	Debt Service	Principal	Interest	Principal	Interest	Requirements
	Requirements					
2026	\$ 436,650		\$ 75,206		\$ 137,419	\$ 649,275
2027	440,650	\$ 40,000	100,275	\$ 75,000	183,225	839,150
2028	439,250	45,000	98,175	80,000	179,288	841,713
2029	442,650	45,000	95,813	85,000	175,088	843,550
2030	443,900	50,000	93,450	90,000	170,625	847,975
2031	441,500	50,000	90,825	95,000	165,900	843,225
2032	443,900	55,000	88,200	100,000	160,913	848,013
2033	445,900	55,000	85,313	105,000	155,663	846,875
2034	447,500	60,000	82,425	110,000	150,150	850,075
2035	453,700	60,000	79,275	115,000	144,375	852,350
2036	454,300	65,000	76,125	120,000	138,338	853,763
2037	454,500	70,000	72,713	125,000	132,038	854,250
2038	458,981	75,000	69,038	135,000	125,475	863,494
2039	462,844	75,000	65,100	140,000	118,388	861,331
2040	465,731	80,000	61,163	145,000	111,038	862,931
2041	467,981	85,000	56,963	155,000	103,425	868,369
2042	469,594	90,000	52,500	165,000	95,288	872,381
2043	470,569	95,000	47,775	170,000	86,625	869,969
2044	470,475	100,000	42,788	180,000	77,700	870,963
2045	474,725	105,000	37,538	190,000	68,250	875,513
2046	477,625	110,000	32,025	200,000	58,275	877,925
2047	479,625	115,000	26,250	210,000	47,775	878,650
2048	480,725	120,000	20,213	220,000	36,750	877,688
2049	485,925	130,000	13,913	235,000	25,200	890,038
2050	-	135,000	7,088	245,000	12,863	399,950
Total	\$ 11,009,200	\$ 1,910,000	\$ 1,570,144	\$ 3,490,000	\$ 2,860,069	\$ 20,839,413

Average Annual Debt Service Requirements (2026-2050)\$833,577
 Maximum Annual Debt Service Requirement (2049).....\$890,038

LEGAL MATTERS

Legal Proceedings

Delivery of the Bonds will be accompanied by the unqualified 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 by the District, without legal limit 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 McLean & Howard, L.L.P., Bond Counsel (“Bond Counsel”), to a like effect and the opinion of McCall, Parkhurst & Horton L.L.P., Special Tax Counsel (“Special Tax Counsel”), to the matters set forth in “TAX MATTERS.” Bond Counsel will not be responsible in any manner for matters addressed in the opinion of Special Tax Counsel and, likewise, Special Tax Counsel will not be responsible in any manner for the matters addressed in the opinion of Bond Counsel. Moreover, Bond Counsel and Special Tax Counsel have no joint responsibility with respect to the Bonds or the proceedings relating to the Bonds. Bond Counsel will be solely responsible for such proceedings and Special Tax Counsel will be solely responsible for its opinion.

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 that 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.

Bond Counsel has reviewed the information appearing in this OFFICIAL STATEMENT under “THE BONDS,” “THE DISTRICT—General,” “MANAGEMENT OF THE DISTRICT—District Consultants—Bond Counsel and General Counsel” “TAX PROCEDURES,” “LEGAL MATTERS—Legal Proceedings” (insofar as such section relates to the legal opinion of Bond Counsel),” 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.

In its capacity as Special Tax Counsel, McCall, Parkhurst & Horton L.L.P. has reviewed the information appearing in this OFFICIAL STATEMENT under the captions “MANAGEMENT OF THE DISTRICT—District Consultants—Special Tax Counsel,” “LEGAL MATTERS—Legal Proceedings” (insofar as such section relates to the legal opinion of Special Tax Counsel), and “TAX MATTERS” solely to determine whether such information fairly summarizes the law referred to therein. Special Tax Counsel has not independently verified factual information contained in this OFFICIAL STATEMENT and has not 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 such firm’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 of the other information contained herein.

The legal fees paid to Bond Counsel and Special Tax Counsel for services rendered in connection with the issuance of the Bonds are contingent upon the sale and delivery of the Bonds.

No Material Adverse Change

The obligations of the Initial Purchasers 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 sale.

No-Litigation Certificate

The District will furnish the Initial Purchasers a certificate, executed by both the President or Vice President and Secretary or Assistant 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

Opinion

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

In rendering its opinion, Special Tax Counsel will rely upon (a) the opinion of McLean & Howard, L.L.P., Bond Counsel, that the Bonds are valid and binding obligations of the District payable from proceeds of a generally applicable ad valorem tax, (b) the District’s federal tax certificate, and (c) covenants of the District relating to, including arbitrage and the use of the proceeds of the Bonds and the property financed or refinanced therewith. Failure by the District to comply with these representations or covenants could cause the interest on the Bonds to become includable in gross income retroactively to the date of issuance.

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

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

A ruling was not sought from the Internal Revenue Service by the District with respect to the Bonds or the facilities financed or refinanced with the proceeds of the Bonds. Special Tax Counsel’s opinion represents its legal judgment based upon its review of Existing Law and the representations of the District that it deems relevant to render such opinion and is not a guarantee of a result. No assurances can be given as to whether the Internal Revenue Service will commence an audit of the Bonds, or as to whether the Internal Revenue Service would agree with the opinion of Special Tax Counsel. If an audit is commenced, under current procedures the Internal Revenue Service is likely to treat the District as the taxpayer and the Bondholders may have no right to participate in such procedure. No additional interest will be paid upon any determination of taxability.

Federal Income Tax Accounting Treatment of Original Issue Discount

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

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

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

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

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

Collateral Federal Income Tax Consequences

The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership or disposition of the Bonds. This discussion is based on existing statutes, regulations, published rulings and court decisions, all of which are subject to change or modification, retroactively.

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

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

Interest on the Bonds may be includable in certain corporation's "adjusted financial statement income" determined under section 56A of the Code to calculate the alternative minimum tax imposed by section 55 of the Code.

Under Section 6012 of the Code, holders of tax-exempt obligations, such as the Bonds, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation.

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

State, Local and Foreign Taxes

Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership or disposition of the Bonds under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

Information Reporting and Backup Withholding

Subject to certain exceptions, information reports describing interest income, including original issue discount, with respect to the Bonds will be sent to each registered holder and to the IRS. Payments of interest and principal may be subject to backup withholding under section 3406 of the Code if a recipient of the payments fails to furnish to the payor such owner's social security number or other taxpayer identification number ("TIN"), furnishes an incorrect TIN, or otherwise fails to establish an exemption from the backup withholding tax. Any amounts so withheld would be allowed as a credit against the recipient's federal income tax. Special rules apply to partnerships, estates and trusts, and in certain circumstances, and in respect of foreign investors, certifications as to foreign status and other matters may be required to be provided by partners and beneficiaries thereof.

Future and Proposed Legislation

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under Federal or state law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

Qualified Tax-Exempt Obligations for Financial Institutions

Section 265(a) of the Code provides, in pertinent part, that interest paid or incurred by a taxpayer, including a "financial institution," on indebtedness incurred or continued to purchase or carry tax-exempt obligations is not deductible in determining the taxpayer's taxable income. Section 55(b) of the Code provides an exception to the disallowance of such deduction for any interest expense paid or incurred on indebtedness of a taxpayer that is a "financial institution" allocable to tax-exempt obligation, other than "private activity bonds," that are designated by a "qualified small issuer" as "qualified tax-exempt obligations." A "qualified small issuer" is any governmental issuer (together with any "on-behalf of" and "subordinate" issuers) who issues no more than \$10,000,000 of tax-exempt obligations during the calendar year. Section 265(b)(5) of the code defines the term "financial institution" as any "bank" described in Section 585(a)(2) of the Code, or any person accepting deposits from the public in the ordinary course of such person's trade or business that is subject to federal or state supervision as a financial institution. Notwithstanding the exception to the disallowance of the deduction of interest on indebtedness related to "qualified tax-exempt obligations" provided by Section 265(b) of the Code, Section 291 of the Code provides that the allowable deduction to a "bank," as defined in Section 585(1)(2) of the Code, for interest on indebtedness incurred or continued to purchase "qualified tax-exempt obligations" shall be reduced by twenty-percent (20%) as a "financial institution preference item."

The District expects to designate the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b) of the Code. In furtherance of that designation, the District will covenant to take such action that would assure, or to refrain from such action that would adversely affect, the treatment of the Bonds as “qualified tax-exempt obligations.” **Potential purchasers should be aware that if the issue price to the public exceeds \$10,000,000, there is a reasonable basis to conclude that the payment of a de minimis amount of premium in excess of \$10,000,000 is disregarded; however, the Internal Revenue Service could take a contrary view. If the Internal Revenue Service takes the position that the amount of such premium is not disregarded, then such obligations might fail to satisfy the \$10,000,000 limitation and the Bonds would not be “qualified tax-exempt obligations.”**

SALE AND DISTRIBUTION OF THE BONDS

Award of the Bonds

After requesting competitive bids for the Series 2025A Bonds, the District accepted the bid resulting in the lowest net effective interest rate, which bid was tendered by _____ (the “Series 2025A Bond Initial Purchaser”) bearing the interest rates shown on the inside cover hereof, at a price of _____% of the par value thereof which resulted in a net effective interest rate of _____%, as calculated pursuant to Chapter 1204 of the Texas Government Code, as amended (the IBA method).

After requesting competitive bids for the Series 2025B Road Bonds, the District accepted the bid resulting in the lowest net effective interest rate, which bid was tendered by _____ (the “Series 2025B Road Bond Initial Purchaser”) bearing the interest rates shown on the inside cover hereof, at a price of _____% of the par value thereof which resulted in a net effective interest rate of _____%, as calculated pursuant to Chapter 1204 of the Texas Government Code, as amended (the IBA method).

The Series 2025A Bond Initial Purchaser and the Series 2025B Road Bond Initial Purchaser shall be referred to herein collectively as the “Initial Purchasers.”

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 Initial Purchasers 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 Initial Purchasers 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.

MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE

The District has not applied for an underlying rating nor is it expected that the District would have received an investment grade rating had such application been made.

Application has been made for the qualification of the Bonds for municipal bond insurance. If qualified, such insurance will be available at the option of the applicable Initial Purchaser and at the applicable Initial Purchaser's expense. See "RISK FACTORS—Risk Factors Related to the Purchase of Municipal Bond Insurance."

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 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 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. The Financial Advisor has reviewed the information in this OFFICIAL STATEMENT in accordance with, and as a part of, its responsibilities to the District and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the 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 SYSTEM," and "THE ROAD SYSTEM" has been provided by the Engineer 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 Appraisal District and has been included herein in reliance upon the authority of such entity as experts in assessing the values of property in Travis 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 the Appraisal District and the Travis County Tax Assessor/Collector, and is included herein in reliance upon their authority as experts in assessing and collecting taxes.

Auditor: The financial statements of the District as of September 30, 2024, and for the year then ended, included in this offering document, have been audited by McCall Gibson Swedlund Barfoot Ellis PLLC, as stated in their report appearing herein. See "APPENDIX A" for a copy of the District's September 30, 2024, audited financial statements.

Bookkeeper: The information related to the unaudited summary of the District's General Operating Fund as it appears in "GENERAL FUND OPERATIONS" has been provided from records of Municipal Accounts & Consulting, L.P. and is included herein in reliance upon the authority of such firm as experts in the tracking and managing the various funds of municipal utility districts.

Updating the Official Statement

If, subsequent to the date of the Official Statement, the District learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Initial Purchasers, of any adverse event which causes the Official Statement to be materially misleading, and unless the Initial Purchasers elect to terminate its obligation to purchase the Bonds, the District will promptly prepare and supply to the Initial Purchasers an appropriate amendment or supplement to the Official Statement satisfactory to the Initial Purchasers; provided, however, that the obligation of the District to so amend or supplement the Official Statement will terminate when the District delivers the Bonds to the Initial Purchasers, unless the Initial Purchasers notify 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 updated financial information and operating data annually to the MSRB, or any successor, through its EMMA. The information to be updated with respect to the District includes all quantitative financial information and operating data of the general type included in this Official Statement under the headings "FINANCIAL STATEMENT," "TAX DATA," "DEBT SERVICE REQUIREMENTS," and "APPENDIX A" (Annual Financial Report and supplemental schedules). The District will update and provide this information within six months after the end of each fiscal year ending in or after 2025.

The District may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by SEC Rule 15c2-12 (the "Rule"). The updated information will include audited financial statements, if the District commissions an audit and the audit is completed by the required time. If the audit of such financial statements is not complete within such period, then the District will provide unaudited financial statements within the required time, and audited financial statements when and if such audited financial statements become available. Any such financial statements will be prepared in accordance with the accounting principles described in the Bond Resolution or such other accounting principles as the District may be required to employ from time to time pursuant to state law or regulation.

The District's current fiscal year end is September 30. Accordingly, it must provide updated information by March 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.

Event Notices

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

Availability of Information from the 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 an 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 Resolutions if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid or unenforceable, but only to the extent that its right to do so would not prevent the Initial Purchasers 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 under “—Annual Reports” an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance With Prior Undertakings

The District entered into its first continuing disclosure agreement in connection with the issuance of its Unlimited Tax Bonds, Series 2024. The District has complied in all material respects with its continuing disclosure agreement in accordance with SEC Rule 15c2-12.

MISCELLANEOUS

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

This Official Statement was approved by the Board of Directors of Travis County Municipal Utility District No. 26, as of the date shown on the cover page.

/s/ _____
President, Board of Directors

ATTEST:

/s/ _____
Secretary, Board of Directors

AERIAL PHOTOGRAPH
(As of July 2025)

PHOTOGRAPHS OF THE DISTRICT
(As of July 2025)

APPENDIX A

**Independent Auditor's Report and Financial Statements of the District
for the Fiscal Year Ended September 30, 2024**

This OFFICIAL NOTICE OF SALE does not alone constitute an invitation for bids on the Series 2025A Bonds but is merely notice of sale of the Series 2025A Bonds described herein. The invitation for bids is being made by means of this OFFICIAL NOTICE OF SALE, the PRELIMINARY OFFICIAL STATEMENT and the OFFICIAL BID FORM attached hereto. Information contained in this OFFICIAL NOTICE OF SALE is qualified in its entirety by the detailed information contained in the PRELIMINARY OFFICIAL STATEMENT.

OFFICIAL NOTICE OF SALE

\$1,910,000

TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

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

UNLIMITED TAX BONDS

SERIES 2025A

THE SERIES 2025A BONDS WILL BE DESIGNATED AS “QUALIFIED TAX-EXEMPT OBLIGATIONS” FOR FINANCIAL INSTITUTIONS

BIDS DUE: Wednesday, November 12, 2025, at 9:00 A.M., Central Daylight Time in Austin, Texas

BID AWARD: Wednesday, November 12, 2025, at 11:00 A.M., Central Daylight Time in Austin, Texas

THE SALE

Bonds Offered for Sale by Competitive Bidding: The Board of Directors (the “Board”) of Travis County Municipal Utility District No. 26 (the “District”) is inviting competitive bids for the purchase of \$1,910,000 Unlimited Tax Bonds, Series 2025A (the “Series 2025A Bonds”). Bidders may submit bids for the Series 2025A Bonds by any of the following methods:

- (1) Deliver bids directly to the District as described below in “Bids Delivered to the District;”
- (2) Submit bids electronically as described below in “Electronic Bidding Procedures;” or
- (3) Submit bids by telephone as described below in “Bids by Telephone.”

Bids Delivered to the District: Sealed bids, plainly marked “Bid for Series 2025A Bonds,” should be addressed to “President and Board of Directors, Travis County Municipal Utility District No. 26” and delivered in care of Masterson Advisors LLC, 2005 Melridge Place, Austin, Texas 78704 prior to 9:00 A.M., Central Daylight Time, on Wednesday, November 12, 2025. All bids must be submitted in duplicate on the OFFICIAL BID FORM, without alteration or interlineation.

Electronic Bidding Procedures: Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY by 9:00 A.M., Central Daylight Time, on Wednesday, November 12, 2025. Bidders must submit by email (john.barganski@mastersonadvisors.com/713-814-0568), prior to 9:00 A.M., Central Daylight Time, Wednesday, November 12, 2025, a signed OFFICIAL BID FORM to John Barganski, Masterson Advisors LLC, 2005 Melridge Place, Austin, Texas 78704. *A signed OFFICIAL BID FORM received after 9:00 A.M., Central Daylight Time, may result in the electronic bid not being accepted by the Board.* Subscription to the i-Deal LLC’s BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Series 2025A Bonds on the terms provided in this OFFICIAL NOTICE OF SALE, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the District. The District shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this OFFICIAL NOTICE OF SALE shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this OFFICIAL NOTICE OF SALE shall control. Further information about PARITY, including any fee charged, may be obtained from PARITY Customer Support, 1359 Broadway, 2nd Floor, New York, New York 10018, telephone: (212) 849-5000.

For purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by PARITY shall constitute the official time. **For information purposes only, bidders are requested to state in their electronic bids the net interest cost to the District, as described under “Basis of Award” below. All electronic bids shall be deemed to incorporate the provisions of this OFFICIAL NOTICE OF SALE and the OFFICIAL BID FORM.**

Bids by Telephone: Bidders must submit by email (john.barganski@mastersonadvisors.com/713-814-0568), prior to 9:00 A.M., Central Daylight Time, on Wednesday, November 12, 2025, a signed OFFICIAL BID FORM to John Barganski, Masterson Advisors LLC, 2005 Melridge Place, Austin, Texas 78704, and submit their bid by telephone on the date of the sale.

Telephone bidders that have provided signed bid forms will be telephoned by a representative of Masterson Advisors LLC, as financial advisor for the District, between 8:30 A.M. and 8:50 A.M., Central Daylight Time on the date of the sale.

Facsimile bids will not be accepted.

The District and Masterson Advisors LLC are not responsible if such telephone is busy or is malfunctioning, which prevents a bid or bids from being submitted on a timely basis. **Masterson Advisors LLC will not be responsible for submitting any bids received after the above deadlines.** The District and Masterson Advisors LLC assume no responsibility or liability with respect to any irregularities associated with the submission of bids if the telephone option is exercised.

Place and Time of Bid Opening: The bids for the Series 2025A Bonds will be opened and reviewed by an authorized representative of Masterson Advisors LLC, 2005 Melridge Place, Austin, Texas 78704, at 9:00 A.M., Central Daylight Time, Wednesday, November 12, 2025.

Award of the Series 2025A Bonds: The District will take action to award the Series 2025A Bonds or reject any and all bids or accept the qualified bid that produces the lower net effective interest rate on the Series 2025A Bonds at a meeting scheduled to convene at 11:00 A.M., Central Daylight Time, on the date of the bid opening at McLean & Howard LLP, 4301 Bull Creek Road, Suite 150, Austin, Texas 78731. Upon awarding the Series 2025A Bonds to the winning bidder (the “Series 2025A Bond Initial Purchaser”), the Board will adopt a resolution authorizing the issuance of the Series 2025A Bonds (the “Series 2025A Bond Resolution”). Sale of the Series 2025A Bonds will be made subject to the terms, conditions and provisions of the Series 2025A Bond Resolution, to which Series 2025A Bond Resolution reference is hereby made for all purposes and subject to compliance with Texas Government Code § 2252.908 as more fully described below. The District reserves the right to reject any and all bids and to waive any irregularities, except the time of filing of the bids.

THE SERIES 2025A BONDS

Description of the Series 2025A Bonds: The Series 2025A Bonds will be dated December 1, 2025, interest will accrue from the Date of Delivery (as defined herein), and interest will be payable on March 1, 2026 and on each September 1 and March 1 thereafter until the earlier of maturity or redemption. The Series 2025A Bonds will be issued in fully registered form only, in denominations of \$5,000 or any integral multiple of \$5,000 for any one maturity, and principal and interest will be paid, initially by BOKF, NA, Dallas, Texas (the “Paying Agent/Registrar,” “Paying Agent” or “Registrar”). The Series 2025A 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 Series 2025A Bonds. Beneficial Owners of the Series 2025A Bonds will not receive physical certificates representing the Series 2025A 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 Series 2025A Bonds, the principal of and interest on the Series 2025A 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 Series 2025A Bonds as described herein. See the PRELIMINARY OFFICIAL STATEMENT (made a part hereof) for a more complete description of the Series 2025A Bonds. The Series 2025A Bonds will mature serially on September 1 in each of the years and principal amounts as follows:

<u>YEAR</u> <u>DUE</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>	<u>YEAR</u> <u>DUE</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>	<u>YEAR</u> <u>DUE</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>
2027	\$ 40,000	2035	\$ 60,000	2043	\$ 95,000
2028	45,000	2036	65,000	2044	100,000
2029	45,000	2037	70,000	2045	105,000
2030	50,000	2038	75,000	2046	110,000
2031	50,000	2039	75,000	2047	115,000
2032	55,000	2040	80,000	2048	120,000
2033	55,000	2041	85,000	2049	130,000
2034	60,000	2042	90,000	2050	135,000

Serial Bonds and/or Term Bonds: Bidders may provide that all the Series 2025A Bonds be issued as serial bonds or may provide that any two or more consecutive annual principal amounts be combined into one or more term bonds.

Redemption Provisions: Series 2025A Bonds maturing on or after September 1, 2032, are subject to redemption prior to maturity, at the option of the District, in whole, or from time to time in part, on September 1, 2031, or on any date thereafter at a price equal to the principal amount of the Series 2025A Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption. If fewer than all of the Series 2025A Bonds are redeemed at any time, the particular maturities of Series 2025A Bonds to be redeemed shall be selected by the District. If less than all the Series 2025A Bonds of any maturity are redeemed at any time, the particular Series 2025A 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 Series 2025A Bonds are in book-entry-only form).

Mandatory Sinking Fund Redemption: If the Series 2025A Bond Initial Purchaser designates principal amounts to be combined into one or more term bonds, each such term bond shall be subject to mandatory sinking fund redemption commencing on September 1 of the first year which has been combined to form such term bond and continuing on September 1 in each year thereafter until the stated maturity date of that term bond. The amount redeemed in any year shall be equal to the principal amount for such year set forth on the cover page of the PRELIMINARY OFFICIAL STATEMENT under the caption "MATURITY SCHEDULE." Series 2025A Bonds to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at par by lot or other customary method. The principal amount of Term Bonds to be mandatorily redeemed is subject to proportionate reduction by the amount of any prior optional redemption.

Successor Paying Agent/Registrar: Provision is made in the Series 2025A 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 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 banking authorities.

Source of Payment: The Series 2025A Bonds will constitute valid and binding obligations of the District, payable as to principal and interest from the proceeds of a continuing direct annual ad valorem tax without legal limitation as to rate or amount, levied against taxable property located within the District, as further described in the PRELIMINARY OFFICIAL STATEMENT. The Series 2025A Bonds are obligations solely the District and are not obligations of Travis County, the State of Texas, or any entity other than the District.

CONDITIONS OF THE SALE

Types of Bids and Interest Rates: The Series 2025A Bonds will be sold in one block, "all or none," and no bid of less than ninety-seven percent (97%) of par will be accepted. Bidders are to name the rate or rates of interest to be borne by the Series 2025A Bonds, provided that each interest rate bid must be in a multiple of 1/8 of 1% or 1/20 of 1%. No bid which results in a net effective interest rate as defined by Chapter 1204, Texas Government Code, as amended, in excess of ___% will be considered. No bid generating a cash premium greater than \$5,000 will be accepted. Subject to the conditions below, no limitation will be imposed upon bidders as to the number of interest rates that may be used, but each rate of interest for the period 2035 (base year) through 2050, cannot be less than the rate of interest specified for any earlier maturity during the period 2035 through 2050 and the highest interest rate bid may not exceed the lowest interest rate bid by more than 2.5% in rate. All Series 2025A Bonds maturing within a single year must bear the same rate of interest, and no bids for the Series 2025A Bonds involving supplemental interest rates will be considered. Each bidder shall state in its bid the total and net interest cost in dollars and the net effective interest rate determined thereby, which shall be considered informative only and not as a part of the bid.

Provision of Texas Ethics Commission Form 1295 ("TEC Form 1295") by Bidders: In accordance with Texas Government Code Section 2252.908 (the "Interested Party Disclosure Act"), the District may not award the Series 2025A Bonds to a bidder unless the winning bidder either:

- (i) submits a Certificate of Interested Parties Form 1295 (the "TEC Form 1295") to the District as prescribed by the Texas Ethics Commission ("TEC"), or
- (ii) certifies in the OFFICIAL BID FORM that it is exempt from filing the TEC Form 1295 by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

In the event that the bidder's bid for the Series 2025A Bonds is the best bid received, the District, acting through its financial advisor, will promptly notify the winning bidder. That notification will serve as the District's conditional verbal acceptance of the bid, and, unless the bidder is exempt from filing a TEC Form 1295, such notification will obligate the winning bidder to promptly file a completed TEC Form 1295, as described below, in order to allow the District to complete the award. The District reserves the right to reject any bid that does not comply with the requirements prescribed herein.

For purposes of completing the TEC Form 1295, box 2 is name of the governmental entity (*Travis County Municipal Utility District No. 26*) and box 3 is the identification number assigned to this contract by the District (*Travis MUD 26-UTB-2025A*) and description of the goods or services (*Purchase of Travis County MUD No. 26 Unlimited Tax Bonds, Series 2025A*). **The Interested Party Disclosure Act and the rules adopted by the TEC with respect thereto (the "Disclosure Rules") require certain business entities contracting with the District to complete the TEC Form 1295 electronically at <https://www.ethics.state.tx.us/main/file.htm>, print, complete the unsworn declaration, sign, and deliver, in physical form, the certified TEC Form 1295 that is generated by the TEC's "electronic portal" to the District. The completed and signed TEC Form 1295 must be sent by email, to the District's financial advisor at john.barganski@mastersonadvisors.com, as soon as possible following the notification of conditional verbal acceptance and prior to the final written award. Upon receipt of the final written award, the winning bidder must submit the TEC Form 1295 with original signatures by email to General Counsel as follows: tcorbett@mcleanhowardlaw.com.**

To the extent that the bidder is not exempt from filing a TEC Form 1295 and therefore makes such filing with the District, the Interested Party Disclosure Act and the TEC Form 1295 provide that such declaration is made “under oath and under penalty of perjury.” Consequently, a bidder should take appropriate steps prior to completion of the TEC Form 1295 to familiarize itself with the Interested Party Disclosure Act, the Disclosure Rules and the TEC Form 1295. **Time will be of the essence in submitting the form to the District, and no final award will be made by the District regarding the sale of the Series 2025A Bonds until a completed TEC Form 1295 is received. The District reserves the right to reject any bid that does not satisfy the requirement of a completed TEC Form 1295, as described herein.** Neither the District nor its consultants have the ability to verify the information included in a TEC Form 1295, and neither party has an obligation nor undertakes responsibility for advising any bidder with respect to the proper completion of the TEC Form 1295. Consequently, an entity intending to bid on the Series 2025A Bonds should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the District that its bid is the conditional winning bid. Instructional videos on logging in and creating a certificate are provided on the TEC’s website at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm.

Impact Of Bidding Syndicate On Award: For purposes of contracting for the sale of the Series 2025A Bonds, the entity signing the bid form as Series 2025A Bond Initial Purchaser shall be solely responsible for the payment of the purchase price of the Series 2025A Bonds. The Series 2025A Bond Initial Purchaser may serve as a syndicate manager and contract under a separate agreement with other syndicate members. However, the District is not a party to that agreement and any information provided regarding syndicate managers would be for informational purposes only.

Basis Of Award: For the purpose of awarding the sale of the Series 2025A Bonds, the interest cost of each bid will be computed by determining, at the interest rate or rates specified therein, the total dollar value of all interest on the Series 2025A Bonds from the Date of Delivery (as defined herein) thereof to their respective maturities and adding thereto the dollar amount of the discount bid, if any, or subtracting therefrom the dollar amount of the premium bid, if any. Subject to the District’s right to reject any or all bids and the bidder’s compliance with Texas Government Code §2252.908 (which is described in detail herein), the Series 2025A Bonds will be awarded to the bidder whose bid, under the above computation, produces the lowest net effective interest rate to the District.

In order to provide the District with information required to be submitted to the Texas Bond Review Board pursuant to Section 1202.008, Texas Government Code, as amended, the Series 2025A Bond Initial Purchaser will be required to provide the District with a breakdown of its “underwriting spread” among the following categories: Takedown, Management Fee (if any), Legal Counsel Fee (if any) and Spread Expenses (if any).

Verifications Of Statutory Representations And Covenants: The District will not award the Series 2025A Bonds to a bidder unless the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended (the “Government Code”), are included in the Official Bid Form. As used in such verifications, “affiliate” means an entity that controls, is controlled by, or is under common control with the bidder within the meaning of Securities and Exchange Commission Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of the Official Bid Form shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of the Official Bid Form or Official Notice of Sale, notwithstanding anything in the Official Bid Form or Official Notice of Sale to the contrary.

- (i) No Boycott of Israel (Texas Government Code Chapter 2271): A bidder must verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of the Official Bid Form. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.
- (ii) Not a Sanctioned Company (Texas Government Code Chapter 2252): A bidder must represent that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes a bidder and each of its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.
- (iii) No Discrimination Against Firearm Entities or Firearm Trade Associations (Texas Government Code Chapter 2274): A bidder must verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the Official Bid Form. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

- (iv) No Boycott of Energy Companies (Texas Government Code Chapter 2276): A bidder must verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of the Official Bid Form. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

Further State Law Compliance And Standing Letter Requirement: Each prospective bidder must have a standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General’s Office in the form included as Exhibit A to the All Bond Counsel Letter of the Texas Attorney General dated November 1, 2023 and any supplements thereto (the “All Bond Counsel Letter”). In submitting a bid, a bidder represents to the District that it has filed a standing letter in the form included as Exhibit A to the All Bond Counsel Letter without qualification and including current statutory citations and it has no reason to believe that the District may not be entitled to rely on the standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General’s Office. The bidder agrees that it will not rescind its standing letter at any time before the delivery of the Series 2025A Bonds unless the same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

The District will not accept a bid from a bidder that does not have such standing letter on file as of the deadline for bids for the Series 2025A Bonds. If requested by the District, the Purchaser agrees to provide such further representations, certifications or assurances in connection with the Covered Verifications (defined below), as of the delivery date of the Series 2025A Bonds or such other date requested by the District including, but not limited to, a bring down certification as provided by the All Bond Counsel Letter.

THE DISTRICT RESERVES THE RIGHT, IN ITS SOLE DISCRETION, TO REJECT THE BID OF ANY BIDDER WHO IS, OR WHOSE PARENT COMPANY, SUBSIDIARIES OR AFFILIATES ARE, ON A LIST MAINTAINED BY THE TEXAS COMPTROLLER OR HAS RECEIVED A LETTER OR OTHER INQUIRY FROM A POLITICAL SUBDIVISION, THE TEXAS COMPTROLLER, OR THE TEXAS ATTORNEY GENERAL RELATED TO ITS INCLUSION ON ANY LIST OF FINANCIAL COMPANIES BOYCOTTING ENERGY COMPANIES OR DISCRIMINATING AGAINST FIREARM ENTITIES.

BY SUBMITTING A BID, EACH BIDDER AGREES, SHOULD IT BE THE WINNING BIDDER, TO COOPERATE WITH THE DISTRICT AND TAKE ANY ACTION NECESSARY TO FURTHER VERIFY AND CONFIRM COMPLIANCE WITH STATE LAW.

To the extent the Purchaser and each syndicate member listed on the Official Bid Form is unable to provide a Standing Letter in a form satisfactory to the Texas Office of the Attorney General, the District reserves the right to cash and accept the Good Faith Deposit (see “CONDITIONS OF SALE - Good Faith Deposit”). **THE LIABILITY OF THE BIDDER FOR BREACH OF ANY OF THE VERIFICATIONS MADE IN CONNECTION WITH CHAPTERS 2252, 2271, 2274, AND 2276, TEXAS GOVERNMENT CODE, AS AMENDED (COLLECTIVELY, THE “COVERED VERIFICATIONS”) SHALL SURVIVE UNTIL BARRED BY THE STATUTE OF LIMITATIONS, AND SHALL NOT BE LIQUIDATED OR OTHERWISE LIMITED BY ANY PROVISION OF THIS OFFICIAL NOTICE OF SALE OR THE OFFICIAL BID FORM. ADDITIONALLY, THE DISTRICT RESERVES AND RETAINS ALL RIGHTS AND REMEDIES AT LAW AND IN EQUITY FOR PURSUIT AND RECOVERY OF DAMAGES, IF ANY, RELATING TO THE COVERED VERIFICATIONS.**

Good Faith Deposit: Each bid must be accompanied by a bank cashier’s check payable to the order of “Travis County Municipal Utility District No. 26” in the amount of \$38,200, which represents two percent (2%) of the principal amount of the Series 2025A Bonds. The check will be considered as a Good Faith Deposit, and the check of the successful bidder (the “Series 2025A Bond Initial Purchaser”) will be retained uncashed by the District until the Series 2025A Bonds are delivered. In the event the Series 2025A Bond Initial Purchaser should fail or refuse to accept delivery of and pay for the Series 2025A Bonds in accordance with its bid, then the Good Faith Deposit shall be cashed and the proceeds accepted by the District as full and complete liquidated damages against the Series 2025A Bond Initial Purchaser. The Good Faith Deposit may accompany the OFFICIAL BID FORM or it may be submitted separately. If submitted separately, it shall be made available to the District prior to the opening of the bids and shall be accompanied by instructions from the bank on which it is drawn to authorize its use as a Good Faith Deposit by the bidder, who shall be named in such instructions. The Good Faith Deposit will be returned immediately after full payment has been made by the Series 2025A Bond Initial Purchaser to the District in federal or immediately available funds in the amount of the purchase price plus accrued interest thereon. No interest will be paid on the Good Faith Deposit. The checks accompanying bids other than the winning bid will be returned immediately after the bids are opened and an award of the Series 2025A Bonds has been made.

Establishing The Issue Price For The Series 2025A Bonds: The District intends to rely on Treasury Regulation section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of municipal bonds), which require, among other things, that the District receives bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Requirement”).

In the event that the bidding process does not satisfy the Competitive Sale, Bids will not be subject to cancellation and the winning bidder (i) agrees to promptly report to the District the first prices at which at least 10% of each maturity of the Series 2025A Bonds (the “First Price Maturity”) have been sold to the Public on the Sale Date (the “10% Test”) (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test) and (ii) agrees to hold-the-offering-price of each maturity of the Series 2025A Bonds that does not satisfy the 10% Test (“Hold-the-Price Maturity”), as described below.

In order to provide the District with information that enables it to comply with the establishment of the issue price of the Series 2025A Bonds under the Internal Revenue Code of 1986, as amended, the winning bidder agrees to complete, execute, and timely deliver to the District or to the District’s municipal advisor, Masterson Advisors LLC (the “District’s Municipal Advisor”) a certification as to the Series 2025A Bonds’ “issue price” (the “Issue Price Certificate”) substantially in the form and to the effect attached hereto or accompanying this Notice of Sale, within 5 business days prior to the Closing Date if the Competitive Sale Requirement is satisfied or within 5 business days of the date on which the 10% Test is satisfied with respect to all of the First Price Maturities. In the event the winning bidder will not reoffer any maturity of the Series 2025A Bonds for sale to the Public (as defined herein) by the Closing Date, the Issue Price Certificate may be modified in a manner approved by the District. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain such facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to General Counsel (identified in the PRELIMINARY OFFICIAL STATEMENT).

For purposes of this section of this Notice of Sale:

- (i) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Series 2025A Bond Initial Purchaser or a Related Party to the Series 2025A Bond Initial Purchaser,
- (ii) “Initial Purchaser” means (A) any person that agrees pursuant to a written contract with the District (or with the lead Series 2025A Bond Initial Purchaser to form an underwriting syndicate) to participate in the initial sale of the Series 2025A Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2025A Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2025A Bonds to the Public),
- (iii) “Related Party” means any two or more persons (including an individual, trust, estate, partnership, association, company, or corporation) that are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “Sale Date” means the date that the Series 2025A Bonds are awarded by the District to the winning bidder. All actions to be taken by the District under this Notice of Sale to establish the issue price of the Series 2025A Bonds may be taken on behalf of the District by the District’s Municipal Advisor, and any notice or report to be provided to the District may be provided to the District’s Municipal Advisor.

The District will consider any bid submitted pursuant to this Notice of Sale to be a firm offer for the purchase of the Series 2025A Bonds, as specified in the bid and, if so stated, in the OFFICIAL BID FORM.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Series 2025A Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Series 2025A Bond Initial Purchaser, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A) to report the prices at which it sells to the Public the unsold Series 2025A Bonds of each maturity allocated to it until either all such Series 2025A Bonds have been sold or it is notified by the winning bidder that either the 10% Test has been satisfied as to the Series 2025A Bonds of that maturity, (B) to promptly notify the winning bidder of any sales of Series 2025A Bonds that, to its knowledge, are made to a purchaser who is a Related Party to an Series 2025A Bond Initial Purchaser, and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder will assume that based on such agreement each order submitted by the underwriter, dealer or broker-dealer is a sale to the Public; and (ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Series 2025A Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Series 2025A Bond Initial Purchaser that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2025A Bonds to the Public to require each underwriter or dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the Public the unsold Series 2025A Bonds of each maturity allocated to it until either all such Series 2025A Bonds have been sold or it is notified by the winning bidder or such Series 2025A Bond Initial Purchaser that either the 10% Test has been satisfied as to the Series 2025A Bonds of that maturity. Sales of any Series 2025A Bonds to any person that is a Related Party to an Series 2025A Bond Initial Purchaser shall not constitute sales to the public for purposes of this Notice of Sale.

By submitting a bid, the winning bidder agrees, on behalf of each Series 2025A Bond Initial Purchaser participating in the purchase of the Series 2025A Bonds, that each Series 2025A Bond Initial Purchaser will neither offer nor sell any Hold-the-Price Maturity to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of (1) the close of the fifth (5th) business day after the Sale Date; or (2) the date on which the Series 2025A Bond Initial Purchasers have sold at least 10% of that Hold-the-Price Maturity to the Public at a price that is no higher than the initial offering price to the Public. The winning bidder shall promptly advise the District when the Initial Purchasers have sold 10% of a Hold-the-Price Maturity to the Public at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

DELIVERY OF THE SERIES 2025A BONDS AND ACCOMPANYING DOCUMENTS

Initial Delivery of Initial Bond: Initial delivery (“Initial Delivery”) will be accomplished by the issuance of one initial bond (the “Initial Bond”), either in typed or printed form, in the aggregate principal amount of \$1,910,000, payable in stated installments, registered in the name of the Series 2025A Bond Initial Purchaser, manually signed by the President and Secretary of the Board, or executed by the facsimile signatures of the President and Secretary of the Board, and approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of Texas or his authorized deputy. Initial Delivery will be at the corporate trust office of the Paying Agent/Registrar in Dallas, Texas. Payment for the Series 2025A Bonds must be made in immediately available funds for unconditional credit to the District, or as otherwise directed by the District. The Series 2025A Bond Initial Purchaser will be given three (3) business days’ notice of the time fixed for delivery of the Series 2025A Bonds. It is anticipated that Initial Delivery can be made on or about December 18, 2025 (the “Date of Delivery”), and subject to the aforementioned notice it is understood and agreed that the Series 2025A Bond Initial Purchaser will accept delivery of and make payment for the Series 2025A Bonds by 10:00 A.M., Central Daylight Time, on the Date of Delivery, or thereafter on the date the Series 2025A Bonds are tendered for delivery, up to and including January 15, 2026. If for any reason the District is unable to make delivery on or before January 15, 2026 then the District shall immediately contact the Series 2025A Bond Initial Purchaser and offer to allow the Series 2025A Bond Initial Purchaser to extend its offer for an additional thirty (30) days. If the Series 2025A Bond Initial Purchaser does not elect to extend its offer within three (3) business days thereafter, then its Good Faith Deposit will be returned, and both the District and the Series 2025A Bond Initial Purchaser shall be relieved of any further obligation.

CUSIP Numbers: It is anticipated that CUSIP identification numbers will be printed on the Series 2025A Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Series 2025A Bond Initial Purchaser to accept delivery of and pay for the Series 2025A Bonds in accordance with the terms of this OFFICIAL NOTICE OF SALE. The Financial Advisor will obtain CUSIP identification numbers from the CUSIP Service Bureau, New York, New York prior to the date of sale. CUSIP identification numbers will be made available to the Series 2025A Bond Initial Purchaser at the time the Series 2025A Bonds are awarded or as soon thereafter as practicable. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid by the Series 2025A Bond Initial Purchaser.

Conditions to Delivery: The Series 2025A Bond Initial Purchaser's obligation to accept delivery of and pay for the Series 2025A Bonds is subject to the issuance of the legal opinion of the Attorney General of Texas as to the legality of the Series 2025A Bonds, and the legal opinions of McLean & Howard L.L.P., Austin, Texas, General Counsel for the District ("General Counsel") and McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Special Tax Counsel for the District ("Special Tax Counsel"), and the No-Litigation Certificate, all as further described in the PRELIMINARY OFFICIAL STATEMENT, and the non-occurrence of the events described under "No Material Adverse Change."

Legal Opinions: The District will furnish without cost to the Series 2025A Bond Initial Purchaser a transcript of certain certified proceedings incident to the issuance and authorization of the Series 2025A Bonds, including a certified copy of the unqualified approving legal opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Series 2025A Bonds are valid and binding obligations of the District, payable from the proceeds of an annual ad valorem tax levied, without limit as to rate or amount, upon all taxable property within the District, based upon an examination of such transcript of proceedings, and the approving legal opinion of General Counsel to a like effect. The District also will deliver a certified copy of the opinion of Special Tax Counsel, to the effect that the interest on the Series 2025A Bonds is excludable from gross income for federal income tax purposes under existing law.

Qualified Tax-Exempt Obligations: The Code (as defined herein) 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 Series 2025A Bonds, (a) designated by the issuer as "qualified tax-exempt obligations" and (b) issued by 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 Series 2025A Bonds as "qualified tax-exempt obligations" and has represented that the aggregate amount of tax-exempt bonds (including the Series 2025A Bonds) issued by the District and entities aggregated with the District under the Code during calendar year 2025 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 Series 2025A Bonds) during calendar year 2025.

Notwithstanding this exception, financial institutions acquiring the Bonds will be subject to a twenty percent (20%) disallowance of allocable interest expense.

Certification Regarding Offering Price Of Series 2025A Bonds: In order to provide the District with information to enable it to comply with certain conditions of the Code relating to the exclusion of interest on the Series 2025A Bonds from gross income for federal income tax purposes, the Series 2025A Bond Initial Purchaser will be required to complete, execute and deliver to the District (on or before the date of delivery of the Series 2025A Bonds) a certification regarding "issue price" substantially in the form accompanying this OFFICIAL NOTICE OF SALE. If the Series 2025A Bond Initial Purchaser will not reoffer the Series 2025A Bonds for sale or has not sold a substantial amount of the Series 2025A Bonds of any maturity by the date of delivery, such certificate may be modified in a manner acceptable to the District. Each bidder, by submitting its bid, agrees to complete, execute and deliver such a certificate by the date of delivery of the Series 2025A Bonds if its bid is accepted by the District. It will be the responsibility of the Series 2025A Bond Initial Purchaser to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Special Tax Counsel.

No-Litigation Certificate: The District will furnish the Series 2025A Bond Initial Purchaser a certificate executed by members of the Board, dated as of the Date of Delivery of the Series 2025A Bonds, to the effect that, to their best knowledge no litigation of any nature is pending or threatened, either in state or federal courts, contesting or attacking the Series 2025A Bonds; restraining or enjoining the levy, assessment and collection of ad valorem taxes to pay the interest on or principal of the Series 2025A Bonds; in any manner questioning the authority or proceedings for the issuance, execution or delivery of the Series 2025A Bonds; or affecting the validity of the Series 2025A Bonds or the titles of the present officers of the District.

No Material Adverse Change: The obligations of the District to deliver the Series 2025A Bonds and of the Series 2025A Bond Initial Purchaser to accept delivery of and pay for the Series 2025A Bonds are subject to the condition that to the time for delivery of and receipt of payment for the Series 2025A Bonds, there shall have been no material adverse change in the financial condition of the District from that set forth in or contemplated by the PRELIMINARY OFFICIAL STATEMENT, as it may have been supplemented or amended through the date of sale.

Rule G-36 Requirements: It is the responsibility of the Series 2025A Bond Initial Purchaser to comply with the Municipal Securities Rule Making Board's Rule G-36 within the required time frame. The Series 2025A Bond Initial Purchaser must send two copies of the Official Statement along with two complete Form G-36's to the appropriate address.

RULE 15c2-12 COMPLIANCE

Continuing Disclosure: The District will agree in the Series 2025A Bond Resolution to provide certain periodic information and notices of certain specified events in accordance with United States Securities and Exchange Commission (“SEC”) Rule 15c2-12, as described in the PRELIMINARY OFFICIAL STATEMENT under “CONTINUING DISCLOSURE OF INFORMATION.” The Series 2025A Bond Initial Purchaser’s obligation to accept and pay for the Series 2025A Bonds is conditioned upon delivery to the Series 2025A Bond Initial Purchaser or its agent of a certified copy of the Series 2025A Bond Resolution containing the agreement described under such heading.

Substantive Requirements for Official Statement: To the best knowledge and belief of the District, the PRELIMINARY OFFICIAL STATEMENT contains information, including financial information or operating data, concerning every entity, enterprise, fund, account, or person that is material to an evaluation of the offering of the Series 2025A Bonds. The District has complied in all material respects with its prior continuing disclosure agreement, made in accordance with SEC Rule 15c2-12.

Final Official Statement: The District has approved and authorized distribution of the accompanying PRELIMINARY OFFICIAL STATEMENT for dissemination to potential purchasers of the Series 2025A Bonds, but does not intend to prepare any other document or version thereof for such purpose, except as described below. Accordingly, the District intends the PRELIMINARY OFFICIAL STATEMENT to be final as of its date, within the meaning of SEC Rule 15c2-12(b)(1), except for information relating to the offering prices, interest rates, final debt service schedule, selling compensation, identity of the Series 2025A Bond Initial Purchaser and other similar information, terms and provisions to be specified in the competitive bidding process. The Series 2025A Bond Initial Purchaser shall be responsible for promptly informing the District of the initial offering yields of the Series 2025A Bonds. Thereafter, the District will complete and authorize distribution of the OFFICIAL STATEMENT identifying the Series 2025A Bond Initial Purchaser and containing such omitted information. The District does not intend to amend or supplement the OFFICIAL STATEMENT otherwise, except to take into account certain subsequent events, if any, as described below. By delivering the final OFFICIAL STATEMENT or any amendment or supplement thereto in the requested quantity to the Series 2025A Bond Initial Purchaser on or after the sale date, the District intends the same to be final as of such date, within the meaning of SEC Rule 15c2-12(f)(3). Notwithstanding the foregoing, the only representations concerning the absence of material misstatements or omissions from the OFFICIAL STATEMENT which are being or which will be made by the District are those described and contained in the OFFICIAL STATEMENT under the caption “PREPARATION OF OFFICIAL STATEMENT—Certification of Official Statement.”

Changes to 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 Series 2025A Bond Initial Purchaser, of any adverse event which causes the OFFICIAL STATEMENT to be materially misleading, and unless the Series 2025A Bond Initial Purchaser elects to terminate its obligation to purchase the Series 2025A Bonds, as described above under “DELIVERY OF THE SERIES 2025A BONDS AND ACCOMPANYING DOCUMENTS—Conditions to Delivery,” the District will promptly prepare and supply to the Series 2025A Bond Initial Purchaser an appropriate amendment or supplement to the OFFICIAL STATEMENT satisfactory to the Series 2025A Bond Initial Purchaser; provided, however, that the obligation of the District to so amend or supplement the OFFICIAL STATEMENT will terminate when the District delivers the Series 2025A Bonds to the Series 2025A Bond Initial Purchaser, unless the Series 2025A Bond Initial Purchaser notifies the District on or before such date that less than all of the Series 2025A Bonds have been sold to ultimate customers, in which case the District's obligations hereunder will extend for an additional period of time as provided in SEC Rule 15c2-12 (but not more than the earlier of (i) 90 days after end of the underwriting period (as described in SEC Rule 15C2-12(f)(2) or (ii) the time the OFFICIAL STATEMENT is available to any person from the MSRB, but in no case less than 25 days after the end of the underwriting period.

Delivery of Official Statements: The District shall furnish to the Series 2025A Bond Initial Purchaser (and to each participating Series 2025A Bond Initial Purchaser of the Series 2025A Bonds, within the meaning of SEC Rule 15c2-12(a), designated by the Series 2025A Bond Initial Purchaser), within seven (7) business days after the sale date, the aggregate number of OFFICIAL STATEMENTS specified in the winning bid, not to exceed 250 copies. The District also shall furnish to the Series 2025A Bond Initial Purchaser a like number of any supplements or amendments approved and authorized for distribution by the District for dissemination to potential purchasers of the Series 2025A Bonds, as well as such additional copies of the OFFICIAL STATEMENT or any such supplements or amendments as the Series 2025A Bond Initial Purchaser may reasonably request during the timeframe described in “Changes to Official Statement” above. The District shall pay the expense of preparing the number of copies of the OFFICIAL STATEMENT specified in the winning bid and an equal number of any supplements or amendments issued on or before the Date of Delivery, but the Series 2025A Bond Initial Purchaser shall pay for all other copies of the OFFICIAL STATEMENT or any supplement or amendment thereto.

GENERAL CONSIDERATIONS

Risk Factors: The Series 2025A Bonds involve certain risk factors. Prospective bidders are urged to examine carefully the entire PRELIMINARY OFFICIAL STATEMENT, with respect to the risk factors associated with the Series 2025A Bonds. Particular attention should be given to the information set forth therein under the caption “RISK FACTORS.”

Municipal Bond Rating and Municipal Bond Insurance: The District has not applied for an underlying rating nor is it expected that the District would have received an investment grade rating had such application been made. Application has been made to various municipal bond insurance companies for qualification of the Bonds for municipal bond insurance. If qualified, such insurance will be available at the option of the applicable Initial Purchaser and at the applicable Initial Purchaser’s expense. See “DELIVERY OF THE SERIES 2025A BONDS AND ACCOMPANYING DOCUMENTS—Conditions to Delivery” and “—No Material Adverse Change” herein. It should be noted that there are risk factors related to the purchase of municipal bond insurance. Accordingly, investors should evaluate the underlying credit quality of the District. See “RISK FACTORS” in the PRELIMINARY OFFICIAL STATEMENT.

Reservation of Rights: The District reserves the right to reject any and all bids and to waive any and all irregularities, except time of filing.

Not an Offer to Sell: This OFFICIAL NOTICE OF SALE does not alone constitute an offer to sell the Series 2025A Bonds but is merely notice of sale of the Series 2025A Bonds. The invitation for bids on the Series 2025A Bonds is being made by means of this OFFICIAL NOTICE OF SALE, the PRELIMINARY OFFICIAL STATEMENT and the OFFICIAL BID FORM.

Registration and Qualification of Series 2025A Bonds for Sale: The offer and sale of the Series 2025A Bonds have not been registered or qualified under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Series 2025A Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein, and the Series 2025A Bonds have not been registered or qualified under the securities acts of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Series 2025A Bonds under the securities laws of any jurisdiction in which the Series 2025A 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 Series 2025A 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. By submission of its bid, the Series 2025A Bond Initial Purchaser represents that the sale of the Series 2025A Bonds in states other than the State of Texas will be made pursuant to exemptions from registration or qualification, or where necessary, the Series 2025A Bond Initial Purchaser will register the Series 2025A Bonds in accordance with the securities laws of the state in which the Series 2025A Bonds are offered or sold. The District agrees to cooperate with the Series 2025A Bond Initial Purchaser, at the Series 2025A Bond Initial Purchaser's written request and expense, in registering or qualifying the Series 2025A Bonds or obtaining an exemption from registration or qualification (other than filing a consent to service of process in such state), in any state where such action is necessary.

Additional Copies of Documents: Additional copies of this OFFICIAL NOTICE OF SALE, the PRELIMINARY OFFICIAL STATEMENT and the OFFICIAL BID FORM may be obtained from the Financial Advisor, Masterson Advisors LLC, 2005 Melridge Place, Austin, Texas 78704.

Mr. Rick Rosenberg
President, Board of Directors
Travis County Municipal Utility District No. 26
Travis County, Texas

October 15, 2025

OFFICIAL BID FORM

President and Board of Directors
 Travis County Municipal Utility District No. 26
 c/o Masterson Advisors LLC
 2005 Melridge Place
 Austin, Texas 78704

Board Members:

We have read in detail the OFFICIAL NOTICE OF SALE and PRELIMINARY OFFICIAL STATEMENT October 15, 2025, relating to the \$1,910,000 Travis County Municipal Utility District No. 26 (the "District") Unlimited Tax Bonds, Series 2025A (the "Series 2025A Bonds"). We realize that the Series 2025A Bonds involve certain investment risks, and we have made inspections and investigations as we deem necessary relating to the District and to the investment quality of the Series 2025A Bonds.

For your legally issued Series 2025A Bonds, as described in the OFFICIAL NOTICE OF SALE and PRELIMINARY OFFICIAL STATEMENT, we will pay you a price of \$ _____, representing _____% of the principal amount thereof. Such Series 2025A Bonds mature September 1, in each of the years and in the principal amounts and interest rates shown below:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$ 40,000	_____ %	2039	\$ 75,000 *	_____ %
2028	45,000	_____ %	2040	80,000 *	_____ %
2029	45,000	_____ %	2041	85,000 *	_____ %
2030	50,000	_____ %	2042	90,000 *	_____ %
2031	50,000	_____ %	2043	95,000 *	_____ %
2032	55,000 *	_____ %	2044	100,000 *	_____ %
2033	55,000 *	_____ %	2045	105,000 *	_____ %
2034	60,000 *	_____ %	2046	110,000 *	_____ %
2035	60,000 *	_____ %	2047	115,000 *	_____ %
2036	65,000 *	_____ %	2048	120,000 *	_____ %
2037	70,000 *	_____ %	2049	130,000 *	_____ %
2038	75,000 *	_____ %	2050	135,000 *	_____ %

* Subject to optional redemption on September 1, 2031, and thereafter.

Of the principal maturities set forth in the table above, we have created term bonds as indicated in the following table (which may include multiple term bonds, one term bond or no term bond if none is indicated). For those years which have been combined into a term bond, the principal amount shown in the table above shall be the mandatory sinking fund redemption amounts in such years except that the amount shown in the year of the term bond maturity date shall mature in such year. The Term Bonds created are as follows:

<u>Term Bond Maturity Date September 1</u>	<u>Year of First Mandatory Redemption</u>	<u>Principal Amount of Term Bond</u>	<u>Interest Rate</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Our calculation (which is not a part of this bid) of the interest cost from the above is:

Gross Interest Cost from the Date of Delivery	\$ _____
Plus Dollar Amount of Discount (or Less: Dollar Amount of Premium)	\$ _____
NET INTEREST COST.....	\$ _____
NET EFFECTIVE INTEREST RATE	_____ %

The Series 2025A Bonds [are] [are not] being insured by _____ at a premium of \$ _____, said premium to be paid by the Series 2025A Bond Initial Purchaser. Any rating fees associated with the insurance will be the responsibility of the Series 2025A Bond Initial Purchaser.

The initial Series 2025A Bonds shall be registered in the name of Cede & Co. We will advise BOKF, NA, Dallas, Texas, the Paying Agent/Registrar, of our registration instructions at least five (5) business days prior to the date set for Initial Delivery.

A Cashier's Check payable to the order of the District in the amount of \$38,200 has been made available to you prior to the opening of this bid, as a Good Faith Deposit, and is submitted in accordance with the OFFICIAL NOTICE OF SALE. Should we fail or refuse to make payment for the Series 2025A Bonds in accordance with the terms and conditions set forth in the OFFICIAL NOTICE OF SALE, this check shall be cashed and the proceeds retained as complete liquidated damages against us.

Unless the bidder is exempt from such requirements pursuant to Texas Government Code § 2252.908(c)(4), the District may not accept this bid until it has received from the bidder a completed and signed TEC Form 1295 and Certification of Filing pursuant to Texas Government Code § 2252.908 and the rules promulgated thereunder by the Texas Ethics Commission. The undersigned understands that failure to provide said form and Certification of Filing, when required, will result in a non-conforming bid and will prohibit the District from considering this bid for acceptance.

The bidder makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Official Bid Form. As used in the following verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the bidder within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Official Bid Form shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Official Bid Form or Notice of Sale, notwithstanding anything in this Official Bid Form or Notice of Sale to the contrary.

- (i) No Boycott of Israel Verification (Texas Government Code Chapter 2271). The Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Official Bid Form. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.
- (ii) Not a Sanctioned Company (Texas Government Code Chapter 2252). The Purchaser represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the bidder and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.
- (iii) No Boycott of Energy Companies (Texas Government Code Chapter 2276). The Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Official Bid Form. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.
- (iv) No Discrimination Against Firearm Entities or Firearm Trade Associations (Texas Government Code Chapter 2274). The Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Official Bid Form. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

By submitting this bid, the Purchaser understands and agrees that if Purchaser should fail or refuse to take up and pay for the Series 2025A Bonds in accordance with this bid, or it is determined that after the acceptance of this bid by the District that the Purchaser was found not to satisfy the requirements described in the Official Notice of Sale and Bidding Instructions under the heading "CONDITIONS OF SALE" and as a result the Texas Attorney General will not deliver its approving opinion of the Series 2025A Bonds, then the check submitted herewith as the Purchaser's Good Faith Deposit shall be cashed and accepted by the District. IF THE DISTRICT CASHES THE PURCHASER'S GOOD FAITH DEPOSIT AS DESCRIBED ABOVE, SUCH ACTION DOES NOT CONSTITUTE COMPLETE OR LIQUIDATED DAMAGES RELATED TO THE PURCHASER'S BREACH OF ANY OF THE COVERED VERIFICATIONS.

By submitting this bid, the Purchaser understands and agrees that the liability of the Purchaser for breach of any of the verifications made in connection with Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended and as described above (collectively, the "Covered Verifications") shall survive until barred by the statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Official Bid Form or the Official Notice of Sale. Additionally, the Purchaser acknowledges and agrees that the District reserves and retains all rights and remedies at law and in equity for pursuit and recovery of damages, if any, relating to the Covered Verifications. By submitting this bid, the Purchaser understands and agrees that it must have a standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General's

Office in the form included as Exhibit A to the All Bond Counsel Letter of the Texas Attorney General dated November 1, 2023 and any supplements thereto (the "All Bond Counsel Letter"). In submitting this bid, the Purchaser represents to the District that it has filed a standing letter in the form included as Exhibit A to the All Bond Counsel Letter without qualification and including current statutory citations and it has no reason to believe that the District may not be entitled to rely on the standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General's Office. The Purchaser hereby further agrees that it will not rescind its standing letter at any time before the delivery of the Series 2025A Bonds unless the same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

The Purchaser agrees to provide such further representations, certifications or assurances in connection with the Covered Verifications, as of the delivery date of the Series 2025A Bonds or such other date requested by the District including, but not limited to, a bring down certification as provided by the All Bond Counsel Letter.

The Purchaser understands and agrees that to the extent the Purchaser and each syndicate member listed on the Official Bid Form is unable to provide a Standing Letter in a form satisfactory to the Texas Office of the Attorney General, the District reserves the right to cash and accept the Good Faith Deposit (see "CONDITIONS OF SALE – Good Faith Deposit" in the Official Notice of Sale).

NOTWITHSTANDING ANYTHING CONTAINED HEREIN, THE REPRESENTATIONS AND COVENANTS CONTAINED IN THIS OFFICIAL BID FORM SHALL SURVIVE TERMINATION OF THE OFFICIAL BID FORM OF THE PURCHASER TO PURCHASE THE SERIES 2025A BONDS UNTIL THE STATUTE OF LIMITATIONS HAS RUN.

At the request of the District, the undersigned agrees to execute further written certification as may be necessary or convenient for the District to establish compliance with the foregoing.

The undersigned certifies that the Series 2025A Bond Initial Purchaser [is]/[is not] exempt from filing the TEC Form 1295 by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

The undersigned agrees to complete, execute, and deliver to the District, by the date of delivery of the Series 2025A Bonds, a certificate relating to the "issue price" of the Series 2025A Bonds in the form accompanying the OFFICIAL NOTICE OF SALE, with such changes thereto as may be acceptable to the District.

Respectfully submitted,

By:

Syndicate Members (if any):

Check One:

Disclosure Form(s) – Each entity executing this OFFICIAL BID FORM will provide a Disclosure Form as and when required by the Notice of Sale and Bidding Instructions.

Publicly Traded Entity Representation – The bidder hereby represents to the District that it is a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by Travis County Municipal Utility District No. 26, this 12th day of November, 2025.

ATTEST:

Secretary, Board of Directors
Travis County Municipal Utility District No. 26

President, Board of Directors
Travis County Municipal Utility District No. 26

BOND YEARS

Due: September 1, Annually
Interest Accrual Date: December 18, 2025

<u>Year</u>	<u>Principal</u>	<u>Bond Years</u>	<u>Cumulative Bond Years</u>
2027	\$ 40,000	68.11	68.11
2028	45,000	121.63	189.74
2029	45,000	166.63	356.36
2030	50,000	235.14	591.50
2031	50,000	285.14	876.64
2032	55,000	368.65	1,245.29
2033	55,000	423.65	1,668.94
2034	60,000	522.17	2,191.11
2035	60,000	582.17	2,773.28
2036	65,000	695.68	3,468.96
2037	70,000	819.19	4,288.15
2038	75,000	952.71	5,240.86
2039	75,000	1,027.71	6,268.57
2040	80,000	1,176.22	7,444.79
2041	85,000	1,334.74	8,779.53
2042	90,000	1,503.25	10,282.78
2043	95,000	1,681.76	11,964.54
2044	100,000	1,870.28	13,834.82
2045	105,000	2,068.79	15,903.61
2046	110,000	2,277.31	18,180.92
2047	115,000	2,495.82	20,676.74
2048	120,000	2,724.33	23,401.07
2049	130,000	3,081.36	26,482.43
2050	135,000	3,334.88	29,817.31
Total	<u>\$ 1,910,000</u>		
	Average Maturity	15.611	

Option 1
ISSUE PRICE CERTIFICATE
(Sale where at least 3 bids are received from Initial Purchasers)

The undersigned, as the underwriter or the manager of the syndicate of underwriters (“Series 2025A Bond Initial Purchaser”), with respect to the purchase at competitive sale of the Unlimited Tax Bonds, Series 2025A issued by the Travis County Municipal Utility District No. 26 (“Issuer”) in the principal amount of \$1,910,000 (“Series 2025A Bonds”), hereby certifies and represents, based on its records and information, as follows:

(a) On the first day on which there was a binding contract in writing for the purchase of the Series 2025A Bonds by the Series 2025A Bond Initial Purchaser, the Series 2025A Bond Initial Purchaser’s reasonably expected initial offering prices of each maturity of the Series 2025A Bonds with the same credit and payment terms (the “Expected Offering Prices”) to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Series 2025A Bond Initial Purchaser are as set forth in the pricing wire or equivalent communication for the Series 2025A Bonds, as attached to this Certificate as Schedule A. The Expected Offering Prices are the prices for the Series 2025A Bonds used by the Series 2025A Bond Initial Purchaser in formulating its bid to purchase the Series 2025A Bonds.

(b) The Series 2025A Bond Initial Purchaser had an equal opportunity to bid to purchase the Series 2025A Bonds and it was not given the opportunity to review other bids that was not equally given to all other bidders (i.e., no last look).

(c) The bid submitted by the Series 2025A Bond Initial Purchaser constituted a firm bid to purchase the Series 2025A Bonds.

(d) The Series 2025A Bond Initial Purchaser has []/has not [] purchased bond insurance for the Series 2025A Bonds. The bond insurance has been purchased from _____ (the “Insurer”) for a fee of \$_____ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer’s commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm’s-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Series 2025A Bonds. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Series 2025A Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Series 2025A Bonds in an amount which would exceed the portion of such fee that has not been earned.

For purposes of this Issue Price Certificate, the term “Series 2025A Bond Initial Purchaser” means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2025A Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2025A Bonds to the Public) to participate in the initial sale of the Series 2025A Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Series 2025A Bonds, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Series 2025A Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Series 2025A Bonds. Notwithstanding anything set forth herein, the Series 2025A Bond Initial Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED this _____ day of _____, 2025.

Name of Series 2025A Bond Initial Purchaser or Manager

By: _____

Title: _____

SCHEDULE A
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

Option 2
ISSUE PRICE CERTIFICATE
(Sales where less than 3 bids are received from Initial Purchasers)

The undersigned, as the underwriter or the manager of the syndicate of underwriters (“Series 2025A Bond Initial Purchaser”), with respect to the purchase at competitive sale of the Unlimited Tax Bonds, Series 2025A issued by the Travis County Municipal Utility District No. 26 (“Issuer”) in the principal amount of \$1,910,000 (“Series 2025A Bonds”), hereby certifies and represents, based on its records and information, as follows:

(a) Other than the Series 2025A Bonds maturing in _____ (“Hold-the-Price Maturities”), if any, the first prices at which at least ten percent (“Substantial Amount”) of the principal amount of each maturity of the Series 2025A Bonds having the same credit and payment terms (“Maturity”) was sold on the Sale Date to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Series 2025A Bond Initial Purchaser (“Public”) are their respective initial offering prices (the “Initial Offering Prices”), as listed in the pricing wire or equivalent communication for the Series 2025A Bonds that is attached to this Certificate as Schedule A.

(b) On or before the first day on which there is a binding contract in writing for the sale of the Series 2025A Bonds (“Sale Date”), the Series 2025A Bond Initial Purchaser offered to the Public each Hold-the-Price Maturity at their respective Initial Offering Prices, as set forth in Schedule A hereto.

(c) As set forth in the Notice of Sale, the Series 2025A Bond Initial Purchaser agreed in writing to neither offer nor sell any of the Hold-the-Price Maturities to any person at any higher price than the Initial Offering Price for such Maturity until the earlier of the close of the fifth business day after the Sale Date or the date on which the Series 2025A Bond Initial Purchaser sells a Substantial Amount of a Maturity of the Series 2025A Bonds to the Public at no higher price than the Initial Offering Price for such Maturity.

(d) The Series 2025A Bond Initial Purchaser has [_____] /has not [___] purchased bond insurance for the Series 2025A Bonds. The bond insurance has been purchased from _____ (the “Insurer”) for a fee of \$ _____ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer’s commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm’s-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Series 2025A Bonds. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Series 2025A Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Series 2025A Bonds in an amount which would exceed the portion of such fee that has not been earned.

For purposes of this Issue Price Certificate, the term “Series 2025A Bond Initial Purchaser” means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2025A Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2025A Bonds to the Public) to participate in the initial sale of the Series 2025A Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Series 2025A Bonds, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Series 2025A Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Series 2025A Bonds. Notwithstanding anything set forth herein, the Series 2025A Bond Initial Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED this _____ day of _____ 2025.

Name of Series 2025A Bond Initial Purchaser or Manager

By: _____

Title: _____

SCHEDULE A
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

This OFFICIAL NOTICE OF SALE does not alone constitute an invitation for bids on the Series 2025B Road Bonds but is merely notice of sale of the Series 2025B Road Bonds described herein. The invitation for bids is being made by means of this OFFICIAL NOTICE OF SALE, the PRELIMINARY OFFICIAL STATEMENT and the OFFICIAL BID FORM attached hereto. Information contained in this OFFICIAL NOTICE OF SALE is qualified in its entirety by the detailed information contained in the PRELIMINARY OFFICIAL STATEMENT.

OFFICIAL NOTICE OF SALE

\$3,490,000

TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

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

UNLIMITED TAX ROAD BONDS SERIES 2025B

THE SERIES 2025B ROAD BONDS WILL BE DESIGNATED “QUALIFIED TAX-EXEMPT OBLIGATIONS” FOR FINANCIAL INSTITUTIONS

BIDS DUE: Wednesday, November 12, 2025, at 9:00 A.M., Central Daylight Time in Austin, Texas
BID AWARD: Wednesday, November 12, 2025, at 11:00 A.M., Central Daylight Time in Austin, Texas

THE SALE

Bonds Offered for Sale by Competitive Bidding: The Board of Directors (the “Board”) of Travis County Municipal Utility District No. 26 (the “District”) is inviting competitive bids for the purchase of \$3,490,000 Unlimited Tax Road Bonds, Series 2025B (the “Series 2025B Road Bonds”). Bidders may submit bids for the Series 2025B Road Bonds by any of the following methods:

- (1) Deliver bids directly to the District as described below in “Bids Delivered to the District;”
- (2) Submit bids electronically as described below in “Electronic Bidding Procedures;” or
- (3) Submit bids by telephone as described below in “Bids by Telephone.”

Bids Delivered to the District: Sealed bids, plainly marked “Bid for Series 2025B Road Bonds,” should be addressed to “President and Board of Directors, Travis County Municipal Utility District No. 26” and delivered in care of Masterson Advisors LLC, 2005 Melridge Place, Austin, Texas 78704 prior to 9:00 A.M., Central Daylight Time, on Wednesday, November 12, 2025. All bids must be submitted in duplicate on the OFFICIAL BID FORM, without alteration or interlineation.

Electronic Bidding Procedures: Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY by 9:00 A.M., Central Daylight Time, on Wednesday, November 12, 2025. Bidders must submit by email (john.barganski@mastersonadvisors.com/713-814-0568), prior to 9:00 A.M., Central Daylight Time, Wednesday, November 12, 2025, a signed OFFICIAL BID FORM to John Barganski, Masterson Advisors LLC, 2005 Melridge Place, Austin, Texas 78704. *A signed OFFICIAL BID FORM received after 9:00 A.M., Central Daylight Time, may result in the electronic bid not being accepted by the Board.* Subscription to the i-Deal LLC’s BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Series 2025B Road Bonds on the terms provided in this OFFICIAL NOTICE OF SALE, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the District. The District shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this OFFICIAL NOTICE OF SALE shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this OFFICIAL NOTICE OF SALE shall control. Further information about PARITY, including any fee charged, may be obtained from PARITY Customer Support, 1359 Broadway, 2nd Floor, New York, New York 10018, telephone: (212) 849-5000.

For purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by PARITY shall constitute the official time. **For information purposes only, bidders are requested to state in their electronic bids the net interest cost to the District, as described under “Basis of Award” below. All electronic bids shall be deemed to incorporate the provisions of this OFFICIAL NOTICE OF SALE and the OFFICIAL BID FORM.**

Bids by Telephone: Bidders must submit by email (john.barganski@mastersonadvisors.com/713-814-0568), prior to 9:00 A.M., Central Daylight Time, on Wednesday, November 12, 2025, a signed OFFICIAL BID FORM to John Barganski, Masterson Advisors LLC, 2005 Melridge Place, Austin, Texas 78704, and submit their bid by telephone on the date of the sale.

Telephone bidders that have provided signed bid forms will be telephoned by a representative of Masterson Advisors LLC, as financial advisor for the District, between 8:30 A.M. and 8:50 A.M., Central Daylight Time on the date of the sale.

Facsimile bids will not be accepted.

The District and Masterson Advisors LLC are not responsible if such telephone is busy or is malfunctioning, which prevents a bid or bids from being submitted on a timely basis. **Masterson Advisors LLC will not be responsible for submitting any bids received after the above deadlines.** The District and Masterson Advisors LLC assume no responsibility or liability with respect to any irregularities associated with the submission of bids if the telephone option is exercised.

Place and Time of Bid Opening: The bids for the Series 2025B Road Bonds will be opened and reviewed by an authorized representative of Masterson Advisors LLC, 2005 Melridge Place, Austin, Texas 78704, at 9:00 A.M., Central Daylight Time, Wednesday, November 12, 2025.

Award of the Series 2025B Road Bonds: The District will take action to award the Series 2025B Road Bonds or reject any and all bids or accept the qualified bid that produces the lower net effective interest rate on the Series 2025B Road Bonds at a meeting scheduled to convene at 11:00 A.M., Central Daylight Time, on the date of the bid opening at McLean & Howard LLP, 4301 Bull Creek Road, Suite 150, Austin, Texas 78731. Upon awarding the Series 2025B Road Bonds to the winning bidder (the “Series 2025B Road Bond Initial Purchaser”), the Board will adopt a resolution authorizing the issuance of the Series 2025B Road Bonds (the “Series 2025B Road Bond Resolution”). Sale of the Series 2025B Road Bonds will be made subject to the terms, conditions and provisions of the Series 2025B Road Bond Resolution, to which Series 2025B Road Bond Resolution reference is hereby made for all purposes and subject to compliance with Texas Government Code § 2252.908 as more fully described below. The District reserves the right to reject any and all bids and to waive any irregularities, except the time of filing of the bids.

THE SERIES 2025B ROAD BONDS

Description of the Series 2025B Road Bonds: The Series 2025B Road Bonds will be dated December 1, 2025, interest will accrue from the Date of Delivery (as defined herein), and interest will be payable on March 1, 2026 and on each September 1 and March 1 thereafter until the earlier of maturity or redemption. The Series 2025B Road Bonds will be issued in fully registered form only, in denominations of \$5,000 or any integral multiple of \$5,000 for any one maturity, and principal and interest will be paid, initially by BOKF, NA, Dallas, Texas (the “Paying Agent/Registrar,” “Paying Agent” or “Registrar”). The Series 2025B Road 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 Series 2025B Road Bonds. Beneficial Owners of the Series 2025B Road Bonds will not receive physical certificates representing the Series 2025B Road 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 Series 2025B Road Bonds, the principal of and interest on the Series 2025B Road 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 Series 2025B Road Bonds as described herein. See the PRELIMINARY OFFICIAL STATEMENT (made a part hereof) for a more complete description of the Series 2025B Road Bonds. The Series 2025B Road Bonds will mature serially on September 1 in each of the years and principal amounts as follows:

<u>YEAR</u> <u>DUE</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>	<u>YEAR</u> <u>DUE</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>	<u>YEAR</u> <u>DUE</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>
2027	\$ 75,000	2035	\$ 115,000	2043	\$ 170,000
2028	80,000	2036	120,000	2044	180,000
2029	85,000	2037	125,000	2045	190,000
2030	90,000	2038	135,000	2046	200,000
2031	95,000	2039	140,000	2047	210,000
2032	100,000	2040	145,000	2048	220,000
2033	105,000	2041	155,000	2049	235,000
2034	110,000	2042	165,000	2050	245,000

Serial Bonds and/or Term Bonds: Bidders may provide that all the Series 2025B Road Bonds be issued as serial bonds or may provide that any two or more consecutive annual principal amounts be combined into one or more term bonds.

Redemption Provisions: Series 2025B Road Bonds maturing on or after September 1, 2032, are subject to redemption prior to maturity, at the option of the District, in whole, or from time to time in part, on September 1, 2031, or on any date thereafter at a price equal to the principal amount of the Series 2025B Road Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption. If fewer than all of the Series 2025B Road Bonds are redeemed at any time, the particular maturities of Series 2025B Road Bonds to be redeemed shall be selected by the District. If less than all the Series 2025B Road Bonds of any maturity are redeemed at any time, the particular Series 2025B Road 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 Series 2025B Road Bonds are in book-entry-only form).

Mandatory Sinking Fund Redemption: If the Series 2025B Road Bond Initial Purchaser designates principal amounts to be combined into one or more term bonds, each such term bond shall be subject to mandatory sinking fund redemption commencing on September 1 of the first year which has been combined to form such term bond and continuing on September 1 in each year thereafter until the stated maturity date of that term bond. The amount redeemed in any year shall be equal to the principal amount for such year set forth on the cover page of the PRELIMINARY OFFICIAL STATEMENT under the caption "MATURITY SCHEDULE." Series 2025B Road Bonds to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at par by lot or other customary method. The principal amount of Term Bonds to be mandatorily redeemed is subject to proportionate reduction by the amount of any prior optional redemption.

Successor Paying Agent/Registrar: Provision is made in the Series 2025B Road 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 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 banking authorities.

Source of Payment: The Series 2025B Road Bonds will constitute valid and binding obligations of the District, payable as to principal and interest from the proceeds of a continuing direct annual ad valorem tax without legal limitation as to rate or amount, levied against taxable property located within the District, as further described in the PRELIMINARY OFFICIAL STATEMENT. The Series 2025B Road Bonds are obligations solely the District and are not obligations of Travis County, the State of Texas, or any entity other than the District.

CONDITIONS OF THE SALE

Types of Bids and Interest Rates: The Series 2025B Road Bonds will be sold in one block, "all or none," and no bid of less than ninety-seven percent (97%) of par will be accepted. Bidders are to name the rate or rates of interest to be borne by the Series 2025B Road Bonds, provided that each interest rate bid must be in a multiple of 1/8 of 1% or 1/20 of 1%. No bid which results in a net effective interest rate as defined by Chapter 1204, Texas Government Code, as amended, in excess of ___% will be considered. No bid generating a cash premium greater than \$5,000 will be accepted. Subject to the conditions below, no limitation will be imposed upon bidders as to the number of interest rates that may be used, but each rate of interest for the period 2035 (base year) through 2050, cannot be less than the rate of interest specified for any earlier maturity during the period 2035 through 2050 and the highest interest rate bid may not exceed the lowest interest rate bid by more than 2.5% in rate. All Series 2025B Road Bonds maturing within a single year must bear the same rate of interest, and no bids for the Series 2025B Road Bonds involving supplemental interest rates will be considered. Each bidder shall state in its bid the total and net interest cost in dollars and the net effective interest rate determined thereby, which shall be considered informative only and not as a part of the bid.

Provision of Texas Ethics Commission Form 1295 ("TEC Form 1295") by Bidders: In accordance with Texas Government Code Section 2252.908 (the "Interested Party Disclosure Act"), the District may not award the Series 2025B Road Bonds to a bidder unless the winning bidder either:

- (i) submits a Certificate of Interested Parties Form 1295 (the "TEC Form 1295") to the District as prescribed by the Texas Ethics Commission ("TEC"), or
- (ii) certifies in the OFFICIAL BID FORM that it is exempt from filing the TEC Form 1295 by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

In the event that the bidder's bid for the Series 2025B Road Bonds is the best bid received, the District, acting through its financial advisor, will promptly notify the winning bidder. That notification will serve as the District's conditional verbal acceptance of the bid, and, unless the bidder is exempt from filing a TEC Form 1295, such notification will obligate the winning bidder to promptly file a completed TEC Form 1295, as described below, in order to allow the District to complete the award. The District reserves the right to reject any bid that does not comply with the requirements prescribed herein.

For purposes of completing the TEC Form 1295, box 2 is name of the governmental entity (*Travis County Municipal Utility District No. 26*) and box 3 is the identification number assigned to this contract by the District (*Travis MUD 26-UTBRD-2025B*) and description of the goods or services (*Purchase of Travis County MUD No. 26 Unlimited Tax Road Bonds, Series 2025B*). **The Interested Party Disclosure Act and the rules adopted by the TEC with respect thereto (the "Disclosure Rules") require certain business entities contracting with the District to complete the TEC Form 1295 electronically at <https://www.ethics.state.tx.us/main/file.htm>, print, complete the unsworn declaration, sign, and deliver, in physical form, the certified TEC Form 1295 that is generated by the TEC's "electronic portal" to the District. The completed and signed TEC Form 1295 must be sent by email, to the District's financial advisor at john.barganski@mastersonadvisors.com, as soon as possible following the notification of conditional verbal acceptance and prior to the final written award. Upon receipt of the final written award, the winning bidder must submit the TEC Form 1295 with original signatures by email to General Counsel as follows: tcorbett@mcleanhowardlaw.com.**

To the extent that the bidder is not exempt from filing a TEC Form 1295 and therefore makes such filing with the District, the Interested Party Disclosure Act and the TEC Form 1295 provide that such declaration is made “under oath and under penalty of perjury.” Consequently, a bidder should take appropriate steps prior to completion of the TEC Form 1295 to familiarize itself with the Interested Party Disclosure Act, the Disclosure Rules and the TEC Form 1295. **Time will be of the essence in submitting the form to the District, and no final award will be made by the District regarding the sale of the Series 2025B Road Bonds until a completed TEC Form 1295 is received. The District reserves the right to reject any bid that does not satisfy the requirement of a completed TEC Form 1295, as described herein.** Neither the District nor its consultants have the ability to verify the information included in a TEC Form 1295, and neither party has an obligation nor undertakes responsibility for advising any bidder with respect to the proper completion of the TEC Form 1295. Consequently, an entity intending to bid on the Series 2025B Road Bonds should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the District that its bid is the conditional winning bid. Instructional videos on logging in and creating a certificate are provided on the TEC’s website at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm.

Impact Of Bidding Syndicate On Award: For purposes of contracting for the sale of the Series 2025B Road Bonds, the entity signing the bid form as Series 2025B Road Bond Initial Purchaser shall be solely responsible for the payment of the purchase price of the Series 2025B Road Bonds. The Series 2025B Road Bond Initial Purchaser may serve as a syndicate manager and contract under a separate agreement with other syndicate members. However, the District is not a party to that agreement and any information provided regarding syndicate managers would be for informational purposes only.

Basis Of Award: For the purpose of awarding the sale of the Series 2025B Road Bonds, the interest cost of each bid will be computed by determining, at the interest rate or rates specified therein, the total dollar value of all interest on the Series 2025B Road Bonds from the Date of Delivery (as defined herein) thereof to their respective maturities and adding thereto the dollar amount of the discount bid, if any, or subtracting therefrom the dollar amount of the premium bid, if any. Subject to the District’s right to reject any or all bids and the bidder’s compliance with Texas Government Code §2252.908 (which is described in detail herein), the Series 2025B Road Bonds will be awarded to the bidder whose bid, under the above computation, produces the lowest net effective interest rate to the District.

In order to provide the District with information required to be submitted to the Texas Bond Review Board pursuant to Section 1202.008, Texas Government Code, as amended, the Series 2025B Road Bond Initial Purchaser will be required to provide the District with a breakdown of its “underwriting spread” among the following categories: Takedown, Management Fee (if any), Legal Counsel Fee (if any) and Spread Expenses (if any).

Verifications Of Statutory Representations And Covenants: The District will not award the Series 2025B Road Bonds to a bidder unless the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended (the “Government Code”), are included in the Official Bid Form. As used in such verifications, “affiliate” means an entity that controls, is controlled by, or is under common control with the bidder within the meaning of Securities and Exchange Commission Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of the Official Bid Form shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of the Official Bid Form or Official Notice of Sale, notwithstanding anything in the Official Bid Form or Official Notice of Sale to the contrary.

- (i) No Boycott of Israel (Texas Government Code Chapter 2271): A bidder must verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of the Official Bid Form. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.
- (ii) Not a Sanctioned Company (Texas Government Code Chapter 2252): A bidder must represent that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes a bidder and each of its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.
- (iii) No Discrimination Against Firearm Entities or Firearm Trade Associations (Texas Government Code Chapter 2274): A bidder must verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the Official Bid Form. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

- (iv) No Boycott of Energy Companies (Texas Government Code Chapter 2276): A bidder must verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of the Official Bid Form. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

Further State Law Compliance And Standing Letter Requirement: Each prospective bidder must have a standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General’s Office in the form included as Exhibit A to the All Bond Counsel Letter of the Texas Attorney General dated November 1, 2023 and any supplements thereto (the “All Bond Counsel Letter”). In submitting a bid, a bidder represents to the District that it has filed a standing letter in the form included as Exhibit A to the All Bond Counsel Letter without qualification and including current statutory citations and it has no reason to believe that the District may not be entitled to rely on the standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General’s Office. The bidder agrees that it will not rescind its standing letter at any time before the delivery of the Series 2025B Road Bonds unless the same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

The District will not accept a bid from a bidder that does not have such standing letter on file as of the deadline for bids for the Series 2025B Road Bonds. If requested by the District, the Purchaser agrees to provide such further representations, certifications or assurances in connection with the Covered Verifications (defined below), as of the delivery date of the Series 2025B Road Bonds or such other date requested by the District including, but not limited to, a bring down certification as provided by the All Bond Counsel Letter.

THE DISTRICT RESERVES THE RIGHT, IN ITS SOLE DISCRETION, TO REJECT THE BID OF ANY BIDDER WHO IS, OR WHOSE PARENT COMPANY, SUBSIDIARIES OR AFFILIATES ARE, ON A LIST MAINTAINED BY THE TEXAS COMPTROLLER OR HAS RECEIVED A LETTER OR OTHER INQUIRY FROM A POLITICAL SUBDIVISION, THE TEXAS COMPTROLLER, OR THE TEXAS ATTORNEY GENERAL RELATED TO ITS INCLUSION ON ANY LIST OF FINANCIAL COMPANIES BOYCOTTING ENERGY COMPANIES OR DISCRIMINATING AGAINST FIREARM ENTITIES.

BY SUBMITTING A BID, EACH BIDDER AGREES, SHOULD IT BE THE WINNING BIDDER, TO COOPERATE WITH THE DISTRICT AND TAKE ANY ACTION NECESSARY TO FURTHER VERIFY AND CONFIRM COMPLIANCE WITH STATE LAW.

To the extent the Purchaser and each syndicate member listed on the Official Bid Form is unable to provide a Standing Letter in a form satisfactory to the Texas Office of the Attorney General, the District reserves the right to cash and accept the Good Faith Deposit (see “CONDITIONS OF SALE - Good Faith Deposit”). **THE LIABILITY OF THE BIDDER FOR BREACH OF ANY OF THE VERIFICATIONS MADE IN CONNECTION WITH CHAPTERS 2252, 2271, 2274, AND 2276, TEXAS GOVERNMENT CODE, AS AMENDED (COLLECTIVELY, THE “COVERED VERIFICATIONS”) SHALL SURVIVE UNTIL BARRED BY THE STATUTE OF LIMITATIONS, AND SHALL NOT BE LIQUIDATED OR OTHERWISE LIMITED BY ANY PROVISION OF THIS OFFICIAL NOTICE OF SALE OR THE OFFICIAL BID FORM. ADDITIONALLY, THE DISTRICT RESERVES AND RETAINS ALL RIGHTS AND REMEDIES AT LAW AND IN EQUITY FOR PURSUIT AND RECOVERY OF DAMAGES, IF ANY, RELATING TO THE COVERED VERIFICATIONS.**

Good Faith Deposit: Each bid must be accompanied by a bank cashier’s check payable to the order of “Travis County Municipal Utility District No. 26” in the amount of \$69,800, which represents two percent (2%) of the principal amount of the Series 2025B Road Bonds. The check will be considered as a Good Faith Deposit, and the check of the successful bidder (the “Series 2025B Road Bond Initial Purchaser”) will be retained uncashed by the District until the Series 2025B Road Bonds are delivered. In the event the Series 2025B Road Bond Initial Purchaser should fail or refuse to accept delivery of and pay for the Series 2025B Road Bonds in accordance with its bid, then the Good Faith Deposit shall be cashed and the proceeds accepted by the District as full and complete liquidated damages against the Series 2025B Road Bond Initial Purchaser. The Good Faith Deposit may accompany the OFFICIAL BID FORM or it may be submitted separately. If submitted separately, it shall be made available to the District prior to the opening of the bids and shall be accompanied by instructions from the bank on which it is drawn to authorize its use as a Good Faith Deposit by the bidder, who shall be named in such instructions. The Good Faith Deposit will be returned immediately after full payment has been made by the Series 2025B Road Bond Initial Purchaser to the District in federal or immediately available funds in the amount of the purchase price plus accrued interest thereon. No interest will be paid on the Good Faith Deposit. The checks accompanying bids other than the winning bid will be returned immediately after the bids are opened and an award of the Series 2025B Road Bonds has been made.

Establishing The Issue Price For The Series 2025B Road Bonds: The District intends to rely on Treasury Regulation section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of municipal bonds), which require, among other things, that the District receives bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Requirement”).

In the event that the bidding process does not satisfy the Competitive Sale, Bids will not be subject to cancellation and the winning bidder (i) agrees to promptly report to the District the first prices at which at least 10% of each maturity of the Series 2025B Road Bonds (the “First Price Maturity”) have been sold to the Public on the Sale Date (the “10% Test”) (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test) and (ii) agrees to hold-the-offering-price of each maturity of the Series 2025B Road Bonds that does not satisfy the 10% Test (“Hold-the-Price Maturity”), as described below.

In order to provide the District with information that enables it to comply with the establishment of the issue price of the Series 2025B Road Bonds under the Internal Revenue Code of 1986, as amended, the winning bidder agrees to complete, execute, and timely deliver to the District or to the District’s municipal advisor, Masterson Advisors LLC (the “District’s Municipal Advisor”) a certification as to the Series 2025B Road Bonds’ “issue price” (the “Issue Price Certificate”) substantially in the form and to the effect attached hereto or accompanying this Notice of Sale, within 5 business days prior to the Closing Date if the Competitive Sale Requirement is satisfied or within 5 business days of the date on which the 10% Test is satisfied with respect to all of the First Price Maturities. In the event the winning bidder will not reoffer any maturity of the Series 2025B Road Bonds for sale to the Public (as defined herein) by the Closing Date, the Issue Price Certificate may be modified in a manner approved by the District. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain such facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to General Counsel (identified in the PRELIMINARY OFFICIAL STATEMENT).

For purposes of this section of this Notice of Sale:

- (i) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Series 2025B Road Bond Initial Purchaser or a Related Party to the Series 2025B Road Bond Initial Purchaser,
- (ii) “Initial Purchaser” means (A) any person that agrees pursuant to a written contract with the District (or with the lead Series 2025B Road Bond Initial Purchaser to form an underwriting syndicate) to participate in the initial sale of the Series 2025B Road Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2025B Road Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2025B Road Bonds to the Public),
- (iii) “Related Party” means any two or more persons (including an individual, trust, estate, partnership, association, company, or corporation) that are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “Sale Date” means the date that the Series 2025B Road Bonds are awarded by the District to the winning bidder. All actions to be taken by the District under this Notice of Sale to establish the issue price of the Series 2025B Road Bonds may be taken on behalf of the District by the District’s Municipal Advisor, and any notice or report to be provided to the District may be provided to the District’s Municipal Advisor.

The District will consider any bid submitted pursuant to this Notice of Sale to be a firm offer for the purchase of the Series 2025B Road Bonds, as specified in the bid and, if so stated, in the OFFICIAL BID FORM.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Series 2025B Road Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Series 2025B Road Bond Initial Purchaser, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A) to report the prices at which it sells to the Public the unsold Series 2025B Road Bonds of each maturity allocated to it until either all such Series 2025B Road Bonds have been sold or it is notified by the winning bidder that either the 10% Test has been satisfied as to the Series 2025B Road Bonds of that maturity, (B) to promptly notify the winning bidder of any sales of Series 2025B Road Bonds that, to its knowledge, are made to a purchaser who is a Related Party to an Series 2025B Road Bond Initial Purchaser, and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder will assume that based on such agreement each order submitted by the underwriter, dealer or broker-dealer is a sale to the Public; and (ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Series 2025B Road Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Series 2025B Road Bond Initial Purchaser that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2025B Road Bonds to the Public to require each underwriter or dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the Public the unsold Series 2025B Road Bonds of each maturity allocated to it until either all such Series 2025B Road Bonds have been sold or it is notified by the winning bidder or such Series 2025B Road Bond Initial Purchaser that either the 10% Test has been satisfied as to the Series 2025B Road Bonds of that maturity. Sales of any Series 2025B Road Bonds to any person that is a Related Party to an Series 2025B Road Bond Initial Purchaser shall not constitute sales to the public for purposes of this Notice of Sale.

By submitting a bid, the winning bidder agrees, on behalf of each Series 2025B Road Bond Initial Purchaser participating in the purchase of the Series 2025B Road Bonds, that each Series 2025B Road Bond Initial Purchaser will neither offer nor sell any Hold-the-Price Maturity to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of (1) the close of the fifth (5th) business day after the Sale Date; or (2) the date on which the Series 2025B Road Bond Initial Purchasers have sold at least 10% of that Hold-the-Price Maturity to the Public at a price that is no higher than the initial offering price to the Public. The winning bidder shall promptly advise the District when the Initial Purchasers have sold 10% of a Hold-the-Price Maturity to the Public at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

DELIVERY OF THE SERIES 2025B ROAD BONDS AND ACCOMPANYING DOCUMENTS

Initial Delivery of Initial Bond: Initial delivery (“Initial Delivery”) will be accomplished by the issuance of one initial bond (the “Initial Bond”), either in typed or printed form, in the aggregate principal amount of \$3,490,000, payable in stated installments, registered in the name of the Series 2025B Road Bond Initial Purchaser, manually signed by the President and Secretary of the Board, or executed by the facsimile signatures of the President and Secretary of the Board, and approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of Texas or his authorized deputy. Initial Delivery will be at the corporate trust office of the Paying Agent/Registrar in Dallas, Texas. Payment for the Series 2025B Road Bonds must be made in immediately available funds for unconditional credit to the District, or as otherwise directed by the District. The Series 2025B Road Bond Initial Purchaser will be given three (3) business days’ notice of the time fixed for delivery of the Series 2025B Road Bonds. It is anticipated that Initial Delivery can be made on or about December 18, 2025 (the “Date of Delivery”), and subject to the aforementioned notice it is understood and agreed that the Series 2025B Road Bond Initial Purchaser will accept delivery of and make payment for the Series 2025B Road Bonds by 10:00 A.M., Central Daylight Time, on the Date of Delivery, or thereafter on the date the Series 2025B Road Bonds are tendered for delivery, up to and including January 15, 2026. If for any reason the District is unable to make delivery on or before January 15, 2026 then the District shall immediately contact the Series 2025B Road Bond Initial Purchaser and offer to allow the Series 2025B Road Bond Initial Purchaser to extend its offer for an additional thirty (30) days. If the Series 2025B Road Bond Initial Purchaser does not elect to extend its offer within three (3) business days thereafter, then its Good Faith Deposit will be returned, and both the District and the Series 2025B Road Bond Initial Purchaser shall be relieved of any further obligation.

CUSIP Numbers: It is anticipated that CUSIP identification numbers will be printed on the Series 2025B Road Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Series 2025B Road Bond Initial Purchaser to accept delivery of and pay for the Series 2025B Road Bonds in accordance with the terms of this OFFICIAL NOTICE OF SALE. The Financial Advisor will obtain CUSIP identification numbers from the CUSIP Service Bureau, New York, New York prior to the date of sale. CUSIP identification numbers will be made available to the Series 2025B Road Bond Initial Purchaser at the time the Series 2025B Road Bonds are awarded or as soon thereafter as practicable. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid by the Series 2025B Road Bond Initial Purchaser.

Conditions to Delivery: The Series 2025B Road Bond Initial Purchaser's obligation to accept delivery of and pay for the Series 2025B Road Bonds is subject to the issuance of the legal opinion of the Attorney General of Texas as to the legality of the Series 2025B Road Bonds, and the legal opinions of McLean & Howard L.L.P., Austin, Texas, General Counsel for the District ("General Counsel") and McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Special Tax Counsel for the District ("Special Tax Counsel"), and the No-Litigation Certificate, all as further described in the PRELIMINARY OFFICIAL STATEMENT, and the non-occurrence of the events described under "No Material Adverse Change."

Legal Opinions: The District will furnish without cost to the Series 2025B Road Bond Initial Purchaser a transcript of certain certified proceedings incident to the issuance and authorization of the Series 2025B Road Bonds, including a certified copy of the unqualified approving legal opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Series 2025B Road Bonds are valid and binding obligations of the District, payable from the proceeds of an annual ad valorem tax levied, without limit as to rate or amount, upon all taxable property within the District, based upon an examination of such transcript of proceedings, and the approving legal opinion of General Counsel to a like effect. The District also will deliver a certified copy of the opinion of Special Tax Counsel, to the effect that the interest on the Series 2025B Road Bonds is excludable from gross income for federal income tax purposes under existing law.

Qualified Tax-Exempt Obligations: The Code (as defined herein) 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 Series 2025B Road Bonds, (a) designated by the issuer as "qualified tax-exempt obligations" and (b) issued by 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 Series 2025B Road Bonds as "qualified tax-exempt obligations" and has represented that the aggregate amount of tax-exempt bonds (including the Series 2025B Road Bonds) issued by the District and entities aggregated with the District under the Code during calendar year 2025 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 Series 2025B Road Bonds) during calendar year 2025.

Notwithstanding this exception, financial institutions acquiring the Bonds will be subject to a twenty percent (20%) disallowance of allocable interest expense.

Certification Regarding Offering Price Of Series 2025B Road Bonds: In order to provide the District with information to enable it to comply with certain conditions of the Code relating to the exclusion of interest on the Series 2025B Road Bonds from gross income for federal income tax purposes, the Series 2025B Road Bond Initial Purchaser will be required to complete, execute and deliver to the District (on or before the date of delivery of the Series 2025B Road Bonds) a certification regarding "issue price" substantially in the form accompanying this OFFICIAL NOTICE OF SALE. If the Series 2025B Road Bond Initial Purchaser will not reoffer the Series 2025B Road Bonds for sale or has not sold a substantial amount of the Series 2025B Road Bonds of any maturity by the date of delivery, such certificate may be modified in a manner acceptable to the District. Each bidder, by submitting its bid, agrees to complete, execute and deliver such a certificate by the date of delivery of the Series 2025B Road Bonds if its bid is accepted by the District. It will be the responsibility of the Series 2025B Road Bond Initial Purchaser to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Special Tax Counsel.

No-Litigation Certificate: The District will furnish the Series 2025B Road Bond Initial Purchaser a certificate executed by members of the Board, dated as of the Date of Delivery of the Series 2025B Road Bonds, to the effect that, to their best knowledge no litigation of any nature is pending or threatened, either in state or federal courts, contesting or attacking the Series 2025B Road Bonds; restraining or enjoining the levy, assessment and collection of ad valorem taxes to pay the interest on or principal of the Series 2025B Road Bonds; in any manner questioning the authority or proceedings for the issuance, execution or delivery of the Series 2025B Road Bonds; or affecting the validity of the Series 2025B Road Bonds or the titles of the present officers of the District.

No Material Adverse Change: The obligations of the District to deliver the Series 2025B Road Bonds and of the Series 2025B Road Bond Initial Purchaser to accept delivery of and pay for the Series 2025B Road Bonds are subject to the condition that to the time for delivery of and receipt of payment for the Series 2025B Road Bonds, there shall have been no material adverse change in the financial condition of the District from that set forth in or contemplated by the PRELIMINARY OFFICIAL STATEMENT, as it may have been supplemented or amended through the date of sale.

Rule G-36 Requirements: It is the responsibility of the Series 2025B Road Bond Initial Purchaser to comply with the Municipal Securities Rule Making Board's Rule G-36 within the required time frame. The Series 2025B Road Bond Initial Purchaser must send two copies of the Official Statement along with two complete Form G-36's to the appropriate address.

RULE 15c2-12 COMPLIANCE

Continuing Disclosure: The District will agree in the Series 2025B Road Bond Resolution to provide certain periodic information and notices of certain specified events in accordance with United States Securities and Exchange Commission (“SEC”) Rule 15c2-12, as described in the PRELIMINARY OFFICIAL STATEMENT under “CONTINUING DISCLOSURE OF INFORMATION.” The Series 2025B Road Bond Initial Purchaser’s obligation to accept and pay for the Series 2025B Road Bonds is conditioned upon delivery to the Series 2025B Road Bond Initial Purchaser or its agent of a certified copy of the Series 2025B Road Bond Resolution containing the agreement described under such heading.

Substantive Requirements for Official Statement: To the best knowledge and belief of the District, the PRELIMINARY OFFICIAL STATEMENT contains information, including financial information or operating data, concerning every entity, enterprise, fund, account, or person that is material to an evaluation of the offering of the Series 2025B Road Bonds. The District has complied in all material respects with its prior continuing disclosure agreement, made in accordance with SEC Rule 15c2-12.

Final Official Statement: The District has approved and authorized distribution of the accompanying PRELIMINARY OFFICIAL STATEMENT for dissemination to potential purchasers of the Series 2025B Road Bonds, but does not intend to prepare any other document or version thereof for such purpose, except as described below. Accordingly, the District intends the PRELIMINARY OFFICIAL STATEMENT to be final as of its date, within the meaning of SEC Rule 15c2-12(b)(1), except for information relating to the offering prices, interest rates, final debt service schedule, selling compensation, identity of the Series 2025B Road Bond Initial Purchaser and other similar information, terms and provisions to be specified in the competitive bidding process. The Series 2025B Road Bond Initial Purchaser shall be responsible for promptly informing the District of the initial offering yields of the Series 2025B Road Bonds. Thereafter, the District will complete and authorize distribution of the OFFICIAL STATEMENT identifying the Series 2025B Road Bond Initial Purchaser and containing such omitted information. The District does not intend to amend or supplement the OFFICIAL STATEMENT otherwise, except to take into account certain subsequent events, if any, as described below. By delivering the final OFFICIAL STATEMENT or any amendment or supplement thereto in the requested quantity to the Series 2025B Road Bond Initial Purchaser on or after the sale date, the District intends the same to be final as of such date, within the meaning of SEC Rule 15c2-12(f)(3). Notwithstanding the foregoing, the only representations concerning the absence of material misstatements or omissions from the OFFICIAL STATEMENT which are being or which will be made by the District are those described and contained in the OFFICIAL STATEMENT under the caption “PREPARATION OF OFFICIAL STATEMENT—Certification of Official Statement.”

Changes to 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 Series 2025B Road Bond Initial Purchaser, of any adverse event which causes the OFFICIAL STATEMENT to be materially misleading, and unless the Series 2025B Road Bond Initial Purchaser elects to terminate its obligation to purchase the Series 2025B Road Bonds, as described above under “DELIVERY OF THE SERIES 2025B ROAD BONDS AND ACCOMPANYING DOCUMENTS—Conditions to Delivery,” the District will promptly prepare and supply to the Series 2025B Road Bond Initial Purchaser an appropriate amendment or supplement to the OFFICIAL STATEMENT satisfactory to the Series 2025B Road Bond Initial Purchaser; provided, however, that the obligation of the District to so amend or supplement the OFFICIAL STATEMENT will terminate when the District delivers the Series 2025B Road Bonds to the Series 2025B Road Bond Initial Purchaser, unless the Series 2025B Road Bond Initial Purchaser notifies the District on or before such date that less than all of the Series 2025B Road Bonds have been sold to ultimate customers, in which case the District’s obligations hereunder will extend for an additional period of time as provided in SEC Rule 15c2-12 (but not more than the earlier of (i) 90 days after end of the underwriting period (as described in SEC Rule 15C2-12(f)(2) or (ii) the time the OFFICIAL STATEMENT is available to any person from the MSRB, but in no case less than 25 days after the end of the underwriting period.

Delivery of Official Statements: The District shall furnish to the Series 2025B Road Bond Initial Purchaser (and to each participating Series 2025B Road Bond Initial Purchaser of the Series 2025B Road Bonds, within the meaning of SEC Rule 15c2-12(a), designated by the Series 2025B Road Bond Initial Purchaser), within seven (7) business days after the sale date, the aggregate number of OFFICIAL STATEMENTS specified in the winning bid, not to exceed 250 copies. The District also shall furnish to the Series 2025B Road Bond Initial Purchaser a like number of any supplements or amendments approved and authorized for distribution by the District for dissemination to potential purchasers of the Series 2025B Road Bonds, as well as such additional copies of the OFFICIAL STATEMENT or any such supplements or amendments as the Series 2025B Road Bond Initial Purchaser may reasonably request during the timeframe described in “Changes to Official Statement” above. The District shall pay the expense of preparing the number of copies of the OFFICIAL STATEMENT specified in the winning bid and an equal number of any supplements or amendments issued on or before the Date of Delivery, but the Series 2025B Road Bond Initial Purchaser shall pay for all other copies of the OFFICIAL STATEMENT or any supplement or amendment thereto.

GENERAL CONSIDERATIONS

Risk Factors: The Series 2025B Road Bonds involve certain risk factors. Prospective bidders are urged to examine carefully the entire PRELIMINARY OFFICIAL STATEMENT, with respect to the risk factors associated with the Series 2025B Road Bonds. Particular attention should be given to the information set forth therein under the caption “RISK FACTORS.”

Municipal Bond Rating and Municipal Bond Insurance: The District has not applied for an underlying rating nor is it expected that the District would have received an investment grade rating had such application been made. Application has been made to various municipal bond insurance companies for qualification of the Bonds for municipal bond insurance. If qualified, such insurance will be available at the option of the applicable Initial Purchaser and at the applicable Initial Purchaser’s expense. See “DELIVERY OF THE SERIES 2025B ROAD BONDS AND ACCOMPANYING DOCUMENTS—Conditions to Delivery” and “—No Material Adverse Change” herein. It should be noted that there are risk factors related to the purchase of municipal bond insurance. Accordingly, investors should evaluate the underlying credit quality of the District. See “RISK FACTORS” in the PRELIMINARY OFFICIAL STATEMENT.

Reservation of Rights: The District reserves the right to reject any and all bids and to waive any and all irregularities, except time of filing.

Not an Offer to Sell: This OFFICIAL NOTICE OF SALE does not alone constitute an offer to sell the Series 2025B Road Bonds but is merely notice of sale of the Series 2025B Road Bonds. The invitation for bids on the Series 2025B Road Bonds is being made by means of this OFFICIAL NOTICE OF SALE, the PRELIMINARY OFFICIAL STATEMENT and the OFFICIAL BID FORM.

Registration and Qualification of Series 2025B Road Bonds for Sale: The offer and sale of the Series 2025B Road Bonds have not been registered or qualified under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Series 2025B Road Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein, and the Series 2025B Road Bonds have not been registered or qualified under the securities acts of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Series 2025B Road Bonds under the securities laws of any jurisdiction in which the Series 2025B Road 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 Series 2025B Road 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. By submission of its bid, the Series 2025B Road Bond Initial Purchaser represents that the sale of the Series 2025B Road Bonds in states other than the State of Texas will be made pursuant to exemptions from registration or qualification, or where necessary, the Series 2025B Road Bond Initial Purchaser will register the Series 2025B Road Bonds in accordance with the securities laws of the state in which the Series 2025B Road Bonds are offered or sold. The District agrees to cooperate with the Series 2025B Road Bond Initial Purchaser, at the Series 2025B Road Bond Initial Purchaser's written request and expense, in registering or qualifying the Series 2025B Road Bonds or obtaining an exemption from registration or qualification (other than filing a consent to service of process in such state), in any state where such action is necessary.

Additional Copies of Documents: Additional copies of this OFFICIAL NOTICE OF SALE, the PRELIMINARY OFFICIAL STATEMENT and the OFFICIAL BID FORM may be obtained from the Financial Advisor, Masterson Advisors LLC, 2005 Melridge Place, Austin, Texas 78704.

Mr. Rick Rosenberg
President, Board of Directors
Travis County Municipal Utility District No. 26
Travis County, Texas

October 15, 2025

OFFICIAL BID FORM

President and Board of Directors
 Travis County Municipal Utility District No. 26
 c/o Masterson Advisors LLC
 2005 Melridge Place
 Austin, Texas 78704

Board Members:

We have read in detail the OFFICIAL NOTICE OF SALE and PRELIMINARY OFFICIAL STATEMENT October 15, 2025, relating to the \$3,490,000 Travis County Municipal Utility District No. 26 (the "District") Unlimited Tax Road Bonds, Series 2025B (the "Series 2025B Road Bonds"). We realize that the Series 2025B Road Bonds involve certain investment risks, and we have made inspections and investigations as we deem necessary relating to the District and to the investment quality of the Series 2025B Road Bonds.

For your legally issued Series 2025B Road Bonds, as described in the OFFICIAL NOTICE OF SALE and PRELIMINARY OFFICIAL STATEMENT, we will pay you a price of \$ _____, representing _____% of the principal amount thereof. Such Series 2025B Road Bonds mature September 1, in each of the years and in the principal amounts and interest rates shown below:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$ 75,000	_____ %	2039	\$ 140,000 *	_____ %
2028	80,000	_____ %	2040	145,000 *	_____ %
2029	85,000	_____ %	2041	155,000 *	_____ %
2030	90,000	_____ %	2042	165,000 *	_____ %
2031	95,000	_____ %	2043	170,000 *	_____ %
2032	100,000 *	_____ %	2044	180,000 *	_____ %
2033	105,000 *	_____ %	2045	190,000 *	_____ %
2034	110,000 *	_____ %	2046	200,000 *	_____ %
2035	115,000 *	_____ %	2047	210,000 *	_____ %
2036	120,000 *	_____ %	2048	220,000 *	_____ %
2037	125,000 *	_____ %	2049	235,000 *	_____ %
2038	135,000 *	_____ %	2050	245,000 *	_____ %

* Subject to optional redemption on September 1, 2031, and thereafter.

Of the principal maturities set forth in the table above, we have created term bonds as indicated in the following table (which may include multiple term bonds, one term bond or no term bond if none is indicated). For those years which have been combined into a term bond, the principal amount shown in the table above shall be the mandatory sinking fund redemption amounts in such years except that the amount shown in the year of the term bond maturity date shall mature in such year. The Term Bonds created are as follows:

<u>Term Bond Maturity Date September 1</u>	<u>Year of First Mandatory Redemption</u>	<u>Principal Amount of Term Bond</u>	<u>Interest Rate</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Our calculation (which is not a part of this bid) of the interest cost from the above is:

Gross Interest Cost from the Date of Delivery	\$ _____
Plus Dollar Amount of Discount (or Less: Dollar Amount of Premium)	\$ _____
NET INTEREST COST.....	\$ _____
NET EFFECTIVE INTEREST RATE	_____ %

The Series 2025B Road Bonds [are] [are not] being insured by _____ at a premium of \$ _____, said premium to be paid by the Series 2025B Road Bond Initial Purchaser. Any rating fees associated with the insurance will be the responsibility of the Series 2025B Road Bond Initial Purchaser.

The initial Series 2025B Road Bonds shall be registered in the name of Cede & Co. We will advise BOKF, NA, Dallas, Texas, the Paying Agent/Registrar, of our registration instructions at least five (5) business days prior to the date set for Initial Delivery.

A Cashier's Check payable to the order of the District in the amount of \$69,800 has been made available to you prior to the opening of this bid, as a Good Faith Deposit, and is submitted in accordance with the OFFICIAL NOTICE OF SALE. Should we fail or refuse to make payment for the Series 2025B Road Bonds in accordance with the terms and conditions set forth in the OFFICIAL NOTICE OF SALE, this check shall be cashed and the proceeds retained as complete liquidated damages against us.

Unless the bidder is exempt from such requirements pursuant to Texas Government Code § 2252.908(c)(4), the District may not accept this bid until it has received from the bidder a completed and signed TEC Form 1295 and Certification of Filing pursuant to Texas Government Code § 2252.908 and the rules promulgated thereunder by the Texas Ethics Commission. The undersigned understands that failure to provide said form and Certification of Filing, when required, will result in a non-conforming bid and will prohibit the District from considering this bid for acceptance.

The bidder makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Official Bid Form. As used in the following verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the bidder within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Official Bid Form shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Official Bid Form or Notice of Sale, notwithstanding anything in this Official Bid Form or Notice of Sale to the contrary.

- (i) No Boycott of Israel Verification (Texas Government Code Chapter 2271). The Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Official Bid Form. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.
- (ii) Not a Sanctioned Company (Texas Government Code Chapter 2252). The Purchaser represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the bidder and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.
- (iii) No Boycott of Energy Companies (Texas Government Code Chapter 2276). The Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Official Bid Form. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.
- (iv) No Discrimination Against Firearm Entities or Firearm Trade Associations (Texas Government Code Chapter 2274). The Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Official Bid Form. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

By submitting this bid, the Purchaser understands and agrees that if Purchaser should fail or refuse to take up and pay for the Series 2025B Road Bonds in accordance with this bid, or it is determined that after the acceptance of this bid by the District that the Purchaser was found not to satisfy the requirements described in the Official Notice of Sale and Bidding Instructions under the heading "CONDITIONS OF SALE" and as a result the Texas Attorney General will not deliver its approving opinion of the Series 2025B Road Bonds, then the check submitted herewith as the Purchaser's Good Faith Deposit shall be cashed and accepted by the District. IF THE DISTRICT CASHES THE PURCHASER'S GOOD FAITH DEPOSIT AS DESCRIBED ABOVE, SUCH ACTION DOES NOT CONSTITUTE COMPLETE OR LIQUIDATED DAMAGES RELATED TO THE PURCHASER'S BREACH OF ANY OF THE COVERED VERIFICATIONS.

By submitting this bid, the Purchaser understands and agrees that the liability of the Purchaser for breach of any of the verifications made in connection with Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended and as described above (collectively, the "Covered Verifications") shall survive until barred by the statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Official Bid Form or the Official Notice of Sale. Additionally, the Purchaser acknowledges and agrees that the District reserves and retains all rights and remedies at law and in equity for pursuit and recovery of damages, if any, relating to the Covered Verifications. By submitting this bid, the Purchaser understands and agrees that it must have a standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General's

Office in the form included as Exhibit A to the All Bond Counsel Letter of the Texas Attorney General dated November 1, 2023 and any supplements thereto (the "All Bond Counsel Letter"). In submitting this bid, the Purchaser represents to the District that it has filed a standing letter in the form included as Exhibit A to the All Bond Counsel Letter without qualification and including current statutory citations and it has no reason to believe that the District may not be entitled to rely on the standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General's Office. The Purchaser hereby further agrees that it will not rescind its standing letter at any time before the delivery of the Series 2025B Road Bonds unless the same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

The Purchaser agrees to provide such further representations, certifications or assurances in connection with the Covered Verifications, as of the delivery date of the Series 2025B Road Bonds or such other date requested by the District including, but not limited to, a bring down certification as provided by the All Bond Counsel Letter.

The Purchaser understands and agrees that to the extent the Purchaser and each syndicate member listed on the Official Bid Form is unable to provide a Standing Letter in a form satisfactory to the Texas Office of the Attorney General, the District reserves the right to cash and accept the Good Faith Deposit (see "CONDITIONS OF SALE – Good Faith Deposit" in the Official Notice of Sale).

NOTWITHSTANDING ANYTHING CONTAINED HEREIN, THE REPRESENTATIONS AND COVENANTS CONTAINED IN THIS OFFICIAL BID FORM SHALL SURVIVE TERMINATION OF THE OFFICIAL BID FORM OF THE PURCHASER TO PURCHASE THE SERIES 2025B ROAD BONDS UNTIL THE STATUTE OF LIMITATIONS HAS RUN.

At the request of the District, the undersigned agrees to execute further written certification as may be necessary or convenient for the District to establish compliance with the foregoing.

The undersigned certifies that the Series 2025B Road Bond Initial Purchaser [is]/[is not] exempt from filing the TEC Form 1295 by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

The undersigned agrees to complete, execute, and deliver to the District, by the date of delivery of the Series 2025B Road Bonds, a certificate relating to the "issue price" of the Series 2025B Road Bonds in the form accompanying the OFFICIAL NOTICE OF SALE, with such changes thereto as may be acceptable to the District.

Respectfully submitted,

By:

Syndicate Members (if any):

Check One:

Disclosure Form(s) – Each entity executing this OFFICIAL BID FORM will provide a Disclosure Form as and when required by the Notice of Sale and Bidding Instructions.

Publicly Traded Entity Representation – The bidder hereby represents to the District that it is a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by Travis County Municipal Utility District No. 26, this 12th day of November, 2025.

ATTEST:

Secretary, Board of Directors
Travis County Municipal Utility District No. 26

President, Board of Directors
Travis County Municipal Utility District No. 26

BOND YEARS

Due: September 1, Annually
Interest Accrual Date: December 18, 2025

<u>Year</u>	<u>Principal</u>	<u>Bond Years</u>	<u>Cumulative Bond Years</u>
2027	\$ 75,000	127.71	127.71
2028	80,000	216.22	343.93
2029	85,000	314.74	658.67
2030	90,000	423.25	1,081.92
2031	95,000	541.76	1,623.68
2032	100,000	670.28	2,293.96
2033	105,000	808.79	3,102.75
2034	110,000	957.31	4,060.06
2035	115,000	1,115.82	5,175.88
2036	120,000	1,284.33	6,460.21
2037	125,000	1,462.85	7,923.06
2038	135,000	1,714.88	9,637.93
2039	140,000	1,918.39	11,556.32
2040	145,000	2,131.90	13,688.22
2041	155,000	2,433.93	16,122.15
2042	165,000	2,755.96	18,878.11
2043	170,000	3,009.47	21,887.58
2044	180,000	3,366.50	25,254.08
2045	190,000	3,743.53	28,997.61
2046	200,000	4,140.56	33,138.17
2047	210,000	4,557.58	37,695.75
2048	220,000	4,994.61	42,690.36
2049	235,000	5,570.15	48,260.51
2050	245,000	6,052.18	54,312.69
Total	<u>\$ 3,490,000</u>		
	Average Maturity	15.562	

Option 1
ISSUE PRICE CERTIFICATE
(Sale where at least 3 bids are received from Initial Purchasers)

The undersigned, as the underwriter or the manager of the syndicate of underwriters (“Series 2025B Road Bond Initial Purchaser”), with respect to the purchase at competitive sale of the Unlimited Tax Road Bonds, Series 2025B issued by the Travis County Municipal Utility District No. 26 (“Issuer”) in the principal amount of \$3,490,000 (“Series 2025B Road Bonds”), hereby certifies and represents, based on its records and information, as follows:

(a) On the first day on which there was a binding contract in writing for the purchase of the Series 2025B Road Bonds by the Series 2025B Road Bond Initial Purchaser, the Series 2025B Road Bond Initial Purchaser’s reasonably expected initial offering prices of each maturity of the Series 2025B Road Bonds with the same credit and payment terms (the “Expected Offering Prices”) to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Series 2025B Road Bond Initial Purchaser are as set forth in the pricing wire or equivalent communication for the Series 2025B Road Bonds, as attached to this Certificate as Schedule A. The Expected Offering Prices are the prices for the Series 2025B Road Bonds used by the Series 2025B Road Bond Initial Purchaser in formulating its bid to purchase the Series 2025B Road Bonds.

(b) The Series 2025B Road Bond Initial Purchaser had an equal opportunity to bid to purchase the Series 2025B Road Bonds and it was not given the opportunity to review other bids that was not equally given to all other bidders (i.e., no last look).

(c) The bid submitted by the Series 2025B Road Bond Initial Purchaser constituted a firm bid to purchase the Series 2025B Road Bonds.

(d) The Series 2025B Road Bond Initial Purchaser has []/has not [] purchased bond insurance for the Series 2025B Road Bonds. The bond insurance has been purchased from _____ (the “Insurer”) for a fee of \$ _____ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer’s commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm’s-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Series 2025B Road Bonds. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Series 2025B Road Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Series 2025B Road Bonds in an amount which would exceed the portion of such fee that has not been earned.

For purposes of this Issue Price Certificate, the term “Series 2025B Road Bond Initial Purchaser” means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2025B Road Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2025B Road Bonds to the Public) to participate in the initial sale of the Series 2025B Road Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Series 2025B Road Bonds, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Series 2025B Road Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Series 2025B Road Bonds. Notwithstanding anything set forth herein, the Series 2025B Road Bond Initial Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED this _____ day of _____, 2025.

Name of Series 2025B Road Bond Initial Purchaser or Manager

By: _____

Title: _____

SCHEDULE A
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

Option 2
ISSUE PRICE CERTIFICATE
(Sales where less than 3 bids are received from Initial Purchasers)

The undersigned, as the underwriter or the manager of the syndicate of underwriters (“Series 2025B Road Bond Initial Purchaser”), with respect to the purchase at competitive sale of the Unlimited Tax Road Bonds, Series 2025B issued by the Travis County Municipal Utility District No. 26 (“Issuer”) in the principal amount of \$3,490,000 (“Series 2025B Road Bonds”), hereby certifies and represents, based on its records and information, as follows:

(a) Other than the Series 2025B Road Bonds maturing in _____ (“Hold-the-Price Maturities”), if any, the first prices at which at least ten percent (“Substantial Amount”) of the principal amount of each maturity of the Series 2025B Road Bonds having the same credit and payment terms (“Maturity”) was sold on the Sale Date to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Series 2025B Road Bond Initial Purchaser (“Public”) are their respective initial offering prices (the “Initial Offering Prices”), as listed in the pricing wire or equivalent communication for the Series 2025B Road Bonds that is attached to this Certificate as Schedule A.

(b) On or before the first day on which there is a binding contract in writing for the sale of the Series 2025B Road Bonds (“Sale Date”), the Series 2025B Road Bond Initial Purchaser offered to the Public each Hold-the-Price Maturity at their respective Initial Offering Prices, as set forth in Schedule A hereto.

(c) As set forth in the Notice of Sale, the Series 2025B Road Bond Initial Purchaser agreed in writing to neither offer nor sell any of the Hold-the-Price Maturities to any person at any higher price than the Initial Offering Price for such Maturity until the earlier of the close of the fifth business day after the Sale Date or the date on which the Series 2025B Road Bond Initial Purchaser sells a Substantial Amount of a Maturity of the Series 2025B Road Bonds to the Public at no higher price than the Initial Offering Price for such Maturity.

(d) The Series 2025B Road Bond Initial Purchaser has [___]/has not [___] purchased bond insurance for the Series 2025B Road Bonds. The bond insurance has been purchased from _____ (the “Insurer”) for a fee of \$___ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer’s commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm’s-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Series 2025B Road Bonds. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Series 2025B Road Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Series 2025B Road Bonds in an amount which would exceed the portion of such fee that has not been earned.

For purposes of this Issue Price Certificate, the term “Series 2025B Road Bond Initial Purchaser” means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2025B Road Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2025B Road Bonds to the Public) to participate in the initial sale of the Series 2025B Road Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Series 2025B Road Bonds, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Series 2025B Road Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Series 2025B Road Bonds. Notwithstanding anything set forth herein, the Series 2025B Road Bond Initial Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED this _____ day of _____ 2025.

Name of Series 2025B Road Bond Initial Purchaser or Manager

By: _____

Title: _____

SCHEDULE A
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

McCall Gibson Swedlund Barfoot Ellis PLLC

Certified Public Accountants

*Chris Swedlund
Noel W. Barfoot
Joseph Ellis
Ashlee Martin*

*Mike M. McCall
(retired)
Debbie Gibson
(retired)*

October 17, 2025

Board of Directors
Travis County Municipal Utility District No. 26
Travis County, Texas

We are pleased to confirm our understanding of the terms of our engagement and the nature and limitations of the services we are to provide for Travis County Municipal Utility District No. 26 (the “District”).

We will apply the agreed-upon procedures enumerated below that were specified and agreed to by the Board of Directors of the District, on the invoices and schedules submitted for payment from the District’s Series 2025A bond proceeds. These procedures will be performed solely to assist you in evaluating the reasonableness of those costs as required by the Texas Commission on Environmental Quality (the “Commission”) and the report is not to be used for any other purpose. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we obtain your written agreement to the procedures to be applied and your acknowledgement that those procedures are appropriate for the intended purpose of the engagement, as described in this letter. The agreement and acknowledgment are contained with this letter. A refusal to provide such agreement and acknowledgment will result in our withdrawal from the engagement. We make no representation that the procedures we will perform are appropriate for the intended purpose of the engagement or for any other purpose. The procedures we will perform are as summarized below:

- A. We will inspect the Technical Memorandum, Order Approving the Use of Bond Proceeds as approved by the Commission and rules of the Commission relative to the reimbursement request. Our inspection will be for the purpose of identifying those items authorized for District participation and those items the District is specifically prohibited from purchasing. In some cases, our efforts will require inspection of portions of the bond application relative to this bond issue.

- B. We will inspect for completeness certain Developer schedules, supporting invoices and contract estimates in substantiation of the costs to be reimbursed. Our inspection will include all documentation supporting items, amounts, and proof of payment for which reimbursement is requested.
- C. We will read the development and financing agreements for particular items that might affect the reimbursement. The relevant agreements will be referenced in our report.
- D. We will foot the extensions of any engineering invoices pertaining to the reimbursement on a test basis and compare the contract amounts used in determining the fee for the design and construction phase portions of the invoice to the related construction contracts and to the engineering contract, when appropriate.
- E. For construction pay estimates, we will foot and test extensions of any individual items on a test basis on payments made on behalf of the District.
- F. For all payments, we will compare the payment dates to copies of cancelled checks. If cancelled checks are not available, alternate procedures will be designed to support dates and amounts of payments.
- G. We will check the formulas for computation of developer interest to be reimbursed to the Developer(s) based upon the net effective interest rate of the District's Series 2025A bond issue and limit interest, if appropriate, in accordance with the orders and rules of the Commission.
- H. We will inquire of District Management regarding current period General Fund expenditures for costs to be reimbursed to the General Fund from the Capital Projects Fund in accordance with the approval of the Commission. If necessary, we will observe prior year audit work papers for items paid in the past, which can now be reimbursed from bond proceeds.
- I. If possible, we will obtain signed affidavits or verbal confirmation from construction contractors concerning whether or not the contract estimates to date have been paid in full and whether or not the contractor has any claims to be made against either the District or Developer(s) on the project.
- J. A draft of our report will be provided to the District's Attorney, Engineer, Financial Advisor, Bookkeeper, and Developer(s) prior to reimbursing the Developer or Developers.

- K. We will prepare for submittal to the Commission our report detailing the costs payable to the Developer(s) and a schedule reflecting the results of the payment and future costs to complete as compared with the amount approved by the Commission.

The objective of this agreed-upon procedures engagement will be to assist you in evaluating the reasonableness of the aforementioned costs. Because the above agreed-upon procedures do not constitute an examination or review, we will not express an opinion or conclusion on the aforementioned reimbursable costs. In addition, we have no obligation to perform any procedures beyond those listed above.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the Board of Directors of the District. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance of the procedures, or not issue a report and withdraw from this engagement. You understand that the report is intended for the information and use of the Board of Directors of the District in compliance with certain rules of the Commission and should not be used by anyone other than these specified parties. We are aware that the report is subject to distribution under provisions of the Texas Public Information Act. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the aforementioned reimbursable costs from the District's Series 2025A bond proceeds that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the aforementioned reimbursable costs, we will disclose those matters in our report.

As the engaging party, the Board of Directors agrees to the procedures performed and acknowledges that they are appropriate to meet the intended purposes of this engagement as acknowledged by signature below.

The Board of Directors will engage an engineer, the responsible party, to prepare the cost summary for all costs to be included in the bond issue. The engineer is responsible for determining the aforementioned reimbursable costs and that they are in accordance with certain rules of the Commission; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. Together with the engineer, you are responsible for providing us with or causing to be provided (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the reimbursable costs, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons and District consultants from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from you. We will also request written representations from the engineer as the responsible party who prepared and submitted the bond application.

Chris Swedlund is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

A portion of the cost of these procedures will be determined by the condition of the records submitted by the respective developer or developers to be reimbursed. A final billing will be issued when the final report is released. We estimate the cost of performing these procedures on your behalf to be \$12,000 to \$14,000.

Anti-Boycott and Anti-Terrorism Verification. By signing and entering into the Agreement, McCall Gibson Swedlund Barfoot Ellis PLLC (“MGSBE”) verifies, pursuant to Chapter 2271 of the Government Code, it does not boycott Israel and will not boycott Israel during the term of the Agreement. MGSBE hereby represents and warrants that at the time of this Agreement neither MGSBE nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of MGSBE (i) engages in business with Iran, Sudan, or any foreign terrorist organization pursuant to the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code; or (ii) is a company listed by the Texas Comptroller pursuant to Sections 2252.153 of the Texas Government Code. The term “foreign terrorist organization” has the meaning assigned to such term pursuant to Section 2252.151 of the Texas Government Code.

As required by 2274.002, Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), as amended, MGSBE hereby verifies that the MGSBE, including any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, does not boycott energy companies, and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” shall have the meaning assigned to the term “boycott energy company” in Section 809.001, Texas Government Code, as amended.

As required by Section 2274.002, Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, "SB 19"), as amended, the MGSBE hereby verifies that MGSBE, including any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, (i) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, and (ii) will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, "discriminate against a firearm entity or trade association" shall have the meaning assigned to such term in Section 2274.001(3), Texas Government Code (as added by SB 19), as amended.

You agree that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon written request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if each of us agrees to be bound. We will share any costs of mediation proceedings equally.

We appreciate the confidence you have placed in this firm by retaining us as your independent accountants in this matter. If you agree with the above understanding of the engagement, please sign and return it at your earliest convenience. Thank you.

Sincerely,

McCall Gibson Swedlund Barfoot Ellis PLLC

McCall Gibson Swedlund Barfoot Ellis PLLC

ACKNOWLEDGEMENT:

Signature	Title	Date
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McCall Gibson Swedlund Barfoot Ellis PLLC

Certified Public Accountants

*Chris Swedlund
Noel W. Barfoot
Joseph Ellis
Ashlee Martin*

*Mike M. McCall
(retired)
Debbie Gibson
(retired)*

October 17, 2025

Board of Directors
Travis County Municipal Utility District No. 26
Travis County, Texas

We are pleased to confirm our understanding of the terms of our engagement and the nature and limitations of the services we are to provide for Travis County Municipal Utility District No. 26 (the “District”).

We will apply the agreed-upon procedures enumerated below that were specified and agreed to by the Board of Directors of the District, on the invoices and schedules submitted for payment of construction and related costs from the District’s Series 2025B road bond proceeds. These procedures will be performed solely to assist you in evaluating the reasonableness of those costs in a similar manner to the procedures as required by the Texas Commission on Environmental Quality (the “Commission”) and the report is not to be used for any other purpose. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we obtain your written agreement to the procedures to be applied and your acknowledgement that those procedures are appropriate for the intended purpose of the engagement, as described in this letter. The agreement and acknowledgement are contained with this letter. A refusal to provide such agreement and acknowledgment will result in our withdrawal from the engagement. We make no representation that the procedures we will perform are appropriate for the intended purpose of the engagement or for any other purpose. The procedures we will perform are summarized below:

- A. We will inspect the Engineer’s schedule for the use of the bond proceeds on the various road projects included in this bond issue. Our inspection will be for the purpose of identifying those items authorized for District participation and those items the District is specifically prohibited from purchasing.
- B. We will inspect for completeness certain Developer schedules, supporting invoices and contract estimates in substantiation of the costs to be reimbursed. Our inspection will include all documentation supporting items, amounts, and proof of payment for which reimbursement is requested.

- C. We will read the development and financing agreements for particular items that might affect the reimbursement. The relevant agreements will be referenced in our report.
- D. We will foot the extensions of any engineering invoices pertaining to the reimbursement on a test basis and compare the contract amounts used in determining the fee for the design and construction phase portions of the invoice to the related construction contracts and to the engineering contract, when appropriate.
- E. For construction pay estimates, we will foot and test extensions of any individual items on a test basis on payments made on behalf of the District.
- F. For all payments, we will compare the payment dates to copies of cancelled checks. If cancelled checks are not available, alternate procedures will be designed to support dates and amounts of payments.
- G. We will check the formulas for computation of developer interest to be reimbursed to the Developer(s) based upon the net effective interest rate of the District's Series 2025B road bond issue and limit interest, if appropriate, in accordance with the orders and rules of the Commission.
- H. We will inquire of District Management regarding current period General Fund expenditures for costs to be reimbursed to the General Fund from the Capital Projects Fund. If necessary, we will examine prior year audit work papers for items paid in the past, which can now be reimbursed from bond proceeds.
- I. If possible, we will obtain signed affidavits or verbal confirmation from construction contractors concerning whether or not the contract estimates to date have been paid in full and whether or not the contractor has any claims to be made against either the District or Developer(s) on the project.
- J. A draft of our report will be provided to the District's Attorney, Engineer, Financial Advisor, Bookkeeper, and Developer(s) prior to reimbursing the Developer or Developers.
- K. We will prepare for submittal to the Commission our report detailing the costs payable to the Developer(s) and a schedule reflecting the results of the payment and future costs to complete as compared with the amount approved by the Commission.

The objective of this agreed-upon procedures engagement will be to assist you in evaluating the reasonableness of the aforementioned costs. Because the above agreed-upon procedures do not constitute an examination or review, we will not express an opinion or conclusion on the aforementioned reimbursable costs. In addition, we have no obligation to perform any procedures beyond those listed above.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the Board of Directors of the District. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance any restrictions on the performance of the procedures, or not issue a report and withdraw from this engagement. You understand that the report is intended for the information and use of the Board of Directors of the and should not be used by anyone other than these specified parties. We are aware that the report is subject to distribution under provisions of the Texas Public Information Act. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the aforementioned reimbursable costs from the District's road bond proceeds that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the aforementioned reimbursable costs, we will disclose those matters in our report.

As the engaging party, the Board of Directors agrees to the procedures performed and acknowledges that they are appropriate to meet the intended purposes of this engagement as acknowledged by the signature below.

The Board of Directors has engaged an engineer, the responsible party, to prepare the cost summary for all costs to be included in the bond issue. The engineer is responsible for the aforementioned reimbursable costs and that they are in accordance in a similar manner to the procedures as required by rules of the Commission; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. Together with the engineer, you are responsible for providing us with or causing to be provided (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the reimbursable costs, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons and District consultants from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of this agreed-upon procedures engagement, we will require certain written representations in the form of a representation letter from you. We will also request written representations from the engineer as the responsible party who prepared the schedule for the use of the road bond proceeds.

Chris Swedlund is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

A portion of the cost of these procedures will be determined by the condition of the records submitted by the respective developer or developers to be reimbursed. A final billing will be issued when the final report is released. We estimate the cost of performing these procedures on your behalf to be \$13,000 to \$15,000.

Anti-Boycott and Anti-Terrorism Verification. By signing and entering into the Agreement, McCall Gibson Swedlund Barfoot Ellis PLLC (“MGSBE”) verifies, pursuant to Chapter 2271 of the Government Code, it does not boycott Israel and will not boycott Israel during the term of the Agreement. MGSBE hereby represents and warrants that at the time of this Agreement neither MGSBE nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of MGSBE (i) engages in business with Iran, Sudan, or any foreign terrorist organization pursuant to the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code; or (ii) is a company listed by the Texas Comptroller pursuant to Sections 2252.153 of the Texas Government Code. The term “foreign terrorist organization” has the meaning assigned to such term pursuant to Section 2252.151 of the Texas Government Code.

As required by 2276.002, Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), as amended, MGSBE hereby verifies that the MGSBE, including any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, does not boycott energy companies, and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” shall have the meaning assigned to the term “boycott energy company” in Section 809.001, Texas Government Code, as amended.

As required by Section 2274.002, Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, "SB 19"), as amended, the MGSBE hereby verifies that MGSBE, including any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, (i) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, and (ii) will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, "discriminate against a firearm entity or trade association" shall have the meaning assigned to such term in Section 2274.001(3), Texas Government Code (as added by SB 19), as amended.

You agree that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon written request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if each of us agrees to be bound. We will share any costs of mediation proceedings equally.

We appreciate the confidence you have placed in this firm by retaining us as your independent accountants in this matter. If you agree with the above understanding of the engagement, please sign the duplicate copy of this letter and return it at your earliest convenience. Thank you.

Sincerely,

McCall Gibson Swedlund Barfoot Ellis PLLC

McCall Gibson Swedlund Barfoot Ellis PLLC

ACKNOWLEDGEMENT:

Signature	Title	Date
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TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 26
ORDER APPROVING INVESTMENT POLICY AND INVESTMENT STRATEGIES

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

WHEREAS, V.T.C.A., Government Code, Chapter 2256, as amended (the "Public Funds Investment Act"), requires the governing body of political subdivisions to adopt a written investment policy concerning the investment of its funds and funds under its control;

WHEREAS, Section 49.157(a) of the Texas Water Code, as amended, provides that all municipal utility district deposits and investments shall be governed by Subchapter A, Chapter 2256, Government Code (Public Funds Investment Act);

WHEREAS, Section 49.157(b) of the Texas Water Code, as amended, provides that the board of directors of a district may provide that an authorized representative of the district may invest and reinvest the funds of the district and provide for money to be withdrawn from the appropriate accounts of the district for the investment on such terms as the board considers advisable;

WHEREAS, in accordance with the requirements of the Texas Water Code and Public Funds Investment Act, the Board of Directors of Travis County Municipal Utility District No. 26 (the "District") desires to designate one or more investment officers and adopted a policy relating to the investment of District funds;

WHEREAS, in accordance with the requirements of the Public Funds Investment Act, the Board of Directors of the District desires to adopt an Investment Policy, including investment strategies for the investment of District funds.

NOW, THEREFORE BE IT ORDERED BY THE BOARD OF DIRECTORS OF TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 26, THAT:

Section 1. The matters and facts recited in the preamble to this Order are found to be true and correct and the same are incorporated herein as a part of this Order.

Section 2. The Investment Policy, including the written investment strategies set forth therein, in the form attached hereto is hereby approved and adopted.

Section 3. The President or Vice President or the Secretary or Assistant Secretary is authorized to do all things necessary and proper to evidence the Board's adoption of this Order and to carry out the intent hereof. Upon execution, a permanent copy of this Order shall be filed in the permanent records of the District. The Policy has been amended to include an updated list of brokers and dealers.

PASSED AND APPROVED this ____ day of _____, 2025.

President

ATTEST:

Secretary

(SEAL)

TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

INVESTMENT POLICY AND INVESTMENT STRATEGIES

I.

STATUTORY AUTHORITY

1.01 Statutory Authority. This Policy has been adopted pursuant to, and in accordance with the requirements of, Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) and Chapter 2257 of the Texas Government Code (the Public Funds Collateral Act).

II.

SCOPE

2.01 Scope. This Policy applies to the investment of all funds of Travis County Municipal Utility District No. 26 (the “District”) and funds under its control. The Board of the District shall review this Investment Policy and the investment strategies set forth herein not less than annually and shall make any changes thereto as determined by the Board of the District to be necessary and prudent for the management of District funds. Not less than annually, the Board shall adopt a written order or resolution stating that it has reviewed the Investment Policy and investment strategies and setting forth any changes made thereto.

III.

OBJECTIVES

3.01 Investment Objectives. Investment of funds shall be governed by the following investment objectives, in order of priority:

1. Preservation and safety of principal- The foremost objective of the District’s Investment Policy is to assure safety of the invested funds. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital while minimizing credit rate and interest rate risk. Investment for speculation is prohibited.

2. Liquidity- Funds will be invested with maturities necessary to maintain sufficient liquidity to provide adequate and timely working funds.

3. Yield- Return on investment is of least importance compared to the safety and liquidity objectives described above.

IV. INVESTMENT PARAMETERS

4.01. Investment Strategies. The District's overall investment strategy shall be to purchase high credit quality investments that preserve the safety of capital, maximize liquidity, promote diversification, and provide reasonable market yield (in that order of priority), based on the District's anticipated cash flows and the maintenance of a liquidity buffer for unanticipated liabilities. Investments are to be chosen in a manner which promotes diversity by market sector, credit and maturity. The choice of high credit quality investments and high-grade money market instruments are designed to assure the marketability of those investments should liquidity needs arise. Detailed strategies by fund type are set forth in **Exhibit "A"** of this Policy. The Board of the District shall review annually the investment strategies and shall make any changes thereto as determined by the Board to be necessary and prudent for the management of the District's funds.

4.02 Maximum Maturities. The District will match its investments with anticipated cash flow requirements. To match anticipated cash flow requirements, the maximum weighted average maturity of the overall portfolio shall not exceed 365 days and a benchmark of the six-month and one-year Treasury Bills shall be used to measure risk in the portfolio. Unless matched to a specific cash flow requirement, the District will not directly invest in securities maturing more than 24 months from the date of purchase.

4.03 Diversification. The District may diversify its portfolio to reduce risk.

4.04. Competitive Bidding Requirement. All securities, including certificates of deposit, will be purchased or sold after three (3) offers/bids are taken to verify that the District is receiving fair market value/price for the investment. Bids for certificates of deposit may be solicited orally, in writing, electronically, or any combination of these methods.

4.05. Delivery versus Payment. All security transactions entered into by the District shall be conducted on a delivery versus payment (DVP) basis. Securities will be held by a third party custodian designated by the Investment Officers and evidenced by safekeeping receipts.

4.06 Rating Declines or Loss of Rating. The Investment Officers shall monitor the credit rating on all authorized investments in the District's portfolio based on independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by this Policy (i.e. Public Funds Investment Act), the Investment Officers shall immediately solicit bids for and sell the security if possible, regardless of a loss of principal.

4.07 Electronic Wire Transfers. The Investment Officers may use electronic means to transfer or invest funds collected or controlled by the District. Electronic transfers shall only be made between District accounts and in the name of the District, unless otherwise authorized in writing by the Board of the District.

V.
DELEGATION OF INVESTMENT AUTHORITY

5.01 Appointment of Investment Officers. Ghia Lewis and Mark Burton of Municipal Accounts & Consulting, L.P. are hereby appointed the Investment Officers of the District for so long as they serve as the District's bookkeeper. The Investment Officers shall be responsible for the investment of District funds in accordance with this Investment Policy. If the Board has contracted with another investing entity to invest the District's funds, as authorized by the Public Funds Investment Act, the Investment Officer of the other investing entity is considered to be the Investment Officer of the District for such purposes. The authority hereby granted to the Investment Officers to invest the District's funds is effective until rescinded by the Board, the termination of Municipal Accounts & Consulting, L.P.'s bookkeeping contract with the District, or the termination of the individual's employment with Municipal Accounts & Consulting, L.P., or if an investment management firm, until the expiration of the contract with the District.

5.02 Investment Training. The Investment Officers shall attend at least one investment training session from an independent source and containing at least six hours of instruction relating to investment responsibilities within 12 months after taking office or assuming duties. The Investment Officers shall also attend an investment training session within each two-year period after the first year and receive not less than four hours of instruction relating to investment responsibilities from an independent source. Training must include education on investment controls, security risks, strategy risks, market risks, diversification of investment portfolio and compliance with the Public Funds Investment Act.

5.04 Prudence. The standard of care to be used by the Investment Officers shall be prudent person standard, and shall be applied in the context of managing the overall portfolio. This standard states that the person designated as the Investment Officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs. In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall take into consideration (i) the investment of all funds over which the Investment Officer has responsibility rather than consideration as to the prudence of a single investment, and (ii) whether the investment decision was consistent with this Investment Policy.

5.05 Ethics. Officers and employees involved in the investment of District funds shall refrain from personal activity that could conflict with the proper execution and management of the District's investment program. Employees and investment officials shall disclose, in writing, any material interests, including personal business relationships, with any financial institution with which it is proposed that the District conduct business. For purposes of District investments, employees or investment officials have a personal business relationship with a business organization if:

- (i) the individual owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
- (ii) funds received by the individual from the business organization exceed 10 percent

of the individual's gross income for the previous year; or

- (iii) the individual has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the individual.

5.06 Limitation of Personal Liability. Authorized representatives of the District who invest the District's funds in accordance with this Policy shall have no personal liability for any individual security's credit risk or market price changes provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

VI. INVESTMENT REPORTS

6.01 Internal Management Reports. The Investment Officers shall prepare and submit not less than quarterly to the Board of Directors of the District written reports of investment transactions for all funds of the District for the preceding reporting period. The quarterly reports shall comply with the requirements of Section 2256.023 of the Public Funds Investment Act. Specifically, the quarterly report shall:

- (i) Describe in detail the investment position of the District;
- (ii) Be prepared jointly by all Investment Officers;
- (iii) Be signed by each Investment Officer;
- (iv) Contain a summary statement of each pooled fund group that states the:
 - (A) beginning market value for the reporting period;
 - (B) ending market value for the period;
 - (C) fully accrued interest for the reporting period;
 - (D) state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
 - (E) state the maturity date of each separately invested asset that has a maturity date;
 - (F) state the account or fund or pooled group fund in the state agency or local government for which each individual investment was acquired; and
 - (G) state the compliance of the investment portfolio of the District as it relates to: (i) the investment strategy expressed in this Policy; and (ii) relevant provisions of the Public Funds Investment Act.

VII.
COLLATERAL, SAFEKEEPING, AND CUSTODY REQUIREMENTS

7.01 Collateral Policy. Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the District to require full collateralization of all District funds on deposit with a depository bank and for repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the deposits or investments, less an amount insured by the FDIC. At its discretion, the District may require a higher level of collateralization for certain investment securities. Securities pledged as collateral shall be held by an independent third party with which the District has a current custodial agreement. The agreements are to specify the acceptable investment securities for collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities, and the method of valuation of securities. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the District and retained. Collateral shall be reviewed at least monthly to assure that the market value of the pledged securities is adequate.

7.02 Authorized Collateral for Time and Demand Deposits. The District shall accept only the following securities as collateral for time and demand deposits:

- (i) FDIC insurance coverage;
- (ii) Obligations of the United States, its agencies or instrumentalities, or other evidence of indebtedness of the United States guaranteed as to principal and interest; and
- (iii) Obligations of Texas or other states or of a county, city or other political subdivision of a state having been rated as not less than “A” or its equivalent by two nationally recognized rating agencies.

7.03 Authorized Collateral for Repurchase Agreements. The District shall accept as collateral for repurchase agreements only obligations of the United States, its agencies or instrumentalities.

VIII.
AUTHORIZED INVESTMENTS

8.01 Authorized Investments. The following are authorized investments for the District’s funds, as further described and restricted by the Public Funds Investment Act:

- A. Obligations of, or guaranteed by, the United States. Obligations of the United States, its agencies and instrumentalities, excluding mortgage backed securities, and that are authorized investments under Section 2256.009 of the Public Funds Investment Act.
- B. State Obligations. Obligations of the State of Texas or any state of the

United States or their respective agencies and instrumentalities, agencies, counties, cities, and other political subdivisions rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent, and that are authorized investments under Section 2256.009 of the Public Funds Investment Act.

- C. Other Governmental Obligations. Obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and 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.
- D. Certificates of Deposit/Share Certificates.
 - (a) Fully insured or collateralized certificates of deposit or share certificates that are approved investments under Section 2256.010 of the Public Funds Investment Act: (i) from a depository institution that has its main office or a branch office in the State of Texas; and (ii) that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or by the National Credit Union Share Insurance Fund or its successor, as applicable. Authorized certificates of deposit shall include such certificates purchased through the CDARS program with a Texas bank.
 - (b) Fully insured certificates of deposit purchased from a broker or a bank that has its main office or a branch office in the State of Texas and is selected from the list of qualified brokers attached to this Investment Policy. All investments in such brokered certificates of deposit shall be made on a delivery versus payment basis to the District's safekeeping agent, and the Investment Officers shall verify that the bank is fully insured by the Federal Deposit Insurance Corporation prior to purchase. In the event any bank from which the District has purchased a brokered certificate of deposit merges with, or is acquired by, another bank in which brokered certificates of deposit are owned by the District, the Investment Officers shall immediately contact the banks and liquidate any brokered certificate that exceeds FDIC insurance levels.
- E. Repurchase Agreements. Fully collateralized repurchase agreements with a defined termination date executed with a primary dealer as defined by the Federal Reserve or a financial institution doing business in this state, and that are authorized investments under Section 2256.011 of the Public Funds Investment Act.
- F. Mutual Funds. AAA-rated, SEC registered money market mutual funds that are registered and regulated by the Securities and Exchange Commission subject to the limitations set forth in Section 2256.014 of the Public Funds

Investment Act.

- G. Commercial Paper. Commercial paper that has a stated maturity of 270 days or fewer from the date of its issuance and that is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies, or one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United State or any state, as authorized under Section 2256.013 of the Public Funds Investment Act
- H. Investment Pools. AAA-rated, constant-dollar local government investment pools that meet the requirements set forth in the Public Funds Investment Act for the investment of public funds, including Sections 2256.016, .017, .018, and .019, and provided further that such investments must be approved by the Board of Directors of the District by separate resolution.
- I. Interest bearing accounts of any FDIC bank in Texas.

IX.

AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

9.01 Authorized Financial Dealers and Institutions. The Board may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of public funds; provided, that a contract may not be for a term longer than two years, and any renewal or extension thereof must be made by the Board by order or resolution.

X.

MISCELLANEOUS

10.01 Policy to be Presented to Investment Officers. The Investment Officers shall be presented a copy of this Investment Policy and shall execute a written instrument substantially in the form attached hereto as **Exhibit “B”** to the effect that the Investment Officers have:

1. received and thoroughly reviewed a copy of this Investment Policy; and
2. implemented procedures and controls to comply with the Investment Policy.

10.02 Business Organizations that Invest or Manage the District’s Investment Portfolio. A written copy of this Investment Policy shall be presented to any business organization offering to engage in an investment transaction with the District. For purposes of this Policy, a “*business organization*” means an investment pool or investment management firm under contract with the District to invest or manage the District’s investment portfolio that has accepted authority granted by the District under the contract to exercise investment discretion in regard to the District’s funds. The qualified representative of the business organization offering to engage in an investment

transaction with the District shall execute a written instrument in a form acceptable to the District and the business organization substantially to the effect that the business organization has:

- (i) Received and reviewed this Investment Policy; and
- (ii) Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the District and the organization that are not authorized under this Investment Policy, except to the extent that the authorization: (A) is dependent on an analysis of the makeup of the District's entire portfolio; (B) requires an interpretation of subjective investment standards; or (C) relates to investment transactions of the District that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

The District shall not acquire or otherwise obtain any authorized investment described in this Investment Policy from a business organization that has not delivered the instrument described above.

10.03 Annual Financial Audit. The District, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the District's established investment policies.

10.04 Selection of Authorized Brokers. The District shall annually review, revise and adopt a list of qualified brokers that are authorized to engage in investment transactions with the District. Approved Investment Brokers are those listed in **Exhibit C** of this Policy.

PASSED AND APPROVED this ____ day of _____, 2025.

President

ATTEST:

Secretary

(SEAL)

EXHIBIT A - 1

INVESTMENT STRATEGY

DEBT SERVICE FUNDS

Investment Objective:

To purchase investments that will preserve the safety of capital and maximize yield (in that order of priority) taking into account the timing of the District's debt service payments.

Investment Strategy:

To invest in any of the authorized investments listed in Article VIII of the District's Investment Policy, provided that:

1. For funds needed for the District's next debt service payment, the investment shall mature no later than the date the debt service payment is due.
2. For funds in the debt service reserve fund, the maximum stated maturity date of the investment shall be no greater than 24 months after the date of purchase and cannot exceed the final maturity of the underlying bond(s) or note(s) for which it is reserved.

EXHIBIT A – 2

INVESTMENT STRATEGY

CONSTRUCTION FUNDS

Investment Objective:

To purchase investments that will preserve the safety of capital and maximize yield (in that order of priority) taking into account the timing of the District's cash flow requirements for its construction projects.

Investment Strategy:

To invest in any of the authorized investments listed in Article VIII of the District's Investment Policy, provided that:

1. Investment maturities shall generally follow anticipated cash flow requirements. At no time shall the anticipated expenditure schedule be exceeded in an attempt to bolster yield.
2. Market conditions and arbitrage regulations shall be considered to avoid arbitrage.

EXHIBIT A-3

INVESTMENT STRATEGY UNRESTRICTED OPERATING FUNDS

Investment Objective:

To purchase investments that will preserve the safety of capital, maximize liquidity, and maximize yield (in that order of priority), taking into account the District's monthly operating expenses, capital improvements, special projects, and other expenditures and ensuring the availability of funds as necessary.

Investment Strategy:

To invest in any of the authorized investments listed in Article VIII of the District's Investment Policy, provided that the investment will mature no later than 24 months after the date of purchase. Investments must meet projected cash flow requirements.

EXHIBIT B

**INVESTMENT OFFICER AND INVESTMENT FIRM CERTIFICATION
OF RECEIPT AND REVIEW OF INVESTMENT POLICY**

THE STATE OF TEXAS

COUNTY OF TRAVIS

I, _____ of _____,
do hereby certify that I have been presented a copy of the Investment Policy for Travis County
Municipal Utility District No. 26 dated _____. I have thoroughly reviewed the Investment
Policy and acknowledge that _____ has implemented procedures and controls
to comply with the Investment Policy.

WITNESS MY HAND THIS ___ day of _____, _____.

Name: _____

Title: _____

EXHIBIT C
List of Approved Brokers and Investment Firms

LIST OF AUTHORIZED BROKERS

ABC Bank	Lone Star Investment Pool
Amegy Bank of Texas, N.A.	Moody National Bank
American Bank	New First National Bank
Austin Capital Bank	North Star Bank of Texas
BB & T	One West Bank
Bank of America N.A.	Origin Bank
Bank of Houston	PNC Bank/The PNC Financial Services Group, Inc.
Bank of New York- Mellon	Plains Capital Bank
Bank of Texas N.A.	Plains State Bank
Bank of the Ozarks (Bank Ozk)	PrimeBank of Texas
Brenham National Bank	Prosperity Bank
Cadence Bank	R Bank
Capital Bank of Texas	Regions Bank
Capital Markets Group	Simmons Bank
Capital One	SouthStar Bank
Central Bank	SouthState Bank
Chasewood Bank	State Bank of Texas
Citibank N.A.	State Street Bank & Trust Co.
CIT Bank	Stellar Bank
Comerica Bank	Stifel Nicholas
Comerica Securities	Southwestern National Bank
Commercial State Bank	Sunflower Bank
Community Trust Bank	Susser Bank
Coastal Securities	Tex Star Investment Pool
East West Bank	Texas Capital Bank N.A.
First Bank of Texas	Texas Class
First Citizens Bank	Texas Citizens Bank
First Commercial Bank	Texas Exchange Bank
First Financial Bank, N.A.	Texas First Bank
First Lockhart National Bank	Texas Gulf Bank
First National Bank of Texas	Texas Regional Bank
First Texas Bank	Texas Traditions Bank
Frontier Bank of Texas	The Independent Bankers Bank
Frost National Bank	The Mint National Bank
Guaranty Bank & Trust	Texas Savings Bank
Hancock Whitney Bank	Texpool/Texpool Prime
Herring Bank	The Right Bank for Texas
Hilltop Securities	Third Coast Bank
Hometown Bank, N.A.	Trustmark National Bank
Horizon Bank	United Bank of El Paso Del Norte
Iberia Bank	United Texas Bank
ICS	Unity National Bank
Independent Bank	U. S. Bank
International Bank of Commerce	Vista Bank
Inter National Bank	Veritex Bank
IntraFi Network Deposits	Wallis Bank
JP Morgan Chase	Wells Fargo Bank, N.A.
Legacy Texas Bank	Wells Fargo Brokerage Services, LLC
Lone Star Bank	Wells Fargo Trust
Lone Star Capital Bank	West Star Bank
	Woodforest National Bank

McCall Gibson Swedlund Barfoot Ellis PLLC

Certified Public Accountants

*Chris Swedlund
Noel W. Barfoot
Joseph Ellis
Ashlee Martin*

*Mike M. McCall
(retired)
Debbie Gibson
(retired)*

October 17, 2025

Board of Directors
Travis County Municipal Utility District No. 26
Travis County, Texas

We are pleased to confirm our understanding of the services we are to provide Travis County Municipal Utility District No. 26 (the “District”).

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, each major fund, and the disclosures, which collectively comprise the basic financial statements of the District as of and for the year ended September 30, 2025. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management’s discussion and analysis (MD&A), to supplement the District’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) 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. As part of our engagement, we will apply certain limited procedures to the District’s RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management’s Discussion and Analysis, and
- 2) Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual – General Fund

We have also been engaged to report on supplementary information other than RSI that accompanies the District’s financial statements. The document we submit to you will include various supplementary schedules as required by the Texas Commission on Environmental Quality (the “Commission”) as published in the *Water District Financial Management Guide*. This supplementary information will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and we will provide an opinion on it in relation to the financial statements as a whole except for that portion marked “unaudited”, on which we will express no opinion.

Audit Scope and Objectives (Continued)

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles (GAAP); and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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 (GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, 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 a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. If we determine it is necessary, we may request written representations from your attorneys as part of the engagement.

As part of our audit planning, we have identified capital assets, long-term debt, management override of controls, and improper revenue recognition as audit areas with significant risks of material misstatement. We will design and perform audit procedures whose nature, timing and extent are responsive to the assessed risks of material misstatement.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures – Internal Control

We will obtain an understanding of the District and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. 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, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatements, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We will prepare the financial statements and the appropriate capital asset schedules including calculation of depreciation on the capital assets in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

Responsibilities of Management for the Financial Statements (Continued)

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, consultants, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws and regulations.

With regard to using the auditor's report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents.

You are responsible for the preparation of the supplementary information in conformity with the Commission's requirements. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with the Commission's requirements; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with the Commission's requirements; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for our preparation of the financial statements and our preparation of the capital asset schedule, including calculation of depreciation on the capital assets; oversee the services by designating the bookkeeper, who has the suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees and Other

We are aware of the State statute requiring the audit to be completed within 120 days and filed with the Texas Commission on Environmental Quality within 135 days from the closing date of the audit and barring any unforeseen circumstances every effort will be made to comply with this rule. We will also comply with the Rules of Professional Conduct of the Texas State Board of Public Accountancy and retain our records for five years.

We expect to present a draft of the audit report within 45 days of the availability of the District's accounting records. Chris Swedlund is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign the report. We estimate the fees for the audit of the District's financial statements and for the other services to be provided for the year ended September 30, 2025, will range between \$14,000 and \$16,000.

Engagement Administration, Fees and Other (Continued)

The above fee is based on anticipated cooperation from your consultants and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Not included in the fees above are out-of-pocket costs such as printing, postage, and other charges incidental to the completion of our audit. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement. The District will be obligated to compensate us for our time expended through the date of withdrawal or termination.

Reporting

We will issue a written report upon completion of our audit of the District's financial statements, which will also address the supplementary information required by the Commission in accordance with *AU-C 725, Supplementary Information in Relation to the Financial Statements as a Whole* and the other supplementary information in accordance with *AU-C 720, The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*. Our report will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

GENERAL TERMS AND CONDITIONS

You may request that we perform additional services not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written documentation from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

The agreement may be terminated by either party, with or without cause, upon 30 days written notice.

You agree that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon written request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if each of us agrees to be bound. We will share any costs of mediation proceedings equally.

Fossil Fuels Boycott Verification

As required by 2276.002, Texas Government Code, as amended, McCall Gibson Swedlund Barfoot Ellis PLLC ("MGSBE") hereby verifies that MGSBE, including any wholly-owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, does not boycott energy companies, and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code, as amended.

Firearms Discrimination Verification

As required by Section 2274.002, Texas Government Code, as amended, MGSBE hereby verifies that MGSBE, including any wholly-owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, (i) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, and (ii) will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, "discriminate against a firearm entity or trade association" shall have the meaning assigned to such term in Section 2274.001(3), Texas Government Code, as amended.

Israel Boycott Verification

As required by Chapter 2271, Texas Government Code, as amended, MGSBE hereby verifies that MGSBE, including any wholly-owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, does not boycott Israel and will not boycott Israel through the term of this Agreement. As used in the foregoing verification, the term "boycott Israel" has the meaning assigned to such term in Section 808.001, Texas Government Code, as amended.

Anti-Terrorism Representation

Pursuant to Chapter 2252, Texas Government Code, MGSBE represents and certifies that, at the time of execution of this letter neither MGSBE, nor any wholly-owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same: (i) engages in business with Iran, Sudan, or any foreign terrorist organization pursuant to Subchapter F of Chapter 2252 of the Texas Government Code; or (ii) is a company listed by the Texas Comptroller pursuant to Section 2252.153 of the Texas Government Code. The term "foreign terrorist organization" has the meaning assigned to such term pursuant to Section 2252.151 of the Texas Government Code.

We appreciate the confidence you have placed in our firm and we look forward to serving the District again this coming year.

Sincerely,

McCall Gibson Swedlund Barfoot Ellis PLLC

McCall Gibson Swedlund Barfoot Ellis PLLC
Certified Public Accountants
Houston, Texas

This letter correctly sets forth the understanding of the District.

Signature

Title

Date



MUNICIPAL ACCOUNTS
& CONSULTING, L.P.

Bookkeeper's Report | October 15, 2025

Travis County Municipal Utility District No. 26



WEBSITE

www.municipalaccounts.com



ADDRESS

3755 S. Capital of TX Hwy Bldg 1,
Suite 280
Austin, Texas 78704



CONTACT

Phone: 512.782.2400
Fax: 512.795.9968

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Monthly Financial Summary - General Operating Fund

Travis County MUD 26 - GOF



Account Balance Summary

Balance as of 08/21/2025 **\$375,838**

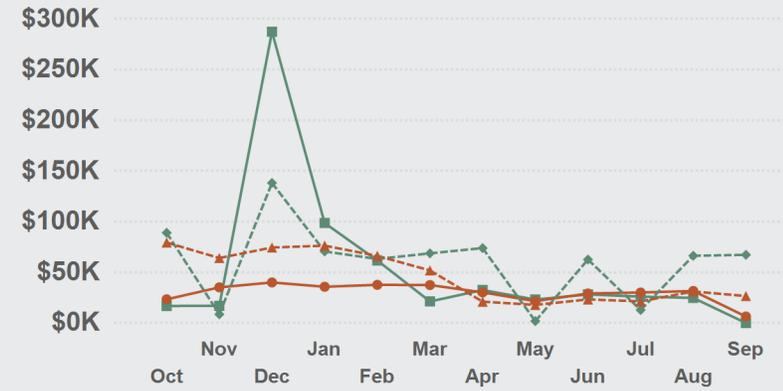
Receipts 66,138

Disbursements (75,263)

Balance as of 10/15/2025 **\$366,714**

Overall Revenues & Expenditures By Month (Year to Date)

— Current Year Revenues - - - Prior Year Revenues
— Current Year Expenditures - - - Prior Year Expenditures



September 2025

Revenues

Actual	Budget	Over/(Under)
\$0	\$12,727	(\$12,727)

Expenditures

Actual	Budget	Over/(Under)
\$6,392	\$40,585	(\$34,192)

October 2024 - September 2025 (Year to Date)

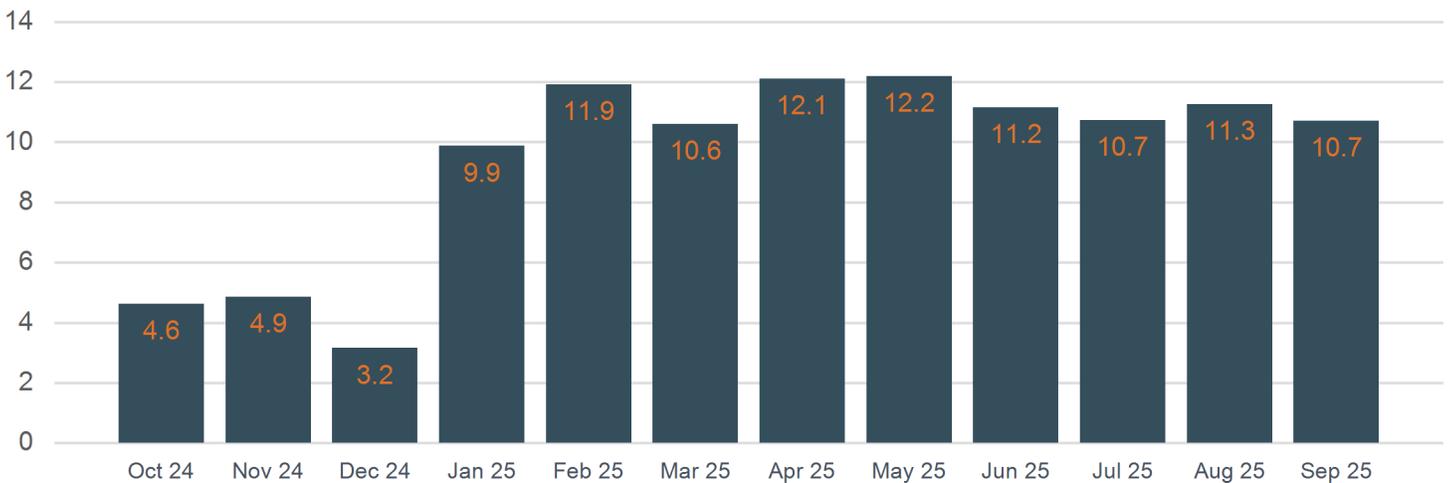
Revenues

Actual	Budget	Over/(Under)
\$637,373	\$519,120	\$118,253

Expenditures

Actual	Budget	Over/(Under)
\$358,434	\$519,120	(\$160,686)

Operating Fund Reserve Coverage Ratio (In Months)



Cash Flow Report - Checking Account

Travis County MUD 26 - GOF



Number	Name	Memo	Amount	Balance
Balance as of 08/21/2025				\$4,426.89
Receipts				
	Accounts Receivable		40,470.22	
	Interest Earned on Checking		2.67	
Total Receipts				\$40,472.89
Disbursements				
2317	Jones - Heroy & Associates, Inc.	Engineering Fee	(13,543.79)	
2318	Maxwebs Company	Website Maintenance	(75.00)	
2319	McLean & Howard, L.L.P.	Legal Fee	(7,580.76)	
2320	Municipal Accounts & Consulting, L.P.	Bookkeeping Fee	(5,809.88)	
2321	Travis County MUD No 26- Bookkeepers	Transfer to Bookkeepers Account	(14,126.35)	
Total Disbursements				(\$41,135.78)
Balance as of 10/15/2025				\$3,764.00

Cash Flow Report - Bookkeepers Account

Travis County MUD 26 - GOF



Number	Name	Memo	Amount	Balance
Balance as of 08/21/2025				\$25,000.00
Receipts				
	Interest Earned on Bookkeepers		0.41	
	Transfer to Bookkeepers Account		10,000.00	
	Transfer to Bookkeepers Account		14,126.35	
Total Receipts				\$24,126.76
Disbursements				
10103	Aqua-Tech Laboratories, Inc.	Lab Fees	(2,531.50)	
10104	Brenntag Southwest, Inc	Chemicals	(1,111.84)	
10105	Si Enviromental, LLC	Management & Operations	(10,875.64)	
10106	Travis Central Appraisal District	CAD Fees Q4 2025	(651.63)	
10107	Wastewater Transport Services, LLC	Sludge Removal	(1,860.65)	
10108	Brenntag Southwest, Inc	Chemicals	(1,241.74)	
ACH	Pedernales Electric Cooperative, Inc.	Utility Fees	(287.41)	
ACH	Pedernales Electric Cooperative, Inc.	Utility Fees	(2,127.39)	
ACH	Pedernales Electric Cooperative, Inc.	Utility Fees	(287.41)	
ACH	Pedernales Electric Cooperative, Inc.	Utility Fees	(2,149.95)	
HRP	Alex Blackburn.	Fees of Office 08/20/2025	(204.10)	
HRP	Robert Bobo.	Fees of Office 08/20/2025	(204.10)	
HRP	Blake Rue.	Fees of Office 08/20/2025	(204.10)	
HRP	Alex Boogren.	Fees of Office 08/20/2025	(204.10)	
HRP	HRP	Administration Fee	(50.00)	
HRP	United States Treasury	Payroll Tax	(135.20)	
Total Disbursements				(\$24,126.76)
Balance as of 10/15/2025				\$25,000.00

Actual vs. Budget Comparison

Travis County MUD 26 - GOF



	August 2025			October 2024 - August 2025			Annual Budget
	Actual	Budget	Over/ (Under)	Actual	Budget	Over/ (Under)	
Revenues							
Wastewater Revenue							
14201 Wastewater-Customer Service Rev	23,100	11,200	11,900	217,653	100,800	116,853	112,000
14206 TCEQ Regulatory Rev -	117	0	117	847	0	847	0
14207 Connection Fees	0	250	(250)	0	2,750	(2,750)	3,000
Total Wastewater Revenue	23,217	11,450	11,767	218,501	103,550	114,951	115,000
Property Tax Revenue							
14301 Maintenance Tax Collections	205	0	205	401,307	388,817	12,490	388,817
14303 Property Tax Penalty & Interest	40	9	31	4,254	91	4,163	100
Total Property Tax Revenue	245	9	236	405,561	388,908	16,653	388,917
Tap Connection Revenue							
14502 Sewer Tap Inspection Fees	0	642	(642)	3,150	7,058	(3,908)	7,700
Total Tap Connection Revenue	0	642	(642)	3,150	7,058	(3,908)	7,700
Administrative Revenue							
14702 Penalties & Interest	0	125	(125)	0	1,375	(1,375)	1,500
Total Administrative Revenue	0	125	(125)	0	1,375	(1,375)	1,500
Interest Revenue							
14801 Interest Earned on Checking	3	4	(1)	46	36	10	40
14802 Interest Earned on Temp. Invest	1,294	125	1,169	10,115	1,375	8,740	1,500
Total Interest Revenue	1,297	129	1,168	10,161	1,411	8,750	1,540
Developer Advance							
14901 Developer Advance	0	372	(372)	0	4,091	(4,091)	4,463
Total Developer Advance	0	372	(372)	0	4,091	(4,091)	4,463
Total Revenues	24,759	12,727	12,032	637,373	506,393	130,980	519,120

Expenditures

Wastewater Service

16201 Billing Service Fees-Wastewater	3,080	1,909	1,171	29,020	30,090	(1,070)	32,000
16202 Operations - Wastewater	7,860	6,850	1,010	77,455	75,350	2,105	82,200
16205 Maint & Repairs - Wastewater	3,016	500	2,516	24,294	5,500	18,794	6,000
16207 Chemicals - Wastewater	1,112	1,000	112	16,666	11,000	5,666	12,000
16208 Laboratory Expense - Wastewater	1,143	1,200	(57)	13,317	13,200	117	14,400
16209 Mowing - Wastewater	0	3,210	(3,210)	263	35,310	(35,048)	38,520
16210 Utilities - Wastewater	2,415	2,916	(501)	31,582	32,084	(502)	35,000
16212 Sludge Removal	1,209	1,500	(291)	22,302	16,500	5,802	18,000
16216 Permit Expense - Wastewater	0	0	0	7,170	1,000	6,170	1,000
Total Wastewater Service	19,835	19,085	750	222,069	220,034	2,035	239,120

General Operating Fund

Actual vs. Budget Comparison

Travis County MUD 26 - GOF



	August 2025			October 2024 - August 2025			Annual Budget
	Actual	Budget	Over/ (Under)	Actual	Budget	Over/ (Under)	
Expenditures							
Garbage Service							
16301 Garbage Expense	0	250	(250)	0	2,750	(2,750)	3,000
Total Garbage Service	0	250	(250)	0	2,750	(2,750)	3,000
Storm Water Quality							
16403 Detention Pond Maintenance	0	1,650	(1,650)	0	18,150	(18,150)	19,800
Total Storm Water Quality	0	1,650	(1,650)	0	18,150	(18,150)	19,800
Tap Connection							
16502 Inspection Expense	0	550	(550)	0	6,050	(6,050)	6,600
Total Tap Connection	0	550	(550)	0	6,050	(6,050)	6,600
Administrative Service							
16703 Legal Fees	2,018	2,916	(899)	15,403	32,084	(16,682)	35,000
16705 Auditing Fees	0	0	0	14,750	11,000	3,750	11,000
16706 Engineering Fees	0	3,750	(3,750)	30,756	41,250	(10,494)	45,000
16708 Financial Advisor Fees	0	0	0	3,500	0	3,500	0
16710 Website Hosting	25	84	(59)	635	916	(281)	1,000
16712 Bookkeeping Fees	3,708	3,850	(142)	43,773	51,150	(7,377)	55,000
16714 Printing & Office Supplies	5	5	0	1,310	245	1,065	250
16715 Filing Fees	0	5	(5)	114	95	19	100
16716 Delivery Expense	0	21	(21)	156	229	(73)	250
16717 Postage	7	30	(23)	242	320	(78)	350
16718 Insurance & Surety Bond	0	0	0	2,875	3,000	(125)	3,000
16721 Meeting Expense	313	166	147	1,291	1,834	(543)	2,000
16722 Bank Service Charge	0	200	(200)	879	2,200	(1,321)	2,400
16723 Travel Expense	0	250	(250)	1,971	2,750	(779)	3,000
16724 Publication Expense (SB 622)	4,673	1,500	3,173	4,673	3,000	1,673	3,000
16725 Tax Assessor/Appraisal	0	0	0	2,810	1,500	1,310	2,000
16728 Record Storage Fees	28	41	(14)	303	459	(157)	500
Total Administrative Service	10,777	12,818	(2,041)	125,440	152,032	(26,592)	163,850
Payroll Expense							
17101 Payroll Expenses	884	834	50	3,978	9,166	(5,188)	10,000
17102 Payroll Administration	50	50	0	250	550	(300)	600
17103 Payroll Tax Expense	68	84	(16)	304	916	(612)	1,000
Total Payroll Expense	1,002	968	34	4,532	10,632	(6,100)	11,600
Other Expense							
17802 Miscellaneous Expense	0	13	(13)	0	137	(137)	150
Total Other Expense	0	13	(13)	0	137	(137)	150

Actual vs. Budget Comparison

Travis County MUD 26 - GOF



	August 2025			October 2024 - August 2025			Annual Budget
	Actual	Budget	Over/ (Under)	Actual	Budget	Over/ (Under)	
Total Expenditures	31,613	35,334	(3,720)	352,042	409,785	(57,743)	444,120
Total Revenues (Expenditures)	(6,855)	(22,607)	15,752	285,331	96,608	188,723	75,000
Other Expenditures							
Capital Outlay							
17902 Road Maintenance Sinking Fund	0	6,250	(6,250)	0	68,750	(68,750)	75,000
Total Capital Outlay	0	6,250	(6,250)	0	68,750	(68,750)	75,000
Total Other Expenditures	0	6,250	(6,250)	0	68,750	(68,750)	75,000
Total Other Revenues (Expenditures)	0	(6,250)	6,250	0	(68,750)	68,750	(75,000)
Excess Revenues (Expenditures)	(6,855)	(28,857)	22,002	285,331	27,858	257,473	0

Balance Sheet as of 08/31/2025

Travis County MUD 26 - GOF



Assets

Bank		
11101 Cash in Bank		\$44,900
11103 Bookkeepers		23,999
Total Bank		<u>\$68,899</u>
Investments		
11201 Time Deposits		\$347,705
Total Investments		<u>\$347,705</u>
Receivables		
11303 Maintenance Tax Receivable		\$325
11308 Due From Others		3,150
11309 Due from Creedmoor		20,137
Total Receivables		<u>\$23,612</u>
Interfund Receivables		
11401 Due From Capital Projects		\$8,908
11402 Due From Debt Service		245
Total Interfund Receivables		<u>\$9,153</u>
Total Assets		<u><u>\$449,369</u></u>

Liabilities & Equity

Liabilities		
Accounts Payable		
12101 Accounts Payable		\$43,742
Total Accounts Payable		<u>\$43,742</u>
Deferrals		
12502 Deferred Inflows Property Taxes		\$325
Total Deferrals		<u>\$325</u>
Total Liabilities		<u>\$44,067</u>
Equity		
Unassigned Fund Balance		
13101 Unassigned Fund Balance		\$119,971
Total Unassigned Fund Balance		<u>\$119,971</u>
Net Income		\$285,331
Total Equity		<u>\$405,302</u>
Total Liabilities & Equity		<u><u>\$449,369</u></u>

Monthly Financial Summary - Capital Projects Fund

Travis County MUD No. 26 - CPF



Account Balance Summary

Balance as of 08/21/2025 **\$81,432**

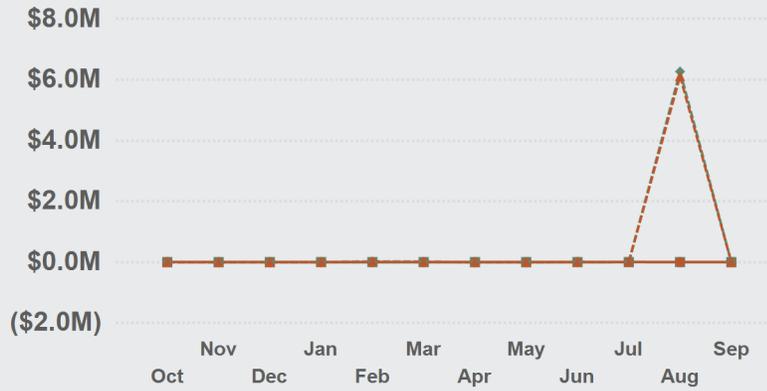
Receipts 304

Disbursements 0

Balance as of 10/15/2025 **\$81,736**

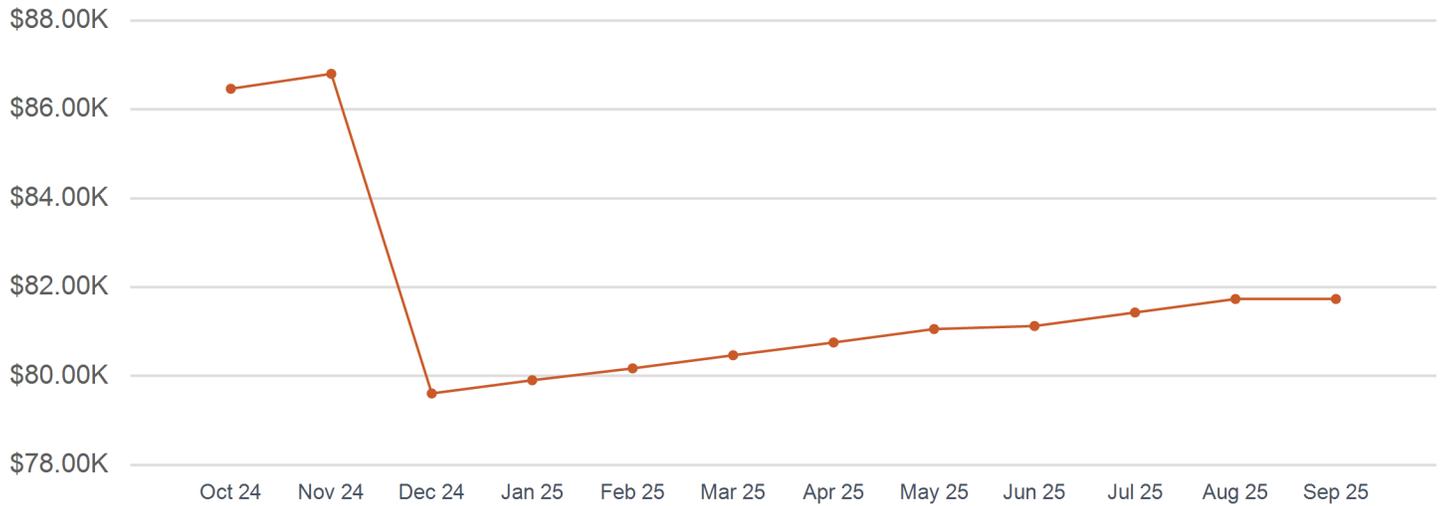
Overall Revenues & Expenditures By Month (Year to Date)

— Current Year Revenues - - - Prior Year Revenues
— Current Year Expenditures - - - Prior Year Expenditures



Account Balance By Month | October 2024 - September 2025

— CAPITAL PROJECTS FUND



Cash Flow Report - Checking Account

Travis County MUD No. 26 - CPF



Number	Name	Memo	Amount	Balance
Balance as of 08/21/2025				\$0.00
Receipts				
	No Receipts Activity		0.00	
Total Receipts				\$0.00
Disbursements				
	No Disbursements Activity		0.00	
Total Disbursements				\$0.00
Balance as of 10/15/2025				\$0.00

District Debt Summary as of 10/15/2025

Travis County MUD No. 26 - DSF



		WATER, SEWER, DRAINAGE	PARK/ROAD/OTHER	REFUNDING
Total \$ Authorized		Authorized	Authorized	Authorized
\$345.00M		\$270.00M	\$75.00M	\$517.50M
Total \$ Issued		Issued	Issued	Issued
\$6.70M		\$6.70M	N/A	N/A
Yrs to Mat	Rating	\$ Available To Issue	\$ Available To Issue	\$ Available To Issue
23	N-R	\$263.30M	\$75.00M	\$517.50M

*Actual 'Outstanding' Refunding Bonds issued below may differ from the 'Issued' total above pursuant to Chapter 1207, Texas Government Code.

Outstanding Debt Breakdown

Series Issued	Original Bonds Issued	Maturity Date	Principal Outstanding
2024 - WS&D	\$6,700,000	2049	\$6,700,000
Total	\$6,700,000		\$6,700,000

District Debt Schedule

Travis County MUD No. 26 - DSF



Paying Agent	Series	Principal	Interest	Total
Bank of Texas	2024 - WS&D	\$0.00	\$143,325.00	\$143,325.00
Total Due 03/01/2026		\$0.00	\$143,325.00	\$143,325.00

Paying Agent	Series	Principal	Interest	Total
Bank of Texas	2024 - WS&D	\$150,000.00	\$143,325.00	\$293,325.00
Total Due 09/01/2026		\$150,000.00	\$143,325.00	\$293,325.00

Investment Profile as of 10/15/2025

Travis County MUD 26

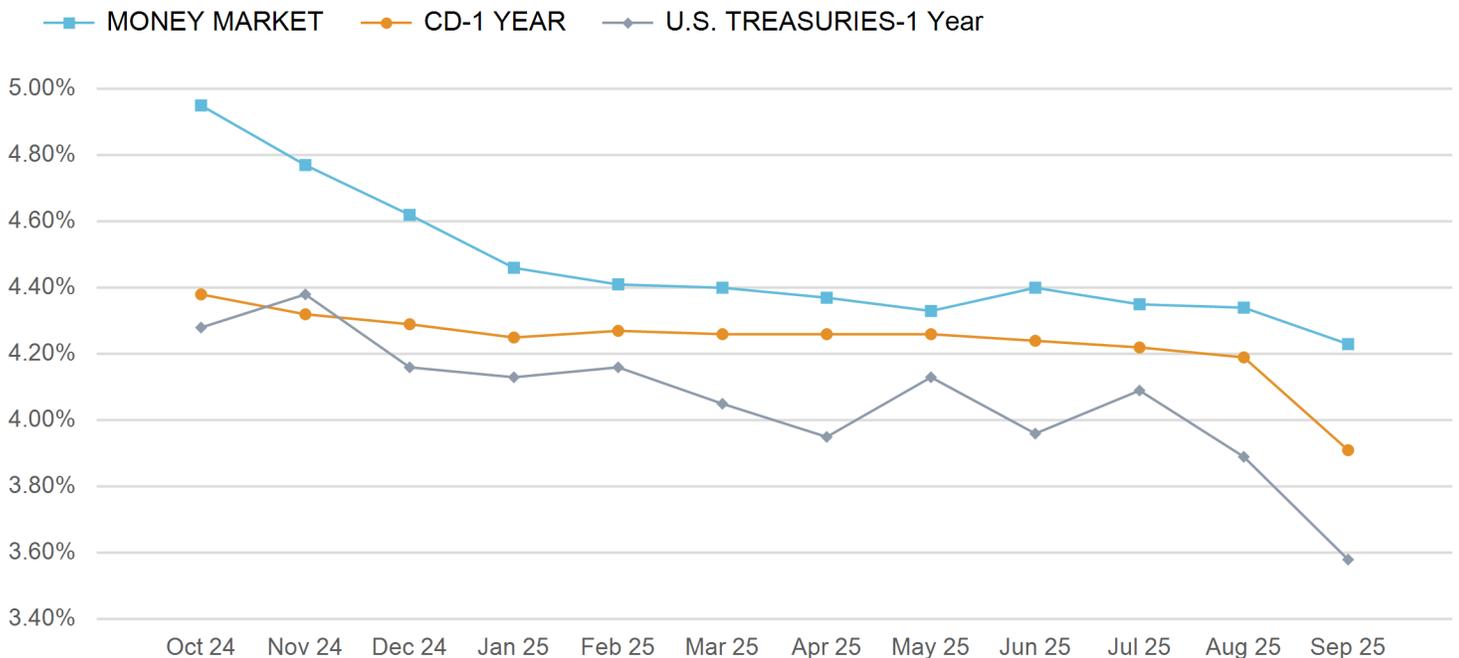


General Operating Fund	Capital Projects Fund	Debt Service Fund	Other Funds
Funds Available to Invest \$366,714	Funds Available to Invest \$81,736	Funds Available to Invest \$295,876	Funds Available to Invest N/A
Funds Invested \$337,950	Funds Invested \$81,736	Funds Invested \$295,876	Funds Invested N/A
Percent Invested 92%	Percent Invested 100%	Percent Invested 100%	Percent Invested N/A

Term	Money Market	Term	Certificate of Deposit	Term	U.S. Treasuries
On Demand	4.23%	180 Days	4.14%	180 Days	3.82%
		270 Days	3.85%	270 Days	3.82%
		1 Yr	3.91%	1 Yr	3.58%
		13 Mo	1.85%	13 Mo	N/A
		18 Mo	3.48%	18 Mo	0.00%
		2 Yr	2.29%	2 Yr	3.56%

*Rates are based on the most current quoted rates and are subject to change daily.

Investment Rates Over Time (By Month) | October 2024 - September 2025



Account Balance as of 10/15/2025

Travis County MUD 26 - Investment Detail



FUND: General Operating

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Money Market Funds					
TEXAS CLASS (XXXX0001)	03/24/2025		4.28%	336,876.26	
TEXAS CLASS (XXXX0002)	03/24/2025		4.28%	1,073.67	Street Repairs
Checking Account(s)					
FIRST CITIZENS BANK-CKING (XXXX5822)			0.05%	25,000.00	Bookkeepers
FIRST CITIZENS BANK-CKING (XXXX5830)			0.05%	3,764.00	Cash In Bank
Totals for General Operating Fund				\$366,713.93	

FUND: Capital Projects

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Money Market Funds					
TEXAS CLASS (XXXX0005)	03/24/2025		4.28%	81,736.18	Series 2024
Checking Account(s)					
FIRST CITIZENS BANK-CKING (XXXX1100)			0.00%	0.00	Checking Account
Totals for Capital Projects Fund				\$81,736.18	

FUND: Debt Service

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Money Market Funds					
TEXAS CLASS (XXXX0003)	03/24/2025		4.28%	295,875.59	
Totals for Debt Service Fund				\$295,875.59	
Grand Total for Travis County MUD 26 :				\$744,325.70	

TAX ANALYSIS FISCAL YEAR END 09/2025

TRAVIS COUNTY MUD 26

	TAX YEARS 2024			TAX YEARS 2023			GRAND TOTALS		
	DSF	M&O	TOTAL	DSF	M&O	TOTAL	TOTAL DSF	TOTAL M&O	TOTAL
PERCENTAGE	22.22%	77.78%	100.00%	0.00%	100.00%	100.00%			
TAX LEVY	114,662.35	401,318.23	515,980.58	0.00	1,080.00	1,080.00			
Oct 2024									
TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							0.00	0.00	0.00
Nov 2024									
TAXES	60.00	210.00	270.00	0.00	0.00	0.00	60.00	210.00	270.00
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							60.00	210.00	270.00
Dec 2024									
TAXES	76,985.24	269,448.35	346,433.59	0.00	540.00	540.00	76,985.24	269,988.35	346,973.59
PENALTY	0.00	0.00	0.00	0.00	124.20	124.20	0.00	124.20	124.20
							76,985.24	270,112.55	347,097.79
Jan 2025									
TAXES	22,472.37	78,653.31	101,125.68	0.00	0.00	0.00	22,472.37	78,653.31	101,125.68
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							22,472.37	78,653.31	101,125.68
Feb 2025									
TAXES	11,125.03	38,937.62	50,062.65	0.00	540.00	540.00	11,125.04	39,477.61	50,602.65
PENALTY	731.93	2,561.77	3,293.70	0.00	135.00	135.00	731.93	2,696.77	3,428.70
							11,856.97	42,174.38	54,031.35
Mar 2025									
TAXES	160.90	563.15	724.05	0.00	0.00	0.00	160.90	563.15	724.05
PENALTY	10.16	35.57	45.73	0.00	0.00	0.00	10.16	35.57	45.73
							171.06	598.72	769.78
Apr 2025									
TAXES	2,535.30	8,873.54	11,408.84	0.00	0.00	0.00	2,535.30	8,873.54	11,408.84
PENALTY	244.36	855.26	1,099.62	0.00	0.00	0.00	244.36	855.26	1,099.62
							2,779.66	9,728.80	12,508.46
May 2025									
TAXES	67.25	235.37	302.62	0.00	0.00	0.00	67.25	235.37	302.62
PENALTY	8.74	30.60	39.34	0.00	0.00	0.00	8.74	30.60	39.34
							75.99	265.97	341.96
June 2025									
TAXES	821.57	2,875.49	3,697.06	0.00	0.00	0.00	821.57	2,875.49	3,697.06
PENALTY	123.24	431.32	554.56	0.00	0.00	0.00	123.24	431.32	554.56
							944.81	3,306.81	4,251.62
July 2025									
TAXES	64.39	225.36	289.75	0.00	0.00	0.00	64.39	225.36	289.75
PENALTY	11.59	40.56	52.15	0.00	0.00	0.00	11.59	40.56	52.15
							75.98	265.92	341.90
Aug 2025									
TAXES	58.62	205.15	263.77	0.00	0.00	0.00	58.62	205.15	263.77
PENALTY	11.35	39.71	51.06	0.00	0.00	0.00	11.35	39.71	51.06
							69.97	244.86	314.83
Sept 2025									
TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							0.00	0.00	0.00
TOTALS	115,492.04	404,222.13	519,714.17	0.00	1,339.20	1,339.20			
TAXES	114,350.67	400,227.34	514,578.01	0.00	1,080.00	1,080.00	114,350.68	401,307.33	515,658.01
PENALTY	1,141.37	3,994.79	5,136.16	0.00	259.20	259.20	1,141.37	4,253.99	5,395.36
TOTALS	115,492.04	404,222.13	519,714.17	0.00	1,339.20	1,339.20	115,492.05	405,561.32	521,053.37
ADJUSTMENTS	(218.82)	(765.87)	(984.69)	0.00	0.00	0.00	(218.82)	(765.87)	(984.69)
TAX							TOTAL DS A/R	TOTAL GOF AR	TOTAL TAX
DUE @			99.92%						DUE
8/31/2025	92.86	325.02	417.88	0.00	0.00	0.00	92.86	325.02	417.88
TAX RATES	0.2000	0.7000	0.9000	0.0000	0.9000	0.9000			

Updated 11/2023

Capital Projects Fund Breakdown

TRAVIS COUNTY MUD 26

As of Date 10/15/2025

Balances by Bond Series

Bond Proceeds - Series 2024	\$81,736.18
Total Cash Balance	\$81,736.18

Remaining Costs/Surplus By Bond Series

Remaining Costs - Series 2024	\$0.00
Total Amount in Remaining Costs	\$0.00
Surplus & Interest - Series 2024	\$81,736.18
Total Surplus & Interest Balance	\$81,736.18
Total Remaining Costs/Surplus	\$81,736.18