OFFICIAL STATEMENT DATED SEPTEMBER 10, 2026

IN THE OPINION OF BOND COUNSEL (HEREIN DEFINED), UNDER EXISTING LAW AND ASSUMING CONTINUING COMPLIANCE WITH COVENANTS IN THE BOND ORDER, INTEREST ON THE BONDS WILL BE EXCLUDABLE FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES AND IS NOT INCLUDED IN COMPUTING THE ALTERNATIVE MINIMUM TAXABLE INCOME OF INDIVIDUALS; HOWEVER, SUCH INTEREST IS TAKEN INTO ACCOUNT IN DETERMINING THE ANNUAL ADJUSTED FINANCIAL STATEMENT INCOME OF APPLICABLE CORPORATIONS FOR THE PURPOSE OF DETERMINING THE ALTERNATIVE MINIMUM TAX IMPOSED ON CORPORATIONS. SEE "TAX MATTERS" FOR A DISCUSSION OF THE OPINION OF BOND COUNSEL.

The Bonds have NOT been designated as "qualified tax-exempt obligations" for financial institutions. See "TAX MATTERS – Not Qualified Tax-Exempt Obligations."

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

VISTA MUNICIPAL UTILITY DISTRICT

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

$17,960,000
UNLIMITED TAX ROAD BONDS
SERIES 2026

Dated Date: October 1, 2026
Interest Accrues From: Date of Delivery **Due: September 1, as shown on the inside cover**

The $17,960,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds") are obligations of Vista Municipal Utility District (the "District") and are not obligations of the State of Texas; Travis County, Texas (the "County"); the Village of Briarcliff, Texas (the "City"); or any political subdivision or entity other than the District. Neither the full faith and credit nor the taxing power of the State of Texas; the County; the City; nor any entity other than the District is pledged to the payment of the principal of or the interest on the Bonds.

Principal of the Bonds is payable upon presentation at the principal payment office of the paying agent/registrar, initially, BOKF, NA, Dallas, Texas (the "Paying Agent/Registrar"). The Bonds are dated October 1, 2026 (the "Dated Date"), and will accrue interest from the date of delivery, which is expected to be on October 9, 2026 (the "Date of Delivery"), with interest payable March 1, 2027, and on each September 1 and March 1 thereafter (each an "Interest Payment Date") until the earlier of maturity or redemption. Interest on the Bonds will be payable by check dated as of the Interest Payment Date and mailed by the Paying Agent/Registrar to registered owners as shown on the records of the Paying Agent/Registrar at the close of business on the 15th calendar day of the month next preceding each Interest Payment Date. The Bonds are fully registered bonds in principal denominations of $5,000 or any integral multiple thereof.

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

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

The Bonds constitute the first overall series of unlimited tax bonds issued by the District and the first series of bonds issued for the purpose of acquiring or constructing road facilities to serve the District (the "Road System"). See "THE BONDS – Source of Payment."

INVESTMENT IN THE BONDS IS SUBJECT TO SPECIAL RISK FACTORS DESCRIBED HEREIN INCLUDING A HIGH CONCENTRATION OF OWNERSHIP OF TAXABLE PROPERTY AND VERY EARLY STAGES OF DEVELOPMENT. See "RISK FACTORS." Prospective purchasers should review this entire Official Statement, including particularly the section of this Official Statement entitled "RISK FACTORS," before making an investment decision.

The Bonds are offered when, as and if issued by the District, subject to approval by the Attorney General of the State of Texas and the approval of certain legal matters by Sanford Kuhl Hagan Kugle Parker Kahn LLP, Houston, Texas ("Bond Counsel"). Delivery of the Bonds is expected through the facilities of DTC on or about October 9, 2026.

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

$17,960,000 Unlimited Tax Road Bonds, Series 2026

$8,110,000 Serial Bonds

Maturity (September 1)	Principal Amount	Interest Rate	Initial Reoffering Yield (a)	CUSIP No. 92842Y (b)	Maturity (September 1)	Principal Amount	Interest Rate	Initial Reoffering Yield (a)	CUSIP No. 92842Y (b)
2028	$365,000	7.500%	4.100%	BB9	***	***	***	***	***
2029	385,000	7.500%	4.200%	BC7	2048 (c)	$1,010,000	5.125%	5.500%	BX1
2030	405,000	7.500%	4.300%	BD5	2049 (c)	1,065,000	5.000%	5.550%	BY9
2031	425,000	7.500%	4.400%	BE3	2050 (c)	1,120,000	5.000%	5.600%	BZ6
2032 (c)	445,000	7.500%	4.500%	BF0	2051 (c)	1,180,000	5.000%	5.650%	CA0
2033 (c)	470,000	7.500%	4.600%	BG8	2052 (c)	1,240,000	5.000%	5.700%	CB8

$9,850,000 Term Bonds

$1,015,000 Term Bond Due September 1, 2035 (c)(d), Interest Rate: 5.000% (Price: $100.000) (a), CUSIP No. 92842Y BJ2 (b)

$1,120,000 Term Bond Due September 1, 2037 (c)(d), Interest Rate: 5.000% (Price: $99.166) (a), CUSIP No. 92842Y BL7 (b)

$1,245,000 Term Bond Due September 1, 2039 (c)(d), Interest Rate: 5.125% (Price: $99.296) (a), CUSIP No. 92842Y BN3 (b)

$1,375,000 Term Bond Due September 1, 2041 (c)(d), Interest Rate: 5.250% (Price: $99.483) (a), CUSIP No. 92842Y BQ6 (b)

$1,530,000 Term Bond Due September 1, 2043 (c)(d), Interest Rate: 5.250% (Price: $98.891) (a), CUSIP No. 92842Y BS2 (b)

$1,690,000 Term Bond Due September 1, 2045 (c)(d), Interest Rate: 5.375% (Price: $99.700) (a), CUSIP No. 92842Y BU7 (b)

$1,875,000 Term Bond Due September 1, 2047 (c)(d), Interest Rate: 5.375% (Price: $99.065) (a), CUSIP No. 92842Y BW3 (b)

(a) Information with respect to the initial reoffering yields of the Bonds is the responsibility of the Initial Purchaser. Initial reoffering yields represent the initial offering price, which may be changed for subsequent purchasers. The initial yield indicated above represents the lower of the yields resulting when priced to maturity or to the first call date.

(b) CUSIP numbers have been assigned to the Bonds by CUSIP Global Services, managed FactSet Research Systems, Inc. on behalf of the American Bankers Association and are included solely for the convenience of the owners of the Bonds.

(c) Bonds maturing on September 1, 2032, and thereafter shall be subject to redemption and payment at the option of the District, in whole, or from time to time in part, on September 1, 2031, or on any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. See "THE BONDS – Redemption Provisions – *Optional Redemption.*"

(d) Subject to mandatory sinking fund redemption by lot or other customary method of random selection on September 1 in the years and in the amounts as set forth herein under "THE BONDS – Redemption Provisions – *Mandatory Redemption*."

USE OF INFORMATION IN OFFICIAL STATEMENT

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

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

All of the summaries of the statutes, orders, contracts, records, and engineering and other related reports set forth in this Official Statement are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents, copies of which are available from Sanford Kuhl Hagan Kugle Parker Kahn LLP, Houston, Texas, Bond Counsel for further information.

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

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

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SALE AND DISTRIBUTION OF THE BONDS

Award of the Bonds

After requesting competitive bids for the Bonds, the District has accepted the bid of SAMCO Capital Markets, Inc. (the "Initial Purchaser") to purchase the Bonds at the interest rates shown on the inside cover of this Official Statement at a price of 97.017602% of par, resulting in a net effective interest rate of 5.418317%, as calculated pursuant to Chapter 1204, Texas Government Code, as amended. No assurance can be given that any trading market will be developed for the Bonds after their sale by the District to the Initial Purchaser. The District has no control over the price at which the Bonds are subsequently sold, and the initial yields at which the Bonds are priced and reoffered are established by, and are the sole responsibility of, the Initial Purchaser.

Prices and Marketability

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

Subject to certain restrictions described in the Official Notice of Sale, the prices and other terms with respect to the offering and sale of the Bonds may be changed from time to time by the Initial Purchaser after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts. IN CONNECTION WITH THE OFFERING OF THE BONDS, THE INITIAL PURCHASER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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 SEC under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for registration 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.

Delivery of Official Statements

The District shall furnish to the Initial Purchaser (and to each participating underwriter of the Bonds, within the meaning of the Rule, designated by the Initial Purchaser), within seven (7) business days after the sale date, the aggregate number of Official Statements agreed upon between the District and the Initial Purchaser. The District also shall furnish to the Initial Purchaser a like number of any supplements or amendments approved and authorized for distribution by the District for dissemination to potential underwriters of the Bonds, as well as such additional copies of the Official Statement or any such supplements or amendments as the Initial Purchaser may reasonably request prior to the 90th day after the end of the underwriting period described in the Rule. The District shall pay the expense of preparing the number of copies of the Official Statement agreed upon between the District and the Initial Purchaser and an equal number of any supplements or amendments issued on or before the delivery date, but the Initial Purchaser shall pay for all other copies of the Official Statement or any supplement or amendment thereto.

MUNICIPAL BOND INSURANCE

The District made an application to Assured Guaranty Inc. and Build America Mutual Assurance Company for a commitment for municipal bond guaranty insurance on the Bonds and qualified, but the Initial Purchaser elected not to purchase.

MUNICIPAL BOND RATING

The District has not made an application for an underlying rating on the Bonds. It is not expected that the District would have been successful in receiving an investment grade rating on the Bonds.

OFFICIAL STATEMENT SUMMARY

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

THE BONDS

The District	Vista Municipal Utility District (the "District"), a political subdivision of the State of Texas, is located in Travis County, Texas (the "County"). See "THE DISTRICT."
The Bonds	The $17,960,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds") mature on September 1 in each of the years and principal amounts set forth on the inside cover of this Official Statement. The Bonds are dated October 1, 2026 (the "Dated Date"), and will accrue interest from the date of delivery, which is expected to be on October 9, 2026 (the "Date of Delivery"), with interest payable March 1, 2027, and on each September 1 and March 1 thereafter (each an "Interest Payment Date") until the earlier of maturity or redemption. The Bonds are offered in fully registered form in integral multiples of $5,000 for any one maturity. See "THE BONDS."
Redemption	*Optional Redemption:* The Bonds maturing on and after September 1, 2032, are subject to redemption, in whole or from time to time in part, at the option of the District on September 1, 2031, and on any date thereafter at a price of par plus accrued interest from the most recent interest payment date to the date of redemption. See "THE BONDS – Redemption Provisions – *Optional Redemption*." *Mandatory Redemption:* The Bonds maturing on September 1 in each of the years 2035, 2037, 2039, 2041, 2043, 2045, and 2047 (the "Term Bonds"), are term bonds that are subject to mandatory sinking fund redemption provisions as set out herein under "THE BONDS – Redemption Provisions – *Mandatory Redemption*."
Source of Payment	Principal of and interest on the Bonds are payable from the proceeds of a continuing direct annual ad valorem tax levied upon all taxable property within the District without legal limitation as to rate or amount. The Bonds are obligations solely of the District and are not obligations of the State of Texas (the "State"); Travis County, Texas (the "County"); the Village of Briarcliff, Texas (the "City") or any political subdivision or entity other than the District. See "THE BONDS – Source of Payment."
Payment Record	The Bonds constitute the District's first issuance of bonded indebtedness. See "THE BONDS – Issuance of Additional Debt."
Authority for Issuance	To date, voters of the District have authorized the District's issuance of $143,000,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing road facilities to serve the District (the "Road System") and $214,500,000 principal amount for the refunding of such bonds; $380,000,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing water, sanitary sewer system, and storm sewer system facilities to serve the District (the "Utility System") and $570,000,000 principal amount for the refunding of such bonds; and $57,500,000 principal amount of unlimited tax bonds for the purpose acquiring or constructing a park and recreational system to serve the District (the "Park System") and $86,250,000 principal amount for the refunding of such bonds. The Bonds are issued pursuant to Article III, Section 52 of the Texas Constitution and the general laws of the State of Texas, including particularly Chapters 49 and 54 of the Texas Water Code, as amended; an election held within the District on November 8, 2022; and an order adopted by the Board of Directors of the District authorizing the sale of the Bonds (the "Bond Order"). See "THE BONDS – Authority for Issuance."
Use of Proceeds	A portion of the proceeds of the Bonds will be used to reimburse the Developer (herein defined) for a portion of the costs to acquire or construct

	the Road System. Additionally, proceeds from the Bonds will also be used to pay eighteen (18) months of capitalized interest, developer interest, and to pay other certain costs associated with the Bonds. See "THE BONDS – Use and Distribution of Bond Proceeds."
Not Qualified Tax-Exempt Obligations................	The Bonds have NOT been designated "qualified tax-exempt obligations" for financial institutions. See "TAX MATTERS – Not Qualified Tax-Exempt Obligations."
Municipal Bond Insurance..	The District made an application to Assured Guaranty Inc. and Build America Mutual Assurance Company for a commitment for municipal bond guaranty insurance on the Bonds and qualified, but the Initial Purchaser elected not to purchase. See "MUNICIPAL BOND INSURANCE."
Municipal Bond Rating..	The District has not made an application for an underlying rating on the Bonds. It is not expected that the District would have been successful in receiving an investment grade rating on the Bonds. See "MUNICIPAL BOND RATING."
Bond Counsel	Sanford Kuhl Hagan Kugle Parker Kahn LLP, Houston, Texas.
Disclosure Counsel...	McCall, Parkhurst & Horton L.L.P., Austin, Texas.
Financial Advisor..	Cedar Creek Municipal Advisors, LLC, Houston, Texas.
Engineer	Jones-Heroy Associates, Inc., Austin, Texas.

THE DISTRICT

Description...	The District was created by order of the Texas Commission on Environmental Quality (the "TCEQ") dated March 14, 2008, and by a confirmational election held within the District on November 4, 2008. In 2022, legislation was enacted granting the District the power to finance roads, which was authorized by an election held within the District on November 8, 2022. The District comprises approximately 1,050 total acres and is situated entirely within the County and inside of the boundaries of Lake Travis Independent School District. The Board of Directors of the District has accepted a Petition for Annexation for approximately 480 acres, and the District has received the City's consent to such annexation but has not yet adopted an order to add the land into the boundaries of the District. See "THE DISTRICT."
Location...	The District is located in the western part of the County, approximately 15 miles west of downtown Austin, Texas, along the southwest shore of Lake Travis. The District is bounded generally by Lake Travis and the surrounding Bee Creek Road, Thurman Bend Road, and Lake Travis Area. The District lies wholly within the extraterritorial jurisdiction and limited purpose jurisdiction of the City. See "THE DISTRICT."
Travis Club	The District contains the private golf and lake community known as the "Travis Club," which is located along the southwest shore of Lake Travis in the Austin metropolitan area. Travis Club offers approximately 10,000-feet of lake frontage, a Beau Welling-designed golf course, miles of trails, a private marina, and an array of amenities. Travis Club is a mixture of primary residences and secondary residences. Residential development within Travis Club is planned to include estate and villa homesites offering a blend of lake, golf, and hill country views. The Travis Club offers two (2) primary residential options: custom single-family homesites and villa homesites. Custom single-family and villa homesites are generally ranging from just under 0.50 acres to more than 3 acres and are currently being marketed from $700,000 to over $3.5 million. Amenities currently serving the Travis Club include: an 18-hole championship-level golf course, a temporary golf shop with a practicing facility, comfort stations that is scheduled to open September 2026. Additional amenities will ultimately include a private marina, gear shed, marina house, aquatic center, racquet and sports courts, playing fields and event lawn, duke's and the tree bar, fitness center, spa, and miles of private

	trails woven through the hills for hiking, biking, and running. See "DEVELOPMENT OF THE DISTRICT – Travis Club."
Developer and Principal Landowner	The developer of land within the District is HH-CH-B Blue Lake, LLC, a Delaware limited liability company (the "Developer"). The Developer is wholly owned by CH-B-HH Investors, VIII, LLC., a Delaware limited liability company. Castle Hill Partners, Inc. and its related entities are part of the upstream sponsor, management, general partner, and capital management structure, but Castle Hill Partners, Inc., is not shown as the sole owner of HH-CH-B Blue Lake, LLC. The Developer is affiliated with the Travis Club ownership/development team, which includes Haas & Haynie and Castle Hill Partners, Inc. Such entities serve as project consultants involved in the development, planning, design, golf, trail, and operational execution of the Travis Club project. This is not intended to identify a separate legal entity. The Developer has developed approximately 205 acres (226 lots) of land within the District, and currently owns approximately 50 acres within the District (50 vacant developed lots). The Developer is a single purpose entity formed and capitalized for the purpose of owning and developing land within the District. The Developer's revenues consist of lot sales and reimbursables due from the District for eligible infrastructure costs, and the Developer currently operates at a profit. The Developer owns approximately 37.96% of the taxable property within the District, as reflected by the 2026 certified tax rolls of the District. See "THE DEVELOPER – The Developer."
Development within the District	To date, approximately 200 acres within the District have been developed consisting of 226 custom single-family and villa homesites, of which 55 homesites (approximately 50 acres) remain available. As of June 1, 2026, development within the District consisted of 10 custom single-family or villa homes under construction with another 37 homes in active design review. The remainder of land within the District includes approximately 700 acres of undeveloped but developable land and approximately 150 undevelopable acres. See "DEVELOPMENT OF THE DISTRICT – Status of Development within the District."
Custom Homebuilders	Custom homebuilders active in the District include Cedar&Oak, Crabtree Design + Build, Elev8 Builders, JGB Custom Homes, Laurel Haven, Sendero Homes, Solivance, Streatmline, Texas Sage Custom Homes, Tipler and Zbranek & Holt. The homes being marketed in the District range in price from approximately $6,000,000 to over $10,000,000 and in size from approximately 4,000 square feet to over 8,000 square feet. Owners may use a preferred builder or architect, or may bring their own builder and/or architect, subject to the applicable approval process and community guidelines. See "DEVELOPMENT OF THE DISTRICT – Custom Homebuilders within the District."

RISK FACTORS

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

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SELECTED FINANCIAL INFORMATION
(UNAUDITED)

2026 Certified Taxable Assessed Valuation	$	173,212,801	(a)
Direct Debt:			
The Bonds	$	17,960,000	
Total	$	17,960,000	
Estimated Overlapping Debt	$	5,774,673	(b)
Total Direct and Estimated Overlapping Debt	$	23,734,673	(b)
Direct Debt Ratio:			
As a Percentage of the 2026 Certified Taxable Assessed Valuation		10.37	%
Direct and Estimated Overlapping Debt Ratio:			
As a Percentage of the 2026 Certified Taxable Assessed Valuation		13.70	%
Road Debt Service Fund Balance (as of the Date of Delivery)	$	1,475,738	(c)
General Operating Fund Balance (as of September 1, 2026)	$	50,957	(d)
2026 Tax Rate:			
Maintenance and Operation		$ 1.05	
Total		$ 1.05	
Average Annual Debt Service Requirement (2027-2052)	$	1,287,000	(e)
Maximum Annual Debt Service Requirement (2028)	$	1,348,825	(e)
Debt Service Tax Rate per $100 of Assessed Valuation Required to Pay the Average Annual Debt Service Requirement on the Bonds (2027-2052) at 95% Tax Collections Based on the 2026 Certified Taxable Assessed Valuation		$0.79	
Debt Service Tax Rate per $100 of Assessed Valuation Required to Pay the Maximum Annual Debt Service Requirement on the Bonds (2028) at 95% Tax Collections Based on the 2026 Certified Taxable Assessed Valuation		$0.82	

(a) Represents the assessed valuation of all taxable property in the District as of January 1, 2026, provided by the Travis Central Appraisal District (the "Appraisal District"). Such amount includes $15,563,380 of assessed valuation assigned to properties that remain under review by the Travis Central Appraisal Review Board (the "Appraisal Review Board"). Such amount represents the estimated minimum amount of assessed valuation that will ultimately be approved by the Appraisal Review Board. See "TAX DATA" and "TAXING PROCEDURES."

(b) See "DISTRICT DEBT – Direct and Estimated Overlapping Debt Statement."

(c) Represents eighteen (18) months of capitalized interest to be deposited into the Road Debt Service Fund (herein defined) upon closing of the Bonds. Neither Texas law nor the Bond Order (herein defined) requires that the District maintain any particular sum in the Road Debt Service Fund.

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

(e) Requirement of debt service on the Bonds. See "DISTRICT DEBT – Debt Service Requirement Schedule."

OFFICIAL STATEMENT

relating to

VISTA MUNICIPAL UTILITY DISTRICT

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

$17,960,000
UNLIMITED TAX ROAD BONDS
SERIES 2026

INTRODUCTION

This Official Statement provides certain information with respect to the issuance by Vista Municipal Utility District (the "District") of its $17,960,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds").

The Bonds are issued pursuant to Article III, Section 52 of the Texas Constitution and the general laws of the State of Texas, including particularly Chapters 49 and 54 of the Texas Water Code, as amended; an election held within the District on November 8, 2022; and an order adopted by the Board of Directors of the District authorizing the sale of the Bonds (the "Bond Order").

Included in this Official Statement are descriptions of the Bonds, the Developer (herein defined), and certain information about the District and its finances. ALL DESCRIPTIONS OF DOCUMENTS CONTAINED HEREIN ARE SUMMARIES ONLY AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO EACH SUCH DOCUMENT. Copies of such documents may be obtained from the District at Sanford Kuhl Hagan Kugle Parker Kahn LLP, 1330 Post Oak Boulevard, Suite 2650, Houston, Texas 77056.

RISK FACTORS

General

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

Factors Affecting Taxable Values and Tax Payments

Economic Factors: The District is situated in the five-county metropolitan area known as Greater Austin, and the rate of development of the District is directly related to the vitality of the residential housing industry in said metropolitan area. New residential housing construction can be significantly affected by factors such as interest rates, construction costs, and consumer demand. Decreased levels of home construction activity would restrict the growth of property values in the District. The District cannot predict the pace or magnitude of any future development or home construction in the District.

Principal Landowners and Developer: There is no commitment by, or legal requirement of, the principal landowners, the Developer, or any other landowner in the District to proceed at any particular rate or according to any specified plan with the development of land in the District, or of any homebuilder to proceed at any particular pace with the construction of homes in the District. Moreover, there is no restriction on any landowner's right to sell its land. Therefore, the District can make no representation about the probability of future development, if any, or the rate of future home construction activity in the District. Failure to construct taxable improvements on developed lots would restrict the rate of growth of taxable values in the District and result in higher tax rates. See "DEVELOPMENT OF THE DISTRICT," "THE DEVELOPER" and "TAX DATA – Principal Taxpayers."

Dependence on Principal Taxpayers: The ability of any principal landowner to make full and timely payments of taxes levied against its property by the District and similar taxing authorities will directly affect the District's ability to meet its debt-service obligations. As illustrated in this Official Statement under the caption "TAX DATA – Principal Taxpayers," as of January 1, 2026, the District's principal taxpayers owned property located within the District the aggregate assessed taxable valuation of which comprised approximately 51.57% of the District's total assessed taxable valuation. The Developer owns approximately 37.96% of the District's total assessed taxable valuation as of January 1, 2026. See "THE DEVELOPER" and "TAX DATA – Principal Taxpayers."

In the event that the Developer, any other taxpayer, or any combination of taxpayers, should 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 liens, which is a time-consuming process. Failure to recover or borrow funds in a timely fashion could result in an excessive District tax rate. The District is not required by law or the Bond Order to maintain any specified amount of surplus in its interest and sinking fund. See "TAX DATA – Principal Taxpayers" and "TAXING PROCEDURES – Levy and Collection of Taxes."

Maximum Impact on District Tax Rates: Assuming no further development or home construction, the value of the land and improvements currently within the District will be the major determinant of the ability or willingness of property owners to pay their taxes. The 2026 Certified Taxable Assessed Valuation as of January 1, 2026, of property located within the District is $173,212,801. See "TAX DATA."

After issuance of the Bonds, the maximum annual debt service requirement on the Bonds (2028) will be $1,348,825 and the average annual debt service requirement on the Bonds (2027–2052) will be $1,287,000. Assuming no decrease to the District's 2026 Certified Taxable Assessed Valuation as of January 1, 2026, tax rates of $0.82 and $0.79 per $100 of assessed taxable valuation at a 95% tax collection rate would be necessary to pay the maximum annual debt service requirement and the average annual debt service requirement, respectively.

The District can make no representation that the taxable property values in the District will increase in the future or will maintain a value sufficient to support the proposed District tax rate or to justify continued payment of taxes by property owners. The District has levied a total tax rate of $1.05 per $100 of assessed valuation for the 2025 tax year. Such rate is composed entirely of a maintenance and operations tax rate of $1.05 per $100 of assessed valuation. The District has authorized publication of its intent to levy a 2026 total tax rate of $1.05 per $100 of assessed valuation composed entirely of a maintenance and operations tax rate of $1.05 per $100 of assessed valuation.

Development and Home Construction in the District: There are currently no completed homes within the District. There are 10 custom single-family homes under construction and 37 in active design review. Failure of homebuilders to construct taxable improvements on developed lots could result in increases in the rate of taxation by the District during the term of the Bonds to pay debt service on the Bonds and the contractual obligations of the District. Future increases in value will result primarily from the construction of homes. The District makes no representation as to when or if development of currently undeveloped but developable acreage will occur. See "DEVELOPMENT OF THE DISTRICT – Status of Development within District."

Competition

The demand for and construction of single-family homes within the District, which is approximately 20 miles west of the City of Austin, Texas, could be affected by competition from other residential developments including other residential developments located in the northern portion of the Austin, Texas area. In addition to competition for new home sales from other developments, there are numerous previously owned homes near the District and in more established neighborhoods closer to Austin. Such homes could represent additional competition for new homes proposed to be sold within the District.

The competitive position of the Developer in the sale of developed lots and of prospective builders in the construction of single-family residential houses within the District is affected by most of the factors discussed in this section. Such a competitive position directly affects the growth and maintenance of taxable values within the District. The District can give no assurance that building and marketing programs within the District by the Developer or any future developers will be implemented or, if implemented, will be successful.

Operating Funds

To date, the District has relied on advances from the Developer to fund its operations. The District's only source of operating revenue is maintenance tax revenue. The District does not collect water and wastewater revenues from its residents. The District levied a 2025 maintenance tax of $1.05 per $100 of assessed valuation. The District has authorized publication of its intent to levy a 2026 total tax rate of $1.05 per $100 of assessed valuation composed entirely of a maintenance and operations tax rate of $1.05 per $100 of assessed valuation. The District's general fund balance as of September 1, 2026, was $50,957.03. The revenue produced from a $1.05 maintenance tax in 2025 or a reduced maintenance tax in subsequent years may not be sufficient to offset the operating expenses of the District. Continued maintenance of a positive general fund balance will depend upon (1) cash subsidies from the Developer and (2) continued development and increased amounts of maintenance tax revenues. If funds from these sources are not forthcoming, the District would have to increase its maintenance tax rate.

Tax Collections and Foreclosure Remedies

The District has a right to seek judicial foreclosure on a tax lien, but such remedy may prove to be costly and time consuming and, since the future market or resale market, if any, of the taxable real property within the District is uncertain, there can be no assurance that such property could be sold and delinquent taxes paid. See "TAXING PROCEDURES."

Limitation to Registered Owners' Remedies

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

Bankruptcy Limitation to Registered Owners' Rights

The enforceability of the rights and remedies of registered owners of the Bonds may be limited by laws relating to bankruptcy, reorganization, or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. 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 U.S. Bankruptcy Code, 11 USC sections 901-946. The filing of such petition would automatically stay the enforcement of registered owners' remedies, including mandamus and the foreclosure of tax liens upon property within the District discussed above. The automatic stay would remain in effect until the federal bankruptcy judge hearing the case dismisses the petition, enters an order granting relief from the stay or otherwise allows creditors to proceed against the petitioning political subdivision. A political subdivision, such as the District, may qualify as a debtor eligible to proceed in a Chapter 9 case only if it (1) is generally 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 has negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiations are impracticable. Under Texas law, a municipal utility district, such as the District, must obtain the approval of the TCEQ as a condition to seeking relief under the U.S. Bankruptcy Code. The TCEQ is required to investigate the financial condition of a financially troubled district and authorize such district to proceed under federal bankruptcy law only if such district has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

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

If a petitioning district were allowed to proceed voluntarily under Chapter 9 of the U.S. 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 a registered owner by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the registered owner's claim against a district.

A special purpose district cannot be placed into bankruptcy involuntarily.

Changes in Tax Legislation

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

Marketability

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

Future Debt

At an election held within the District on November 8, 2022, voters of the District authorized the District’s issuance of $143,000,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing the Road System and $214,500,000 principal amount for the refunding of such bonds; $380,000,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing the Utility System and $570,000,000 principal amount for the refunding of such bonds; and $57,500,000 principal amount of unlimited tax bonds for the purpose acquiring or constructing the Park System and $86,250,000 principal amount for the refunding of such bonds.

The Bonds represent the first overall series of unlimited tax bonds issued by the District and the first series of bonds issued for the purpose of acquiring or constructing the Road System. After issuance of the Bonds, the following principal amounts of unlimited tax bonds will remain authorized but unissued: $125,040,000 for the purpose of acquiring or constructing the Road System and $214,500,000 for the refunding of such bonds; $380,000,000 for the purpose of acquiring or constructing the Utility System and $570,000,000 for the refunding of such bonds; $57,500,000 for the purpose of acquiring or constructing the Park System and $86,250,000 for the refunding of such bonds. The District may also issue any additional bonds as may hereafter be approved by both the Board and voters of the District as well as certain additional bonds, revenue bonds, special project bonds, and other obligations as described in the Bond Order.

The Bond Order imposes no limitation on the amount of additional parity bonds which may be issued by the District (if authorized by the District's voters and, in the case of bonds issued for the purpose of acquiring or constructing the Utility System, and park and recreational facilities, approved by the Texas Commission on Environmental Quality (the "TCEQ")).

Following reimbursement to the Developer from the proceeds of the Bonds, according to the District's Engineer, the District will owe the Developer approximately $14,336,007 for expenditures to acquire or construct the Road System, approximately $38,930,630 for expenditures to acquire or construct the Utility System, and approximately $2,341,234 for expenditures to acquire or construct the Park System.

If additional bonds are issued in the future and property values have not increased proportionately, such issuance may increase gross debt-to-property-valuation ratios and thereby adversely affect the investment quality or security of the Bonds.

Approval of the Bonds

The Attorney General of the State of Texas must approve the legality of the Bonds prior to their delivery. The Attorney General of the State 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.

Consolidation

Under Texas law, the District may be consolidated with other municipal utility districts, with the assets and liabilities of the consolidated districts belonging to the consolidated district. No representation is made that the District will ever consolidate with one or more other districts, although no consolidation is presently contemplated by the District.

Tax Collection Limitations

The District's ability to make debt service payments may be adversely affected by difficulties in collecting ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District constitutes a lien in favor of the District on a parity with the liens of all other state and local taxing authorities on the property against which taxes are levied, and such lien may be enforced by 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 proceedings against a taxpayer; (c) market conditions affecting the marketability of taxable property within the District and limiting the proceeds from a foreclosure sale of such property; or (d) the taxpayer's right to redeem the property. While the District has a lien on taxable property within the District for taxes levied against such property, such lien can be foreclosed only in a judicial proceeding. See "TAXING PROCEDURES."

Continuing Compliance with Certain Covenants

Failure of the District to comply with certain covenants contained in the Bond Order on a continuing basis prior to the maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance. See "TAX MATTERS."

Environmental Regulations

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

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

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

Air Quality Issues: Air quality control measures required by the United States Environmental Protection Agency (the "EPA") and the TCEQ may impact new industrial, commercial and residential development in the Austin area. Under the Clean Air Act ("CAA") Amendments of 1990, the five-county Austin area ("Austin Area")—Travis, Hays, Williamson, Bastrop, and Caldwell Counties—has been designated an attainment/unclassifiable area under two separate federal ozone standards: the eight-hour ozone standard of 75 ppb promulgated by the EPA in 2008 ("the 2008 Ozone Standard"), and the EPA's most-recent promulgation of an even lower, 70 ppb eight-hour ozone standard in 2015 ("the 2015 Ozone Standard").

Although the Austin Area is currently in attainment, the Austin Area has been and continues to be near the non-attainment thresholds for ozone. Accordingly, it is possible that the Austin Area could be re-classified as a nonattainment area should ozone levels increase. A designation of nonattainment for ozone or any other pollutant could negatively impact business due to the additional permitting/regulatory constraints that accompany this designation and because of the community stigma associated with a nonattainment designation. In the past, the Austin Area has entered into agreements with the TCEQ to undertake voluntary actions to help avoid a nonattainment designation. Since 2004, the Austin Area has been party to a curtailment agreement with the TCEQ, and the Austin Area is currently part of an EPA Ozone Advance Program.

In order to comply with the EPA's ozone standards, the TCEQ has established a state implementation plan ("SIP") setting emission control requirements, some of which regulate the inspection and use of automobiles. These types of measures could impact how people travel, what distances people are willing to travel, where people choose to live and work, and what jobs are available in the Austin Area. It is possible that additional controls will be necessary to allow the Austin Area to maintain attainment with the ozone standards. Such additional controls could have a negative impact on the Austin Area's economic growth and development.

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

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

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

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

In addition to the foregoing, special district activities in the Austin Area involving the clearing of acreage and construction within the Edwards Aquifer recharge, transition, and contributing zones are subject to the TCEQ's Edwards Aquifer Protection Program, which requires a site-specific application, construction plan approval, and the implementation of temporary and permanent structural and non-structural Best Management Practices and the protection of sensitive features.

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.

Potential Impact of Natural Disaster

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

Specific Flood Type Risks

The District may be subject to the following risks:

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

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

National Weather Service Atlas 14 Rainfall Study

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

Cybersecurity

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

THE BONDS

General

The following is a description of some of the terms and conditions of the Bonds, which is qualified in its entirety by reference to the Bond Order. A copy of the Bond Order may be obtained from the District upon written request made to Sanford Kuhl Hagan Kugle Parker Kahn LLP, 1330 Post Oak Boulevard, Suite 2650, Houston, Texas 77056.

The Bonds are dated October 1, 2026 (the "Dated Date"), and will accrue interest from the date of delivery, which is expected to be on October 9, 2026 (the "Date of Delivery"), with interest payable March 1, 2027, and on each September 1 and March 1 thereafter (each an "Interest Payment Date") until the earlier of maturity or redemption. The Bonds are fully registered bonds maturing on September 1 of the years shown on the inside cover of this Official Statement. Principal of the Bonds will be payable to the Registered Owners (herein defined) at maturity or redemption upon presentation at the principal payment office of the paying agent/registrar, initially, BOKF, NA, Dallas, Texas (the "Paying Agent/Registrar"). Interest on the Bonds will be payable by check, dated as of the Interest Payment Date, and mailed by the Paying Agent/Registrar to Registered Owners as shown on the records of the Paying Agent/Registrar at the close of business on the 15th calendar day of the month next preceding the Interest Payment Date (the "Record Date") or by such other customary banking arrangements as may be agreed upon by the Paying Agent/Registrar and a Registered Owner at the risk and expense of such Registered Owner.

Book-Entry-Only System

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by The Depository Trust Company, New York, New York ("DTC"), while the Bonds are registered in its nominee name. The information in this section concerning DTC and the book-entry-only system (the "Book-Entry-Only System") has been provided by DTC for use in disclosure documents such as this Official Statement. The District and the Financial Advisor (herein defined) believe the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

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

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (the "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 (the "Indirect Participants," and together with the Direct Participants, the "Participants"). DTC has a rating of "AA+" from S&P Global Ratings. The DTC rules applicable to its Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

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

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

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

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

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

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

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

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

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

Use of Certain Terms in Other Sections of this Official Statement

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

Successor Paying Agent/Registrar

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

Registration, Transfer and Exchange

In the event the Book-Entry-Only System is discontinued, the Bonds are transferable only on the bond register kept by the Paying Agent/Registrar upon surrender at the corporate trust office of the Paying Agent/Registrar in Dallas, Texas. A Bond may be assigned by the execution of an assignment form on the Bonds or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. At any time after the date of initial delivery, any Bond may be transferred upon its presentation and surrender at the designated offices of the Paying Agent/Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner. The Bonds are exchangeable upon presentation at the designated office(s) of the Paying Agent/Registrar, for an equal principal amount of Bonds of the same maturity in authorized denominations. To the extent possible, new Bonds issued in exchange or transfer of Bonds will be delivered to the Registered Owner or assignee of the Registered Owner within not more than three (3) business days after the receipt by the Paying Agent/Registrar of the request in proper form to transfer or exchange the Bonds. New Bonds registered and delivered in an exchange or transfer shall be in the denomination of $5,000 in principal amount for a Bond, or any integral multiple thereof for any one maturity and shall bear interest at the same rate and be for a like aggregate principal or maturity amount as the Bond or Bonds surrendered for exchange or transfer. Neither the Paying Agent/Registrar nor the District is required to issue, transfer, or exchange any Bond during a period beginning at the opening of business on a Record Date and ending at the close of business on the next succeeding Interest Payment Date or to transfer or exchange any Bond selected for redemption, in whole or in part, beginning fifteen (15) calendar days prior to, and ending on the date of the mailing of notice of redemption, or where such redemption is scheduled to occur within thirty (30) calendar days. No service charge will be made for any transfer or exchange, but the District or the Paying Agent/Registrar may require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith.

Funds

The Bond Order creates a fund for debt service on the Bonds (the "Road Debt Service Fund"). Eighteen (18) months of capitalized interest will be deposited into the Road Debt Service Fund upon closing of the Bonds. The Road Debt Service Fund, which constitutes a trust fund for the benefit of the owners of the Bonds and any additional unlimited tax road bonds issued by the District, is to be kept separate from all other funds of the District, and is to be used for payment of debt service on the Bonds and any of the District's duly authorized additional road bonds payable in whole or part from taxes. Amounts on deposit in the Road Debt Service Fund may also be used to pay the fees and expenses of the Paying Agent/Registrar, to defray the expenses of assessing and collecting taxes levied for payment of interest on and principal of the Bonds and any additional road bonds payable in whole or in part from taxes, and to pay any tax anticipation notes issued, together with interest thereon, as such tax anticipation notes become due.

Redemption Provisions

Optional Redemption

The Bonds maturing on September 1, 2032, and thereafter shall be subject to redemption and payment at the option of the District, in whole or from time to time in part, on September 1, 2031, or on any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. Notice of the exercise of the reserved right of redemption will be given at least thirty (30) days prior to the redemption date by sending such notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the bond register. If less than all of the Bonds are redeemed at any time, the maturities of the Bonds to be redeemed shall be selected by the District. If less than all of the Bonds of a certain maturity are to be redeemed, the particular Bonds or portions thereof to be redeemed will be selected by the Paying Agent/Registrar prior to the redemption date by such random method as the Paying Agent/Registrar deems fair and appropriate in integral multiples of $5,000 within any one maturity. The Registered Owner of any Bond, all or a portion of which has been called for redemption, shall be required to present such Bond to the Paying Agent/Registrar for payment of the redemption price on the portion of the Bonds so called for redemption and issuance of a new Bond in the principal amount equal to the portion of such Bond not redeemed.

Mandatory Redemption

The Bonds maturing on September 1 in each of the years 2035, 2037, 2039, 2041, 2043, 2045, and 2047 (the "Term Bonds"), are term bonds, and shall be redeemed by lot or other customary method of random selection (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form) prior to maturity, at a price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption ("Mandatory Redemption Date"), and in the principal amount set forth in the following schedule:

$1,015,000 Term Bonds Maturing on September 1, 2035

Mandatory Redemption Date	Principal Amount
September 1, 2034	$ 495,000
September 1, 2035 (Maturity)	$ 520,000

$1,120,000 Term Bonds Maturing on September 1, 2037

Mandatory Redemption Date	Principal Amount
September 1, 2036	$ 545,000
September 1, 2037 (Maturity)	$ 575,000

$1,245,000 Term Bonds Maturing on September 1, 2039

Mandatory Redemption Date	Principal Amount
September 1, 2038	$ 605,000
September 1, 2039 (Maturity)	$ 640,000

$1,375,000 Term Bonds Maturing on September 1, 2041

Mandatory Redemption Date	Principal Amount
September 1, 2040	$ 670,000
September 1, 2041 (Maturity)	$ 705,000

$1,530,000 Term Bonds Maturing on September 1, 2043

Mandatory Redemption Date	Principal Amount
September 1, 2042	$ 745,000
September 1, 2043 (Maturity)	$ 785,000

$1,690,000 Term Bonds Maturing on September 1, 2045

Mandatory Redemption Date	Principal Amount
September 1, 2044	$ 825,000
September 1, 2045 (Maturity)	$ 865,000

$1,875,000 Term Bonds Maturing on September 1, 2047

Mandatory Redemption Date	Principal Amount
September 1, 2046	$ 915,000
September 1, 2047 (Maturity)	$ 960,000

On or before thirty (30) days prior to each Mandatory Redemption Date set forth above, the Paying Agent/Registrar shall (i) determine the principal amount of such Term Bonds that must be mandatorily redeemed on such Mandatory Redemption Date, after taking into account deliveries for cancellation and optional redemptions as more fully provided for below, (ii) select, by lot or other customary random method (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form), the Term Bonds or portions of the Term Bonds of such maturity to be mandatorily redeemed on such Mandatory Redemption Date, and (iii) give notice of such redemption as provided in the Bond Order. The principal amount of the Term Bonds to be mandatorily redeemed on such Mandatory Redemption Date, either has been purchased in the open market and delivered or tendered for cancellation by or on behalf of the District to the Paying Agent/Registrar or optionally redeemed and which, in either case, has not previously been made the basis for a reduction under this section.

Mutilated, Lost, Stolen or Destroyed Bonds

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

Authority for Issuance

At an election held within the District on November 8, 2022, voters of the District authorized the District's issuance of: $143,000,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing the Road System and $214,500,000 principal amount for the refunding of such bonds; $380,000,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing the Utility System and $570,000,000 principal amount for the refunding of such bonds; and $57,500,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing the Park System and $86,250,000 principal amount for the refunding of such bonds.

The Bonds are issued pursuant to (i) Article III, Section 52 of the Texas Constitution and the general laws of the State of Texas, including particularly Chapters 49 and 54 of the Texas Water Code, as amended; (ii) an election held within the District on November 8, 2022; (iii) and the Bond Order.

The issuance of the Bonds was validated and confirmed by a judgment entered on July 31, 2026 by the 200th Judicial District Court in Travis County, Texas; Cause Number D-1-GN-26-002221; Ex Parte, Vista Municipal Utility District of Travis County, which perpetually enjoins the commencement of any suit, action, or proceeding involving the validity of the Bonds, or the provision made for the payment of the principal and interest of the Bonds.

Source of Payment

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

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

Issuance of Additional Debt

The Bonds represent the first overall series of unlimited tax bonds issued by the District and the first series of bonds issued for the purpose of acquiring or constructing the Road System. After issuance of the Bonds, the following principal amounts of unlimited tax bonds will remain authorized but unissued: $125,040,000 for the purpose of acquiring or constructing the Road System and $214,500,000 for the refunding of such bonds; $380,000,000 for the purpose of acquiring or constructing the Utility System and $570,000,000 for the refunding of such bonds; $57,500,000 for the purpose of acquiring or constructing the Park System and $86,250,000 for the refunding of such bonds. The District may also issue any additional bonds as may hereafter be approved by both the Board and voters of the District as well as certain additional bonds, revenue bonds, special project bonds, and other obligations as described in the Bond Order.

The Bond Order imposes no limitation on the amount of additional parity bonds which may be issued by the District (if authorized by the District's voters and, in the case of bonds issued for the purpose of acquiring or constructing the Utility System, and park and recreational facilities, approved by the TCEQ).

Following reimbursement to the Developer from the proceeds of the Bonds, according to the District's Engineer, the District will owe the Developer approximately $14,336,007 for expenditures to acquire or construct the Road System, approximately $38,930,630 for expenditures to acquire or construct the Utility System, and approximately $2,341,234 for expenditures to acquire or construct the Park System.

The District is also authorized by statute to engage in fire-fighting activities, including the issuing of bonds payable from taxes for such purposes. Before the District could issue such bonds, the following actions would be required: (a) authorization of a detailed fire protection plan; (b) approval of the fire plan by the TCEQ; (c) approval of the fire plan by the voters of the District; and (d) approval of bonds, if any, by the Attorney General of the State of Texas. If additional debt obligations are issued in the future by the District, such issuance may increase gross debt/property ratios and might adversely affect the investment security of the Bonds.

The District is authorized by statute to develop park and recreational facilities, including the issuing of bonds payable from taxes for such purpose. Before the District could issue park bonds payable from taxes, the following actions would be required: (a) approval of the park bond application for the issuance of bonds by the TCEQ; and (b) approval of the bonds by the Attorney General of the State of Texas. The District has not considered the preparation of a park bond application at this time. If the District does issue park bonds, the principal amount of bonds issued to finance parks and recreational facilities may not exceed 1% of the District's assessed value, however, if the District meets certain financial feasibility requirements under TCEQ rules, the outstanding principal amount of such bonds issued by the District may exceed an amount equal to 1% but not greater than 3% of the value of taxable property in the District.

No Arbitrage

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

Annexation

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction ("ETJ") of the City, the District may be annexed for full purposes by the City, subject to compliance by the City with various requirements of Chapter 43 of the Texas Local Government Code, as amended. Such requirements may include the requirement that the City hold an election in the District whereby the qualified voters of the District approve the proposed annexation.

If the District is annexed, the City must assume the District's assets and obligations (including the Bonds) and abolish the District within ninety (90) days of the date of annexation. Annexation of territory by the City is a policy-making matter within the discretion of the Mayor and City Council of the City, and therefore, the District makes no representation that the City will ever attempt to annex the District and assume its debt. Moreover, no representation is made concerning the ability of the City to make debt service payments should annexation occur.

Defeasance

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

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

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

Legal Investment and Eligibility to Secure Public Funds in Texas

Section 49.186 of the Texas Water Code is applicable to the District and provides:

> "(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 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.

Registered Owners' Remedies

In the event of default in the payment of principal of or interest on the Bonds, the registered owners have the right to seek a writ of mandamus, requiring the District to levy adequate taxes each year to make such payments. Except for mandamus, the Bond Order does not 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. See "RISK FACTORS – Limitation to Registered Owners' Remedies."

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Use and Distribution of Bond Proceeds

A portion of the proceeds of the Bonds will be used to reimburse the Developer for a portion of the costs to acquire or construct the Road System. Additionally, proceeds from the Bonds will also be used to pay eighteen (18) months of capitalized interest, developer interest, and to pay other certain costs associated with the Bonds.

		Amount
CONSTRUCTION COSTS		
1.	Phase 1 Roads	$ 11,114,950
2.	Engineering for Siesta Shores	657,095
3.	ROW Land Costs	2,243,020
	TOTAL CONSTRUCTION COSTS	$ 14,015,064
NON-CONSTRUCTION COSTS		
A.	Legal Fees	$ 399,200
B.	Fiscal Agent Fees	318,250
C.	Interest Costs	
	1. Capitalized Interest	1,475,738
	2. Developer Interest	1,129,051
D.	Bond Discount	535,638
E.	Bond Issuance Expense	41,375
F.	Bond Engineering Report	36,184
G.	Attorney General Fee (0.10%)	9,500
	TOTAL NON-CONSTRUCTION COSTS	$ 3,944,936
TOTAL BOND ISSUE REQUIREMENT		**$ 17,960,000**

The actual amounts to be reimbursed by the District and the non-construction costs will be finalized after the sale of the Bonds and completion of agreed-upon procedures by the District's auditor. The surplus funds, if any, may be expended for any lawful purpose for which surplus construction funds may be used, limited, however, to the purposes for which the Bonds were issued.

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THE DISTRICT

Authority

The District was created by order of the TCEQ dated March 14, 2008, and by a confirmational election held within the District on November 4, 2008. The District operates under Chapters 49 and 54 of the Texas Water Code and other general laws of the State of Texas applicable to municipal utility districts and is empowered, among other things, to purchase, construct, operate, and maintain all works, improvements, facilities, and plants necessary for the supply of water; the collection, transportation, and treatment of wastewater; and the control and diversion of storm water.

The District also is authorized to construct, develop and maintain park and recreational facilities using operating revenues or by issuing bonds payable from taxes. In 2022, legislation was enacted granting the District the power to finance roads, which was authorized by an election held within the District on November 8, 2022. In addition, the District is authorized, upon TCEQ and voter approval, to establish, operate, and maintain a fire department, independently or with one or more other conservation and reclamation districts, and to provide such facilities and services to the customers of the District.

Description

The District was created by order of the TCEQ dated March 14, 2008, and by a confirmational election held within the District on November 4, 2008. The District comprises approximately 1,050 total acres and is situated entirely within the County and inside of the boundaries of Lake Travis Independent School District. The District is located in the western part of the County, approximately 15 miles west of downtown Austin, Texas, along the southwest shore of Lake Travis. The District is bounded generally by Lake Travis and the surrounding Bee Creek Road, Thurman Bend Road, and Lake Travis Area. The District lies wholly within the extraterritorial jurisdiction and limited purpose jurisdiction of the City. The Board of Directors of the District has accepted a Petition for Annexation for approximately 480 acres, and the District has received the City's consent to such annexation but has not yet adopted an order to add the land into the boundaries of the District.

Management of the District

The District is governed by the Board, consisting of five directors, which has control over and management supervision of all affairs of the District. All of the directors own property in the District. The directors serve four-year staggered terms. Elections are held in November. The current members and officers of the Board are listed below:

Name	Position	Term Expires November
Kelly Tarun	President	2026
Shanna Heidmann	Vice President	2028
Amber Sue Huff	Secretary	2028
Theresa Ellington	Assistant Secretary	2026
Heidi Parker	Assistant Secretary	2026

Investment Policy

The District has adopted an Investment Policy (the "Investment Policy") as required by the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act"). The District's goal is to preserve principal and maintain liquidity in a diversified portfolio while securing a competitive yield on its portfolio. Funds of the District are to be invested only in accordance with the Investment Policy. The Investment Policy states that the funds of the District may be invested in short term obligations of the U.S. or its agencies or instrumentalities, in certificates of deposits insured by the Federal Deposit Insurance Corporation and secured by collateral authorized by the Act, and in TexPool and TexStar, which are public funds investment pools rated in the highest rating category by a nationally recognized rating service. The District does not currently own, nor does it anticipate, the inclusion of long-term securities or derivative products in the portfolio.

Consultants

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

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

Bookkeeper: The District's bookkeeper is District Data Services, Inc. (the "Bookkeeper").

Auditor: The District engaged McCall Gibson Swedlund Barfoot Ellis, PLLC, to audit its financial statements for the fiscal year ended September 30, 2025. Said financial statements are attached hereto as "APPENDIX A."

Engineer: The District's engineer is Jones-Heroy Associates, Inc. (the "Engineer").

Bond Counsel: The District has engaged Sanford Kuhl Hagan Kugle Parker Kahn LLP, Houston, Texas, as general counsel to the District and as bond counsel ("Bond Counsel") in connection with the issuance of the Bonds. The fees to be paid Bond Counsel in connection with the issuance of the Bonds are contingent upon the sale and delivery of the Bonds.

Disclosure Counsel: McCall, Parkhurst & Horton L.L.P., Austin, Texas has been designated as disclosure counsel ("Disclosure Counsel"). The fees of Disclosure Counsel in connection with the issuance of the Bonds are contingent upon the sale and delivery of the Bonds.

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

General Fund Operating Statement

The following is a summary of the District's general fund activity. The summary has been prepared by the Financial Advisor based upon information obtained from the District's audited financial statements and the Bookkeeper. Reference is made to such statements for further and more complete information. See "APPENDIX A." For the fiscal year ended September 30, 2025, the figures below are audited.

	Fiscal Year Ending September 30,			
	10/01/25 through 05/31/26 (a)	2025	2024 (b)	2023 (b)
REVENUES:				
Property Taxes	$ 245,000	$ 195,432	$ –	$ –
Water Service	23,430	–	–	–
Penalty and Interest	4,152	625	–	–
Tap Connection & Inspection	21,816	–	–	–
Miscellaneous Revenues	568	150	–	–
TOTAL REVENUES	$ 294,966	$ 196,207	$ –	$ –
EXPENDITURES:				
Professional Fees	$ 193,807	$ 83,082	$ 53,393	$ 38,676
Contract Services	202,675	7,987	4,108	2,172
Purchased Water Services	82,181	80,513	71,652	71,629
Utilities	17,675	2,565	–	–
Repairs and Maintenance	45,141	11,714	–	–
Other	9,683	8,063	7,626	6,165
TOTAL EXPENDITURES	$ 551,162	$ 193,924	$ 136,779	$ 118,642
Excess (Deficiency) of Revenues Over Expenditures	$ (256,197)	$ 2,283	$ (136,779)	$ (118,642)
OTHER FINANCING SOURCES:				
Transfer In (Out)	$ –	$ –	$ –	$ –
Developer Advances	$ 155,000	$ 25,000	$ 185,000	$ 92,000
Beginning Fund Balance	$ 54,420	$ 27,137	$ (21,084)	$ 5,558
Ending Fund Balance	$ (46,777)	$ 54,420	$ 27,137	$ (21,084)

(a) Unaudited; provided by the District's bookkeeper.

(b) Unaudited.

PHOTOGRAPHS TAKEN WITHIN THE DISTRICT

(June 2026)

DEVELOPMENT OF THE DISTRICT

Travis Club

The District contains the private golf and lake community known as the "Travis Club," which is located along the southwest shore of Lake Travis in the Austin metropolitan area. Travis Club offers approximately 10,000-feet of lake frontage, a Beau Welling-designed golf course, miles of trails, a private marina, and an array of amenities. Travis Club is a mixture of primary residences and secondary residences.

Residential development within Travis Club is planned to include estate and villa homesites offering a blend of lake, golf, and hill country views. The Travis Club offers two (2) primary residential options: custom single-family homesites and villa homesites. Custom single-family and villa homesites are generally ranging from just under 0.50 acres to more than 3 acres and are currently being marketed from $700,000 to over $3.5 million.

In addition, the Travis Club will include the following amenities which are anticipated to be operational and open to Travis Club residents as described below:

Championship-Level Golf Course: an 18-hole golf course designed by Beau Welling. Construction of the golf course commenced in spring 2024, with a planned opening in September 2026. The course is planned to open with two comfort stations, a practice facility, and a temporary golf shop.

Club Campus: set at the heart of the golf course, with long vistas of the lake and Hill Country, the Club Campus includes the Golf House, Fitness Wellness Facility, and Clubhouse. The Golf House is projected for completion in summer 2027.

Duke's & The Tree Bar: a renovated historic Covert Ranch family cottage, which serves as the lakefront social and entertainment venue.

Peninsula Club Campus: at the edge of the lake, the Peninsula Club is a family-friendly base camp with dining, pools, racquet and club sports, and lawn games.

The Marina Campus: a fully serviced private marina providing private docks and slips, dayboat provisioning, Travis Club boat excursions, boat rentals, watersports equipment, fishing and sailing excursions, water toys, pickleball courts, and a kayak trail.

The Trails: the Travis Club features over 30 miles of trails for hiking, biking, and walking. Initial hiking and biking trail access is projected for fall 2026.

Additionally, the Travis Club includes gated entry access with 24-hour security, use of private club facilities will be restricted to Travis Club members and their guests.

Status of Development within the District

To date, approximately 500 acres within the District have been developed with approximately 200 acres consisting of custom single-family and villa homesites. As of June 1, 2026, development within the District consisted of 10 custom single-family or villa homes under construction with another 37 homes in active design review. The remainder of land within the District includes approximately 700 acres of undeveloped but developable and approximately 150 undevelopable acres.

	Approximate Acreage	Section Lots	Homes Completed	Homes Construction	Vacant Lots
Travis Club, Phase 1	200	226	0	10	216 (a)
Total Residential Developed	200	226	0	10	216 (a)
Developable	700				
Undevelopable	150				
District Total	1,050				

(a) As of June 1, 2026, 37 homes are currently under active design review.

Custom Homebuilders within the District

Custom homebuilders active in the District include Cedar&Oak, Crabtree Design + Build, Elev8 Builders, JGB Custom Homes, Laurel Haven, Sendero Homes, Solivance, Streamline, Texas Sage Custom Homes, Tipler and Zbranek & Holt. The homes being marketed in the District range in price from approximately $6,000,000 to over $10,000,000 and in size from approximately 4,000 square feet to over 8,000 square feet. Owners may use a preferred builder or architect, or may bring their own builder and/or architect, subject to the applicable approval process and community guidelines.

THE DEVELOPER

Role of the Developer

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

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

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

The Developer

The developer of land within the District is HH-CH-B Blue Lake, LLC, a Delaware limited liability company (the "Developer"). The Developer is wholly owned by CH-B-HH Investors, VIII, LLC., a Delaware limited liability company. Castle Hill Partners, Inc. and its related entities are part of the upstream sponsor, management, general partner, and capital management structure, but Castle Hill Partners, Inc., is not shown as the sole owner of HH-CH-B Blue Lake, LLC.

The Developer is affiliated with the Travis Club ownership/development team, which includes Haas & Haynie and Castle Hill Partners, Inc. Such entities serve as project consultants involved in the development, planning, design, golf, trail, and operational execution of the Travis Club project. This is not intended to identify a separate legal entity. The Developer has developed approximately 200 acres (226 lots) of land within the District, and currently owns approximately 50 acres within the District and 55 vacant developed lots.

The Developer is a single purpose entity formed and capitalized for the purpose of owning and developing land within the District. The Developer's revenues consist of lot sales and reimbursables due from the District for eligible infrastructure costs, and the Developer currently operates at a profit. The Developer owns approximately 37.96% of the taxable property within the District, as reflected by the 2026 certified tax rolls of the District.

Developer Financing

The Developer is party to that certain Loan Agreement dated August 20, 2025, with International Bank of Commerce, a Texas banking association, pursuant to which International Bank of Commerce made a $20,000,000 loan to the Developer for the Travis Club project. The loan matures on August 20, 2028, subject to extension in accordance with the terms of the loan documents.

The loan is secured, in part, by a lien and security interest covering certain real property within the Travis Club project, including approximately 811.495 acres comprising Land Phases 3A, 3B, 4A and 4B, together with improvements and related property described in the loan documents. The loan is also secured by a security interest in and collateral assignment of the Developer's rights to receive reimbursements and other sums payable under certain reimbursement agreements with the District relating to the Project.

The proceeds of the loan may be used to refinance or reimburse acquisition costs, development costs, pre-development soft costs, horizontal infrastructure construction costs, including golf course improvements, and certain future operating, carrying, development and construction costs for the Project, as more particularly described in the loan documents.

According to the Developer, it is currently in compliance with all material terms and conditions of the loan documents.

THE UTILITY SYSTEM

Regulation

Construction of water, sanitary sewer, roadway, and drainage facilities within the District is subject to the regulatory authority of the County, the Lower Colorado River Authority ("LCRA"), and other applicable authorities.

Water Supply

Water service is provided through a water plant owned and operated by the District. The District has entered into a Firm Water Contract with the LCRA to provide 476 acre feet of surface water per year from Lake Travis for water supply. The District has built a water intake structure to receive water and water plant facilities to provide retail water to the customers of the District. Water intake and plant facilities and internal distribution lines constructed will be reimbursed to the Developer. All lots in the District are planned to be served by a central water system (the "Water Supply System") supplying potable water. Water service will be supplied by the District with wholesale water purchased from LCRA.

The water distribution lines within the District will be connected to the District's water distribution and delivery system. The central supply plant and water mains for the subdivision are being constructed in the District, in multiple phases, together with the water distribution lines to the front of or adjacent to the lots.

LCRA has agreed to provide retail water service to the District in an aggregate amount not to exceed 711 living unit equivalents ("LUEs"). Water provided to the District by LCRA is tested for purity and chemical content on a regular basis and meets all applicable standards for a public water supply. After completion of a phase of the water system and acceptance of the phase by Travis County and the District, the completed phase of the water system will be owned and maintained by the District.

Sanitary Sewer

Wastewater service will be provided through a wastewater treatment plant owned and operated by the District. The District is in the process of building its initial phase of the wastewater treatment plant which will have an initial capacity of 0.05 MGD, which is sufficient to serve 166 equivalent single-family connections ("ESFCs"). The plant will eventually be expanded to its ultimate size of 0.15 MGD. Treated wastewater will be used to irrigate the open spaces within the District. The initial area will contain 11.5 acres of irrigated open space land. The wastewater treatment plant, irrigation facilities and all internal distribution lines constructed will be reimbursed to the Developer.

The District is constructing its wastewater collection system and related facilities, including a lift station and force main (the "Sanitary Sewer System").

Storm Water Drainage

Natural drainage patterns generally slope from the District to Lake Travis. Storm-water runoff is collected in the ditches along the streets which outfall into Lake Travis.

The District is subject to the LCRA Highland Lakes Watershed Ordinance, which establishes requirements for construction-phase erosion and sediment controls, permanent water quality management practices, and waterway buffer zones for development. A Master Plan for the District was approved by LCRA on January 19, 2022, allowing variances to the subdivision's permanent best management practices and establishing conservation areas and water quality easements.

100-Year Flood Plain

According to the District's Engineer, approximately 97.45 acres of the District are located within the 100-year flood plain, as identified by the Federal Flood Insurance Administration Rate Map No. 48453C0195J, for the County, dated January 22, 2020. No lots are developed nor are any expected to be developed on the acreage that is located within the boundary of the 100-year flood plain.

THE ROAD SYSTEM

The road system serves residents of the District by providing access to the major thoroughfares and collectors within the Travis Club development and surrounding area. The major thoroughfares and collectors serving the District include Bee Creek Road, Siesta Shores Drive, and Thurman Bend Road, each of which is a paved, two-lane public road maintained by the County.

The Road System will be constructed in phases as development progresses. The Road System will ultimately be owned, operated and maintained by the District.

DISTRICT DEBT

2026 Certified Taxable Assessed Valuation	$	173,212,801	(a)
Direct Debt			
The Bonds	$	17,960,000	
Total	$	17,960,000	
Estimated Overlapping Debt	$	5,774,673	(b)
Total Direct and Estimated Overlapping Debt	$	23,734,673	(b)
Direct Debt Ratio:			
As a Percentage of the 2026 Certified Taxable Assessed Valuation		10.37	%
Direct and Estimated Overlapping Debt Ratio:			
As a Percentage of the 2026 Certified Taxable Assessed Valuation		13.70	%
Road Debt Service Fund Balance (as of the Date of Delivery)	$	1,475,738	(c)
General Operating Fund Balance (as of September 1, 2026)	$	50,957	(d)
2026 Tax Rate:			
Maintenance and Operation		$ 1.05	
Total		$ 1.05	
Average Annual Debt Service Requirement (2027-2052)	$	1,287,000	(e)
Maximum Annual Debt Service Requirement (2028)	$	1,348,825	(e)
Debt Service Tax Rate per $100 of Assessed Valuation Required to Pay the Average Annual Debt Service Requirement on the Bonds (2027-2052) at 95% Tax Collections Based on the 2026 Certified Taxable Assessed Valuation		$0.79	
Debt Service Tax Rate per $100 of Assessed Valuation Required to Pay the Maximum Annual Debt Service Requirement on the Bonds (2028) at 95% Tax Collections Based on the 2026 Certified Taxable Assessed Valuation		$0.82	

(a) Represents the assessed valuation of all taxable property in the District as of January 1, 2026, provided by the Appraisal District. Such amount includes $15,563,380 of assessed valuation assigned to properties that remain under review by the Appraisal Review Board. Such amount represents the estimated minimum amount of assessed valuation that will ultimately be approved by the Appraisal Review Board. See "TAX DATA" and "TAXING PROCEDURES."

(b) See "Direct and Estimated Overlapping Debt Statement,"

(c) Represents eighteen (18) months of capitalized interest to be deposited into the Road Debt Service Fund upon closing of the Bonds. Neither Texas law nor the Bond Order requires that the District maintain any particular sum in the Road Debt Service Fund.

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

(e) Requirement of debt service on the Bonds. See "DISTRICT DEBT – Debt Service Requirement Schedule."

Debt Service Requirement Schedule

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

Calendar Year	Principal	Interest	Debt Service
2027	$ –	$ 879,977	$ 879,977
2028	365,000	983,825	1,348,825
2029	385,000	956,450	1,341,450
2030	405,000	927,575	1,332,575
2031	425,000	897,200	1,322,200
2032	445,000	865,325	1,310,325
2033	470,000	831,950	1,301,950
2034	495,000	796,700	1,291,700
2035	520,000	771,950	1,291,950
2036	545,000	745,950	1,290,950
2037	575,000	718,700	1,293,700
2038	605,000	689,950	1,294,950
2039	640,000	658,944	1,298,944
2040	670,000	626,144	1,296,144
2041	705,000	590,969	1,295,969
2042	745,000	553,956	1,298,956
2043	785,000	514,844	1,299,844
2044	825,000	473,631	1,298,631
2045	865,000	429,288	1,294,288
2046	915,000	382,794	1,297,794
2047	960,000	333,613	1,293,613
2048	1,010,000	282,013	1,292,013
2049	1,065,000	230,250	1,295,250
2050	1,120,000	177,000	1,297,000
2051	1,180,000	121,000	1,301,000
2052	1,240,000	62,000	1,302,000
Total	$ 17,960,000	$ 15,501,996	$ 33,461,996

Average Annual Debt Service Requirement on the Bonds (2027-2052)....................$ 1,287,000

Maximum Annual Debt Service Requirement on the Bonds (2028)....................$ 1,348,825

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Direct and Estimated Overlapping Debt Statement

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

	Outstanding Debt	Overlapping	
Taxing Jurisdiction	July 31, 2026	Percent	Amount
Travis County	$ 1,202,190,000	0.05%	$ 640,320
Lake Travis Independent School District	484,685,000	1.02%	4,919,716
Travis County Healthcare District	398,205,000	0.05%	214,637
Total Estimated Overlapping Debt			$ 5,774,673
Direct Debt (a)			$ 17,960,000
Total Direct and Estimated Overlapping Debt (b)			$ 23,734,673

(a) The Bonds.

(b) Includes the Bonds.

Debt Ratios

Ratio of Direct Debt:
As a Percentage of the 2026 Certified Taxable Assessed Valuation .... 10.37 %

Ratio of Direct and Estimated Overlapping Debt:
As a Percentage of the 2026 Certified Taxable Assessed Valuation .... 13.70 %

TAXING PROCEDURES

Authority to Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in sufficient amount to pay the principal of and interest on the Bonds and any additional bonds payable from taxes that the District may hereafter issue for the Road System (and to pay the expenses of assessing and collecting such taxes). See "RISK FACTORS – Future Debt." The Board is also authorized to levy an annual ad valorem tax rate, without legal limit as to rate or amount, on all taxable property in the District in sufficient amount to pay the principal of and interest on any bonds payable from taxes that the District may hereafter issue for the Utility System and Park System (and to pay the expenses of assessing and collecting such taxes). The District agrees in the Bond Order to levy such a tax from year to year as described more fully above under "THE BONDS – Source of Payment." Under Texas law, the Board may also levy and collect annual ad valorem taxes for the operation and maintenance of the District. See "TAX DATA – Maintenance and Operation Taxes."

Property Tax Code and County-Wide Appraisal District

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

The Property Tax Code requires, among other matters, county-wide appraisal and equalization of taxable property values and establishes in each county of 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 Travis Central Appraisal District (the "Appraisal District"). The Appraisal District has the responsibility of appraising property for all taxing units within the County, including the District. Such appraisal values will be subject to review and change by the Travis County Appraisal Review Board (the "Appraisal Review Board"). The appraisal roll, as approved by the Appraisal Review Board, will be used by the District in establishing its tax rolls and tax rate.

Property Subject to Taxation by the District

General: Except for certain exemptions provided by Texas law, all real property, tangible personal property held or used for the production of income, 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 Texas or its political subdivisions, if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies and personal effects; certain goods, wares, and merchandise in transit; certain farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; and most individually-owned automobiles. In addition, the District may by its own action exempt residential homesteads of persons 65 years or older and certain disabled persons, to the extent deemed advisable by the Board of the District. The District has never adopted an exemption to persons 65 years or older or to certain disabled persons. The District may be required to offer such exemptions if a majority of voters approve same at an election, which the District would be required to call 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 the surviving spouse or children of a deceased veteran who died while on active duty in the armed forces, if requested, but only to the maximum extent of between $5,000 and $12,000 depending upon the disability rating of the veteran claiming the exemption. A veteran who receives a disability rating of 100% is entitled to an exemption for the full value of the veteran's residence homestead. Furthermore, qualifying surviving spouses of persons 65 years of age and older are entitled to receive a resident homestead exemption equal to the exemption received by the deceased spouse. Additionally, subject to certain conditions, the surviving spouse of a disabled veteran who is entitled to an exemption for the full value of the veteran's residence homestead is also entitled to an exemption from taxation of the total appraised value of the same property to which the disabled veteran's exemption applied. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veteran's disability rating if the residence homestead was donated by a charitable organization at no cost to the veteran. This exemption also applies to a residence homestead that was donated by a charitable organization at some cost to such veterans. The surviving spouse of a member of the armed forces who was killed in action is, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse.

The surviving spouse of a first responder who is killed or fatally injured in the line of duty is entitled to an exemption of the total appraised value of the surviving spouse's residence homestead if the surviving spouse has not remarried since the first responder's death, and said property was the first responder's residence homestead at the time of death. Such exemption is transferrable to a subsequent residence homestead of the surviving spouse, if the surviving spouse has not remarried, in an amount equal to the exemption received on the prior residence in the last year in which such exemption was received.

Residential Homestead Exemptions: The Property Tax Code authorizes the governing body of each political subdivision in Texas to exempt up to twenty (20%) percent 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 District has never adopted a general homestead exemption.

Freeport Goods and Goods-in-Transit Exemption: Freeport goods are goods, wares, merchandise, other tangible personal property and ores, other than oil, natural gas and other petroleum products, which have been acquired or brought into the state for assembling, storing, manufacturing, repair, maintenance, processing or fabricating purposes, or used to repair or maintain aircraft of a certified air carrier, and shipped out of the state within one hundred seventy-five (175) days. Freeport goods are exempt from taxation by the District. Article VIII, Section 1-n of the Texas Constitution provides for the exemption from taxation of "goods-in-transit." "Goods-in-transit" is defined by a provision of the Tax Code, which is effective for tax year 2011 and prior applicable years, as personal property acquired or imported into Texas and transported to another location in the State or outside the State within 175 days of the date the property was acquired or imported into Texas. The exemption excludes oil, natural gas, petroleum products, aircraft and special inventory. For tax year 2012 and subsequent years, such Goods-in-Transit Exemption is limited to tangible personal property acquired in or imported into Texas for storage purposes and which is stored under a contract of bailment by a public warehouse operator at one or more 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. The Tax Code provision permits local governmental entities, on a local option basis, to take official action by January 1 of the year preceding a tax year, after holding a public hearing, to tax goods-in-transit during the following tax year. The District has not taken action to tax Goods-in-Transit. A taxpayer may receive only one of the Freeport exemptions or the goods-in-transit exemptions for items of personal property.

Tax Abatement

The County may designate all or part of the area within the District as a reinvestment zone. Thereafter, the County and 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. At this time, the County has not designated any of the area within the District as a reinvestment zone.

Valuation of Property for Taxation

Generally, property in the District must be appraised by the Appraisal District at market value as of January 1 of each year. Once an appraisal roll is prepared and finally approved by the Appraisal Review Board, it is used by the District in establishing its tax rolls and tax rate. Assessments under the Property Tax Code are to be based on one hundred percent (100%) of market value, as such is defined in the Property Tax Code.

The Property Tax Code requires the Appraisal District to implement a plan for periodic reappraisal of property. The plan must provide for appraisal of all real property in the Appraisal District as least once every three years. It is not known what frequency of reappraisal will be utilized by the Appraisal District or whether reappraisals will be conducted on a zone or county-wide basis. The District, however, at its expense has the right to obtain from the Appraisal District 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% 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.

During the 2nd Special Session, convened on June 27, 2023, the Texas Legislature passed Senate Bill 2 ("SB 2"), which, among other things, includes provisions that prohibit an appraisal district from increasing the appraised value of real property during the 2024 tax year on non-homestead properties (the "Subjected Property") whose appraised values are not more than $5,000,000 (the "Maximum Property Value") to an amount not to exceed the lesser of: (1) the market value of the Subjected Property for the most recent tax year that the market value was determined by the appraisal office or (2) the sum of: (a) 20 percent of the appraised value of the Subjected Property for the preceding tax year; (b) the appraised value of the Subjected Property for the preceding tax year; and (c) the market value of all new improvements to the Subjected Property (collectively, the "Appraisal Cap"). After the 2024 tax year, through December 31, 2026, the Appraisal Cap may be increased or decreased by the product of the preceding state fiscal year's increase or decrease in consumer price index, as applicable, to the Maximum Property Value. SB 2 was signed into law by the Governor on July 22, 2023. The provisions described hereinabove took effect on January 1, 2024.

District and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units, including the District, may appeal orders of the Appraisal Review Board by filing a timely petition for review in district court. In such event, the property value in question may be determined by the court, or by a jury, if requested by any party. Additionally, taxing units may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda that 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 values, appraisals that are higher than renditions and appraisals of property not previously on an appraisal roll.

Rollback of Operation and Maintenance Tax Rate

Chapter 49 of the Texas Water Code, as amended, classifies municipal utility districts differently based on the current operation and maintenance tax rate or on the percentage of projected 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 herein as "Special Taxing Units." Districts that have financed, completed, and issued bonds to pay for all land, 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 in the district, subject to certain homestead exemptions, are required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Special Taxing Unit is the current year's debt service and contract tax rate plus the operation and maintenance tax rate that would impose 1.08 times the amount of operation and maintenance tax imposed by the District in the preceding tax year on a residence homestead appraised at the average appraised value of a resident homestead in the District in that year, subject to certain homestead exemptions.

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 in the district, subject to certain homestead exemptions, plus any unused increment rates, as calculated and described in Section 26.013 of the Property Tax Code, are required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Developed District is the current year's debt service and contract tax rate plus the operation and maintenance tax rate that would impose 1.035 times the amount of operation and maintenance tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, subject to certain homestead exemptions, plus any unused increment rates. In addition, if any part of a Developed District lies within an area declared for disaster by the Governor 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 imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead in the district, 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 the operation and maintenance tax rate that would impose 1.08 times the amount of operation and maintenance tax imposed by the District in the preceding tax year on a residence homestead appraised at the average appraised value of a resident homestead in the District in that year, subject to certain homestead exemptions.

The District: A determination as to the District's status as a Special Taxing Unit, Developed District or Developing District is made by the Board of Directors on an annual basis. For the 2026 tax year, the District was determined to be 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.

Agricultural, Open Space, Timberland and Inventory Deferment

The Property Tax Code permits land designated for agricultural use (including wildlife management), open space, or timberland to be appraised at its value based on the land's capacity to produce agriculture or timber products rather than at its fair market value. The Property Tax Code permits, under certain circumstances, that residential real property inventory held by a person in the trade or business be valued at the price all such property would bring if sold as a unit to a purchaser who would continue the business. Landowners wishing to avail themselves of any of such designations must apply for the designation, and the Appraisal District is required by the Property Tax Code to act on each claimant's right to the designation individually. A claimant may waive the special valuation as to taxation by some political subdivisions and not as to others. If a claimant receives the designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use, including such taxes for a period of three (3) years for agricultural use, timberland or open space land prior to the loss of the designation.

Levy and Collection of Taxes

The District is responsible for the levy and collection of its taxes unless it elects to transfer such functions to another governmental entity. The rate of taxation is set by the Board, after the legally required notice has been given to owners of property within the District, based upon: a) the valuation of property within the District as of the preceding January 1, and b) the amount required to be raised for debt service, maintenance and operation 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 twenty percent (20%) penalty for collection costs. A delinquent tax on personal property incurs an additional twenty percent (20%) penalty, sixty (60) days after the date the taxes become delinquent (April 1). 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.

Property owners affected by a disaster may pay property taxes in four equal installments following the disaster. In addition, certain classes of disabled veterans may receive a deferral or abatement of delinquent taxes without penalty during the time they own or occupy the property as their residential homestead.

District's Rights in the Event of Tax Delinquencies

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

At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights or by bankruptcy proceedings which restrict the collection of taxpayer debts. A taxpayer may redeem property within two years for residential and agricultural property and six months for commercial property and all other types of property after the purchaser's deed at the foreclosure sale is filed in the county records.

TAX DATA

General

All taxable property within the District is subject to the assessment, levy, and collection by the District of a continuing direct annual ad valorem tax without legal limitation as to rate or amount, sufficient to pay principal of and interest on the Bonds. See "TAXING PROCEDURES." In the Bond Order, the Board covenants to assess and levy, for each year that all or any part of the Bonds remain outstanding and unpaid, a tax ample and sufficient to produce funds to pay the principal of and interest on the Bonds. See "THE BONDS" and "RISK FACTORS." For the 2025 tax year, the District levied a total tax rate of $1.05 per $100 of assessed valuation composed entirely of a maintenance and operations tax rate of $1.05 per $100 of assessed valuation. The District has authorized publication of its intent to levy a 2026 total tax rate of $1.05 per $100 of assessed valuation composed entirely of a maintenance and operations tax rate of $1.05 per $100 of assessed valuation.

Tax Rate Limitation

Debt Service..Unlimited (no legal limit as to rate or amount).
Maintenance and Operation General ....$1.20 per $100 assessed taxable valuation.

Tax Exemption

As discussed in the section entitled "TAXING 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 a delinquent tax attorney to collect certain delinquent taxes. In connection with that contract, the District can establish an additional penalty of twenty percent (20%) of the tax to defray the costs of collection. This 20% penalty applies to taxes that will either: (1) become delinquent on or after February 1 of a year, but not later than June 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 Property Tax Code.

Historical Values and Tax Collection History

The following table illustrates the collection history of the District for the 2024 and 2025 tax years:

Tax Year	Assessed Valuation	Tax Rate	Adjusted Levy	Collections Current Year	Current Year Ended 9/30	Collections as of 07/31/2026
2024	$18,785,007	$1.050	$197,243	99.34%	2025	99.34%
2025	26,979,169	1.050	283,281	96.28%	2026	96.28%

Tax Rate Distribution

	2025 (a)	2024
Debt Service	$0.00	$0.00
Maintenance and Operations	1.05	1.05
Total	$1.05	$1.05

(a) The District has authorized publication of its intent to levy a 2026 total tax rate of $1.05 per $100 of assessed valuation composed entirely of a maintenance and operations tax rate of $1.05 per $100 of assessed valuation.

Analysis of Tax Base

The following table illustrates the District's total taxable assessed value in the 2024–2026 tax years by type of property.

Type of Property	2026 Certified Taxable Assessed Valuation (a)	2025 Certified Taxable Assessed Valuation	2024 Certified Taxable Assessed Valuation
Land	$ 223,944,675	$ 26,979,169	$ 18,785,007
Improvements	–	–	–
Personal Property	–	–	–
Exemptions	(66,295,254)	(–)	(–)
Total	$ 157,649,421	$ 26,979,169	$ 18,785,007

(a) Does not include $15,563,380 of assessed valuation assigned to properties that remain under review.

Principal Taxpayers

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

Taxpayer	Type of Property	2026 Certified Taxable Assessed Valuation Tax Roll	Percent of 2026 Value
HH-CH-B Blue Lake LLC (a)	Land & Improvements	$ 59,845,221	37.96%
Longviews LLC	Land	5,326,207	3.38%
Johnson Ranch Real Estate LLC	Land	3,108,618	1.97%
Homeowner	Land	2,050,145	1.30%
Homeowner	Land	2,026,300	1.29%
Homeowner	Land	2,000,353	1.27%
H4P-LT LLC	Land	1,769,334	1.12%
TC 108 LLC	Land	1,754,253	1.11%
Homeowner	Land	1,731,824	1.10%
Homeowner	Land	1,682,957	1.07%
Total		$ 81,295,212	51.57%

(a) See "THE DEVELOPER."

Tax Rate Calculations

The tax rate calculations set forth below are presented to indicate the tax rates per $100 of assessed taxable valuation that would be required to meet certain debt service requirements on the Outstanding Bonds and the Bonds if no growth in the District's tax base occurs beyond the District's 2026 Certified Taxable Assessed Valuation as of January 1, 2026 ($173,212,801). The calculations assume collection of 95% of taxes levied and the sale of the Bonds but not the sale of any additional bonds by the District.

Average Annual Debt Service Requirement (2027-2052)	$	1,287,000
Debt Service Tax Rate of $0.79 on the 2026 Certified Taxable Assessed Valuation	$	1,299,962
Maximum Annual Debt Service Requirement (2028)	$	1,348,825
Debt Service Tax Rate of $0.82 on the 2026 Certified Taxable Assessed Valuation	$	1,349,328

Estimated Overlapping Taxes

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

Set forth below is an estimation of all 2025 taxes per $100 of assessed valuation levied by such jurisdictions. No recognition is given to local assessments for civic association dues, emergency medical service contributions, fire department contributions or any other charges made by entities other than political subdivisions. No prediction can be made of the tax rates that will be levied in future years by the respective taxing jurisdictions.

Taxing Jurisdiction	2025 Tax Rate Per $100 of A.V.
The District	$1.050000
Lake Travis Independent School District	1.039700
Travis County Healthcare District	0.118023
Travis County ESD No. 8	0.093015
Travis County ESD No. 16	0.077500
Travis County, Texas	0.375845
Estimated Total Tax Rate	$2.754083

LEGAL MATTERS

Legal Proceedings

Delivery of the Bonds will be accompanied by the approving legal opinion of the Attorney General of the State of Texas to the effect that the Bonds are valid and legally binding obligations of the District under the Constitution and laws of the State of Texas payable from the proceeds of an annual ad valorem tax levied, without legal 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 and the approving legal opinion of Bond Counsel, to a like effect, and to the effect that interest on the Bonds is excludable from gross income for federal income tax purposes under existing law, and interest on the Bonds is not subject to the federal alternative minimum tax.

Bond Counsel has reviewed the information appearing in this Official Statement under the captions "THE DISTRICT," "THE BONDS (except under the subheading "Registered Owners' Remedies)," "TAXING PROCEDURES," "LEGAL MATTERS – Legal Proceedings," "TAX MATTERS," and "CONTINUING DISCLOSURE OF INFORMATION" (except under the subheading "Compliance with Prior Undertaking") solely to determine whether such information fairly summarizes matters of law and the provisions of the documents referred to therein. Bond Counsel has not, however, independently verified any of the factual information contained in this Official Statement nor has it conducted an investigation of the affairs of the District or the Developer 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.

The legal fees paid to Bond Counsel and Disclosure Counsel for services rendered in connection with the issuance of the Bonds are based on a percentage of the bonds actually issued, sold and delivered and, therefore, such fees are contingent upon the sale and delivery of the Bonds.

No-Litigation Certificate

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

No Material Adverse Change

The obligations of the Initial Purchaser to take and pay for the Bonds, and of the District to deliver the Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the condition (financial or otherwise) of the District subsequent to the date of sale from that set forth or contemplated in the Preliminary Official Statement, as it may have been supplemented or amended through the date of sale. The rating of the Insurer's creditworthiness by any rating agency does not and will not in any manner affect the District's financial condition, and thus any change to such rating, including a downgrade thereof, at any time, does not and will not constitute a change, material or otherwise, in the District's financial condition, and therefore cannot be a basis for termination by the Initial Purchaser of its obligations to take up and pay for the Bonds.

TAX MATTERS

The delivery of Bonds is subject to an opinion of Bond Counsel to the effect that, assuming continuing compliance by the District with the provisions of the Bond Order subsequent to the issuance of the Bonds pursuant to Section 103 of the Code, and existing regulations, published rulings and court decision procedures, interest on the bonds (i) will be excludable from the income, as defined in Section 61 of the Code, of the owners thereof for federal income tax purposes and (ii) is not subject to the alternative minimum tax on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of determining the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2023. The statutes, regulations, published rulings, and court decisions on which such opinion is based are subject to change.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislature proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or Beneficial Owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the District and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process.

Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the District or Beneficial Owners to incur significant expense.

Proposed Tax Legislation

If enacted, potential tax legislation, administrative actions taken by tax authorities, and court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or state income taxation, or otherwise prevent the Beneficial Owners of the Bonds from realizing the full current benefit of the tax status of such interest. For example, future legislation to resolve certain federal budgetary issues may significantly reduce the benefit of, or otherwise affect, the exclusion from gross income for federal income tax purposes of interest on all state and local obligations, including the Bonds. In addition, such legislation or actions (whether currently proposed, proposed in the future or enacted) could affect the market price or marketability of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and its impact on their individual situations, as to which Bond Counsel expresses no opinion.

Tax Accounting Treatment of Original Issue Discount Bonds

To the extent the issue price of any maturity of the Bonds may be less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Bonds which is entitled to be excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public. Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Not Qualified Tax-Exempt Obligations

The District has NOT designated the Bonds as "qualified tax-exempt obligations" within the meaning of section 265(b) of the Code.

CONTINUING DISCLOSURE OF INFORMATION

In the Bond Order, the District has made the following covenants for the benefit of the holders of the Bonds. The District is required to observe these covenants for so long as it remains obligated to pay the Bonds. Pursuant to these covenants, the District will be obligated to provide certain updated financial information and operating data annually, as well as timely notice of specified material events, to the Municipal Securities Rulemaking Board (the "MSRB") or any successor to its function as a repository, through its Electronic Municipal Market Access ("EMMA") system, available at www.emma.msrb.org.

Annual Reports

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

The District will be obligated to provide information concerning the Developer and any such person or entity only if and so long as (1) such person owns more than 20% of the taxable property within the District by value, as reflected by the most recently certified rolls (and without effect to special valuation provisions), (2) such person has made tax or other payments to the District which were used or available to pay more than 20% of the District's debt service requirements in the applicable fiscal year, or (3) at the end of such fiscal year such person is obligated to the District to provide or pay for District facilities or debt in an amount which exceeds 20% of the amount of the District's bonds then outstanding. The information to be updated includes all quantitative financial information and operating data with respect to the District of the general type included in this Official Statement under the headings "DISTRICT DEBT," "TAX DATA" and "APPENDIX A" with respect to the District, and, with respect to the Developer, information under the heading "TAX DATA – Principal Taxpayers." The District will update and provide this information within six months after the end of each of its fiscal years ending in or after 2026.

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 of the Securities Exchange Act (the "Rule"). The updated information will include audited financial statements, if the District commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the District will provide unaudited financial statements for the applicable fiscal year to the MSRB within six (6) months of the applicable fiscal year end and audited financial statements when and if the audit report becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in the Bond Order 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 fiscal year end is currently September 30. Accordingly, it must provide updated information by the last day in March each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify the MSRB by making a file on EMMA of the change.

Event Notices

The District will provide timely notices of certain specified events to the MSRB, but in no event will such notices be provided to the MSRB in excess of ten business days after the occurrence of an event. The District will provide notice of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the IRS 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 within the meaning of the Rule; (13) consummation of a merger, consolidation, or acquisition involving the District within the meaning of the Rule, the sale of all or substantially all of the assets of the District within the meaning of the Rule, other than in the ordinary course of business, or the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of any such financial obligation of the District, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any such financial obligation of the District, any of which reflect financial difficulties. The term "financial obligation" when used in this paragraph shall have the meaning ascribed to it under federal securities laws including meaning a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term "financial obligation" does not include municipal securities for which a final official statement has been provided to the MSRB consistent with 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 Order makes any provision for debt service reserves or liquidity enhancement. In addition, the District will provide timely notice of any failure by the District to provide financial information, operating data, or financial statements in accordance with its agreement described above under "Annual Reports."

Availability of Information from EMMA

The District has agreed to provide the information only to the MSRB. The MSRB has prescribed that such information must be filed via EMMA. The MSRB makes the information available to the public without charge and investors will be able to access continuing disclosure information filed with the MSRB at www.emma.msrb.org.

Limitations and Amendments

The District has agreed to update information and to provide notices of 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 holders and beneficial owners of Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The Developer has agreed to provide to the District the information that the District has agreed to provide with respect to the Developer. The Developer has also agreed with the District that it will not assign any of its rights to receive payment from the District out of proceeds of the Bonds (except as collateral), unless the assignee assumes the Developer's agreement to provide such information, but the Developer may sell its property within the District without any such assumption. The District's ability to provide information about the Developer or others, as well as the accuracy and completeness of such information, is completely dependent on such persons' compliance with their contractual agreements with the District.

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

Compliance with Prior Undertaking

The Bonds are the first issuance of bonded indebtedness by the District, and as such, the District has not previously entered into a continuing disclosure agreement pursuant to SEC Rule 15c2-12.

OFFICIAL STATEMENT

General

The information contained in this Official Statement has been obtained primarily from the Developer, the District’s records, the Engineer, the Tax Assessor/Collector, the Appraisal District, and other sources believed to be reliable; however, no representation is made as to the accuracy or completeness of the information contained herein, except as described below. The summaries of the statutes, resolutions and engineering and other related reports set forth herein are included subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

Experts

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

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

Auditor

The District’s audited financial statements for the year ended September 30, 2025, were prepared by McCall Gibson Swedlund Barfoot Ellis PLLC, Certified Public Accountant, Houston, Texas, and have been included herein as “APPENDIX A.” McCall Gibson Swedlund Barfoot Ellis PLLC, Certified Public Accountant, has consented to the publication of such financial statements in this Official Statement.

Certification as to Official Statement

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

Updating of Official Statement

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

CONCLUDING STATEMENT

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

This Official Statement was approved by the Board of Directors of Vista Municipal Utility District as of the date shown on the cover of this Official Statement.

/s/ Kelly Tarun
President, Board of Directors
Vista Municipal Utility District

ATTEST:

/s/ Amber Sue Huff
Secretary, Board of Directors
Vista Municipal Utility District

APPENDIX A

FINANCIAL STATEMENTS OF THE DISTRICT

VISTA MUNICIPAL UTILITY DISTRICT

TRAVIS COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2025

McCALL GIBSON SWEDLUND BARFOOT ELLIS PLLC
Certified Public Accountants

TABLE OF CONTENTS

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)

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Vista Municipal Utility District
Travis County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of Vista Municipal Utility District (the "District") as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the District as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Board of Directors
Vista Municipal Utility District

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Board of Directors
Vista Municipal Utility District

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide any assurance, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McCall Gibson Swedlund Barfoot Ellis PLLC

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

April 23, 2026

VISTA MUNICIPAL UTILITY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Management's discussion and analysis of Vista Municipal Utility District's (the "District") financial performance provides an overview of the District's financial activities for the year ended September 30, 2025. Please read it in conjunction with the District's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include: (1) combined fund financial statements and government-wide financial statements and (2) notes to the financial statements. The combined fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Fund Balance Sheet and (2) the Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance. This report also includes required and other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District's annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the District's overall status. Financial reporting at this level uses a perspective like that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position includes all the District's assets, liabilities and, if applicable, deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

The Statement of Activities reports how the District's net position changed during the current year. All current year revenues and expenses are included regardless of when cash is received or paid.

FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has one governmental fund type. The General Fund accounts for property tax revenues, developer advances, operating costs and general expenditures.

FUND FINANCIAL STATEMENTS (Continued)

The General Fund is reported in each of the financial statements. The focus in the fund financial statements provides a distinctive view of the District's governmental fund. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of current period. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in the Fund Balance to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI") and other supplementary information. A budgetary comparison schedule is included as RSI for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, liabilities exceeded assets by $282,269 as of September 30, 2025.

The tables on the following page present a comparative analysis of the of the government-wide Statement of Net Position and Statement of Activities for the current and prior fiscal years. This is the District's first audit and, accordingly, the amounts reported on the following page for 2024 are unaudited.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The following table provides a summary of the Statement of Net Position for the years ended September 30, 2025 and September 30, 2024:

	Summary of Changes in the Statement of Net Position		
	2025	2024	Change Positive (Negative)
Total Assets	$ 94,120	$ 42,106	$ 52,014
Due to Developer	$ 338,500	$ 313,500	$ (25,000)
Other Liabilities	37,889	14,969	(22,920)
Total Liabilities	$ 376,389	$ 328,469	$ (47,920)
Net Position:			
Unrestricted	$ (282,269)	$ (286,363)	$ 4,094

The following table provides a summary of the District's operations for the years ended September 30, 2025 and September 30, 2024.

	Summary of Changes in the Statement of Activities		
	2025	2024	Change Positive (Negative)
Total Revenues	$ 198,018	$ -0-	$ 198,018
Expenses for Services	193,924	136,779	(57,145)
Change in Net Position	$ 4,094	$ (136,779)	$ 140,873
Net Position, Beginning of Year	(286,363)	(149,584)	(136,779)
Net Position, End of Year	$ (282,269)	$ (286,363)	$ 4,094

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's General Fund fund balance increased by $27,283 primarily due to property tax revenues and developer advances exceeding operating costs.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Directors annually adopts a budget for the General Fund and did not amend the budget during the current year. Actual revenues were $22,807 more than budgeted, and actual expenditures were $30,026 more than budgeted, primarily due to professional costs exceeding estimated budget. There were also unbudgeted developer advances of $25,000. Total budget compared to actual resulted in a positive variance of $17,781. For more information, refer to the budgetary comparison analysis.

CAPITAL ASSETS

As of September 30, 2025, there were no capital assets for which construction had been completed.

LONG-TERM DEBT ACTIVITY

The District does not have any outstanding bonds but has bonds authorized for issuance of $380,000,000 for water, wastewater and drainage system facilities, $143,000,000 for roads and road improvements, and $57,500,000 for park and recreational facilities.

As of September 30, 2025, the District recorded an amount due to Developer of $338,500, which solely consists of operating advances.

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

The adopted budget for fiscal year 2026 projects no change in General Fund fund balance. Revenues, which include $1,279,306 of developer advances, and expenditures are budgeted to be $1,784,234.

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide a general overview of the District's finances for anyone with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Vista Municipal Utility District, c/o Sanford Kuhl Hagan Kugle Parker Kahn LLP, 1330 Post Oak Blvd, Ste 2650, Houston, TX 77056.

VISTA MUNICIPAL UTILITY DISTRICT
STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
SEPTEMBER 30, 2025

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	$ 92,309	$	$ 92,309
Receivables:			
Property Taxes	1,811		1,811
TOTAL ASSETS	$ 94,120	$ - 0 -	$ 94,120
LIABILITIES			
Accounts Payable	$ 37,889	$	$ 37,889
Due to Developer		338,500	338,500
TOTAL LIABILITIES	$ 37,889	$ 338,500	$ 376,389
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	$ 1,811	$ (1,811)	$ -0-
FUND BALANCE			
Unassigned	$ 54,420	$ (54,420)	$ - 0 -
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 94,120		
NET POSITION			
Unrestricted		$ (282,269)	$ (282,269)

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

VISTA MUNICIPAL UTILITY DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Total Fund Balance - Governmental Fund	$ 54,420
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Deferred tax revenues and uncollected penalty and interest on delinquent taxes for the 2024 and prior tax levies became part of recognized revenue in the governmental activities of the District.	1,811
Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year-end consist of:	
Due to Developer	(338,500)
Total Net Position - Governmental Activities	$ (282,269)

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

VISTA MUNICIPAL UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General Fund	Adjustments	Statement of Activities
REVENUES			
Property Taxes	$ 195,432	$ 1,811	$ 197,243
Penalty and Interest	625		625
Miscellaneous Revenues	150		150
TOTAL REVENUES	$ 196,207	$ 1,811	$ 198,018
EXPENDITURES/EXPENSES			
Service Operations:			
Professional Fees	$ 83,082	$	$ 83,082
Contracted Services	7,987		7,987
Purchased Water Services	80,513		80,513
Utilities	2,565		2,565
Repairs and Maintenance	11,714		11,714
Other	8,063		8,063
TOTAL EXPENDITURES/EXPENSES	$ 193,924	$ - 0 -	$ 193,924
EXCESS OF REVENUES OVER EXPENDITURES/EXPENSES	$ 2,283	$ 1,811	$ 4,094
OTHER FINANCING SOURCES (USES)			
Developer Advances	$ 25,000	$ (25,000)	$ - 0 -
NET CHANGE IN FUND BALANCE	$ 27,283	$ (27,283)	$
CHANGE IN NET POSITION		4,094	4,094
FUND BALANCE/NET POSITION - OCTOBER 1, 2024	27,137	(313,500)	(286,363)
FUND BALANCE/NET POSITION - SEPTEMBER 30, 2025	$ 54,420	$ (336,689)	$ (282,269)

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

VISTA MUNICIPAL UTILITY DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Net Change in Fund Balance - Governmental Fund	$	27,283
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied.		1,811
Governmental funds report developer advances as other financing sources. However, in the government-wide financial statements, developer advances, net any amount repaid to the developer, are recorded as a liability.		(25,000)
Change in Net Position - Governmental Activities	$	4,094

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

VISTA MUNICIPAL UTILITY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 1. CREATION OF DISTRICT

Vista Municipal Utility District, Texas (the "District") was created by an Order of the Texas Commission on Environmental Quality (the "Commission"), dated effective March 14, 2008, pursuant to Article XVI, Section 59 of the Texas Constitution and in accordance with Chapters 49 and 54 of the Texas Water Code and confirmed at an election held on November 4, 2008. The District is under the oversight of the Commission. The District is empowered to purchase, operate and maintain all facilities, plants, and improvements necessary to provide water, wastewater service, storm sewer drainage, irrigation, roads, parks and recreation and solid waste collection and disposal for residents of the District. The Board of Directors held its first meeting on April 16, 2008.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB"). In addition, the accounting records of the District are maintained generally in accordance with the *Water District Financial Management Guide* published by the Commission.

The District is a political subdivision of the State of Texas governed by an elected board. GASB has established the criteria for determining whether an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District's financial statement as component units.

<u>Financial Statement Presentation</u>

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting ("GASB Codification").

GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

These classifications are defined as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenue and expense in the government-wide Statement of Activities.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Governmental Fund Balance Sheet and a Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance.

Governmental Funds

The District has one governmental fund and considers it to be a major fund.

General Fund - To account for property tax revenues, developer advances, operating costs and general expenditures.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both "measurable and available." Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenues reported in the governmental funds to be available if they are collectable within 60 days after year-end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenue include taxes collected during the year and taxes collected after year-end, which were considered available to defray the expenditures of the current year. Deferred inflows of resources related to property tax revenues are those taxes which the District does not reasonably expect to be collected soon enough in the subsequent period to finance current expenditures.

Amounts transferred from one fund to another fund are reported as other financing sources or uses. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Funds Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgeting

An annual unappropriated budget is adopted for the General Fund by the District's Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was not amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund presents the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

Pensions

The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that fees of office received by Directors are wages subject to federal income tax withholding for payroll purposes only.

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets, liabilities, and deferred inflows and outflows of resources associated with the activities are reported. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Governmental Funds Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

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

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally. The District does not have any restricted fund balances.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

Committed: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

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

Unassigned: all other spendable amounts in the General Fund.

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

NOTE 3. BOND AUTHORIZATION

The District has not issued any debt at September 30, 2025. At an election held on November 8, 2022, voters authorized the issuance of bonds as follows:

Type		Amount
Unlimited Tax Bonds	$	380,000,000
Road Bonds	$	143,000,000
Park and Recreational Facility Bonds	$	57,500,000
Unlimited Tax Refunding Bonds	$	570,000,000
Refunding Road Bonds	$	214,500,000
Refunding Park and Recreational Facility Bonds	$	86,250,000

NOTE 4. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Deposits (Continued)

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. As of September 30, 2025, the carrying amount of the District's deposits was $92,309 and the bank balance was $92,359. The District was not exposed to custodial credit risk at year-end.

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." No person may invest District funds without express written authority from the Board of Directors.

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District's investment policy may be more restrictive than the Public Funds Investment Act.

The District currently has no investments.

NOTE 5. MAINTENANCE TAX

On November 8, 2022, the voters of the District approved the levy and collection of a maintenance tax in an amount not to exceed $1.20 per $100 of assessed valuation of taxable property within the District. This maintenance tax is to be used by the General Fund to pay expenditures of operating the District's systems and other operating and maintenance expenses. During the year ended September 30, 2025, the District levied an ad valorem maintenance tax of $1.05 per $100 of assessed valuation, which resulted in a tax levy of $197,243 on the adjusted taxable valuation of $18,785,007 for the 2024 tax year.

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

NOTE 6. UNREIMBURSED COSTS

As of September 30, 2025, the District recorded a Developer liability of $338,500 for operating advances made since inception, of which $25,000 was received in the current fiscal year. The Developer has also paid for costs related to the construction of certain infrastructure within the District. Such costs may be reimbursable to the Developer by the District from proceeds of future District bond issues, subject to approval by the Commission. Once construction is completed, the facilities and related Developer liability will be recorded on the District's financial statements.

NOTE 7. LOWER COLORADO RIVER AUTHORITY

On June 29, 2021, the District entered a Firm Water Contract with the LCRA. The District was granted the right to withdraw water from Lake Austin, Travis County, Texas. The contract allows for a maximum withdrawal of 448 acre-fee of raw water per annum. The term of the contract is 40 years.

On a monthly basis, the District agrees to pay an amount equal to the water rate determined by the Board of Directors of LCRA to then be in effect for all sales of water for municipal purposes, subtracting the reservation rate, and multiplying by the amount of water diverted during the previous month. On a calendar year basis, the District agrees to pay an amount equal to the rate determined by the Board of Directors of the LCRA, to then be in effect for diversion of water in amounts in excess of the maximum annual quantity (the "Inverted Block Rate"). As of September 30, 2025, the raw water rate was $82.50/acre-foot of water and the reservation fee rate was $82.50/acre-foot. During the current fiscal year, the District incurred costs of $80,513 in relation to this contract with the LCRA.

NOTE 8. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant changes in coverage from the prior year and settlements have not exceeded coverage in the past two years.

VISTA MUNICIPAL UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2025

VISTA MUNICIPAL UTILITY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Property Taxes	$ 173,300	$ 195,432	$ 22,132
Penalty and Interest		625	625
Miscellaneous Revenues	100	150	50
TOTAL REVENUES	$ 173,400	$ 196,207	$ 22,807
EXPENDITURES			
Service Operations:			
Professional Fees	$ 65,000	$ 83,082	$ (18,082)
Contracted Services	3,600	7,987	(4,387)
Purchased Water Services	72,000	80,513	(8,513)
Utilities		2,565	(2,565)
Repairs and Maintenance		11,714	(11,714)
Other	23,298	8,063	15,235
TOTAL EXPENDITURES	$ 163,898	$ 193,924	$ (30,026)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 9,502	$ 2,283	$ (7,219)
OTHER FINANCING SOURCES(USES)			
Developer Advances	$ -0-	$ 25,000	$ 25,000
NET CHANGE IN FUND BALANCE	$ 9,502	$ 27,283	$ 17,781
FUND BALANCE-OCTOBER 1, 2024	27,137	27,137	
FUND BALANCE-SEPTEMBER 30, 2025	$ 36,639	$ 54,420	$ 17,781

See accompanying independent auditor's report.

VISTA MUNICIPAL UTILITY DISTRICT

SUPPLEMENTARY INFORMATION REQUIRED BY THE

WATER DISTRICT FINANCIAL MANAGEMENT GUIDE

SEPEMBER 30, 2025

VISTA MUNICIPAL UTILITY DISTRICT
SERVICES AND RATES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

1. SERVICES PROVIDED BY THE DISTRICT DURING THE YEAR:

X	Retail Water		Wholesale Water	X	Drainage
X	Retail Wastewater		Wholesale Wastewater	X	Irrigation
X	Parks/Recreation		Fire Protection		Security
	Solid Waste/Garbage		Flood Control	X	Roads
	Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)				
	Other (specify): ______				

2. RETAIL SERVICE PROVIDERS

a. RETAIL RATES FOR A 5/8" METER (OR EQUIVALENT):

The following rates are based on the rate order effective December 5, 2024.

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons over Minimum Use	Usage Levels
WATER:	$ 26.00	8,000	N	$2.00	8,001 to 20,000
				2.50	20,001 to 35,000
				4.25	35,001 and up
WASTEWATER:	$ 30.00	8,000	N	$2.00	8,001 to 20,000
				2.50	20,001 to 35,000
				4.25	35,001 and up
SURCHARGE:					
Detention Facilities Fee	$ 5.00 monthly				

District employs winter averaging for wastewater usage? ______ Yes X No

Total monthly charges per 10,000 gallons usage: Water: $30.00 Wastewater: $34.00
Detention Facilities Fee: $5.00

b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Not Applicable)

See accompanying independent auditor's report.

3. TOTAL WATER CONSUMPTION DURING THE YEAR ROUNDED TO THE NEAREST THOUSAND: (Not Applicable)

4. STANDBY FEES (authorized only under TWC Section 49.231):

Does the District have Debt Service standby fees? Yes ___ No _X_

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

5. LOCATION OF DISTRICT:

Is the District located entirely within one county?

Yes _X_ No _____

County in which District is located:

Travis County, Texas

Is the District located within a city?

Entirely _____ Partly ______ Not at all _X_

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

Entirely _____ Partly ______ Not at all _X_

ETJ's in which District is located:

Not applicable

Are Board Members appointed by an office outside the District?

Yes _____ No _X_

See accompanying independent auditor's report.

VISTA MUNICIPAL UTILITY DISTRICT
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

PROFESSIONAL FEES:		
Engineering	$	30,820
Legal		52,262
TOTAL PROFESSIONAL FEES	$	83,082
PURCHASED WATER SERVICES	$	80,513
CONTRACTED SERVICES:		
Bookkeeping	$	1,687
Tax Collector		6,300
TOTAL CONTRACTED SERVICES	$	7,987
UTILITIES	$	2,565
REPAIRS AND MAINTENANCE	$	11,714
ADMINISTRATIVE EXPENDITURES:		
Director Fees	$	2,210
Insurance		3,246
Office Supplies and Postage		1,561
Payroll Taxes		866
Other		180
TOTAL ADMINISTRATIVE EXPENDITURES	$	8,063
TOTAL EXPENDITURES	$	193,924

See accompanying independent auditor's report.

VISTA MUNICIPAL UTILITY DISTRICT
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Maintenance Taxes	
TAXES RECEIVABLE -		
OCTOBER 1, 2024	$ -0-	
Adjustments to Beginning		
Balance		$ -0-
Original 2024 Tax Levy	$ 197,243	
Adjustment to 2024 Tax Levy		197,243
TOTAL TO BE		
ACCOUNTED FOR		$ 197,243
TAX COLLECTIONS:		
Prior Years	$	
Current Year	195,432	195,432
TAXES RECEIVABLE -		
SEPTEMBER 30, 2025		$ 1,811

See accompanying independent auditor's report.

VISTA MUNICIPAL UTILITY DISTRICT
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	2024
PROPERTY VALUATIONS:	
Land	$ 32,305,552
Improvements	
Personal Property	
Exemptions	(13,520,545)
TOTAL PROPERTY VALUATIONS	$ 18,785,007
TAX RATES PER $100 VALUATION:	
Maintenance	$ 1.05
ADJUSTED TAX LEVY*	$ 197,243
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	99.08 %

* Based upon the adjusted tax levy at the time of the audit for the fiscal year in which the tax was levied.

Maintenance Tax-Maximum tax rate of $1.20 per $100 of assessed valuation approved by voters November 8, 2022.

See accompanying independent auditor’s report.

VISTA MUNICIPAL UTILITY DISTRICT
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND – FOUR YEARS

	Amounts		
	2025	2024 *	2023 *
REVENUES			
Property Taxes	$ 195,432	$	$
Penalty and Interest	625		
Miscellaneous Revenues	150		
TOTAL REVENUES	$ 196,207	$ - 0 -	$ - 0 -
EXPENDITURES			
Professional Fees	$ 83,082	$ 53,393	$ 38,676
Contracted Services	7,987	4,108	2,172
Purchased Water Services	80,513	71,652	71,629
Utilities	2,565		
Repairs and Maintenance	11,714		
Other	8,063	7,626	6,165
TOTAL EXPENDITURES	$ 193,924	$ 136,779	$ 118,642
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ 2,283	$ (136,779)	$ (118,642)
OTHER FINANCING SOURCES (USES)			
Developer Advances	$ 25,000	$ 185,000	92,000
NET CHANGE IN FUND BALANCE	$ 27,283	$ 48,221	$ (26,642)
BEGINNING FUND BALANCE	27,137	(21,084)	5,558
ENDING FUND BALANCE	$ 54,420	$ 27,137	$ (21,084)
TOTAL ACTIVE RETAIL WATER CONNECTIONS	N/A	N/A	N/A
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	N/A	N/A	N/A

* Unaudited

See accompanying independent auditor's report.

	Percentage of Total Revenues			
2022 *	2025	2024 *	2023 *	2022 *
$	99.6 %	%	%	%
	0.3			
	0.1			
$ - 0 -	100.0 %	N/A %	N/A %	N/A %
$ 12,373	42.3 %	%	%	%
	4.1			
11,976	41.0			
	1.3			
	6.0			
6,593	4.1			
$ 30,942	98.8 %	N/A %	N/A %	N/A %
$ (30,942)	1.2 %	N/A %	N/A %	N/A %
36,500				
$ 5,558				
$ 5,558				
N/A				
N/A				

See accompanying independent auditor's report.

VISTA MUNICIPAL UTILITY DISTRICT
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
SEPTEMBER 30, 2025

District Mailing Address - Vista Municipal Utility District
c/o Sanford Kuhl Hagan Kugle Parker Kahn LLP
1330 Post Oak Blvd, Ste 2650
Houston, TX 77056

District Telephone Number - (713) 850-9000

Board Members:	Term of Office (Elected or Appointed)	Fees of office for the year ended September 30, 2025	Expense reimbursements for the year ended September 30, 2025	Title
Kelly Tarun	11/2022 11/2026 (Elected)	$ 442	$ -0-	President
Shanna Heidmann	11/2024 11/2028 (Elected)	$ 442	$ -0-	Vice President
Amber Sue Huff	11/2024 11/2028 (Elected)	$ 442	$ -0-	Secretary
Theresa Ellington	11/2022 11/2026 (Elected)	$ 442	$ -0-	Assistant Secretary
Heidi Parker	11/2022 11/2026 (Elected)	$ 442	$ -0-	Assistant Secretary

Notes: No Director has any business or family relationships (as defined by the Texas Water Code) with major landowners in the District, with the District's developers or with any of the District's consultants.

Submission date of most recent District Registration Form: October 7, 2024

The limit on Fees of Office that a Director may receive during a fiscal year is the maximum amount allowed by law as set by Board Resolution (TWC Section 49.060). Fees of Office are the amounts paid to a Director during the District's current year.

See accompanying independent auditor's report.

VISTA MUNICIPAL UTILITY DISTRICT
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
SEPTEMBER 30, 2025

Consultants:	Date Hired	Fees / Compensation for the year ended September 30, 2025	Title
Sanford Kuhl Hagan Kugle Parker Kahn LLP	12/03/21	$ 52,262	General Counsel
McCall Gibson Swedlund Barfoot Ellis PLLC	01/30/24	$ -0-	Auditor
L & S District Services, LLC	01/24/22	$ 1,779	Bookkeeper
Jones-Heroy Associates, Inc.	04/19/23	$ 30,820	Engineer
Robert W. Baird & Co. Incorporated	08/30/21	$ -0-	Financial Advisor
Debra Loggins	01/24/22	$ -0-	Investment Officer
Utility Tax Service, LLC	08/25/23	$ 6,300	Tax Assessor
Si Environmental, LLC	08/25/23	$ 11,714	Operator

See accompanying independent auditor’s report.