

***SUPPLEMENT TO PRELIMINARY OFFICIAL STATEMENT DATED JULY 26, 2022***

**\$38,000,000\***  
**CITY OF KYLE, TEXAS**  
**(A political subdivision of the State of Texas located in Hays COUNTY)**  
**GENERAL OBLIGATION BONDS, SERIES 2022**

The following paragraph replaces the second full paragraph on the cover page of the Preliminary Official Statement and the paragraph following “The Bonds” on page 5 of the Preliminary Official Statement:

The \$38,000,000\* City of Kyle, Texas General Obligation Bonds, Series 2022 (the “Bonds”) are being issued by the City of Kyle, Texas (the “Issuer” or the “City”) in accordance with the Constitution and the general laws of the State of Texas, including Chapters 1251 and 1331, as amended, Texas Government Code, Chapter 1371, as amended, Texas Government Code (“Chapter 1371”), the City’s Home Rule Charter, a bond election held on November 3, 2020, and an ordinance (the “Ordinance”) to be adopted by the City Council on August 2, 2022. As permitted by the provisions of Chapter 1371, the City Council, in the Ordinance, will authorize certain City officials and staff to execute an “Approval Certificate” pertaining to the Bonds, evidencing the final sales terms relative thereto. (See “THE BONDS – Authority for Issuance” herein.)

The following paragraph replaces the paragraph under the subheading “THE BONDS – Authority for Issuance” on page 7 of the Preliminary Official Statement:

The Bonds are being issued pursuant to the Constitution and laws of the State of Texas, including Chapters 1251 and 1331, as amended, Texas Government Code, Chapter 1371, as amended, Texas Government Code (“Chapter 1371”), a bond election held on November 3, 2020, the City’s Home Rule Charter and the Ordinance. As permitted by the provisions of Chapter 1371, the City Council, in the Ordinance, will authorize certain City officials and staff to execute an “Approval Certificate” pertaining to the Bonds, evidencing the final sales terms relative thereto.

The following paragraph replaces the first full paragraph under the subheading “THE BONDS – Default and Remedies” on pages 9-10 of the Preliminary Official Statement:

If the City 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 Ordinance, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Ordinance, the registered owners may seek a writ of mandamus to compel City officials to carry out their legally imposed duties with respect to the Bonds, if there is no other available remedy at law to compel performance of the Bonds or the Ordinance and the

City's Bonds are not uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles and rests with the discretion of the court, but may not be arbitrarily refused. 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. The Ordinance does not provide for the appointment of a trustee to represent the interest of the bondholders upon any failure of the City to perform in accordance with the terms of the Ordinance, or upon any other condition and, accordingly, all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners. The Texas Supreme Court (the "Court") ruled in *Tooke v. City of Mexia*, 197 S.W.3d 325 (Tex. 2006) that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in "clear and unambiguous" language. Chapter 1371, which pertains to the issuance of public securities by issuers such as the City, permits the City to waive sovereign immunity in the proceedings authorizing the issuance of the Bonds. Notwithstanding its reliance upon the provisions of Chapter 1371 in connection with the issuance of the Bonds, the City has not waived the defense of sovereign immunity with respect thereto. Because it is unclear whether the Texas Legislature has effectively waived the City's sovereign immunity from a suit for money damages outside of Chapter 1371, bondholders may not be able to bring such a suit against the City for breach of the Bonds or the Ordinance.

\*Preliminary, subject to change.

*Dated: August 1, 2022*