OFFICIAL STATEMENT DATED OCTOBER 28, 2026

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

THE BONDS HAVE BEEN DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS.

NEW ISSUE - Book-Entry-Only

$3,750,000
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
(A political subdivision of the State of Texas located within Harris County)
UNLIMITED TAX ROAD BONDS, SERIES 2026

Dated: November 1, 2026 **Due: September 1, as shown below**

Principal of the bonds described above (the "Bonds") will be payable at stated maturity or redemption upon presentation of the Bonds at the principal payment office of the paying agent/registrar, initially BOKF, N.A., (the "Paying Agent/Registrar", "Paying Agent" or "Registrar") in Dallas, Texas. Interest on the Bonds will accrue from November 1, 2026, and be payable on March 1, 2027, and on each September 1 and March 1 thereafter (each an "Interest Payment") until the earlier of maturity or redemption. The Bonds will be issued only in fully registered form. Interest will be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds are subject to redemption prior to maturity as shown below.

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

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

Due Sept. 1	Principal Amount	Interest Rate	Initial Reoffering Yield (a)	CUSIP Number 41431P (b)	Due Sept. 1	Principal Amount	Interest Rate	Initial Reoffering Yield (a)	CUSIP Number 41431P (b)
2028	$ 75,000	7.750%	4.400%	BB2	2031	$ 85,000	7.750%	4.700%	BE6
2029	80,000	7.750%	4.500%	BC0	2032	90,000	7.750%	4.800%	BF3
2030	80,000	7.750%	4.600%	BD8					

$1,075,000 Term Bonds due September 1, 2041 (c) (d), 41431P BQ9 (b), 5.250% Interest Rate, 5.250% Yield (a)
$1,070,000 Term Bonds due September 1, 2047 (c) (d), 41431P BW6 (b), 5.375% Interest Rate, 5.600% Yield (a)
$1,195,000 Term Bonds due September 1, 2052 (c) (d), 41431P CB1 (b), 5.500% Interest Rate, 5.850% Yield (a)

(a) Initial reoffering yield represents the initial offering yield to the public which has been established by the Initial Purchaser for offers to the public and which may be subsequently changed by the Initial Purchaser and is the sole responsibility of the Initial Purchaser. The initial reoffering yields indicated above represent the lower of the yields resulting when priced at maturity or to the first call date. Accrued interest from November 1, 2026 is to be added to the price.

(b) CUSIP numbers have been assigned to the Bonds by CUSIP Global Services and are included solely for the convenience of the purchasers of the Bonds. Neither the District nor the Initial Purchaser shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

(c) Bonds maturing on and after September 1, 2033, are subject to redemption prior to maturity at the option of the District, in whole or from time to time in part, on September 1, 2032, or on any date thereafter, at a price equal to the principal amount thereof plus accrued interest to the date fixed for redemption. See "THE BONDS-Redemption Provisions."

(d) Subject to a mandatory sinking fund redemption as described herein. See "THE BONDS – Redemption Provisions."

The Bonds, when issued, will constitute valid and legally binding obligations of Harris County Municipal Utility District No. 477 (the "District") and will be payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property located within the District. The Bonds are obligations solely of the District and are not obligations of the State of Texas ("Texas"), Harris County, Texas ("Harris County"), the City of Houston, Texas ("City of Houston") or any political subdivision or entity other than the District. The Bonds are subject to special risks factors described herein. See "RISK FACTORS."

The Bonds are offered by the Initial Purchaser subject to prior sale, when, as and if issued by the District and accepted by the Initial Purchaser, subject, among other things, to the approval of the Bonds by the Attorney General of Texas and the approval of certain legal matters by Allen Boone Humphries Robinson LLP, Houston, Texas ("Bond Counsel"). Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, Houston, Texas ("Disclosure Counsel"). Delivery of the Bonds in Book-Entry-Only form through the facilities of DTC is expected on or about November 24, 2026.

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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 representation must not be relied upon as having been authorized by the District.

This Official Statement is not to be used in an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

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

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, SEC Rule 15c2-12, as amended.

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

OFFICIAL STATEMENT SUMMARY

The following information is qualified in its entirety by the detailed information 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 FINANCING

The Issuer ..... Harris County Municipal Utility District No. 477 (the "District"), a political subdivision of the State of Texas, is located in Harris County, Texas ("Harris County"). See "THE DISTRICT."

The Issue ..... $3,750,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds") are issued pursuant to a resolution (the "Bond Resolution") of the District's Board of Directors (the "Board"). The Bonds will be issued as fully registered bonds maturing serially on September in the years 2028 through 2032, both inclusive, and as term bonds on September 1 in the years 2041, 2047 and 2052 (the "Term Bonds") in the principal amounts and accruing interest rates shown on the cover hereof. Interest on the Bonds accrues from November 1, 2026, and is payable on March 1, 2027, and on September 1 and March 1 thereafter (each an "Interest Payment Date") until the earlier of maturity or prior redemption. See "THE BONDS."

Redemption…… The Bonds maturing on and after September 1, 2033, are subject to redemption, in whole or from time to time in part, at the option of the District, prior to their maturity dates, on September 1, 2032, or on any date thereafter. Upon redemption, the Bonds will be payable at a price of par plus accrued interest to the date of redemption. The Term Bonds are also subject to mandatory sinking fund redemption as described herein. See "THE BONDS— Redemption Provisions."

Book-Entry-Only System... The Depository Trust Company ("DTC") will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate will be issued for each maturity of the Bonds and will be deposited with DTC. See "BOOK-ENTRY-ONLY SYSTEM."

Authority for Issuance ..... The Bonds are the second series of bonds issued out of an aggregate of $168,140,000 principal amount of unlimited tax bonds authorized by the District's voters on May 1, 2021, for the purpose of acquiring or constructing road facilities and the refunding of such bonds. The Bonds are issued by the District pursuant to the Bond Resolution authorizing the issuance of the Bonds adopted by the Board, Article III, Section 52 of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, as amended, an election held within the District, and the general laws of the State of Texas regarding the issuance of bonds by political subdivisions of the State of Texas. See "THE BONDS— Authority for Issuance."

Source of Payment ..... The Bonds are payable from an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property within the District. See "TAX PROCEDURES." The Bonds are obligations of the District and are not obligations of the State of Texas ("Texas"), the City of Houston, Texas (the "City of Houston'), Harris County, or any other political subdivision or entity other than the District. See "THE BONDS – Source of and Security for Payment."

Use of Proceeds ..... Proceeds from the sale of the Bonds will be used to pay for items shown herein under "USE AND DISTRIBUTION OF BOND PROCEEDS," including to capitalize twelve (12) months of interest of the Bonds, to pay developer interest, and to pay certain other costs and fees related to the issuance of the Bonds. See "USE AND DISTRIBUTION OF BOND PROCEEDS."

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

Payment Record..... The District has previously issued one series of unlimited tax road bonds of which $3,000,000 of principal amounts remains outstanding as of September 2, 2026 (the "Outstanding Bonds"). The District has never defaulted in the payment of principal or interest on the Outstanding Bonds.

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

An application has been made for municipal bond insurance, but the District did not qualify. See "MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE."

Bond Counsel..... Allen Boone Humphries Robinson LLP, Houston, Texas, Bond Counsel.

Disclosure Counsel……. Orrick, Herrington & Sutcliffe LLP, Houston, Texas.

Financial Advisor..... Post Oak Municipal Advisors LLC, Houston, Texas.

Engineer ..... LJA, Inc., Houston, Texas.

THE DISTRICT

Description ..... The District was created by an order of the Texas Commission on Environmental Quality (the "TCEQ") dated June 13, 2008 in accordance with the Texas Water Code, Chapters 49 and 54. The District presently contains approximately 609.70 acres of land and is located approximately 40 miles northwest of the central downtown business district of the City of Houston, in Harris County, and lies wholly within the extraterritorial jurisdiction of the City of Houston, and within the boundaries of Waller Independent School District. Access to the District is provided via U.S. Route 290 West. See "THE DISTRICT" and "AERIAL PHOTOGRAPH" herein.

The District, Harris County Municipal Utility District No. 478 ("MUD 478") and Harris County Municipal Utility District No. 478B ("MUD 478B") are collectively referred to herein as the "MUD Participants." and collectively comprise of the area referred to herein as the "Service Area," which currently includes the 1,088.73-acre master-planned community known as Jubilee, and the approximately 165.71-acre residential community Hockley Meadows which is not a part of Jubilee, but is located within the Service Area. See "THE DISTRICT."

Jubilee and Hockley Meadows.....…..The District is one of a total of three municipal utility districts included in the approximately 1,088.73-acre master-planned community known as Jubilee and the approximately 165.71-acre community known as Hockley Meadows. The MUD Participants are served by Harris County Municipal Utility District No. 478 in its capacity as the "Master District". The Master District serves as a regional provider of the Master District Facilities (defined herein), to the MUD Participants. The District consists of approximately 609.70 acres, MUD 478B consists of approximately 636.20 acres and MUD 478 consists of approximately 8.54 acres.

Status of Development in Jubilee……..*Single-Family Residential:* Development in the District currently consists of residential development. As of September 25, 2026, there were 440 completed and occupied homes,

93 completed and unoccupied homes (19 of which are model homes), 109 homes under construction (65 homes are under contract for purchase and 44 homes are not under contract for purchase), and 345 vacant developed lots available for home construction on approximately 290.0 acres.

Multi-Family Residential: In addition to the development described above, 10.9 acres in the District will be used for multi-family purposes.

Commercial Property: Approximately 49.0 acres of commercial land in the District have been provided with trunk utilities. Approximately 1.7 acres have vertical construction for a daycare site, and the remaining 47.3 acres do not have any vertical development to date.

Recreational Facilities: Approximately 4.6 acres contain the Joy Hub Recreation Center which includes a pool, a working lounge, splash pad, and an event lawn.

Tax-Exempt Property: Waller Independent School District owns approximately 16**.**1 acres of land in the District that is exempt from the payment of ad valorem taxes, but no improvements have been constructed to date.

Additionally, there are approximately 32.0 developable acres that have not been provided with water distribution, wastewater collection and storm drainage facilities and approximately 41.4 acres that are currently considered not developable. See "RISK FACTORS – Undeveloped Acreage and Vacant Lots."

Status of Development In Hockley Meadows……*Single-Family Residential:* Development in the District currently consists of residential development. As of September 25, 2026, there were 36 completed and occupied homes, 2 model homes, 29 homes under construction (22 of which are not under contract for purchase), and 122 vacant developed lots available for home construction on approximately 51.1 acres.

Recreational Facilities: Approximately 3.1 acres contain the Recreation Center which includes a pool, a working lounge, splash pad, and an event lawn in Hockley Meadows.

Additionally, there are approximately 72.4 developable acres that have not been provided with water distribution, wastewater collection and storm drainage facilities and approximately 39.1 acres that are currently considered not developable. See "RISK FACTORS – Undeveloped Acreage and Vacant Lots."

Homebuilders……..Current homebuilders in the District include Chesmar Homes, Coventry Homes, David Weekley Homes, Highland Homes, Newmark Homes, Perry Homes, Tri Pointe Homes, Westin Homes, Taylor Morrison, J. Patrick Homes and Beazer Homes. New homes in Jubilee range in price from approximately $300,000 to more than $1,000,000. New homes in Hockley Meadows range in price from approximately $305,000 to $360,000.

The Developers……290 WR Holdings LP, a Texas Limited Partnership, ("290 Holdings") is the primary developer of land in the Service Area. 290 Holdings was created for the purpose of developing land within the Service Area, including within the District. 290 Holdings is responsible for constructing the improvements to serve Jubilee and delivers finished lots to the homebuilders within Jubilee. 290 Holdings is an affiliate of Johnson Development Corp. ("JDC"). JDC is a land developer of residential and commercial properties across the country, and, since its establishment in 1975, has been involved in more than 100 projects resulting in the development of more than 40,000 acres devoted to multiple-use commercial parks; office buildings; retail centers; championship golf courses; and residential communities. In Texas, JDC is responsible for the development of several master-planned communities, including: Cross Creek Ranch; Harvest Green; Jordan Ranch; Riverstone; Imperial; Fall Creek; Tuscan Lakes; Edgewater; Woodforest; Grange; Harmony; Grand Central Park; Sienna; Veranda; Willow Creek Farms; Trinity Falls; and Viridian.

In addition, Taylor Morrison Homes of Texas, Inc., a Texas corporation, and a subsidiary of Taylor Morrison Home Corporation ("Taylor Morrison") is also a developer of land within the District. Taylor Morrison and 290 Holdings are known as the "Developers". The District annexed 165.71 acres into their boundaries and Taylor Morrison is marketing the acreage as Hockley Meadows. Taylor Morrison's stock is publicly traded on the New York Stock Exchange under the ticker symbol "TMHC". Taylor Morrison is also the homebuilder on such acreage. For more information, visit www.taylormorrison.com.

Master District Facilities.. The Master District, in its capacity as the provider of regional water, wastewater, and drainage facilities (the "Master District System Facilities"); regional arterial, collector, and thoroughfare roads and improvements in aid thereof (the "Master District Road Facilities"); park and recreational facilities; and firefighting facilities necessary to serve the Service Area, which includes the District (collectively referred to herein as the "Master District Facilities"), constructs the Master District Facilities and provides services from those Master District Facilities. Each MUD Participant, including the District, is obligated severally, but not jointly, to make contract payments to the Master District in an amount sufficient to pay its debt service requirements on contract revenue bonds issued by the Master District. The Master District has issued one series of contract revenue bonds in the principal amount of $5,200,000 and two series of contract revenue road bonds in the total principal amount of $7,500,000. The Master District expects to issue $13,500,000 of Contract Revenue Bonds and $2,100,000 of Contract Revenue Road Bonds contemporaneously with this issuance. At closing, the Master District will have a total of $28,300,000 principal amount of contract revenue and contract revenue road bonds outstanding. The Master District expects to issue additional contract revenue bonds in the future. See "MASTER DISTRICT CONTRACT."

RISK FACTORS

THE PURCHASE AND OWNERSHIP OF THE BONDS ARE SUBJECT TO SPECIAL RISK FACTORS AND ALL PROSPECTIVE PURCHASERS ARE URGED TO EXAMINE CAREFULLY THE ENTIRE OFFICIAL STATEMENT FOR A DISCUSSION OF INVESTMENT RISKS, INCLUDING PARTICULARLY THE SECTION CAPTIONED "RISK FACTORS."

SELECTED FINANCIAL INFORMATION

2026 Taxable Assessed Valuation	$203,758,251	(a)
Estimated Taxable Assessed Valuation as of September 1, 2026	$296,988,438	(b)
Gross Debt Outstanding (after the issuance of the Bonds)	$6,750,000	
Estimated Overlapping Debt	$52,148,098	(c)
Gross Debt and Estimated Overlapping Debt	$58,898,098	
Ratios of Gross Debt to:		
2026 Taxable Assessed Valuation	3.31%	
Estimated Taxable Assessed Valuation as of September 1, 2026	2.27%	
Ratios of Gross Debt and Estimated Overlapping Debt to:		
2026 Taxable Assessed Valuation	28.91%	
Estimated Taxable Assessed Valuation as of September 1, 2026	19.83%	
Fund Balances Available as of September 25, 2026:		
Operating Fund	$149,926	(d)
Road Capital Projects Fund	$43,237	(e)
Road Debt Service Fund	$130,841	(f)
Road Contract Debt Service Fund	$16,337	
WS&D Contract Debt Service Fund	$6,054	
2025 Tax Rate:		
Contract Tax	$0.4500	
Maintenance and Operations	$1.0500	
Total	$1.5000	
Anticipated 2026 Tax Rate:		
Contract Tax	$0.7675	
Road Debt Service Tax	$0.1450	
Maintenance and Operations	$0.5875	
Total	$1.5000	
Average Annual Debt Service Requirements (2027-2052) on the Bonds and the Outstanding Bonds ("Average Requirement")	$477,283	
Maximum Annual Debt Service Requirements (2048) on the Bonds and the Outstanding Bonds ("Maximum Requirement")	$498,975	
Tax rate required to pay the Average Requirement based upon:		
2026 Taxable Assessed Valuation at a 95% collection rate	$0.25 /$100 A.V.	
Estimated Taxable Assessed Valuation as of September 1, 2026 at a 95% collection rate	$0.17 /$100 A.V.	
Tax rate required to pay the Maximum Requirement based upon:		
2026 Taxable Assessed Valuation at a 95% collection rate	$0.26 /$100 A.V.	
Estimated Taxable Assessed Valuation as of September 1, 2026 at a 95% collection rate	$0.18 /$100 A.V.	

(a) The 2026 Taxable Assessed Valuation shown herein includes $183,456,009 of certified value and 85% of the uncertified value of $23,884,990. The uncertified value represents Harris Central Appraisal District's (the "Appraisal District") opinion of the value; however, such value is subject to review and downward adjustment prior to certification. No tax will be levied on said uncertified value until it is certified by the Appraisal District See "TAX PROCEDURES."

(b) Provided by the Appraisal District for information purposes only. Such amount reflects the estimated value of taxable improvements on September 1, 2026. Taxes are levied based on value as certified by the Appraisal District as of January 1 of each year. No tax will be levied on such amount until it is certified. Increases in value occurring between January 1, 2026, and September 1, 2026, will be certified as of January 1, 2027, and provided for purposes of taxation in the fall of 2027. See "TAX PROCEDURES."

(c) See "ESTIMATED OVERLAPPING DEBT STATEMENT."

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

(e) $40,000 in surplus funds of such balance will be applied to the projects financed by the Bonds at closing. See "USE AND DISTRIBUTION OF BOND PROCEEDS."

(f) Accrued interest and twelve (12) months of capitalized interest on the Bonds will be deposited to the Road Debt Service Fund at closing. Neither Texas law nor the Bond Resolution requires the District to maintain any minimum balance in the Road Debt Service Fund.

OFFICIAL STATEMENT

$3,750,000

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
(A political subdivision of the State of Texas located within Harris County)
UNLIMITED TAX ROAD BONDS, SERIES 2026

This Official Statement provides certain information in connection with the issuance by Harris County Municipal Utility District No. 477 (the "District") of its $3,750,000 Unlimited Tax Road Bonds, Series 2026 (the "Bonds").

The Bonds are issued pursuant to Article III, Section 52 of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, as amended, the general laws of the State of Texas regarding the issuance of bonds by political subdivisions of the State of Texas, an election held in the District, and a resolution authorizing the issuance of the Bonds (the "Bond Resolution") adopted by the Board of Directors of the District (the "Board").

This Official Statement includes descriptions, among others, of the Bonds and the Bond Resolution, and certain other information about the District and the Developers (herein defined) of land within the District. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each document. Copies of documents may be obtained from the District upon payment of the costs of duplication therefor.

RISK FACTORS

General

The Bonds, which are obligations of the District and not obligations of the State of Texas ("Texas"), the City of Houston, Texas (the "City of Houston"), Harris County, Texas ("Harris County'), or any other political subdivision or entity other than the District, will be secured by a continuing direct annual ad valorem tax levied, without legal limitation as to rate or amount, on all taxable property within the District. The ultimate security for payment of the principal of and interest on the Bonds depends on the ability of the District to collect from the property owners within the District all taxes levied against the property, or in the event of foreclosure, on the value of the taxable property with respect to taxes levied by the District and by other taxing authorities.

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 requirements The District's principal taxpayers in 2026 owned property in the District aggregating approximately 22.20% of the 2026 Taxable Assessed Valuation. The Developers (defined herein) represent approximately 6.50% of such amount. In the event that a Developer, any homebuilders within the District, 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 Resolution 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."

Operating Funds

The District's current primary sources of operating revenue are maintenance tax revenues, water and sewer revenues, and developer advances. The District's Operating Fund balance as of September 25, 2026 is $149,926. Attaining and maintaining a positive Operating Fund balance will depend upon (1) continued development, (2) increased amounts of maintenance tax and water and sewer revenue, and (3) if necessary, advances from the Developers. In the event that funds are not made available by the Developers, the District will be required to levy a maintenance tax at a rate sufficient to fund its operating expenses. Such a tax, when added to the District's debt service tax, may result in a total District tax in excess of similar developments and could adversely affect continued development of the District, as well as the willingness of taxpayers to pay taxes on their property. See "WATER AND SEWER OPERATIONS—Waterworks and Sewer System Operating Statement."

Economic Factors and Interest Rates

A substantial percentage of the taxable value of the District results from the current market value of property used for single-family residences and undeveloped land. The market value of such properties and land is related to general economic conditions in Texas, the City of Houston, and the nation and those conditions can affect the demand for such properties. Demand for property of this type and the construction of improvements thereon can be significantly affected by factors such as interest rates, credit availability (see "Credit Markets and Liquidity in the Financial Markets" below), construction costs and the prosperity and demographic characteristics of the urban center toward which the marketing of residential property is directed. Decreased levels of construction activity would tend to restrict the growth of property values in the District or could adversely impact such values.

Competition

The demand for and construction of single-family homes in the District, could be affected by competition from other residential developments including other residential developments located in Harris County. In addition to competition for new home sales from other developments, there are numerous previously-owned homes in the area of the District and in more established neighborhoods. Such homes could represent additional competition for new homes proposed to be sold within the District.

The competitive position of the Developers and their respective affiliates 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 in the District. The District can give no assurance that building and marketing programs in the District by the Developers will be implemented or, if implemented, will be successful.

Location and Access: The District is located approximately 40 miles northwest from the central business district of the City of Houston. Many of the single-family developments with which the District competes are in a more developed state and have lower taxes. As a result, particularly during times of increased competition, the Developers within the District may be at a competitive disadvantage to the developers in other single-family projects located closer to major urban centers or in a more developed state. See "THE DISTRICT – Status of the Development."

Undeveloped Acreage and Vacant Lots

There are approximately 104.4 developable acres of land within the District that have not been provided with water, sanitary sewer, storm drainage, and detention facilities and roads necessary for the construction of taxable improvements. There are currently 345 vacant developed lots available for home construction in Jubilee and approximately 122 vacant developed lots available for home construction in Hockley Meadows. Failure of the Developers to develop the developable land or of builders to construct homes on the developed lots could restrict the rate of growth of taxable values in the District. The District makes no representation as to when or if development of this acreage will occur or that the lot sales and building program will be successful. See "THE DISTRICT—Status of Development."

Impact on District Tax Rates

Assuming no further development, the value of the land and improvements currently within the District will be the major determinant of the ability or willingness of District property owners to pay their taxes. The 2026 Taxable Assessed Valuation of the District is $203,758,251 and the Estimated Taxable Assessed Valuation as of September 1, 2026, is $296,988,438. See "FINANCIAL STATEMENT (UNAUDITED)." After issuance of the Bonds, the combined maximum annual debt service requirement will be $498,975 (2048) and the combined average annual debt service requirement will be $477,283 (2027-2052). Assuming no increase or decrease from the 2026 Taxable Assessed Valuation and no use of funds other than tax collections, a tax rate of $0.26 per $100 of taxable assessed valuation at a 95% collection rate would be necessary to pay the combined maximum annual debt service requirement of $498,975 and a tax rate of $0.25 per $100 of taxable assessed valuation at a 95% collection rate would be necessary to pay the combined average annual debt service requirement of $477,283. Assuming no increase or decrease from the Estimated Taxable Assessed Valuation as of September 1, 2026 and no use of funds other than tax collections, a tax rate of $0.18 per $100 of taxable assessed valuation at a 95% collection rate would be necessary to pay the maximum annual debt service requirement of $498,975 and a tax rate of $0.17 per $100 of taxable assessed valuation at a 95% collection

rate would be necessary to pay the combined average annual debt service requirement of $477,283. See "DEBT SERVICE REQUIREMENTS."

Although calculations have been made regarding combined average and maximum tax rates necessary to pay the debt service on the Bonds and the Outstanding Bonds, based upon the 2026 Taxable Assessed Valuation and the Estimated Taxable Assessed Valuation as of September 1, 2026, the District makes no representations regarding the future level of assessed valuation within the District. Increases in taxable values depend primarily on the continuing construction and sale of homes and other taxable improvements within the District. See "TAX PROCEDURES" and "TAX DATA—Tax Adequacy for Debt Service."

Future Debt

At a bond election held within the District on May 1, 2021, the voters of the District authorized the issuance of a total of $168,140,000 principal amount of unlimited tax bonds for acquiring or constructing road facilities and the refunding of such bonds. The Bonds are being issued pursuant to such authorization. After issuance of the Bonds, the District will have $161,390,000 principal amount of unlimited tax bonds authorized but unissued for road facilities and the refunding of such bonds, $189,865,000 principal amount of unlimited tax bonds authorized but unissued for financing water, sewer and drainage facilities and the refunding of such bonds, $209,060,000 principal amount of unlimited tax bonds authorized but unissued for financing parks and recreational facilities and the refunding of such bonds. The District anticipates issuing additional bonds in the future. The Bond Resolution imposes no limitation on the amount of additional parity bonds which may be authorized for issuance by the District's voters or the amount ultimately issued by the District. See "USE AND DISTRIBUTION OF BOND PROCEEDS—Future Debt" and "UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED."

The Developers have financed or are financing the engineering and construction costs of water, sewer, drainage, road and park facilities to serve development in the District. After reimbursement from proceeds of the Bonds, the Developers will have expended approximately $43,843,000 for design, construction and acquisition of District utilities, roads, and parks and recreational facilities not yet reimbursed. It is anticipated that proceeds from future issues of District bonds will be used, in part, to reimburse the Developers for these costs to the extent allowed by the Texas Commission on Environmental Quality (the "TCEQ"). Additionally, the District presently contains approximately 104.4 acres of developable land not presently served with water distribution, wastewater collection and storm drainage facilities. It is anticipated that additional bonds will be issued to finance the construction of these facilities to serve this undeveloped acreage and to finance roads and park and recreational facilities. The District makes no representation that any additional development will occur within the District. Further, the principal amount of parks and recreational facilities bonds sold by the District is limited to one percent of the District's taxable assessed valuation, unless the District meets certain financial feasibility requirements under the TCEQ rules, in which case the outstanding principal amount of such bonds issued by the District may exceed an amount equal to one percent but not greater than three percent of the value of the taxable property in the District. See "THE BONDS—Issuance of Additional Debt."

Contract Tax

By execution of the Master District Contract, the District, MUD 478B and MUD 478, in its capacity as a participant district (together, the "MUD Participants"), are each obligated to pay a pro rata share of annual debt service on the Contract Revenue Bonds based upon the gross certified assessed valuation of each such MUD Participant as a percentage of the total gross certified assessed valuation of all MUD Participants. Harris County Municipal Utility District No. 478 (in its capacity as the "Master District") is authorized pursuant to the Master District Contract to issue contract revenue bonds in the principal aggregate amount of $2,298,110,000 to provide Master District System Facilities and refunding of such bonds; in a principal amount not to exceed $1,062,770,000 to provide Master District Road Facilities and refunding of such bonds; and in a principal amount not to exceed $1,453,900,000 to provide Master District Park Facilities and refunding of such bonds. See "MASTER DISTRICT CONTRACT." Pursuant to the Master District Contract, approval by each MUD Participant and approval by the voters at an election held by each MUD Participant is required prior to any amendment to the Master District Contract that would increase such authorized amounts. The District, as a MUD Participant, is obligated to pay its pro rata share of annual debt service on any contract revenue bonds from the proceeds of ad valorem taxes levied by the District for such purpose (the "Contract Tax") or from any other lawful source of District income. The Master District has issued one series of Contract Revenue Bonds in the principal amount of $5,200,000 and two series of Contract Revenue Road Bonds in the total principal amount of $7,500,000. The Master District expects to issue $13,500,000 of Contract Revenue Bonds

and $2,100,000 of Contract Revenue Road Bonds contemporaneously with this issuance. At closing, the Master District will have a total of $28,300,000 principal amount of contract revenue and contract revenue road bonds outstanding. The Master District expects to issue additional contract revenue bonds in the future. See "TAX DATA—Contract Tax" and "—Tax Rate Distribution."

Credit Markets and Liquidity in the Financial Markets

Interest rates and the availability of mortgage and development funding have a direct impact on construction activity, particularly short-term interest rates at which landowners are able to obtain financing for development costs. Interest rate levels may affect the ability of a landowner with undeveloped property to undertake and complete construction activities within the District. Because of the numerous and changing factors affecting the availability of funds, particularly liquidity in the national credit markets, the District is unable to assess the future availability of such funds for continued construction within the District. In addition, the success of development within the District and growth of District taxable property values are, to a great extent, a function of the greater Houston metropolitan and regional economies and national credit and financial markets. A downturn in the economic conditions of Houston or a decline in the nation's real estate and financial markets could adversely affect development and home-building plans in the District and restrain the growth or reduce the value of the District's property tax base.

Potential Effects of Oil and Gas Price Fluctuations on the Houston Area

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

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 is limited.

Increase in Costs of Building Materials and Labor Shortages

As a result of low supply and high demand, shipping constraints, and ongoing trade disputes (including tariffs and retaliatory tariffs), there have been substantial increases in the cost of lumber and other materials, causing many homebuilders and general contractors to experience budget overruns. Further, the federal administration's unpredictable tariff policy (including the threatened impositions of tariffs) may impact the ability of the Developers or homebuilders in the District to estimate costs. The federal administration's immigration policies may additionally impact the State's workforce, particularly in construction. Mass deportations or immigration policies that make it challenging for foreign workers to work in the United States may result in labor shortages that impact the Developer's ability to construct utility and road facilities and homebuilders' ability to construct homes within the District. Decreased levels of construction activity would tend to restrict the growth of property values in the District or could adversely impact existing values. The District makes no representations regarding the probability of development or homebuilding continuing in a timely manner or the effects that current or future economic or governmental circumstances may have on any plans of the Developers or homebuilders.

Debt Burden on Property Within the Service Area

The total tax rate paid by property owners within the Service Area is a major factor in the demand for single-family homes within the Service Area. The Master District Contract requires that each of the MUD Participants make Contract Payments (defined herein) from the Contract Tax (defined herein). In addition, other contract tax payments are required of the MUD Participants by the Master District Contract. See "MASTER DISTRICT CONTRACT." Furthermore, each MUD Participant will be required to levy taxes on property within its boundaries (without legal limit as to rate or amount) to pay annual principal and interest on any unlimited tax bonds issued in the future by the

MUD Participant to fund internal water, wastewater, drainage, and road facilities within the MUD Participant's boundaries. Each MUD Participant may also levy taxes on taxable property within its boundaries to pay operations and maintenance expenses.

For the 2026 tax year, the District and MUD 478B anticipate levying a total tax rate of $1.50. MUD 478 has not levied a tax rate to date but may levy a tax rate at a future date. The tax rate that may be required to service debt on any bonds issued by the Master District or a MUD Participant is subject to numerous uncertainties such as the growth of taxable values within such district, the amount of the bonds issued, regulatory approvals, construction costs and market interest rates. There can be no assurances that composite tax rates imposed by overlapping jurisdictions on property situated in the Service Area will be competitive with the tax rates of competing projects. To the extent that such composite tax rates are not competitive with competing developments, the growth of property tax values in the Service Area and the investment quality or security of the Bonds could be adversely affected. In addition, the MUD Participants are within the taxing jurisdiction of other taxing entities, including Harris County and Waller Independent School District. Each of these entities currently levies various taxes on property within the boundaries, as applicable, of the MUD Participants in addition to the other taxes listed above.

Landowner Obligation to the District

There are no commitments from or obligations of the Developers, or any other landowner to the District to proceed at any particular rate or according to any specified plan with the development of land or the construction of improvements in the District, and there is no restriction on any landowner's right to sell its land.

Failure to construct taxable improvements on developed tracts of land could restrict the rate of growth of taxable values in the District. The District cannot and does not make any representations that over the life of the Bonds the District will increase or maintain its taxable value.

Severe Weather

The greater Houston area, including the District, is subject to occasional severe weather events, including tropical storms and hurricanes. If the District were to sustain damage to its facilities requiring substantial repair or replacement, or if substantial damage were to occur to taxable property within the District as a result of such a weather event, the investment security of the Bonds could be adversely affected. The greater Houston area has experienced multiple storms exceeding a 0.2% probability (i.e. "500-year flood" events) since 2015, including Hurricane Harvey, which made landfall along the Texas Gulf Coast on August 26, 2017 and brought historic levels of rainfall during the successive four days.

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

Specific Flood Type Risks

The District may be subject to the following flood risks:

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

Riverine (or Fluvial) Flood: Riverine, or fluvial, flooding occurs when water levels rise over the top of river, bayou or channel banks due to excessive rain from tropical systems making landfall and/or persistent thunderstorms over the same area for extended periods of time. The damage from a riverine flood can be widespread. The overflow can affect

smaller rivers and streams downstream or may sheet-flow over land. Flash flooding is a type of riverine flood that is characterized by an intense, high velocity torrent of water that occurs in an existing river channel with little to no notice. Flash flooding can also occur even if no rain has fallen, for instance, after a levee, dam or reservoir has failed or experienced an uncontrolled release, or after a sudden release of water by a debris or ice jam. In addition, planned or unplanned controlled releases from a dam, levee or reservoir also may result in flooding in areas adjacent to rivers, bayous or man made drainage systems (canals or channels) downstream.

Tax Collection Limitations

The District's ability to make debt service payments may be adversely affected by its inability to collect ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District constitutes a lien in favor of the District on a parity with the liens of all other state and local taxing authorities on the property against which taxes are levied, and such lien may be enforced by foreclosure. The District's ability to collect ad valorem taxes through such foreclosure may be impaired by market conditions limiting the proceeds from a foreclosure sale of taxable property and collection procedures. 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. The costs of collecting any such taxpayer's delinquencies could substantially reduce the net proceeds to the District from a tax foreclosure sale. Finally, a bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a taxpayer within the District pursuant to the Federal Bankruptcy Code could stay any attempt by the District to collect delinquent ad valorem taxes against such taxpayer. In addition to the automatic stay against collection of delinquent taxes afforded a taxpayer during the pendency of a bankruptcy, a bankruptcy could affect payment of taxes in two other ways: first, a debtor's confirmation plan may allow a debtor to make installment payments on delinquent taxes for up to six years; and, second, a debtor may challenge, and a bankruptcy court may reduce, the amount of any taxes assessed against the debtor, including taxes that have already been paid. See "TAX PROCEDURES—District's Rights in the Event of Tax Delinquencies."

Registered Owners' Remedies and Bankruptcy Limitations

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Resolution, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Resolution, the Registered Owners have the statutory right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Resolution. Except for mandamus, the Bond Resolution does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's sovereign immunity from suits for money damages, so that in the absence of other waivers of such immunity by the Texas Legislature, a default by the District in its covenants in the Bond Resolution may not be reduced to a judgment for money damages. If such a judgment against the District were obtained, it could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions, such as the District.

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

condition of a financially troubled district and authorize such district to proceed under federal bankruptcy law only if such district has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

Notwithstanding noncompliance by a district with Texas law requirements, the District could file a voluntary bankruptcy petition under Chapter 9, thereby invoking the protection of the automatic stay until the bankruptcy court, after a hearing, dismisses the petition. A federal bankruptcy court is a court of equity and federal bankruptcy judges have considerable discretion in the conduct of bankruptcy proceedings and in making the decision of whether to grant the petitioning district relief from its creditors. While such a decision might be appealable, the concomitant delay and loss of remedies to the Registered Owner could potentially and adversely impair the value of the Registered Owner's claim. If a petitioning district were allowed to proceed voluntarily under Chapter 9 of the Federal Bankruptcy Code, it could file a plan for an adjustment of its debts. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect Registered Owners by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating the collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the Registered Owners' claims against a district. A district may not be forced into bankruptcy involuntarily.

Continuing Compliance with Certain Covenants

The Bond Resolution contains covenants by the District intended to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds. Failure by the District to comply with such covenants in the Bond Resolution on a continuous basis prior to maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance. See "TAX MATTERS."

Marketability

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

Environmental Regulations

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

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

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

Air Quality Issues: Air quality control measures required by the United States Environmental Protection Agency (the "EPA") and the Texas Commission on Environmental Quality (the "TCEQ") may impact new industrial, commercial and residential development in the Houston area. Under the Clean Air Act ("CAA") Amendments of 1990, the eight-county Houston-Galveston-Brazoria area ("HGB Area")—Harris, Galveston, Brazoria, Chambers, Fort Bend, Waller, Montgomery and Liberty Counties—has been designated a nonattainment area under two separate federal ozone

standards: the eight-hour ozone standard of 75 ppb promulgated by the EPA in 2008 (the "2008 Ozone Standard"), and the EPA's most-recent promulgation of an even lower, 70 ppb eight-hour ozone standard in 2015 (the "2015 Ozone Standard"). While the State of Texas has been able to demonstrate steady progress and improvements in air quality in the HGB Area, the HGB Area remains subject to CAA nonattainment requirements.

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

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

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

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

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

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

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

district must comply may have an impact on the municipal utility district's ability to obtain and maintain compliance with TPDES permits.

The 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.

Changes in Tax Legislation

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

The 90th Texas Legislature

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

THE BONDS

General

The Bonds will be dated and accrue interest from November 1, 2026, which interest is payable on March 1, 2027, and on September 1 and March 1 thereafter (each an "Interest Payment Date"), until the earlier of maturity or prior redemption. The Bonds mature on September 1 in the amounts and years and bear interest at the rates shown on the cover page of this Official Statement. Interest calculations are based on a 360-day year comprised of twelve 30-day months. The Bonds will be issued in fully registered form in denominations of $5,000 or integral multiples thereof.

Authority for Issuance

At a bond election held within the District on May 1, 2021, the voters of the District authorized the issuance of a total of $168,140,000 principal amount of unlimited tax bonds for acquiring or constructing road facilities and the refunding of such bonds. The Bonds are being issued pursuant to such authorization. After issuance of the Bonds, $161,390,000

principal amount of unlimited tax bonds will remain authorized but unissued for acquiring or constructing road facilities and the refunding of such bonds. See "Issuance of Additional Debt" below.

The Bonds are issued pursuant to Article III, Section 52 of the Texas Constitution, Chapters 49 and 54 of the Texas Water Code, as amended, the general laws of the State of Texas regarding the issuance of bonds by political subdivisions of the State of Texas, an election held in the District, and the Bond Resolution adopted by the Board.

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

Source of and Security for Payment

While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, the District covenants in the Bond Resolution to levy a continuing direct annual ad valorem tax, without legal limitation as to rate or amount, upon all taxable property in the District sufficient to pay the principal of and interest on the Bonds, the Outstanding Bonds, and any future bonds payable in whole or in part from taxes, with full allowance being made for delinquencies and costs of collection.

In the Bond Resolution, the District covenants that said taxes are irrevocably pledged to the payment of the interest on and principal of the Bonds and the Outstanding Bonds and to no other purpose. The Bonds are obligations of the District and are not the obligations of the State of Texas, Harris County, Texas, or any political subdivision or entity other than the District.

Funds

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

Accrued interest and twelve (12) months of capitalized interest on the Bonds shall be deposited into the Road Debt Service Fund upon receipt. The remaining proceeds from sale of the Bonds, including interest earnings thereon, shall be deposited into the Road Capital Projects Fund to pay the costs of acquiring or constructing District road facilities, paying developer interest, and for paying the costs of issuing the Bonds. See "USE AND DISTRIBUTION OF BOND PROCEEDS" for a more complete description of the use of Bond proceeds.

Method of Payment of Principal and Interest

In the Bond Resolution, the Board has appointed BOKF, N.A., Dallas, Texas as the initial Paying Agent/Registrar for the Bonds. The principal of the Bonds shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they respectively become due and payable, at the principal payment office of the Paying Agent/Registrar in Dallas, Texas. Interest on each Bond shall be payable by check or draft payable on each Interest Payment Date, mailed by the Paying Agent/Registrar on or before each Interest Payment Date to the Registered Owners as shown on the Register on the fifteenth (15th) day (whether or not a business day) of the month prior to each interest payment date (defined herein as the "Record Date"), to the address of such Registered Owner as shown on the Paying Agent/Registrar's records (the "Register") or by such other customary banking arrangements as may be agreed to by the Paying Agent/Registrar and the Registered Owners at the risk and expense of the Registered Owners.

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

No Arbitrage

The District will certify as of the date the Bonds are delivered and paid for 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 in the Bond Resolution that it shall make such use of the proceeds of the Bonds, regulate investment of proceeds of the Bonds, and take such other and further actions and follow such procedures, including, without limitation, calculating the yield on the Bonds, as may be required so that the Bonds shall not become "arbitrage bonds" under the Code and the regulations prescribed from time to time thereunder.

Redemption Provisions

Mandatory Redemption: The Bonds maturing on September 1 in the years 2041, 2047 and 2052 (the "Term Bonds") shall be redeemed at a price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption (the "Mandatory Redemption Date"), on September 1 in each of the years and in the principal amounts set forth in the following schedule:

$1,075,000 Term Bonds Due September 1, 2041		$1,070,000 Term Bonds Due September 1, 2047		$1,195,000 Term Bonds Due September 1, 2052	
Mandatory Redemption Date	Principal Amount	Mandatory Redemption Date	Principal Amount	Mandatory Redemption Date	Principal Amount
2033	$ 95,000	2042	$ 155,000	2048	$ 215,000
2034	100,000	2043	165,000	2049	225,000
2035	105,000	2044	175,000	2050	240,000
2036	115,000	2045	180,000	2051	250,000
2037	120,000	2046	190,000	2052 (maturity)	265,000
2038	125,000	2047 (maturity)	205,000		
2039	130,000				
2040	140,000				
2041 (maturity)	145,000				

On or before 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, the Term Bond or portions of the Term Bond of such maturity to be mandatorily redeemed on such Mandatory Redemption Date, and (iii) give notice of such redemption as provided in the Bond Resolution. The principal amount of any Term Bond to be mandatorily redeemed on such Mandatory Redemption Date shall be reduced by the principal amount of such Term Bond which, by the 45th day prior to 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 sentence.

Optional Redemption: The District reserves the right, at its option, to redeem the Bonds maturing on and after September 1, 2033, prior to their scheduled maturities, in whole or from time to time in part, in integral multiples of $5,000, on September 1, 2032, or on any date thereafter, at a price of par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. If fewer than all of the Bonds are redeemed at any time, the particular maturities and amounts of Bonds to be redeemed shall be selected by the District.

If fewer than all the Bonds of any maturity are redeemed at any time, the particular Bonds within a maturity to be redeemed shall be selected by the Paying Agent/Registrar by lot or other customary method of selection (or by DTC in accordance with its procedures while the Bonds are in Book-Entry-Only form).

Notice of any redemption identifying the Bonds to be redeemed in whole or in part shall be given by the Paying Agent/Registrar at least thirty (30) days prior to the date fixed for redemption by sending written notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the register. Such notices shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered

for payment and, if fewer than all the Bonds outstanding within any one maturity are to be redeemed, the numbers of the Bonds or the portions thereof to be redeemed. Any notice given shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption. When Bonds have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Registered Owners to collect interest that would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

Record Date

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

Registration and Transfer

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

Replacement of Paying Agent/Registrar

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

Lost, Stolen or Destroyed Bonds

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

Issuance of Additional Debt

At a bond election held within the District on May 1, 2021, the voters of the District authorized the issuance of a total of $168,140,000 principal amount of unlimited tax bonds for acquiring or constructing road facilities and the refunding of such bonds. The Bonds are being issued pursuant to such authorization. After issuance of the Bonds, the District will have $161,390,000 principal amount of unlimited tax bonds authorized but unissued for road facilities and the refunding of such bonds, $189,865,000 principal amount of unlimited tax bonds authorized but unissued for financing water, sewer and drainage facilities and the refunding of such bonds, and $209,060,000 principal amount of unlimited tax bonds authorized but unissued for financing parks and recreational facilities and the refunding of such bonds. The District anticipates issuing additional bonds in the future. The Bond Resolution imposes no limitation on the amount of additional parity bonds which may be authorized for issuance by the District's voters or the amount ultimately

issued by the District. See "USE AND DISTRIBUTION OF BOND PROCEEDS—Future Debt" and "UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED."

The District is authorized by statute to develop parks and recreational facilities, including the issuing of bonds payable from taxes for such purpose. The District has adopted a park plan and conducted a park bond election which resulted in voter approval of $209,060,000 principal amount of unlimited tax park bonds, all of which remains authorized but unissued. Before the District issues park bonds payable from taxes, the following actions are required: (a) approval of the park bonds by the TCEQ and (b) approval of the bonds by the Attorney General of Texas. When the District does issue park bonds, the outstanding principal amount of such bonds may not exceed an amount equal to one percent of the value of the taxable property in the District, unless the District meets certain financial feasibility requirements under the TCEQ rules, in which case the outstanding principal amount of such bonds issued by the District may exceed an amount equal to one percent but not greater than three percent of the value of the taxable property in the District.

The District also is authorized by statute to engage in fire-fighting activities, including the issuing of bonds payable from taxes for such purpose. Before the District could issue fire-fighting bonds payable from taxes, the following actions would be required: (a) approval of a detailed fire plan by the TCEQ; (b) authorization of a detailed fire plan and fire bonds by the District's voters at an election; (c) approval of bonds by the TCEQ; and (d) approval of bonds by the Attorney General of Texas. The Board has not considered preparing such a fire plan or calling such an election at this time.

Issuance of additional bonds and levy of taxes in connection therewith could dilute the investment security for the Bonds.

Annexation

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

The District lies within the ETJ of the City of Houston, a home rule municipality. The District may not be annexed for full purposes by the City of Houston except as may be specifically authorized by Chapter 43, Local Government Code, as amended. Any authorized annexation is subject to compliance by the City of Houston with various requirements of Chapter 43, Local Government Code. Such requirements include the requirement that the City of Houston hold an election in the District whereby the qualified voters of the District approve the proposed annexation. Further, if the voters in the area to be annexed do not own more than 50% of the land in the area, a petition signed by more than 50% of the landowners consenting to the annexation is also required. If the District is annexed, the City of Houston must assume the District's assets and obligations (e.g., the Bonds and the Outstanding Bonds) and abolish the District within ninety (90) days of the date of annexation. Annexation of territory by the City of Houston is a policy-making matter within the discretion of the Mayor and City Council of the City of Houston, and therefore, the District makes no representation that the City of Houston will ever annex the District and assume its debt. Moreover, no representation is made concerning the ability of the City of Houston to make debt service payments should the annexation occur.

Consolidation

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

Legal Investment and Eligibility to Secure Public Funds in Texas

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

"(a) All bonds, notes, and other obligations issued by a district shall be legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds

and types, fiduciaries, and trustees, and for all interest and sinking funds and other public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic."

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

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

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

Defeasance

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

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

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

BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning DTC and DTC's Book-Entry-Only System has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy or completeness thereof The District cannot and does not give any assurances that DTC, DTC Direct Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c)

prepayment or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will do so on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedure" of DTC to be followed in dealing with DTC Direct Participants are on file with DTC.

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency'' registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations.

DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a rating from S&P Global Ratings of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners

may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

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

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

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered. The District may decide to discontinue use of the system of Book-Entry-Only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's Book-Entry-Only System has been obtained from sources that the District believes to be reliable, but neither the District nor the Initial Purchaser take any responsibility for the accuracy thereof.

THE DISTRICT

General

The District was created by an order of the TCEQ dated June 13, 2008, and operates under the provisions of Chapters 49 and 54 of the Texas Water Code, as amended, and other general statutes applicable to municipal utility districts. The District is empowered, among other things, to purchase, construct, operate and maintain all works, improvements, facilities and plants necessary for the supply and distribution of water; the collection, transportation, and treatment of wastewater; and the control and diversion of storm water. The District is also empowered to establish parks and recreational facilities and to construct road facilities. The District may issue bonds and other forms of indebtedness to purchase or construct such facilities.

The TCEQ exercises continuing supervisory jurisdiction over the District. Construction and operation of the District's system are subject to the regulatory jurisdiction of additional governmental agencies. See "THE SYSTEM."

Description and Location

The District encompasses approximately 609.70 acres of land. The District is located approximately 40 miles northwest of the central downtown business district of the City of Houston. The District lies wholly within the extraterritorial jurisdiction of the City of Houston, and within the boundaries of Waller Independent School District. Access to the District is provided via U.S. Route 290 West. See "AERIAL PHOTOGRAPH."

Status of Development

JUBILEE

Single-Family Residential: Development in the District currently consists of residential development. As of September 25, 2026, there were 440 completed and occupied homes, 93 completed and unoccupied homes (19 of which are model homes), 109 homes under construction (65 homes are under contract for purchase and 44 homes are not under contract for purchase), and 345 vacant developed lots available for home construction on approximately 290.0 acres.

Multi-Family Residential: In addition to the development described above, 10.9 acres in the District will be used for multi-family purposes.

Commercial Property: Approximately 49.0 acres of commercial land in the District have been provided with trunk utilities. Approximately 1.7 acres have vertical construction for a daycare site, and the remaining 47.3 acres do not have any vertical development to date.

Recreational Facilities: Approximately 4.6 acres contain the Joy Hub Recreation Center which includes a pool, a working lounge, splash pad, and an event lawn in Jubilee.

Tax-Exempt Property: The following property in the District mentioned herein are exempt from the payment of ad valorem taxes: Waller Independent School District owns approximately 16.1 acres of land in the District, on which no improvements have been constructed.

Additionally, there are approximately 32.0 developable acres that have not been provided with water distribution, wastewater collection and storm drainage facilities and approximately 41.4 acres that are currently considered not developable. See "RISK FACTORS – Undeveloped Acreage and Vacant Lots."

HOCKLEY MEADOWS

Single-Family Residential: Development in the District currently consists of residential development. As of September 25, 2026, there were 36 completed and occupied homes, 2 model homes, 29 homes under construction (22 of which are not under contract for purchase), and 122 vacant developed lots available for home construction on approximately 51.1 acres.

Recreational Facilities: Approximately 3.1 acres contain the Recreation Center which includes a pool, a working lounge, splash pad, and an event lawn in Hockley Meadows.

Additionally, there are approximately 72.4 developable acres that have not been provided with water distribution, wastewater collection and storm drainage facilities and approximately 39.1 acres that are currently considered not developable. See "RISK FACTORS – Undeveloped Acreage and Vacant Lots."

Homebuilding

Current homebuilders in the District include Chesmar Homes, Coventry Homes, David Weekley Homes, Highland Homes, Newmark Homes, Perry Homes, Tri Pointe Homes, Westin Homes, Taylor Morrison Homes, J. Patrick Homes and Beazer Homes. New homes in Jubilee range in price from approximately $300,000 to more than $1,000,000. New homes in Hockley Meadows range in price from approximately $305,000 to $360,000.

Land Use

Single Family Residential	Approximate Acres	Lots
Jubilee Section 1	8.2	15
Jubilee Section 2	35.7	93
Jubilee Section 3	27.7	43
Jubilee Section 4	10.6	26
Jubilee Section 5	11.2	58
Jubilee Section 6	8.4	41
Jubilee Section 7	11.0	65
Jubilee Section 8	13.8	54
Jubilee Section 9	24.9	98
Jubilee Section 10	33.4	98
Jubilee Section 11	21.1	67
Jubilee Section 12	12.3	71
Jubilee Section 13	12.1	45
Jubilee Section 14	14.5	54
Jubilee Section 15	13.3	35
Jubilee Section 16	15.5	61
Jubilee Section 18	16.3	63
Hockley Meadows Section 1	17.0	89
Hockley Meadows Section 2	10.4	4
Hockley Meadows Section 3	23.7	96
Subtotal	**341.1**	**1,176**
Future Development	104.4	
Multi-Family	10.9	
Commercial	49.0	
Recreational Facilities	7.7	
School Site (Tax-Exempt)	16.1	
Undevelopable (a)	80.5	
Total	**609.7**	

(a) This includes public rights-of-way, drainage ditches, detention ponds, open spaces, easements, parks, utility sites and plant sites.

MANAGEMENT

Board of Directors

The District is governed by the Board of Directors, consisting of five directors, who have control over and management supervision of all affairs of the District. The Directors serve four-year staggered terms. Elections are held in even numbered years in May.

The Directors of the District are listed below:

Name	District Board Title	Term Expires
Danny Ware	President	May 2030
Cory Budinscak	Vice President	May 2028
David Valdez	Secretary	May 2030
Lyle Klingbeil	Assistant Vice President	May 2028
Brooke Marrs	Assistant Secretary	May 2028

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

Tax Assessor/Collector

Land and improvements within the District are appraised for ad valorem taxation purposes by the Harris Central Appraisal District (the "Appraisal District"). The District's Tax Assessor/Collector is appointed by the Board of Directors of the District. Tax Tech Inc. is currently serving in this capacity for the District.

Bookkeeper

The District has engaged Myrtle Cruz, Inc. to serve as the District's bookkeeper.

Engineer

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

Bond Counsel and General Counsel

The District has engaged Allen Boone Humphries Robinson LLP as general counsel and as bond counsel ("Bond Counsel') in connection with the issuance of the Bonds. The legal fees to be paid Bond Counsel for services rendered in connection with the issuance of the Bonds are based on a percentage of the Bonds actually issued, sold and delivered and, therefore, such fees are contingent on the sale and delivery of the Bonds.

Financial Advisor

Post Oak Municipal Advisors LLC (the "Financial Advisor") serves as Financial Advisor to the District. The fee to be paid the Financial Advisor is contingent upon sale and delivery of the Bonds. An employee of the Financial Advisor is directly related to the President and Chief Executive Officer of JDC. There are no client relationships between the Financial Advisor and 290 Holdings or JDC.

Disclosure Counsel

The District has engaged Orrick, Herrington & Sutcliffe LLP as disclosure counsel ("Disclosure Counsel") in connection with the issuance of the Bonds. The fees to be paid to Disclosure Counsel in connection with the issuance of the Bonds are contingent upon the sale and delivery of the Bonds.

Auditor

As required by the Texas Water Code, the District retains an independent accountant to audit the District's financial statements annually, which audited financial statements are filed with the TCEQ. The District's financial statements for the fiscal year ended February 28, 2026, have been audited by McCall Gibson Swedlund Barfoot Ellis PLLC. See "APPENDIX A" for a copy of the District's February 28, 2026, audited financial statements.

THE DEVELOPERS

Role of a Developer

In general, the activities of a landowner or developer in a municipal utility district such as the District include designing the project, defining a marketing program and setting building schedules; securing necessary governmental approvals and permits for development; arranging for the construction of roads and the installation of utilities; and selling or leasing improved tracts or commercial reserves to other developers or third parties. A developer is under no obligation to a district to undertake development activities according to any particular plan or schedule. Furthermore, there is no restriction on a developer's right to sell any or all of the land which the developer owns within a district. In addition, the developer is ordinarily the major taxpayer within the district during the early stages of development. The relative success or failure of a developer to perform in the above-described capacities may affect the ability of a district to collect sufficient taxes to pay debt service and retire bonds.

The Developers

290 WR Holdings LP, a Texas Limited Partnership, ("290 Holdings") is the primary developer of land in the Service Area. 290 Holdings was created for the purpose of developing land within the Service Area, including within the District. 290 Holdings is responsible for constructing the improvements to serve Jubilee and delivers finished lots to the homebuilders within Jubilee. 290 Holdings is an affiliate of Johnson Development Corp. ("JDC"). JDC is a land developer of residential and commercial properties across the country, and, since its establishment in 1975, has been involved in over 100 projects resulting in the development of over 40,000 acres devoted to multiple-use commercial parks; office buildings; retail centers; championship golf courses; and residential communities. In Texas, JDC is responsible for the development of several master-planned communities, including: Cross Creek Ranch; Harvest Green; Jordan Ranch; Riverstone; Imperial; Fall Creek; Tuscan Lakes; Edgewater; Woodforest; Grange; Harmony; Grand Central Park; Sienna; Veranda; Willow Creek Farms; Trinity Falls; and Viridian.

In addition, Taylor Morrison Homes of Texas, Inc., a Texas corporation, and a subsidiary of Taylor Morrison Home Corporation ("Taylor Morrison" and collectively with 290 Holdings, the "Developers"), annexed 165.71 acres into the boundaries of the District. Taylor Morrison is marketing the acreage as Hockley Meadows. The stock of which is publicly traded on the New York Stock Exchange under the ticker symbol "TMHC". Taylor Morrison is also the homebuilder on such acreage. For more information, visit www.taylormorrison.com.

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 Developers nor any of its affiliates, are obligated to pay principal of or interest on the Bonds. Prospective purchasers are encouraged to investigate Jubilee and Hockley Meadows in order to acquaint themselves with the nature of development that has occurred or is occurring within the boundaries of the District. See "RISK FACTORS."

Developer Financing

In February of 2026, 290 Holdings assigned their portion of bond receivables from the MUD Participants to Woodforest National Bank.

THE ROAD SYSTEM

The District has started constructing internal roadways and will continue to construct internal roadways necessary to serve the District. All roadways constructed by the District are designed and constructed in accordance with Harris County standards, rules, and regulations. In the event that Harris County were to fail to accept the District's road facilities, the District is expected to include the cost of maintenance of same in the District's operation and maintenance expenses, and such cost could be significant.

These roads lie within the public right-of-way. In addition to the roadway, public utilities such as underground water, sewer and drainage facilities are also located within the right-of-way and right-of-way-adjacent public easements. The right-of-way is also shared by street lights, sidewalks and franchise utilities (power, gas, telephone and cable).

Master District Road Facilities

The Master District, in its capacity as the provider of facilities for regional arterial, collector and thoroughfare roads and improvements in aid thereof ("Master District Road Facilities") necessary to serve the Service Area, will construct the Master District Road Facilities. The major arterial, collector and thoroughfare roads necessary to serve the Service Area include, but are not limited to, Jubilee Haven Boulevard, Betka Road, Baethe Road, and Joyful Life Drive. The major thoroughfare and collectors consist of stabilized curb and gutter, 7-inch, 8-inch, or 10-inch concrete pavement and includes bridges.

All roadways are designed and constructed in accordance with Harris County and City of Houston standards, rules and regulations. To date, Harris County has accepted the Master District Road Facilities for operation and maintenance and is responsible for operation and maintenance thereof. In the event Harris County were to fail to accept the Master District Road Facilities, the Master District is expected to include the cost of maintenance of same in the Master District's operation and maintenance expenses to be shared by the MUD Participants in accordance with the Master District Contract, and such cost could be significant.

These roads lie within the public right-of-way. In addition to the roadway, public utilities such as underground water, sewer, and drainage facilities are located within the right-of-way. The right-of-way is also shared by street lights, sidewalks and franchise utilities (power, gas, telephone and cable).

THE SYSTEM

General

The internal water distribution, sewage collection, stormwater and detention facilities, and internal park facilities are being provided by the District. The regional water supply and distribution facilities, regional sewage collection and treatment facilities, regional stormwater and detention facilities, regional park facilities, regional roadways, and other services and facilities permitted by law necessary to serve the District are provided by the Master District pursuant to the Master District Contract. See "MASTER DISTRICT CONTRACT."

Regulation

According to the Engineer, the District's internal roadways, water distribution, wastewater collection, storm drainage, and detention facilities (collectively, the "System") have been designed in accordance with accepted engineering practices and the requirements of all governmental agencies having regulatory or supervisory jurisdiction over the construction and operation of such facilities including, among others, the TCEQ, the Texas Department of Health, Harris County, Harris County Flood Control District, and the City of Houston. According to the Engineer, the design of all such completed facilities has been approved by all required governmental agencies.

Operation of the System are subject to regulation by, among others, the Environmental Protection Agency and the TCEQ. In many cases, regulations promulgated by these agencies have become effective only recently and are subject to further development and revisions. The following descriptions are based upon information supplied by the District's Engineer.

Master District Water Supply Facilities

The Master District is responsible for providing major water supply and distribution facilities to the MUD Participants located within the approximately 1254.44-acre Service Area. The potable water supply facilities constructed by or on behalf of the Master District and being operated by the Master District. The water supply facilities currently consist of one water plant, 850,000 gallons of ground storage capacity, 4,900 gallons per minute ("gpm") of booster pump capacity, pressure tank capacity of 50,000 gallons, and all related appurtenances. The major components of the Master District's water supply facilities have the capacity to serve approximately 2,450 equivalent single-family connections ("ESFCs"). According to the Master District's Engineer, the Master District has a current reserved capacity of 1,291 ESFCs for the MUD Participants and 757 active connections are being served by the water supply facilities.

Master District Wastewater Treatment Facilities

The Master District is responsible for planning and providing major wastewater collection and treatment facilities to the MUD Participants within its Service Area. The Master District phase I and phase II wastewater treatment facilities have been completed and is operated by the Master District. The wastewater treatment facilities currently consist of one plant ("Wastewater Plant") with a total capacity of 300,000 gallons per day ("GPD"). The wastewater treatment capacity at the Wastewater Plant will serve 1,000 ESFCs. The Master District is currently designing a 300,000 GPD expansion to the Wastewater Plant. Upon the completion of the phase III wastewater treatment plant, the total capacity will be 600,000 GPD and will be capable of serving 2,000 ESFCs. According to the Master District's Engineer, the Master District has reserved capacity for 1,291 ESFCs for the MUD Participants and 757 ESFCs are being served by the wastewater treatment facilities.

The MUD Participants will receive wastewater treatment service from the wastewater treatment plant leased from AUC Group, L.P. ("AUC"). Under the Lease Agreements, all capacity in the wastewater treatment plant will be reserved to serve the development within the Service Area. The residents the District will receive wastewater treatment service from the wastewater treatment plant that is leased from AUC. The Master District entered into a lease agreements with AUC for phase I and phase II of the Wastewater Plant and is responsible for the monthly lease payments of $27,035 for the phase I wastewater treat plant and $7,140 for the phase II wastewater treatment plant totaling $34,175 which are due on the first day of each month for the 60-month term of the lease. These leases will provide 300,000 GPD capacity for the Wastewater Plant. The District, in its capacity as a MUD Participant will finance their share of the lease payments via the Water, Sewer and Drainage Contract Payments (defined herein) to the Master District.

Internal Water Supply, Wastewater Collection and Storm Drainage Facilities

Internal water distribution, wastewater facilities and drainage facilities have been constructed by the District to serve 1,176 single-family residential lots, two recreation centers on approximately 7.7 acres, multi-family development on approximately 10.9 acres and commercial development on approximately 49.0 acres.

Each MUD Participant, including the District, will construct the internal water distribution, wastewater collection and drainage lines within its respective boundaries. The undeveloped land in the District drains naturally into Stream K157-00-00 and K160-00-00. Internal stormwater collection lines are and will be constructed for drainage system improvements to serve the District's development. The District's storm drainage collection system will consist of curb and gutters. This system will serve the entire District's drainage area and will convey flows to several storm water detention basins owned and maintained by the Master District. The detention basins will ultimately drain to K157-00-00. The internal facilities will be financed with unlimited tax bonds sold by each MUD Participant.

100-Year Flood Plain

"Flood Insurance Rate Map" or "FIRM" means an official map of a community on which the Federal Emergency Management Agency (FEMA) has delineated the appropriate areas of flood hazards. The 1% chance of probable inundation, also known as the 100-year flood plain, is depicted on these maps. The "100-year flood plain" (or 1% chance of probable inundation) as shown on the FIRM is the estimated geographical area that would be flooded by a rain storm of such intensity to statistically have a one percent chance of occurring in any given year. According to the District's Engineer, none of the developable or undevelopable acreage within the District is located within the 100-year flood plain. Additionally, the District's storm water drainage system has been designed and constructed in accordance with current applicable regulatory standards for a development of this size and location. See "RISK FACTORS—Severe Weather."

Atlas 14

In 2018, the National Weather Service completed a rainfall study known as NOAA Atlas 14, Volume 11 Precipitation-Frequency Atlas of the United States ("Atlas 14"). Floodplain boundaries within the District may be redrawn based on the Atlas 14 study based on a higher statistical rainfall amount, resulting in the application of more stringent floodplain regulations applying to a larger area and potentially leaving less developable property within the District. The application of such regulations could additionally result in higher insurance rates, increased development fees, and stricter building codes for any property located within the expanded boundaries of the floodplain. See "100-Year Flood Plain" above.

MASTER DISTRICT CONTRACT

Each MUD Participant has executed the Contract for Financing, Operation, and Maintenance of Regional Water, Sanitary Sewer, Storm Sewer, Park, Road and Other Jubilee Facilities (the "Master District Contract") and each MUD Participant obtained the approval of the Master District Contract from the voters of the MUD Participant at an election held within its boundaries. The Master District Contract dictates and defines what comprises Master District Facilities, the financing and construction of the Master District Facilities, and the operation and maintenance of the Master District Facilities that serves all of the MUD Participants land (the "Service Area").

The Master District System Facilities are defined, described, and displayed under the Master District Contract to mean the (i) Master District Water System, including the water plant, mains and trunk facilities to serve the Service Area,

save and except internal facilities that only serve one municipal utility district in the Service Area; (ii) Master District Sanitary Sewage Collection System, including a permanent wastewater treatment plant, trunk or main sanitary sewer lines, manholes, intercepting sewers, lift stations to serve the Service Area, save and except internal facilities that only serve one municipal utility district in the Service Area; and (iii) Master District Storm Sewer System, including all or any part of the drainage facilities for the collection of storm water such as manholes, drainage trunk lines, detention and retention ponds, outfall drainage channels and ditches, save and except internal facilities that only serve one municipal utility district in the Service Area. The Master District Contract authorizes the Master District to issue Contract Revenue Bonds to acquire, construct, and maintain the Master District System Facilities in an aggregate amount not to exceed $2,298,110,000.

The Master District Road Facilities are defined, described, and displayed under the Master District Contract to mean the major thoroughfares and roadway related facilities in and of such thoroughfares that serve the Service Area. The Master District Contract authorizes the Master District to issue Contract Revenue Road Bonds to acquire, construct and maintain the Master District Road Facilities in an aggregate amount not to exceed $1,062,770,000.

The Master District Park Facilities are defined, described, and displayed under the Master District Contract to mean the park, recreational and landscaping facilities to design, acquire, construct, lease, equip, modernize, repair, improve or complete Master District Park Facilities or any enlargements, expansions, repairs, upgrades or modifications thereto in the Service Area.

The Master District Contract provides two options for the MUD Participants to finance the Master District Park Facilities. First, the Master District may issue Contract Revenue Park Bonds and the aggregate amount of the Master District Park Bonds may not exceed $1,453,900,000. Alternatively, the Master District may levy a Park Construction Charge, as defined under the Master District Contract, and the MUD Participants could issue park bonds and remit the Park Construction Charge to the Master District. The Master District Contract provides that the Master District will compute the Park Construction Charge on the basis of the then estimated total capital costs of providing the Master District Park Facilities for all of the Service Area minus the Park Construction Charges which have previously paid to the Master District (at this time the amount is $0), and dividing the result by the number of estimated total connections to be constructed within the Service Area minus the number of connections for which Park Construction Charges have been previously paid to the Master District. Upon approval of the Master District Park Facilities by the TCEQ, the Master District will reimburse the developer for the Master District Park Facilities or use the Park Construction Charge to construct new Master District Park Facilities.

The Master District Facilities will be constructed in stages to meet the needs of a continually expanding population within the Service Area. In the event that the Master District fails to meet its obligations under the Master District Contract to provide Master District Facilities, each of the other MUD Participants have the right pursuant to the Master District Contract to design, acquire, construct, or expand such regional facilities needed to provide service to such MUD Participants, and convey such facilities to the Master District in consideration of payment by the Master District of the actual reasonable and necessary capital costs expended by such MUD Participant for such facilities.

By execution of the Master District Contract, each of the MUD Participants has agreed to make an annual Contract Payment in an amount equal to its annual pro rata share of debt service on the Bonds, plus all charges and expenses of paying agents and registrars based upon the gross certified assessed valuation of each such MUD Participant as a percentage of the total gross certified assessed valuation of all MUD Participants. MUD Participants are obligated to pay their pro rata share from the proceeds of an annual unlimited ad valorem tax levied for such purpose or from any other lawful source of funds.

Each MUD Participant is obligated severally, but not jointly, to make Contract Payments to the Master District. No MUD Participant is obligated, contingently or otherwise, to make any Contract Payments owed by any other MUD Participant; however, lack of payment, as required by the Master District Contract, by any MUD Participant could result in an increase in the Contract Payment amount paid by each of the other MUD Participants during the time that such MUD Participant's payment is delinquent.

The Master District Contract also requires each MUD Participant to make annual contract payments ("Water, Sewer and Drainage Contract Payment") in an amount equal to its pro rata share of annual debt service on the Master District's outstanding and future contract revenue bonds issued for the purpose of constructing or acquiring Master District System Facilities for the purpose of paying the debt service payments on such bonds ("Contract Revenue Bonds") plus all charges and expenses of paying agents and registrars and all amounts required to establish and

maintain certain funds based upon the gross certified assessed valuation of each such MUD Participant as a percentage of the total gross certified assessed valuation of all MUD Participants. Additionally, the Master District Contract requires each MUD Participant to make annual contract payments for Master District Road Facilities ("Road Contract Payments") in an amount equal to its pro rata share of annual debt service on the Master District's outstanding and future contract revenue bonds issued for the purpose of constructing or acquiring Master District Road Facilities for the purpose of paying the debt service payments on such bonds ("Contract Revenue Road Bonds") plus all charges and expenses of paying agents and registrars and all amounts required to establish and maintain certain funds based upon the gross certified assessed valuation of each such MUD Participant as a percentage of the total gross certified assessed valuation of all MUD Participants. MUD Participants are obligated to pay Water, Sewer and Drainage Contract Payments and Road Contract Payments to the Master District from the proceeds of an annual unlimited ad valorem tax levied for such purpose or from any other lawful available source of funds.

Water, Sewer and Drainage Contract Payments (all of which are derived from the Water, Sewer and Drainage Contract Tax or other legally available funds of a MUD Participant) are not pledged for and are not available to be used to make Road Contract Payments. Road Contract Payments (all of which are derived from the Road Contract Tax or other legally available funds of a MUD Participant) are not pledged for and are not available to be used to make Water, Sewer and Drainage Contract Payments.

The Master District Contract defines and obligates the MUD Participants to pay a Monthly Charge for each active connection and all of the operation and maintenance of the Master District Facilities and to provide for an operation and maintenance reserve in the Master District General Fund equivalent to three months of operation and maintenance expenses for the Master District Facilities. The Master District has leased a temporary wastewater treatment plant and those monthly payments are included in the Monthly Charge. Each MUD Participant's share of operation and maintenance expenses and reserve requirements is calculated and expressed in terms of costs per equivalent single-family residential connection. The MUD Participant's monthly payment for operation and maintenance or Monthly Charge is calculated by multiplying the number of equivalent single-family residential connections reserved to the MUD Participant on the first day of the previous month by the Monthly Charge. The Master District may calculate the Monthly Charge at any time, but has previously established the Monthly Charge while adopting its annual budget. Currently, the Monthly Charge is $250 per equivalent single-family connection.

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USE AND DISTRIBUTION OF BOND PROCEEDS

The estimated use and distribution of Bond proceeds is shown below. Of proceeds to be received from sale of the Bonds, $2,848,627 is estimated for construction costs, $651,122 is estimated for non-construction costs, and $250,251 is estimated for issuance costs and fees.

I.	**CONSTRUCTION COSTS**		
	Developer Contribution Items		
1)	Jubilee Section 3 Jubilee Section 8	$	900,814
2)	Jubilee Section 2, Jubilee Section 9 & Betka Road Street Dedication Section 1		937,204
3)	Jubilee Section 5 & Jubilee Section 7		71,912
4)	Geotechnical, Survey, Design/CPS, Project Representative and Lab Fees		357,082
5)	SWPPP		109,188
Total Developer Contribution Items		**$**	**2,376,200**
	District Items		
1)	Jubilee Section 2 ROW - Land	$	109,411
2)	Jubilee Section 9 ROW - Land		84,768
3)	Jubilee Section 3 ROW - Land		75,476
4)	Jubilee Section 8 ROW - Land		85,801
5)	Hockley Meadows Section 1 ROW - Land		156,971
Total District Items		**$**	**512,427**
Less Surplus Bond Funds		**$**	**(40,000)** (a)
Total Construction Cost		**$**	**2,848,627**
II.	**NON-CONSTRUCTION COSTS**		
•	Developer Interest	$	332,372
•	Capitalized Interest (12 months)		206,250
•	Bond Discount (b)		111,637
•	Contingency (b)		863
Total Non-Construction Costs		**$**	**651,122**
III.	**ISSUANCE COST AND FEES**		
•	Legal Fees	$	112,500
•	Financial Agent Fees		75,000
•	Bond Application Report Cost		27,500
•	Bond Issuance Cost		31,501
•	Attorney General Fees (0.10% or $9,500 max)		3,750
Total Issuance Cost and Fees		**$**	**250,251**
TOTAL BOND ISSUE		**$**	**3,750,000**

(a) $40,000 in surplus funds of such balance will be applied to the projects financed by the Bonds at closing. See "USE AND DISTRIBUTION OF BOND PROCEEDS."

(b) Contingency represents the difference between actual and estimated amounts of Bond Discount.

Future Debt

The Developers have financed or are financing the engineering and construction costs of water, sewer, drainage, road, and park facilities to serve development in the District. After reimbursement from sale of the Bonds, the Developers will have expended approximately $43,843,000 for design, construction and acquisition of District utilities, roads, and parks and recreational facilities not yet reimbursed. It is anticipated that proceeds from future issues of District bonds will be used, in part, to reimburse the Developers for these costs to the extent allowed by the TCEQ. Additionally, the District presently contains approximately 104.4 acres of developable land not presently served with water distribution, wastewater collection and storm drainage facilities. It is anticipated that additional bonds will be issued to finance the

construction of these facilities to serve this undeveloped acreage and to finance roads and park and recreational facilities. The District makes no representation that any additional development will occur within the District. Further, the principal amount of parks and recreational facilities bonds sold by the District is limited to one percent of the District's certified taxable assessed valuation, unless, the District meets certain financial feasibility requirements under the TCEQ rules, in which case the outstanding principal amount of such bonds issued by the District may exceed an amount equal to one percent but not greater than three percent of the value of the taxable property in the District. See "THE BONDS—Issuance of Additional Debt" and "RISK FACTORS —Future Debt."

UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED

Date of Authorization	Purpose	Amount Authorized	Issued to Date	Amount Unissued
5/1/2021	Water, Sanitary Sewer and Drainage Facilities and Refunding	$189,865,000	$0	$189,865,000
5/1/2021	Parks and Recreational Facilities and Refunding	$209,060,000	$0	$209,060,000
5/1/2021	Road Facilities & Refunding	$168,140,000	$6,750,000 *	$161,390,000

* Includes the Bonds.

FINANCIAL STATEMENT (UNAUDITED)

2026 Taxable Assessed Valuation	$203,758,251	(a)
Estimated Taxable Assessed Valuation as of September 1, 2026	$296,988,438	(b)
Projected Gross debt Outstanding (after the issuance of the Bonds)	$6,750,000	
Estimated Overlapping Debt	$52,148,098	(c)
Gross Debt and Estimated Overlapping Debt	$58,898,098	
Projected Ratios of Gross Debt to:		
2026 Taxable Assessed Valuation	3.31%	
Estimated Taxable Assessed Valuation as of September 1, 2026	2.27%	
Projected Ratios of Gross Debt and Estimated Overlapping Debt to:		
2026 Taxable Assessed Valuation	28.91%	
Estimated Taxable Assessed Valuation as of September 1, 2026	19.83%	

Area of District: 609.70 acres
Estimated 2026 Population: 1,666 (d)

(a) The 2026 Taxable Assessed Valuation shown herein includes $183,456,009 of certified value and 85% of the uncertified value of $23,884,990. The uncertified value represents the Appraisal District's opinion of the value; however, such value is subject to review and downward adjustment prior to certification. No tax will be levied on said uncertified value until it is certified by the Appraisal District See "TAX PROCEDURES."

(b) Provided by the Appraisal District for information purposes only. Such amount reflects the estimated value of taxable improvements on September 1, 2026. Taxes are levied based on value as certified by the Appraisal District as of January 1 of each year. No tax will be levied on such amount until it is certified. Increases in value occurring between January 1, 2026, and September 1, 2026 will be certified as of January 1, 2027, and provided for purposes of taxation in the fall of 2027. See "TAX PROCEDURES."

(c) See "ESTIMATED OVERLAPPING DEBT STATEMENT."

(d) Based on 3.5 persons per occupied single-family residence.

Cash and Investment Balances (unaudited as of September 25, 2026)

Operating Fund	Cash and Temporary Investments	$149,926	(a)
Road Capital Projects Fund	Cash and Temporary Investments	$43,237	(b)
Road Debt Service Fund	Cash and Temporary Investments	$130,841	(c)
Road Contract Debt Service Fund	Cash and Temporary Investments	$16,337	
WS&D Contract Debt Service Fund	Cash and Temporary Investments	$6,054	

(a) See "RISK FACTORS – Operating Funds."
(b) $40,000 in surplus funds of such balance will be applied to the projects financed by the Bonds at closing. See "USE AND DISTRIBUTION OF BOND PROCEEDS."
(c) Accrued interest and twelve (12) months of capitalized interest on the Bonds. Neither Texas law nor the Bond Resolution requires that the District maintain any particular sum in the Road Debt Service Fund. See "USE AND DISTRIBUTION OF BOND PROCEEDS."

ESTIMATED OVERLAPPING DEBT STATEMENT

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

Taxing Jurisdiction	Outstanding Bonds		As of	Overlapping Percent	Overlapping Amount
Harris County	$ 2,812,264,736		08/31/26	0.03%	$ 832,611
Harris County Department of Education	28,960,000		08/31/26	0.03%	8,570
Harris County Flood Control District	1,015,600,000		08/31/26	0.03%	307,066
Harris County Hospital District	1,644,825,000		08/31/26	0.03%	497,238
Harris County MUD 478	28,300,000	(a)	08/31/26	92.699%	26,233,726
Port of Houston Authority	386,074,397		08/31/26	0.03%	116,752
Waller-Harris ESD No. 200	-		08/31/26	1.07%	-
Waller ISD	1,079,320,000		08/31/26	2.24%	24,152,135
Total Estimated Overlapping Debt					$ 52,148,098
The District	$ 6,750,000	(b)	Current	100.00%	6,750,000
Total Direct and Estimated Overlapping Debt (a)					$ 58,898,098
Ratios of Total Direct and Estimated Overlapping Debt in the Service Area to:					
2026 Taxable Assessed Valuation					28.91%
Estimated Taxable Assessed Valuation as of September 1, 2026					19.83%

(a) The Master District issued $13,500,000 of Contract Revenue Bonds and $2,100,000 of Contract Revenue Road Bonds contemporaneously with this issuance.
(b) Includes the Outstanding Bonds and the Bonds.

Overlapping Tax Rates for 2026

	2026 Tax Rate per $100 of Taxable Assessed Valuation
Harris County	$ 0.417500
Harris County Department of Education	0.004797
Harris County Flood Control District	0.052660
Harris County Hospital District	0.195280
Port of Houston Authority	0.006030
Waller-Harris ESD No. 200	0.100000
Waller ISD	1.052800
The District	1.500000
Total Tax Rate	$ 3.329067

TAX DATA

Tax Collections

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

Tax Year	Taxable Assessed Valuation	Tax Rate	Total Tax Levy	Total Collections As of August 31, 2026 Amount	Percent	
2023	$6,883,149	$1.50	$103,247	$103,247	100.00%	
2024	20,788,622	1.50	311,828	311,829	100.00%	
2025	93,120,738	1.50	1,396,811	1,396,057	99.95%	
2026	203,758,251	1.50	3,056,374	*(In process of collections)*		(a)

(a) Taxes for 2026 are due by January 31, 2027.

Taxes are due when billed and become delinquent if not paid before February 1 of the year following the year in which imposed. No split payments are allowed and no discounts are allowed.

Tax Rate Distribution

	Anticipated 2026	2025	2024
Contract Tax	$0.7675	$0.1500	$0.0000
Road Debt Service Tax	$0.1450	$0.3000	$0.0000
Maintenance & Operations Tax	$0.5875	$1.0500	$1.5000
	$1.5000	$1.5000	$1.5000

Tax Rate Limitations

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

Debt Service Tax

The Board covenants in the Bond Resolution to levy and assess, for each year, that all or any part of the Bonds remain outstanding and unpaid, a tax adequate to provide funds to pay the principal of and interest on the Bonds. The Board anticipates levying a road debt service tax rate for 2026 in the amount of $0.145 per $100 of taxable assessed valuation.

Contract Tax

The Master District has the authority to issue contract revenue bonds pursuant to the Master District Contract, which was approved by the District's voters. The pro rata share of the annual debt service requirements on the contract revenue bonds for each MUD Participant, including the District, is determined annually by dividing each MUD Participant's gross certified assessed value by the total of all the MUD Participants' gross certified assessed valuation. The Master District Contract obligates each MUD Participant to pay its pro rata share of annual debt service requirements on any contract revenue bonds from the proceeds of an annual unlimited contract tax, from revenues derived from the operation of its water distribution and wastewater collection system or from any other legally available funds. The debt service requirement shall include principal, interest and redemption requirements on the contract revenue bonds, paying agent/registrar fees, and all amounts necessary to establish and maintain funds established under the resolutions of trust pursuant to which the Master District's contract revenue bonds are issued. The Board anticipates levying a total contract tax of $0.7675 per $100 of taxable assessed valuation. See "MASTER DISTRICT CONTRACT" and "Risk Factors – Contract Tax."

Maintenance and Operations Tax

The Board of Directors of the District has the statutory authority to levy and collect an annual ad valorem tax for maintenance of the District's improvements, if such maintenance tax is authorized by vote of the District's electors. Pursuant to an election held on May 1, 2021, the Board was authorized to levy a maintenance tax in an amount not to exceed $1.50 per $100 of taxable assessed valuation and a road maintenance tax limited to $0.25 per $100 of assessed valuation. Such tax is in addition to taxes which the District is authorized to levy for paying principal and interest on the District's bonds. The District anticipates levying a maintenance and operations tax for 2026 in the amount of $0.5875 per $100 of taxable assessed valuation.

Tax Exemptions

As discussed in the section titled "TAX PROCEDURES" herein, certain property in the District may be exempt from taxation by the District. The District does not exempt any percentage of the market value of any residential homesteads from taxation. The Developers have executed a Waivers of Special Appraisal, waiving their right to claim any agriculture or open space exemptions or any other type of exemption or valuation for the property they own within the District that would reduce the assessed value of such land below its market value for purposes of ad valorem taxation by the District. Such waivers are binding for thirty years.

Additional Penalties

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

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Principal Taxpayers

The following list of principal taxpayers was provided by the District's Tax Assessor/Collector based upon the 2026 tax rolls, which reflect ownership at January 1, 2026. An accurate principal taxpayer list related to the Estimated Taxable Assessed Valuation as of September 1, 2026 of $296,988,438 is not available as of the date hereof.

Taxpayer	Type of Property	2026 Taxable Assessed Valuation	% of 2026 Taxable Assessed Valuation
290 WR Holdings LP (a)	Land and Improvements	$ 9,005,354	4.42%
Newmark Homes Houston LLC (b)	Land and Improvements	6,935,736	3.40%
Chesmar Homes LLC (b)	Land and Improvements	5,802,072	2.85%
Perry Homes LLC (b)	Land and Improvements	4,307,078	2.11%
Taylor Morrison of Texas Inc. (a) (b)	Land and Improvements	4,240,372	2.08%
J Patrick Homes LTD (b)	Land and Improvements	3,659,778	1.80%
Highland Homes Houston LLC (b)	Land and Improvements	3,400,228	1.67%
Tri Pointe Homes Texas Inc. (b)	Land and Improvements	3,164,384	1.55%
Weekly Homes LLC (b)	Land and Improvements	2,675,285	1.31%
Westin Homes and Properties LP (b)	Land and Improvements	2,041,789	1.00%
Total for Principal Taxpayers		$ 45,232,076	22.20%

(a) See "THE DEVELOPERS."
(b) See "THE DISTRICT—Homebuilders."

Summary of Assessed Valuation

The following is a summary of the 2026, 2025, 2024 and 2023 taxable assessed valuations that were provided by the District's Tax Assessor/Collector based on information contained in the 2026, 2025, 2024 and 2023 tax rolls of the District. A breakdown of the Estimated Taxable Assessed Valuations as of September 1, 2026, is not available from the Appraisal District. Information in this summary may differ slightly from the assessed valuations shown herein due to differences in dates of data.

	2026	2025	2024	2023
Land	75,137,656	$44,527,606	$18,969,514	$6,883,149
Improvements	117,011,400	56,491,333	2,212,013	0
Personal Property	1,421,598	653,389	85,146	0
Exempt Property	(10,114,645)	(8,551,590)	(478,051)	0
Uncertified 85%	20,302,242	411,145	0	0
Total Assessed Valuation	$203,758,251 (a)	$93,531,883	$20,788,622	$6,883,149

(a) The 2026 Taxable Assessed Valuation shown herein includes $183,456,009 of certified value and 85% of the uncertified value of $23,884,990. The uncertified value represents the Appraisal District's opinion of the value; however, such value is subject to review and downward adjustment prior to certification. No tax will be levied on said uncertified value until it is certified by the Appraisal District See "TAX PROCEDURES."

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Tax Adequacy for Debt Service

The calculations shown below assume, solely for purposes of illustration, no increase or decrease in assessed valuation over the 2026 Taxable Assessed Valuation and the Estimated Taxable Assessed Valuation as of September 1, 2026, no use of available funds and utilize tax rates necessary to pay the District's combined average and maximum annual debt service requirements on the Bonds and the Outstanding Bonds.

Combined average annual debt service requirement (2027-2052)……	$477,283
$0.25 tax rate on the 2026 Taxable Assessed Valuation of $203,758,251 at a 95% collection rate produces……..	$483,926
$0.17 tax rate on the Estimated Taxable Assessed Valuation as of September 1, 2026 of $296,988,438 at a 95% collection rate produces……..	$479,636
Combined maximum annual debt service requirement (2048)……	$498,975
$0.26 tax rate on the 2026 Taxable Assessed Valuation of $203,758,251 at a 95% collection rate produces……..	$503,283
$0.18 tax rate on the Estimated Taxable Assessed Valuation as of September 1, 2026 of $296,988,438 at a 95% collection rate produces……..	$507,850

TAX PROCEDURES

Authority to Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in an amount sufficient to pay the principal of and interest on the Bonds, the Outstanding Bonds, and any additional bonds payable from taxes which the District may hereafter issue (see "RISK FACTORS—Future Debt") and to pay the expenses of assessing and collecting such taxes. The District agrees in the Bond Resolution to levy such a tax from year to year as described more fully herein under "THE BONDS—Source of and Security for Payment." Under Texas law, the Board may also levy and collect an annual ad valorem tax for the operation and maintenance of the District and for the payment of certain contractual obligations. See "TAX DATA."

Property Tax Code and County-Wide Appraisal District

Title 1 of the Texas Tax Code (the "Property Tax Code") specifies the taxing procedures of all political subdivisions of the State of Texas, including the District. Provisions of the Property Tax Code are complex and are not fully summarized here.

The Property Tax Code requires, among other matters, county-wide appraisal and equalization of taxable property values and establishes in each county of the State of Texas an appraisal district with the responsibility for recording and appraising property for all taxing units within a county and an appraisal review board with responsibility for reviewing and equalizing the values established by the appraisal district. The Appraisal District has the responsibility for appraising property for all taxing units within Harris County, including the District. Such appraisal values are subject to review and change by the Harris Central Appraisal Review Board (the "Appraisal Review Board").

Property Subject to Taxation by the District

Except for certain exemptions provided by Texas law, all real property, tangible personal property held or used for the production of income, mobile homes and certain categories of intangible personal property with a tax situs in the District are subject to taxation by the District. Principal categories of exempt property include, but are not limited to: property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies, and personal effects; certain goods, wares and merchandise in transit; farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; travel trailers; and most individually owned automobiles. In addition, the District may by its own action exempt

residential homesteads of persons sixty-five (65) years or older and of certain disabled persons to the extent deemed advisable by the Board. The District may be required to offer such an exemption if a majority of voters approve it at an election. The District would be required to call such an election upon petition by twenty percent (20%) of the number of qualified voters who voted in the preceding election. The District is authorized by statute to disregard exemptions for the disabled and elderly if granting the exemption would impair the District's obligation to pay tax supported debt incurred prior to adoption of the exemption by the District.

Furthermore, the District must grant exemptions to disabled veterans or certain surviving dependents of disabled veterans, if requested, of between $5,000 and $12,000 depending on the disability rating of the veteran. A veteran who receives a disability rating of 100% is entitled to an exemption for the full amount of the veteran's residence homestead. 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. Also, the surviving spouse of a member of the armed forces who was killed or fatally injured in the line of duty, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. The surviving spouse of a first responder who was killed or fatally injured in the line of duty is, subject to certain conditions, also entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and, subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. See "TAX DATA."

Residential Homestead Exemptions: The Property Tax Code authorizes the governing body of each political subdivision in the State of Texas to exempt up to twenty percent (20%) (not less than $5,000) of the appraised value of residential homesteads from ad valorem taxation. Where ad valorem taxes have previously been pledged for the payment of debt, the governing body of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged, if the cessation of the levy would impair the obligations of the contract by which the debt was created. The adoption of a homestead exemption may be considered each year, but must be adopted before July 1.

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

Tax Abatement

Harris County may designate all or part of the area within the District as a reinvestment zone. Thereafter, Harris County and the District, under certain circumstances, may enter into tax abatement agreements with owners of property within the zone. Prior to entering into a tax abatement agreement, each entity must adopt guidelines and criteria for establishing tax abatement, which each entity will follow in granting tax abatement to owners of property. The tax abatement agreements may exempt from ad valorem taxation by each of the applicable taxing jurisdictions, including the District, for a period of up to ten (10) years, all or any part of any increase in the assessed valuation of property covered by the agreement over its assessed valuation in the year in which the agreement is executed on the condition that the property owner make specified improvements or repairs to the property in conformity with the terms of the tax abatement. Each taxing jurisdiction has discretion to determine terms for its tax abatement agreements without regard to the terms approved by the other taxing jurisdictions.

Valuation of Property for Taxation

Generally, property in the District must be appraised by the applicable Appraisal District at market value as of January 1 of each year. Once an appraisal roll is prepared and finally approved by the applicable Appraisal Review Board, it is used by the District in establishing its tax rolls and tax rate. Generally, assessments under the Property Tax Code are to be based on one hundred percent (100%) of market value, as such is defined in the Property Tax Code. In determining market value, either the replacement cost or the income or the market data method of valuation may be used, whichever is appropriate. Nevertheless, certain land may be appraised at less than market value under the Property Tax Code. Increases in the appraised value of residence homesteads are limited by the Texas Constitution to a cumulative 10 percent annual increase regardless of the market value of the property.

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

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

The Property Tax Code provides for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property that is at least 15% physically damaged by a disaster and located within an area declared to be a disaster area by the governor of the State of Texas. This temporary exemption is automatic if the disaster is declared prior to a taxing unit, such as the District, adopting its tax rate for the tax year. A taxing unit, such as the District, may authorize the exemption at its discretion if the disaster is declared after the taxing unit has adopted its tax rate for the tax year. The amount of the exemption is based on the percentage of damage and is prorated based on the date of the disaster. Upon receipt of an application submitted within the eligible timeframe by a person who qualifies for a temporary exemption under the Property Tax Code, the applicable 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. 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 January 1, 2024, after the constitutional amendment proposed by H.J.R. 2, 88th Legislature, 2nd Called Session, 2023, was approved by voters at an election held on November 7, 2023.

District and Taxpayer Remedies

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

Levy and Collection of Taxes

The District is responsible for the levy and collection of its taxes unless it elects to transfer such functions to another governmental entity. The rate of taxation is set by the Board of Directors, after the legally required notice has been given to owners of property within the District, based upon: a) the valuation of property within the District as of the preceding January 1, and b) the amount required to be raised for debt service, maintenance purposes, and authorized contractual obligations. Taxes are due October 1, or when billed, whichever comes later, and become delinquent if not paid before February 1 of the year following the year in which imposed. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty for collection costs of an amount established by the District and a delinquent tax attorney. A delinquent tax on personal property incurs an additional penalty, in an amount established by the District and a delinquent tax attorney, 60 days after the date the taxes become delinquent. The delinquent tax accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code makes provisions for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances which, at the option of the District, which may be rejected by taxing units. The District's tax collector is required to enter into an installment payment agreement with any person who is delinquent on the payment of tax on a residence homestead for payment of tax, penalties and interest, if the person requests an installment agreement and has not entered into an installment agreement with the collector in the preceding 24 months. The installment agreement must provide for payments to be made in monthly installments and must extend for a period of at least 12 months and no more than 36 months. Additionally, the owner of a residential homestead property who is (i) sixty-five (65) years of age or older, (ii) disabled, or (iii) a disabled veteran, is entitled by law to pay current taxes on a residential homestead in installments without penalty or to defer the payment of taxes during the time of ownership. In the instance of tax deferral, a tax lien remains on the property and interest continues to accrue during the period of deferral.

Rollback of Operation and Maintenance Tax Rate

Chapter 49 of the Texas Water Code, as amended, classifies districts differently based on the current operation and maintenance tax rate or on the percentage of build-out that the district has completed. Districts that have adopted an operation and maintenance tax rate for the current year that is 2.5 cents or less per $100 of taxable value are classified

as “Special Taxing Units.” Districts that have financed, completed, and issued bonds to pay for all improvements and facilities necessary to serve at least 95% of the projected build-out of the district are classified as “Developed Districts.” Districts that do not meet either of the classifications previously discussed can be classified herein as “Developing Districts.” The impact each classification has on the ability of a district to increase its maintenance and operations tax rate is described for each classification below. Debt service and contract tax rates cannot be reduced by a rollback election held within any of the districts described below.

Special Taxing Units:

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

Developed Districts:

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

Developing Districts:

Districts that do not meet the classification of a Special Taxing Unit or a Developed District can be classified as Developing Districts. The qualified voters of these districts, upon the Developing District's adoption of a total tax rate that would impose more than 1.08 times the amount of the total tax rate imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are authorized to petition for an election to reduce the operation and maintenance tax rate. If an election is called and passes, the total tax rate for Developing Districts is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate.

The District:

A determination as to a district’s status as a Special Taxing Unit, Developed District or Developing District is made by the Board of Directors on an annual basis. For the 2026 tax year, the District was classified as a Developing District. The District cannot give any assurances as to what its classification will be at any point in time or whether the District's future tax rates will result in a total tax rate that will reclassify the District into a new classification and new election calculation.

District’s Rights in the Event of Tax Delinquencies

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

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

At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both subject to the restrictions on residential homesteads described above under "Levy and Collection of Taxes." In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights or by bankruptcy proceedings which restrict the collection of taxpayer debts. A taxpayer may redeem property within six (6) months for commercial property and two (2) years for residential and all other types of property after the purchaser's deed issued at the foreclosure sale is filed in the county records or by bankruptcy proceedings which restrict the collection of taxpayer debts. The District's ability to foreclose its tax lien or collect penalties or interest on delinquent taxes may be limited on property owned by a financial institution which is under receivership by the Federal Deposit Insurance Corporation pursuant to the Federal Deposit Insurance Act, 12 U.S.C. 1825, as amended. See "RISK FACTORS—General" and "—Tax Collection Limitations," and "—Registered Owners' Remedies and Bankruptcy Limitations."

Tax Payment Installments after Disaster

Certain qualified taxpayers, including owners of residential homesteads, located within a designated disaster area or emergency area and whose property has been damaged as a direct result of the disaster or emergency, are entitled to enter into a tax payment installment agreement with a taxing jurisdiction, such as the District, if the taxpayer pays at least one-fourth of the tax bill imposed on the property by the delinquency date. The remaining taxes may be paid without penalty or interest in three equal installments within six months of the delinquency date.

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

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WATER AND SEWER OPERATIONS

General

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

Waterworks and Sewer System Operating Statement

The following statement sets forth in condensed form the historical results of operation of the District's General Fund. Accounting principles customarily employed in the determination of net revenues have been observed and, in all instances, exclude depreciation. Such summary is based upon information obtained from the District's audited financial statements for the fiscal year ended February 28, in the years 2026, 2025, 2023 and 2022, audited financial statements for the fiscal year ended February 29, 2024, and from the District's bookkeeper for the six-month period ended August 31, 2026. Reference is made to such records and statements for further and more complete information. Currently, the Monthly Charge is $250 per equivalent single-family connection.

	3/1/2026	Fiscal Year Ended February 28				
	8/31/2026 (a)	2026	2025	2024 (b)	2023	2022
Revenues:						
Property Taxes	$ 73,938	$ 935,487	$ 298,629	$ 103,145	-	-
Water Service	170,019	172,667	65,276	3,849	-	-
Wastewater Service	168,263	208,034	68,033	4,174	-	-
Tap Connection and Inspection Fees	680,328	895,711	671,714	114,795	-	-
Water Authority Fees	180,351	328,146	132,115	-	-	
Penalty and Interest	6,978	8,319	6,065	30	-	-
Investment Earnings	5,714	663	1,299	2,588	146	-
Miscellaneous Revenues	25,000	40,634	16,465	465	-	-
Total Revenues	$ 1,310,591	$ 2,589,661	$ 1,259,596	$ 229,046	$ 146	$ -
Expenditures:						
Professional Fees	$ 107,433	$ 166,396	$ 145,979	$ 161,394	$ 70,300	$ 106,864
Contracted Services	94,173	104,881	45,102	9,548	9,050	10,150
Purchase Water & Capacity Reservation Fees	1,188,433	2,007,482	508,623	-	-	-
Utilities	29,817	26,059	1,750	-	-	-
Repairs and Maintenance	96,208	155,758	113,378	638	-	-
Other	276,516	476,739	309,376	45,631	10,997	14,432
Capital Outlay	-	-	17,363	1,795,757	2,564,350	2,643,090
Condemnation Fees & Setlement Payments	-	740,562	173,661	10,907,742	-	-
Total Expenditures	$ 1,792,580	$ 3,677,877	$ 1,315,232	$ 12,920,710	$ 2,654,697	$ 2,774,536
Excess (Deficiency) of Revenues Over Expenditures	$ (481,988)	$ (1,088,216)	$ (55,636)	$ (12,691,664)	$ (2,654,551)	$ (2,774,536)
Other Financing Sources (Uses)						
Developer Advances	$ -	$ 1,115,301	$ 400,000	$ 13,182,742	$ 2,203,000	$ 2,687,581
Total Other Financing Sources	$ -	$ 1,115,301	$ 400,000	$ 13,182,742	$ 2,203,000	2,687,581
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ (481,988)	$ 27,085	$ 344,364	$ 491,078	$ (451,551)	$ (86,955)
Beginning Fund Balance	$ 324,021	$ 296,936	$ (47,428)	$ (538,506)	$ (86,955)	$ -
Ending Fund Balance	$ (157,967)	$ 324,021	$ 296,936	$ (47,428)	$ (538,506)	$ (86,955)

(a) Unaudited. Provided by the District's bookkeeper.
(b) Fiscal year ended February 29, 2024.

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the Outstanding Bonds and the Bonds. This schedule does not reflect the fact that twelve (12) months of interest will be capitalized from bond proceeds to pay debt service on the Bonds.

Year	Outstanding Debt Service	Debt Service on the Bonds			Total Debt Service
		Principal	Interest	Total	
2027	$ 201,073		$ 176,208	$ 176,208	$ 377,281
2028	203,673	$ 75,000	211,450	286,450	490,123
2029	206,073	80,000	205,638	285,638	491,710
2030	203,273	80,000	199,438	279,438	482,710
2031	205,473	85,000	193,238	278,238	483,710
2032	207,398	90,000	186,650	276,650	484,048
2033	209,078	95,000	179,675	274,675	483,753
2034	205,508	100,000	174,688	274,688	480,195
2035	206,853	105,000	169,438	274,438	481,290
2036	207,893	115,000	163,925	278,925	486,818
2037	208,618	120,000	157,888	277,888	486,505
2038	209,018	125,000	151,588	276,588	485,605
2039	209,188	130,000	145,025	275,025	484,213
2040	214,128	140,000	138,200	278,200	492,328
2041	213,608	145,000	130,850	275,850	489,458
2042	212,795	155,000	123,238	278,238	491,033
2043	216,750	165,000	114,906	279,906	496,656
2044	214,750	175,000	106,038	281,038	495,788
2045	217,500	180,000	96,631	276,631	494,131
2046	214,750	190,000	86,956	276,956	491,706
2047	216,750	205,000	76,744	281,744	498,494
2048	218,250	215,000	65,725	280,725	498,975
2049	214,250	225,000	53,900	278,900	493,150
2050	215,000	240,000	41,525	281,525	496,525
2051	215,250	250,000	28,325	278,325	493,575
2052		265,000	14,575	279,575	279,575
Total	$ 5,266,893	$ 3,750,000	$ 3,392,458	$ 7,142,458	$ 12,409,351

Combined Average Annual Debt Service Requirements (2027-2052)…… $477,283

Combined Maximum Annual Debt Service Requirements (2048)…… $498,975

LEGAL MATTERS

Legal Proceedings

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

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

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

Orrick, Herrington & Sutcliffe LLP, Houston, Texas serves as Disclosure Counsel to the District. The fee to be paid Disclosure Counsel for services rendered in connection with the issuance of the Bonds is contingent on the issuance, sale and delivery of the Bonds.

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

No Material Adverse Change

The obligations of the 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 from that set forth or contemplated in the Preliminary Official Statement, as it may be amended or supplemented through the date of sale.

No-Litigation Certificate

The District will furnish the Initial Purchaser a certificate, executed by both the President or Vice President and Secretary or Assistant Secretary of the Board, and dated as of the date of delivery of the Bonds, to the effect that no litigation of any nature is pending or to its knowledge threatened, either in state or federal courts, contesting or attacking the Bonds; restraining or enjoining the levy, assessment and collection of ad valorem taxes to pay the interest or the principal of 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 or the title of the present officers of the District.

TAX MATTERS

THE FOLLOWING DISCUSSION OF CERTAIN FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY AND IS NOT TAX ADVICE. EACH PROSPECTIVE PURCHASER OF THE BONDS SHOULD CONSULT ITS OWN TAX ADVISOR AS TO THE TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF THE BONDS.

Tax Exemption

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

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

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

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

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

Additional Federal Income Tax Considerations

Collateral Tax Consequences

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

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

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

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

Tax Accounting Treatment of Original Issue Premium

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

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

Tax Accounting Treatment of Original Issue Discount

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

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

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

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

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

Tax Legislative Changes

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

Qualified Tax-Exempt Obligations

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

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

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

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SALE AND DISTRIBUTION OF THE BONDS

Award of the Bonds

After requesting competitive bids for the Bonds, the District accepted the bid resulting in the lowest net interest cost, which bid was tendered by SAMCO Capital Markets (the "Initial Purchaser") bearing the interest rates shown on the cover page hereof, at a price of 97.023% of the principal amount thereof plus accrued interest to the date of delivery which resulted in a net effective interest rate of 5.649945% as calculated pursuant to Chapter 1204 of the Texas Government Code.

Prices and Marketability

The prices and other terms with respect to the offering and sale of the Bonds may be changed at any time by the 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 that stabilize or maintain the market prices of the Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The District has no control over trading of the Bonds in the secondary market. Moreover, there is no guarantee that a secondary market will be made in the Bonds. In such a secondary market, the difference between the bid and asked price of utility district bonds may be greater than the difference between the bid and asked price of bonds of comparable maturity and quality issued by more traditional municipal entities, as bonds of such entities are more generally bought, sold, or traded in the secondary market.

Securities Laws

No registration statement relating to the offer and sale of the Bonds has been filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any other jurisdiction in which the Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such other jurisdiction.

MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE

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

An application was made for municipal bond insurance, but the District did not qualify.

PREPARATION OF OFFICIAL STATEMENT

Sources and Compilation of Information

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

other related information set forth in this Official Statement are included herein subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents for further information.

Financial Advisor

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

> "THE DISTRICT" – 290 WR Holdings, LP, and Taylor Morrison Homes of Texas, (collectively, the "Developers"), LJA, Inc. ("Engineer"), and Records of the District ("Records"); "THE DEVELOPERS" – Developers; "THE ROAD SYSTEM," "THE SYSTEM" – Engineer; "UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED" - Records; "FINANCIAL STATEMENT (UNAUDITED)" - Harris County Appraisal District and Tax Tech Inc., ("Tax Assessor/Collector"); "ESTIMATED OVERLAPPING DEBT STATEMENT" - Municipal Advisory Council of Texas and Post Oak Municipal Advisors ("Financial Advisor"); "TAX DATA" – Tax Assessor/Collector; "MANAGEMENT" – Records; "DEBT SERVICE REQUIREMENTS" - Financial Advisor; "THE BONDS," "MASTER DISTRICT CONTRACT," "TAX PROCEDURES," "LEGAL MATTERS," "TAX MATTERS," and "CONTINUING DISCLOSURE OF INFORMATION"- Allen Boone Humphries Robinson LLP.

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

Consultants

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

Engineer: The information contained in this Official Statement relating to engineering matters and to the description of the System and in particular that information included in the sections entitled "THE DISTRICT," "THE ROAD SYSTEM," and "THE SYSTEM" has been provided by LJA, Inc. and has been included herein in reliance upon the authority of said firm as experts in the field of civil engineering.

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

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

Auditor: As required by the Texas Water Code, the District retains an independent accountant to audit the District's financial statements annually, which audited financial statements are filed with the TCEQ. The District's financial statements for the fiscal year ended February 28, 2026 have been audited by McCall Gibson Swedlund Barfoot Ellis PLLC. See "APPENDIX A" for a copy of the District's February 28, 2026, audited financial statements.

Bookkeeper: The information related to the "unaudited" summary of the District's General Operating Fund as it appears in "WATER AND SEWER OPERATIONS" has been provided by Myrtle Cruz, Inc., and is included herein

in reliance upon the authority of such firm as experts in the tracking and managing the various funds of municipal utility districts.

Updating the Official Statement

If, subsequent to the date of the Official Statement, the District learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Initial 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 on or before such date that less than all of the Bonds have been sold to ultimate customers, in which case the District's obligations hereunder will extend for an additional period of time as required by law (but not more than 90 days after the date the District delivers the Bonds).

Certification of Official Statement

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

CONTINUING DISCLOSURE OF INFORMATION

The offering of the Bonds qualifies for the Rule 15c2-12(d)(2) exemption from Rule 15c2-12(b)(5) of the United States Securities and Exchange Commission (the "SEC") regarding the District's continuing disclosure obligations because the District has less than $10,000,000 in aggregate amount of outstanding bonds and no person is committed by contract or other arrangement with respect to payment of the Bonds. In the Bond Resolution, the District has made the following agreement for the benefit of the registered and beneficial owners of the Bonds. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the District will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified events, to the Municipal Securities Rulemaking Board (the "MSRB"). The MSRB has established the Electronic Municipal Market Access ("EMMA") System.

Annual Reports

The District will provide certain financial information and operating data to the MSRB through its EMMA system.

The information to be updated with respect to the District includes all quantitative financial information and operating data of the general type included in this Official Statement in "APPENDIX A" (Audited Financial Statements of the District). The District will update and provide this information within six (6) months after the end of each fiscal year ending in or after 2027.

The District may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by SEC Rule 15c2-12 (the "Rule"). The updated information will include audited financial statements, if the District commissions an audit and the audit is completed by the required time. If the audit of such financial statements is not complete within such period, then the District will provide unaudited financial statements, and audited financial statements when and if such audited financial statements become available. Any

such financial statements will be prepared in accordance with the accounting principles described in the Bond Resolution or such other accounting principles as the District may be required to employ from time to time pursuant to state law or regulation.

The District's current fiscal year end is February 28. Accordingly, it must provide updated information by August 31 in each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify the MSRB of the change.

Event Notices

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

Availability of Information from MSRB

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

Limitations and Amendments

The District has agreed to update information and to provide notices of specified events only as described above. The District has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The District makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although Registered Owners or beneficial owners of Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The District may amend its continuing disclosure agreement from time to time to adapt the changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, if but only if the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering made hereby in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the

Registered Owners of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or any person unaffiliated with the District (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The District may amend or repeal the agreement in the Bond Resolution if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid or unenforceable, but only to the extent that its right to do so would not prevent the Initial Purchaser from lawfully purchasing the Bonds in the initial offering. If the District so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance with Prior Undertakings

Since the Series 2025 issuance, the District has complied in all material respects with all its prior continuing disclosure agreements made in accordance with the Rule.

MISCELLANEOUS

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

This Official Statement was approved by the Board of Directors of Harris County Municipal Utility District No. 477, as of the date shown on the cover page.

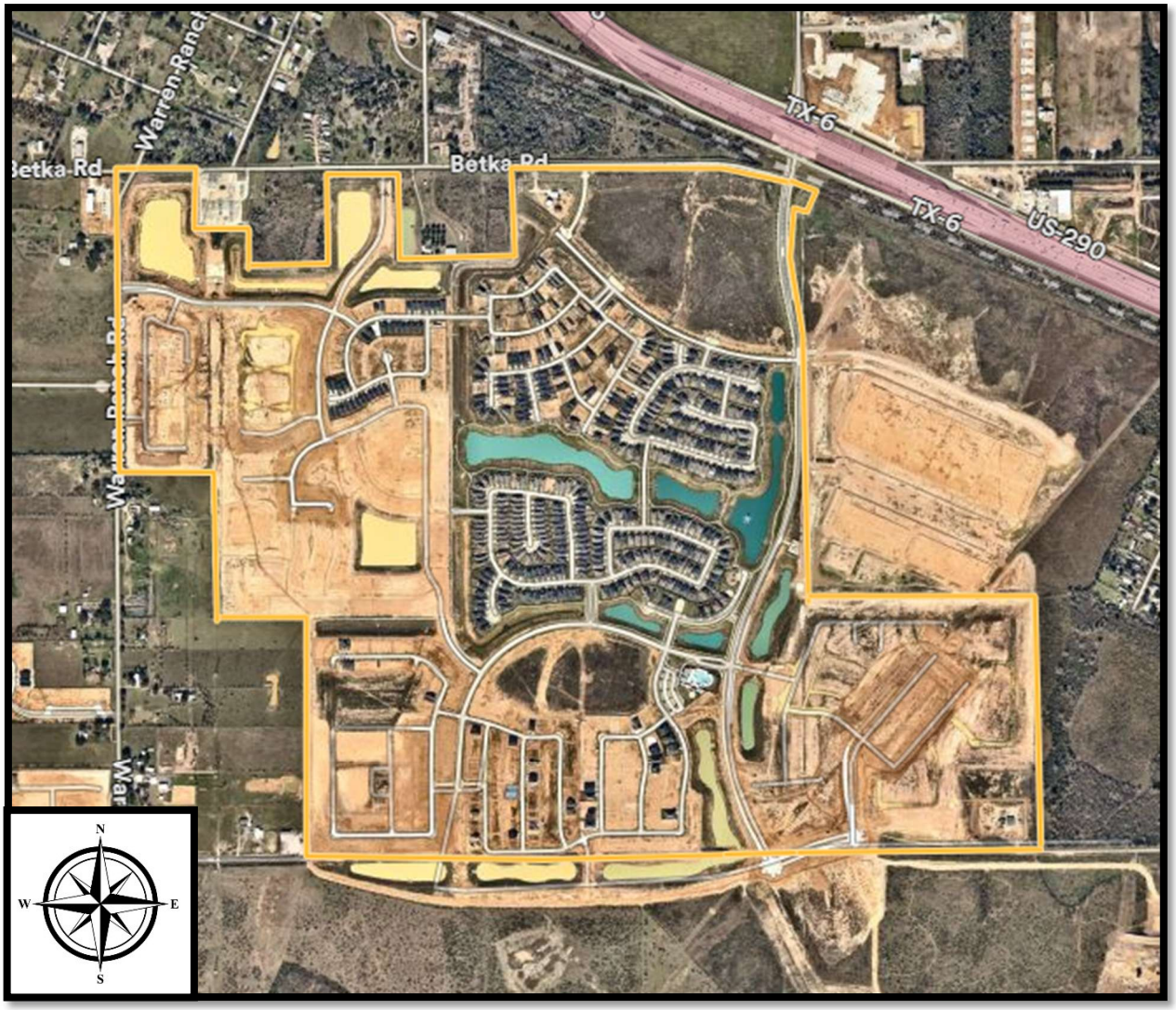
/s/ Danny Ware
President, Board of Directors
Harris County Municipal Utility District No. 477

ATTEST:

/s/ David Valdez
Secretary, Board of Directors
Harris County Municipal Utility District No. 477

AERIAL PHOTOGRAPH

(Approximate boundaries of the District as of 2026)



PHOTOGRAPHS

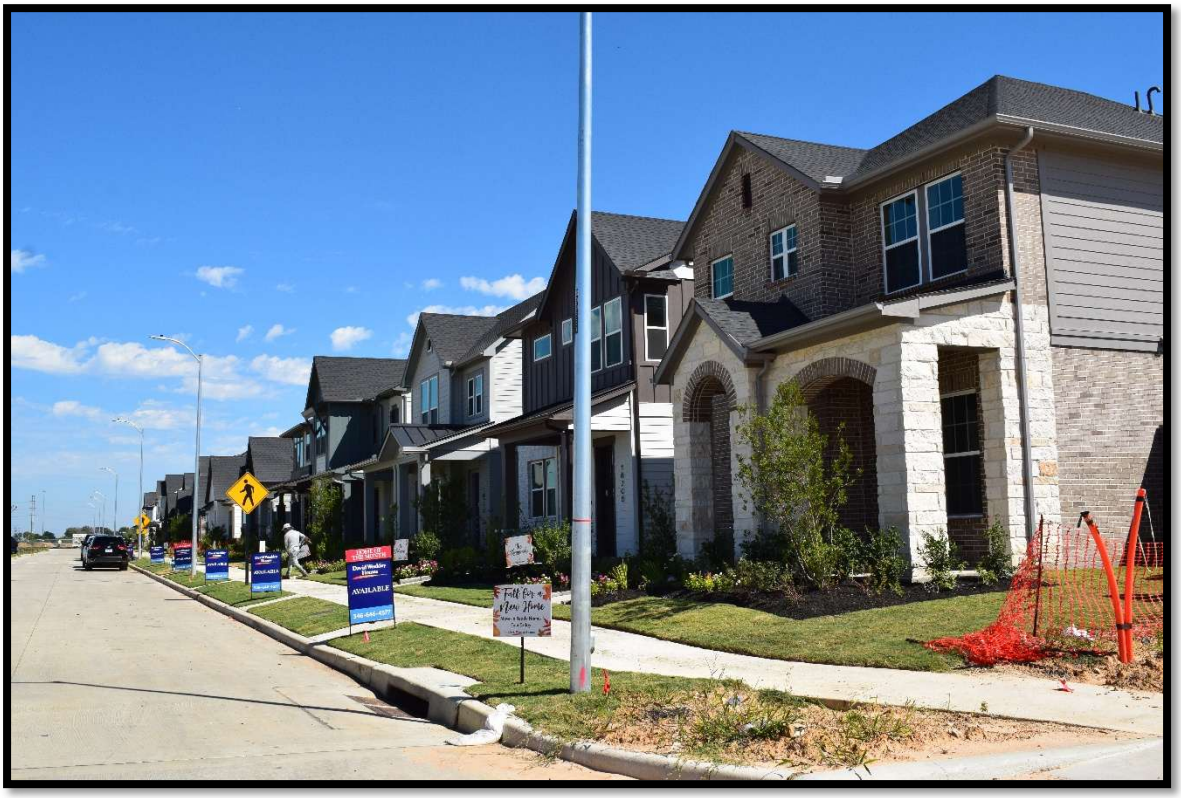
The following photographs were taken in the District in October 2026, solely to illustrate the type of improvements which have been constructed in the District. The District cannot predict if any additional improvements will be constructed in the future.

JUBILEE

CHESMAR HOMES
Setting a Higher Standard
832.840.8186
Imagine Happier
Bonus

PERRY
HOMES
YEAR
END

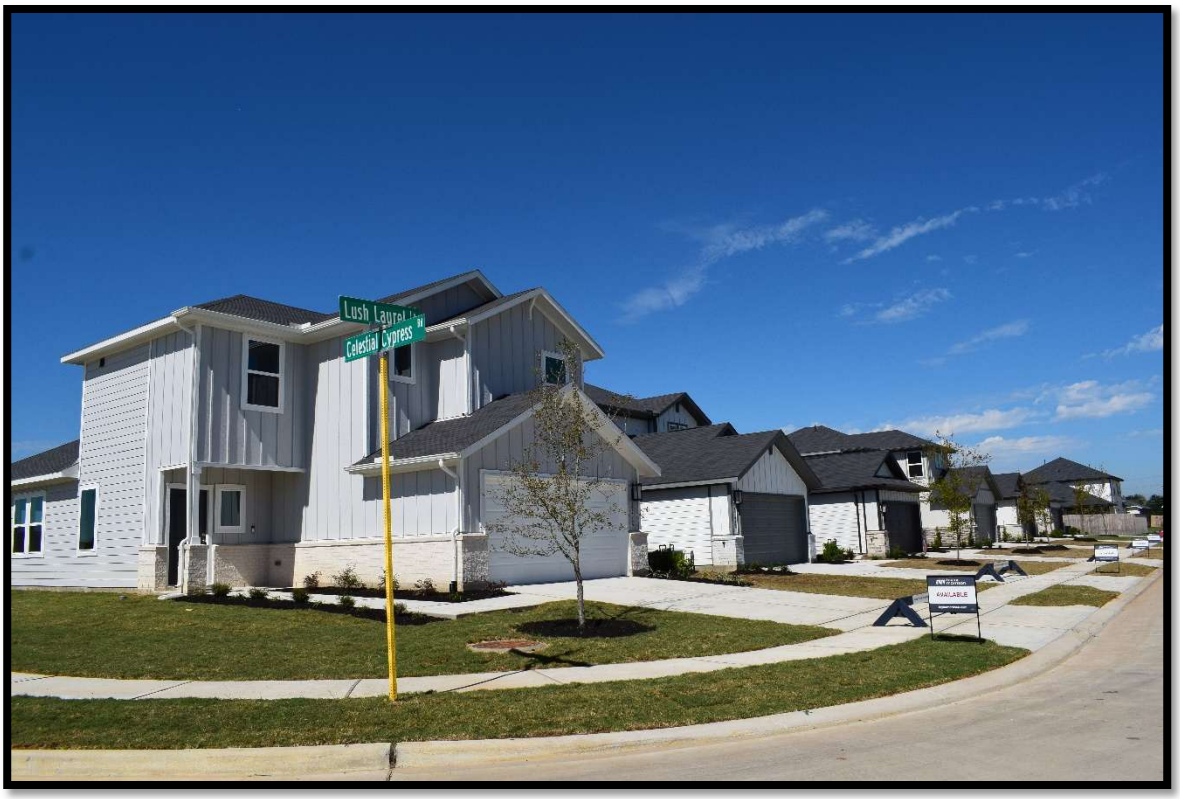
tri pointe
HOMES


AVAILABLE

HOCKLEY MEADOWS

SOLD

SOLD


Celestial Cypress

APPENDIX A

Independent Auditor’s Report and Financial Statements for the fiscal year ended February 28, 2026.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477

HARRIS COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FEBRUARY 28, 2026

McCALL GIBSON SWEDLUND BARFOOT ELLIS PLLC
Certified Public Accountants

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McCall Gibson Swedlund Barfoot Ellis PLLC

Certified Public Accountants

Chris Swedlund
Noel W. Barfoot
Joseph Ellis
Ashlee Martin

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

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Harris County Municipal Utility District No. 477
Harris County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Harris County Municipal Utility District No. 477 (the "District") as of and for the year ended February 28, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of February 28, 2026, 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.

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
Harris County Municipal Utility District No. 477

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 an 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

June 26, 2026

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED FEBRUARY 28, 2026

Management's discussion and analysis of Harris County Municipal Utility District No. 477's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended February 28, 2026. 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 Funds Balance Sheet and (2) the Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances. This report also includes 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 similar to 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 of the District's assets and liabilities 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 three governmental fund types. The General Fund accounts for resources not accounted for in another fund, maintenance taxes, professional fees, and administrative expenditures. The Debt Service Fund accounts for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes. The Capital Projects Fund accounts for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

FUND FINANCIAL STATEMENTS (Continued)

Governmental funds are reported in each of the financial statements. The focus in the fund statements provides a distinctive view of the District's governmental funds. 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 Funds Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in the Fund Balances 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 $13,351,987 as of February 28, 2026.

A portion of the District's net position reflects its net investment in capital assets which include infrastructure assets less any debt used to acquire those assets that is still outstanding. The table on the following page presents a comparative analysis of government-wide changes in net position.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Summary of Changes in the Statement of Net Position

	2026	2025	Change Positive (Negative)
Current and Other Assets	$ 1,430,496	$ 547,013	$ 883,483
Capital Assets (Net of Accumulated Depreciation)	6,494,010	2,652,339	3,841,671
Total Assets	$ 7,924,506	$ 3,199,352	$ 4,725,154
Due to Developer	$ 17,449,598	$ 6,924,291	$ (10,525,307)
Long -Term Liabilities	2,993,236	-	(2,993,236)
Other Liabilities	410,944	228,600	(182,344)
Total Liabilities	$ 20,853,778	$ 7,152,891	$ (13,700,887)
Net Position:			
Net Investment in Capital Assets	$ (13,141,834)	$ (3,883,179)	$ (9,258,655)
Restricted	165,042	-	165,042
Unrestricted	(375,195)	(70,360)	(304,835)
Total Net Position	$ (13,351,987)	$ (3,953,539)	$ (9,398,448)

The following table provides a comparative analysis of the District's operations for the years ending February 28, 2026, and February 28, 2025. The District's net position decreased by $9,398,448.

Summary of Changes in the Statement of Activities

	2026	2025	Change Positive (Negative)
Revenues:			
Property Taxes	$ 979,628	$ 318,652	$ 660,976
Charges for Services	1,619,576	944,524	675,052
Other Revenues	44,592	17,764	26,828
Total Revenues	$ 2,643,796	$ 1,280,940	$ 1,362,856
Expenses for Services	12,042,244	5,024,750	(7,017,494)
Change in Net Position	$ (9,398,448)	$ (3,743,810)	$ (5,654,638)
Net Position, Beginning	(3,953,539)	(209,729)	(3,743,810)
Net Position, Ending	$ (13,351,987)	$ (3,953,539)	$ (9,398,448)

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's combined fund balances as of and for the year ended February 28, 2026, were $561,851, an increase of $264,865.

The General Fund fund balance increased by $27,085, primarily due to property taxes, service revenues and developer advances exceeding operating costs.

The Debt Service Fund fund balance increased by $194,303, primarily due to the structure of the District's debt service and the funding of capitalized interest from the Series 2025 Road Bonds.

The Capital Projects Fund fund balance increased by $43,477, primarily due to the proceeds from the Series 2025 Road bond issuance exceeding capital outlay, developer interest and bond issuance costs.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Directors adopted an unappropriated budget for the General Fund for the current year and did not amend the budget. Actual revenues were $1,411,661 more than budgeted revenues; actual expenditures were $1,278,566 more than budgeted expenditures; and actual developer advances were $111,699 less than budgeted advances. This resulted in a positive variance compared to budget of $21,396. See the budget to actual comparison for more information.

CAPITAL ASSETS

Capital assets as of February 28, 2026, totaled $6,494,010 and included water and wastewater facilities and park and recreational facilities. Additional information on the District's capital assets can be found in Note 6 of this report.

Capital Assets At Year-End, Net of Accumulated Depreciation

	2026	2025	Change Positive (Negative)
Capital Assets, Net of Accumulated Depreciation:			
Water and Wastewater Facilities	$ 6,477,207	$ 2,635,102	$ 3,842,105
Park and Recreation Facilities	16,803	17,237	(434)
Total Net Capital Assets	$ 6,494,010	$ 2,652,339	$ 3,841,671

LONG-TERM DEBT

As of February 28, 2026, the District had total bond debt payable of $3,000,000. The changes in the debt position of the District for the current fiscal year are summarized in the following table:

Bond Debt Payable, March 1, 2025	$ - 0 -
Add: Bond Sale	3,000,000
Less: Bond Principal Paid	
Bond Debt Payable, February 28, 2026	$ 3,000,000

The Series 2025 Road bonds are not rated and uninsured.

In addition to bonded debt, the District also has liabilities outstanding to the developers of the District for construction costs and operating advances funded on behalf of the District. At February 28, 2026, the District owed developers $17,449,598.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The adopted budget for fiscal year 2027 projects an increase of $218,200 in General Fund fund balance. Fiscal year 2027 revenues are budgeted to be $2,676,000, while expenditures are budgeted to be $2,457,800.

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Harris County Municipal Utility District No. 477, c/o Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600 Houston, Texas 77027.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET
FEBRUARY 28, 2026

	General Fund	Debt Service Fund
ASSETS		
Cash	$ 303,941	$ 351,611
Investments		504,983
Cash with Paying Agent		35,267
Receivables:		
Property Taxes	64,247	27,535
Penalty and Interest on Delinquent Taxes		
Service Accounts	8,215	
Other	7,500	
Due from Other Funds	240,693	
Prepaid Costs	2,714	
Advance for Operation and Maintenance Reserve	75,000	
Capital Assets (Net of Accumulated Depreciation)		
TOTAL ASSETS	$ 702,310	$ 919,396

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

Capital Projects Fund	Total	Adjustments	Statement of Net Position
$ 43,477	$ 699,029	$	$ 699,029
	504,983		504,983
	35,267		35,267
	91,782		91,782
		6,006	6,006
	8,215		8,215
	7,500		7,500
	240,693	(240,693)	
	2,714		2,714
	75,000		75,000
		6,494,010	6,494,010
$ 43,477	$ 1,665,183	$ 6,259,323	$ 7,924,506

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

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET
FEBRUARY 28, 2026

	General Fund	Debt Service Fund
LIABILITIES		
Accounts Payable	$ 78,562	$
Accrued Interest Payable		6,662
Due to Other Governmental Units	150,730	
Due to Developers		
Due to Other Funds		240,693
Due to Taxpayers		55,023
Security Deposits	84,700	
Long-Term Liabilities:		
Bonds Payable, Due After One Year		
TOTAL LIABILITIES	$ 313,992	$ 302,378
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	$ 64,247	$ 422,715
FUND BALANCES		
Nonspendable:		
Prepaid Costs	$ 2,714	$
For Operations and Maintenance Reserve	75,000	
Restricted for Authorized Construction		
Restricted for Debt Service		194,303
Unassigned	246,357	
TOTAL FUND BALANCES	$ 324,071	$ 194,303
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 702,310	$ 919,396
NET POSITION		
Net Investment in Capital Assets		
Restricted for Debt Service		
Unrestricted		
TOTAL NET POSITION		

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

Capital Projects Fund	Total	Adjustments	Statement of Net Position
$	$ 78,562	$	$ 78,562
	6,662	35,267	41,929
	150,730		150,730
		17,449,598	17,449,598
	240,693	(240,693)	
	55,023		55,023
	84,700		84,700
		2,993,236	2,993,236
$ -0-	$ 616,370	$ 20,237,408	$ 20,853,778
$ -0-	$ 486,962	$ (64,247)	$ 422,715
$	$ 2,714	$ (2,714)	$
	75,000	(75,000)	
43,477	43,477	(43,477)	
	194,303	(194,303)	
	246,357	(246,357)	
$ 43,477	$ 561,851	$ (561,851)	$ -0-
$ 43,477	$ 1,665,183		
		$ (13,141,834)	$ (13,141,834)
		165,042	165,042
		(375,195)	(375,195)
		$ (13,351,987)	$ (13,351,987)

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

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
FEBRUARY 28, 2026

Total Fund Balances - Governmental Funds		$ 561,851
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.		6,494,010
Deferred inflows of resources related to property tax revenues for the 2025 and prior maintenance tax levies and the 2024 and prior debt service tax levies, if any, as well as penalty and interest receivable for the 2025 and prior tax levies became part of recognized revenue in the governmental activities of the District.		70,253
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 Developers	$ (17,449,598)	
Accrued Interest Payable	(35,267)	
Bonds Payable After One Year	(2,993,236)	(20,478,101)
Total Net Position - Governmental Activities		$ (13,351,987)

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

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED FEBRUARY 28, 2026

	General Fund	Debt Service Fund
REVENUES		
Property Taxes	$ 935,487	$
Water Service	172,667	
Wastewater Service	208,034	
Tap Connection and Inspection Fees	895,711	
Water Authority Fees	328,146	
Penalty and Interest	8,319	2,014
Investment Revenues	663	2,800
Miscellaneous Revenues	40,634	420
TOTAL REVENUES	$ 2,589,661	$ 5,234
EXPENDITURES/EXPENSES		
Service Operations:		
Professional Fees	$ 166,396	$ 821
Contracted Services	104,881	18,599
Purchased Water	330,482	
Capacity Reservation Fees	1,677,000	
Utilities	26,059	
Repairs and Maintenance	155,758	
Depreciation		
Other	476,739	3,120
Conveyed Assets - Roads		
Capital Outlay		
Developer Interest		
Condemnation Fees	740,562	
Debt Service:		
Bond Interest		
Bond Issuance Costs		
TOTAL EXPENDITURES/EXPENSES	$ 3,677,877	$ 22,540
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (1,088,216)	$ (17,306)
OTHER FINANCING SOURCES (USES)		
Long-Term Debt Issued	$	$ 211,609
Bond Discount		
Developer Advances	1,115,301	
TOTAL OTHER FINANCING SOURCES (USES)	$ 1,115,301	$ 211,609
NET CHANGE IN FUND BALANCES	$ 27,085	$ 194,303
CHANGE IN NET POSITION		
FUND BALANCES/NET POSITION - MARCH 1, 2025	296,986	
FUND BALANCES/NET POSITION - FEBRUARY 28, 2026	$ 324,071	$ 194,303

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

Capital Projects Fund	Total	Adjustments	Statement of Activities
$	$ 935,487	$ 44,141	$ 979,628
	172,667		172,667
	208,034		208,034
	895,711		895,711
	328,146		328,146
	10,333	4,685	15,018
75	3,538		3,538
	41,054		41,054
$ 75	$ 2,594,970	$ 48,826	$ 2,643,796
$	$ 167,217	$	$ 167,217
	123,480		123,480
	330,482		330,482
	1,677,000		1,677,000
	26,059		26,059
	155,758		155,758
		105,489	105,489
60	479,919		479,919
		8,338,281	8,338,281
2,134,873	2,134,873	(2,134,873)	
302,838	302,838		302,838
	740,562	(740,562)	
		35,319	35,319
300,402	300,402		300,402
$ 2,738,173	$ 6,438,590	$ 5,603,654	$ 12,042,244
$ (2,738,098)	$ (3,843,620)	$ (5,554,828)	$ (9,398,448)
$ 2,788,391	$ 3,000,000	$ (3,000,000)	$
(6,816)	(6,816)	6,816	
	1,115,301	(1,115,301)	
$ 2,781,575	$ 4,108,485	$ (4,108,485)	$ -0-
$ 43,477	$ 264,865	$ (264,865)	$
		(9,398,448)	(9,398,448)
	296,986	(4,250,525)	(3,953,539)
$ 43,477	$ 561,851	$ (13,913,838)	$ (13,351,987)

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

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED FEBRUARY 28, 2026

Net Change in Fund Balances - Governmental Funds	$	264,865
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.		44,141
Governmental funds report penalty and interest revenue on property taxes when collected. However, in the Statement of Activities, revenue is recorded when penalties and interest are assessed.		4,685
Governmental funds do not account for depreciation. However, in the Statement of Net Position, capital assets are depreciated and the depreciation expense is recorded in the Statement of Activities.		(105,489)
Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets, net of assets conveyed to Harris County, are increased by new purchases and the Statement of Activities is not affected.		(6,203,408)
Governmental funds report bond discounts and bond premiums as other financing sources/uses in the year paid. However, in the Statement of Net Position, bond discounts and bond premiums are amortized over the life of the bonds and the current year amortized portion is recorded in the Statement of Activities.		6,816
Governmental funds report condemnation fees for easements as expenditures. However, in the Statement of Net Position, condemnation fees are reported as decreases in long-term liabilities.		740,562
Governmental funds report interest expenditures on long-term debt as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term debt through fiscal year-end.		(35,319)
Governmental funds report bond proceeds as other financing sources. Issued bonds increase long-term liabilities in the Statement of Net Position.		(3,000,000)
Governmental funds report developer advances as other financing sources. However, in the Statement of Net Position, developer advances, net any amount paid to the developer, are recorded as a liability.		(1,115,301)
Change in Net Position - Governmental Activities	$	(9,398,448)

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

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
NOTES TO THE FINANCIAL STATEMENTS
FEBRUARY 28, 2026

NOTE 1. CREATION OF DISTRICT

Harris County Municipal Utility District No. 477 (the "District") was created by an order of the Texas Commission on Environmental Quality (the "Commission"), effective June 13, 2008, in accordance with the Texas Water Code, Chapters 49 and 54. By authorization of the Texas Senate during the 83rd regular legislative session, in May 2013, the District was granted road powers pursuant to Senate Bill 610, Chapter 8419. The District is empowered to purchase, operate and maintain all facilities, plants and improvements necessary to provide water, wastewater service, storm sewer drainage, irrigation, to construct roads, and to construct parks and recreational facilities for the residents of the District. The Board of Directors held its first meeting on January 11, 2021.

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.

Financial Statement Presentation

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. 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.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

- 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's 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 to obtain net total revenues and expenses of the government-wide Statement of Activities.

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 Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds

The District has three governmental funds and considers each to be a major fund.

General Fund – The General Fund is used to account for the operations of the District and all other financial transactions not properly includable in other funds. The principal sources of revenue are related to property taxes. Expenditures include all costs associated with the daily operations of the District.

Debt Service Fund – To account for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes.

Capital Projects Fund – To account for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

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 revenue reported in 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. Recognition of tax revenues for the 2025 debt service contract road and contract water, sewer and drainage tax levies have been deferred until the 2027 fiscal year.

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. At February 28, 2026, the Debt Service Fund owed the General Fund $240,693 for maintenance tax collections.

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 budget amounts compared to the actual amounts of revenues and expenditures for the current year.

Capital Assets

Capital assets are reported in the government-wide Statement of Net Position. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their estimated acquisition value on the date donated. Repairs and maintenance are recorded as expenditures in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset. Engineering fees and certain other costs are capitalized as part of the asset.

Assets are capitalized, including infrastructure assets, if they have an original cost greater than $15,000 and a useful life over two years. Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation. Estimated useful lives are as follows:

	Years
Water and Wastewater System	10-45
Detention and Drainage Facilities	20-45
Park and Recreation Facilities	5-45

Pensions

A pension plan has not been established. The District does not have employees, except that the Internal Revenue Service has determined that directors are considered "employees" for federal payroll tax purposes only.

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)

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 and liabilities 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 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.

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.

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. LONG-TERM DEBT

	Series 2025 Road
Amount Outstanding – February 28, 2026	$3,000,000
Interest Rates	4.00% - 5.00%
Maturity Date	September 1, 2027/2051
Interest Payment Dates	March 1/ September 1
Callable Dates	September 1, 2031*

* Or any date thereafter at a price of par plus unpaid accrued interest in whole or in part, at the option of the District. Series 2025 Road term bonds maturing on September 1, 2038, 2040, 2042 and 2051 are subject to mandatory sinking fund redemption beginning September 1, 2037, 2039, 2041 and 2043, respectively.

Changes in bonds payable for the current fiscal year are summarized in the following table:

	March 1, 2025	Additions	Retirements	February 28, 2026
Bonds Payable	$	$ 3,000,000	$	$ 3,000,000
Unamortized Discounts		(6,816)	(52)	(6,764)
Bonds Payable, Net	$ -0-	$ 2,993,184	$ (52)	$ 2,993,236

Amount Due Within One Year	$ -0-
Amount Due After One Year	2,993,236
Bonds Payable, Net	$ 2,993,236

On December 18, 2025, the District issued Unlimited Tax Road Bonds, Series 2025, of $3,000,000 with interest rates ranging from 4.00% to 5.00%. The net proceeds of $2,744,692 (after payment of underwriter fees, bond issue costs, and the bond discount) were used to finance developer funded road construction and land acquisition costs, fund future interest payments on the bonds and pay subsequent bond issue costs.

NOTE 3. LONG-TERM DEBT (Continued)

The District had authorized but unissued bonds in the amount of $189,865,000 for the purchase or construction of water, sewer, and drainage facilities and the refunding of bonds issued for same, $209,060,000 for the purchase or construction of parks and recreational facilities and the refunding of bonds issued for same, and $165,140,000 for the purchase or construction of road facilities and the refunding of bonds for same.

As of February 28, 2026, the debt service requirements on the bonds outstanding were as follows:

Fiscal Year	Principal	Interest	Total
2027	$	$ 105,804	$ 105,804
2028	60,000	141,073	201,073
2029	65,000	138,672	203,672
2030	70,000	136,073	206,073
2031	70,000	133,272	203,272
2032-2036	415,000	619,308	1,034,308
2037-2041	530,000	518,842	1,048,842
2042-2046	695,000	380,403	1,075,403
2047-2051	890,000	189,000	1,079,000
2052	205,000	10,250	215,250
	$ 3,000,000	$ 2,372,697	$ 5,372,697

The bonds are payable from the proceeds of an ad valorem tax levied upon all property subject to taxation within the District, without limitation as to rate or amount.

During the year ended February 28, 2026, the District levied a total ad valorem debt service tax rate of $0.45 per $100 of assessed valuation, allocated $0.15 to fund contract utility debt service requirements and $0.30 to fund contract road debt service requirements. This resulted in a tax levy of $422,715 on the adjusted taxable valuation of $93,936,660 for the 2025 tax year. The bond resolution requires the District to levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due and the cost of assessing and collecting taxes. See Note 7 for the maintenance tax levy and contract tax levy.

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 4. SIGNIFICANT BOND RESOLUTION AND LEGAL REQUIREMENTS

The bond resolution states that the District is required to provide to certain information repositories continuing disclosure of annual financial information and operating data with respect to the District. The information, along with the audited annual financial statements, is of the general type included in the annual audit report, and must be filed within six months after the end of each fiscal year of the District.

The District has covenanted that it will take all necessary steps to comply with the requirement that rebatable arbitrage earnings on the investment of the gross proceeds of the Bonds, within the meaning of Section 148(f) of the Internal Revenue Code, be rebated to the federal government. The minimum requirement for determination of the rebatable amount is on each five-year anniversary of the bonds.

The Series 2025 road bond resolution requires bond proceeds of $211,609 to be deposited into the Debt Service Fund and restricted for payment of bond interest. As of February 28, 2026, the entire $211,609 remains restricted for payment of bond interest.

The bond resolution states that the District shall maintain insurance on the system of a kind and in an amount which usually would be carried on similar systems by water control and improvement district in the State of Texas.

NOTE 5. 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.

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. At fiscal year end, the carrying amount of the District's deposits was $699,029 and the bank balance was $1,027,974. Of the bank balance, $882,434 was covered by federal depository insurance and the remaining balance was covered by collateral pledged in the name of the District and held in a third-party depository. The District was not exposed to custodial credit risk at year-end.

NOTE 5. DEPOSITS AND INVESTMENTS (Continued)

Deposits (Continued)

The carrying values of the deposits as of February 28, 2026, are listed below:

	Cash
GENERAL FUND	$ 303,941
DEBT SERVICE FUND	351,611
CAPITAL PROJECTS FUND	43,477
TOTAL DEPOSITS	$ 699,029

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.

As of February 28, 2026, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities of Less Than 1 Year
DEBT SERVICE FUND		
TexSTAR	$ 504,983	$ 504,983

NOTE 5. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The District invests in the Texas Short Term Asset Reserve Program ("TexSTAR"), an external public funds investment pool that is not SEC-registered. J. P. Morgan Investment Management Inc. provides investment management and Hilltop Securities Inc. provides participant services and marketing under an agreement with the TexSTAR Board of Directors. Custodial, fund accounting and depository services are provided by JPMorgan Chase Bank, N.A. and/or its subsidiary J.P. Morgan Investors Services Co. Investments held by TexSTAR are marked to market daily. The investments are considered Level I investments because their fair value is measured by quoted prices in active markets. The fair value of the District's position in the pool is the same as the value of the pool shares. There are no limitations or restrictions on withdrawals from TexSTAR.

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At February 28, 2026, the District's investment in TexSTAR was rated AAAm by Standard and Poor's.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in TexSTAR to have a maturity of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the District, unless there has been a significant change in value.

Restrictions

All cash and investments of the Debt Service Fund are restricted for the payment of debt service and the cost of assessing and collecting taxes.

All cash and investments of the Capital Projects Fund are restricted for the purchase or rehabilitation of capital assets.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended February 28, 2026 included the following:

	March 1, 2025	Increases	Decreases	February 28, 2026
Capital Assets Subject to Depreciation				
Water and Wastewater Facilities	$ 2,668,213	$ 3,947,160		$ 6,615,373
Park and Recreation Facilities	17,363			17,363
Total Capital Assets Subject to Depreciation	$ 2,685,576	$ 3,947,160	$ - 0 -	$ 6,632,736
Accumulated Depreciation				
Water and Wastewater Facilities	$ 33,111	$ 105,055	$	$ 138,166
Park and Recreation Facilities	126	434		560
Total Accumulated Depreciation	$ 33,237	$ 105,489	$ - 0 -	$ 138,726
Total Depreciable Capital Assets, Net of Accumulated Depreciation	$ 2,652,339	$ 3,841,671	$ - 0 -	$ 6,494,010

Road and street improvements are conveyed to Harris County (the "County") for continued upkeep and maintenance. To date, roads and street improvements amounting to $12,205,586 have been conveyed to the County.

NOTE 7. MAINTENANCE TAX

On May 1, 2021, the voters of the District approved the levy and collection of a maintenance tax not to exceed $1.50 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 facilities as well as any other lawfully authorized purpose. During the year ended February 28, 2026, the District levied an ad valorem maintenance tax rate of $1.05 per $100 assessed valuation, which resulted in a tax levy of $986,335 on the adjusted taxable valuation of $93,936,660 for the 2025 tax year.

On May 1, 2021, the voters of the District approved the levy and collection of a road maintenance tax not the exceed $0.25 per $100 of assessed valuation to be used for constructing and maintaining the District's roads. As of February 28, 2026, the District has not levied a road maintenance tax.

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 reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 9. UNREIMBURSED COSTS

The District has entered into certain financing and reimbursement agreements with Developers within the District which provides for the Developers to make payments on behalf of the District for various projects and operating advances. The District has an obligation to reimburse the Developers for these costs from future bond issues to the extent approved by the Commission. The District has recorded a liability to the Developers of $17,449,598 for advances as of February 28, 2026. Of the advances received as of February 28, 2026, $763,513 were to fund District operations and the remaining balance was to fund construction projects. The actual amounts owed, including developer interest, will be calculated at the time debt is issued to reimburse the Developers. The following table summarizes the current fiscal year activity related to unreimbursed Developer costs for advances:

Due to Developers, beginning of year	$	6,924,291
Additions		10,525,307
Due to Developers, end of year	$	17,449,598

NOTE 10. WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

The District is located within the boundaries of the West Harris County Regional Water Authority (the "Authority"). The Authority was created under Article 16, Section 59 of the Texas Constitution by House Bill 1842 (the "Act"), as passed by the seventy-seventh Texas Legislature, in 2001. The Act empowers the Authority for purposes including the acquisition and provision of surface water and groundwater for residential, commercial, industrial, agricultural, and other uses, the reduction of groundwater withdrawals, the conservation, preservation, protection, recharge, and prevention of waste of groundwater and of groundwater reservoirs or their subdivisions, the control of subsidence caused by withdrawal of water from those groundwater reservoirs of their subdivision.

The Authority charges a fee which enables it to fulfill its purpose and regulatory functions. The current pumpage fee charged by the Authority is $3.95 per 1,000 gallons of water pumped from each well. During the current year, the Master District recorded fees of $356,515 paid to the Authority for groundwater; these fees were charged through to the District as discussed further in Note 12.

NOTE 11. COST SHARING AGREEMENT

The District, Harris County Municipal Utility District No. 478 ("District No. 478") and the respective Developers for each district have executed a Cost Sharing Agreement ("Agreement") confirming District No. 478 as the Master District of the combined development. The District is constructing certain water plants, detention ponds and culverts, clearing for the wastewater treatment plant and has obtained the offsite easements and is constructing the offsite drainage ditch on behalf of the Master District. Upon completion of certain Master District construction contracts, the District will deed those projects to the Master District for ultimate reimbursement, ownership and maintenance of those facilities. Each district will pay monthly operating charges to operate and maintain as set forth in a facilities future Master District Operating Agreement.

The District will provide internal water, sanitary sewer and drainage facilities, as well as road and park and recreational facilities to serve the land within its boundaries.

NOTE 12. CONTRACT FOR FINANCING, OPERATION AND MAINTENANCE OF REGIONAL WATER, SANITARY SEWER, STORM SEWER, PARK, ROAD AND OTHER JUBILEE FACILITIES

Effective September 22, 2023, as amended on August 23, 2024, the District and District No. 478 entered into a Contract for Financing, Operation, and Maintenance of Regional Water, Sanitary Sewer, Storm Sewer, Park, Road and Other Jubilee Facilities. District No. 478 has been designated as the Master District and has assumed responsibility of becoming the coordinating district to provide water supply and distribution services, sewage collection and treatment services, major trunk storm sewer drainage services, major collective detention services, regional park facilities, regional roads and other services and facilities permitted by law for the entire Jubilee development.

To complete acquisition and construction, the Master District is authorized to issue bonds in an amount not to exceed $2,298,110,000 for water, sewer and drainage facilities, $1,062,770,000 for road facilities and $1,453,900,000 for park facilities. To date, the Master District has issued $5,200,000 of contract revenue bonds to fund utility facilities serving the District and has issued $7,500,000 of contract revenue road bonds to fund road facilities.

The Contract specifies the calculation of connection charges to be computed to pay for the capital costs of constructing the Master District facilities, as well as the calculation of monthly operation and maintenance charges, reserve requirements and debt service requirements.

During the year ended February 28, 2026, the Master District billed the District $1,677,000 for capacity reservation fees. In addition, the Master District billed the District $330,482 for the District's share of water supply fees. At February 28, 2026, the District owes $150,730 to the Master District for capacity reservation and water supply fees. Pursuant to the Contract, the District paid $75,000 to the Master District representing a three-month operation and maintenance reserve; at February 28, 2026, this amount is held in reserve by the Master District.

NOTE 13. SETTLEMENT AGREEMENTS

Effective February 16, 2023, the District executed a Settlement Agreement ("Agreement") with Minero Holdings, LLC (Minero") to settle an eminent domain lawsuit for an easement and right-of-way on land owned by Minero. The Agreement calls for the District to pay Minero $7,000,000. The settlement payment called for in the Agreement is to be paid to Minero as follows: a one-time payment of $3,500,000 consisting of the sum of $1,019,443 which the District had previously deposited into the registry of the Court hearing the lawsuit in August 2021, and the sum of $2,480,557 to be paid within 30 days of the effective date of the Agreement which occurred in March 2023; and installment payments of $3,500,000 to be paid in seven equal payments in the amount of $500,000 due no later than 14 calendar days following the end of each six-month period beginning from the effective date of the Agreement.

Pursuant to this Agreement, the District and the Developer have executed an Agreement to Advance Funds whereby the Developer has agreed to advance the amounts to the District required to make the seven installment payments of $500,000 each. In a prior fiscal year, the Master District assumed obligations under the Settlement Agreement and, during the current fiscal year, made settlement payments to Minero in the amount of $1,000,000 per the Settlement Agreement, leaving a balance due of $500,000 as of February 28, 2026.

Effective November 30, 2023, the District executed a Settlement Agreement ("Agreement 2") with Weiss Land and Development, LLC ("Weiss") to settle an eminent domain lawsuit for an easement and right-of-way on land owned by Weiss. The agreement calls for the District to pay Weiss $13,500,000. The settlement payment called for in Agreement 2 is be paid to Weiss as follows: a one-time payment of $7,500,000 consisting of the sum of $72,815, which the District had previously deposited into the registry of the Court hearing the lawsuit in July 2021, and the sum of $7,427,185 to be paid on or before December 29, 2023, which has occurred; and installment payments of $6,000,000 in the three equal payments on or before the last business day in December for the years 2024, 2025, and 2026 until the third and final installment payment has been made.

Pursuant to this Agreement, the District and the Developer have executed an Agreement to Advance Funds whereby the Developer has agreed to advance the amounts to the District required to make the installment payments due to Weiss. In a prior fiscal year, the Master District, assumed obligations under Agreement 2 and, during the current fiscal year, made settlement payments to Weiss in the amount of $2,000,000 per Settlement Agreement 2, leaving a balance due of $2,000,000 as of February 28, 2026.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477

REQUIRED SUPPLEMENTARY INFORMATION

FEBRUARY 28, 2026

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED FEBRUARY 28, 2026

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Property Taxes	$ 600,000	$ 935,487	$ 335,487
Water Service	135,000	172,667	37,667
Wastewater Service	120,000	208,034	88,034
Tap Connection and Inspection Fees	320,000	895,711	575,711
Water Authority Fees		328,146	328,146
Penalty and Interest	2,000	8,319	6,319
Investment Revenues	1,000	663	(337)
Miscellaneous Revenues		40,634	40,634
TOTAL REVENUES	$ 1,178,000	$ 2,589,661	$ 1,411,661
EXPENDITURES			
Service Operations:			
Professional Fees	$ 162,000	$ 166,396	$ (4,396)
Contracted Services	85,361	104,881	(19,520)
Purchased Water	12,000	330,482	(318,482)
Capacity Reservation Fees	1,770,000	1,677,000	93,000
Utilities	22,000	26,059	(4,059)
Repairs and Maintenance	50,000	155,758	(105,758)
Other	297,950	476,739	(178,789)
Condemnation Fees		740,562	(740,562)
TOTAL EXPENDITURES	$ 2,399,311	$ 3,677,877	$ (1,278,566)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (1,221,311)	$ (1,088,216)	$ 133,095
OTHER FINANCING SOURCES (USES)			
Developer Advances	$ 1,227,000	$ 1,115,301	$ (111,699)
NET CHANGE IN FUND BALANCE	$ 5,689	$ 27,085	$ 21,396
FUND BALANCE - MARCH 1, 2025	296,986	296,986	
FUND BALANCE - FEBRUARY 28, 2026	$ 302,675	$ 324,071	$ 21,396

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477

SUPPLEMENTARY INFORMATION – REQUIRED BY THE

WATER DISTRICT FINANCIAL MANAGEMENT GUIDE

FEBRUARY 28, 2026

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
SERVICES AND RATES
FOR THE YEAR ENDED FEBRUARY 28, 2026

1. SERVICES PROVIDED BY THE DISTRICT DURING THE FISCAL YEAR:

X	Retail Water		Wholesale Water	X	Drainage
X	Retail Wastewater		Wholesale Wastewater		Irrigation
X	Parks/Recreation		Fire Protection		Security
X	Solid Waste/Garbage		Flood Control		Roads
X	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 approved February 27, 2026.

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons over Minimum Use	Usage Levels
WATER:	$ 25.00	10,000	N	$ 1.50	10,001 to 15,000
				$ 2.00	15,001 to 20,000
				$ 2.50	20,001 to 25,000
				$ 3.00	25,001 to 30,000
				$ 3.50	30,001 and up
WASTEWATER:	$ 50.00		Y		
SURCHARGE: Regional Water Authority Fees	$ 4.35 per 1,000 gallons				

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

Total monthly charges per 10,000 gallons usage: Water: $25.00 Wastewater: $50.00 Surcharge: $43.50 Total: $118.50

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
SERVICES AND RATES
FOR THE YEAR ENDED FEBRUARY 28, 2026

2. RETAIL SERVICE PROVIDERS (Continued)

b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Unaudited)

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
Unmetered			x 1.0	
≤¾"	416	412	x 1.0	412
1"	109	108	x 2.5	270
1½"	1	1	x 5.0	5
2"	26	26	x 8.0	208
3"	6	6	x 15.0	90
4"			x 25.0	
6"			x 50.0	
8"			x 80.0	
10"			x 115.0	
Total Water Connections	558	553		985
Total Wastewater Connections	528	523	x 1.0	523

3. TOTAL WATER CONSUMPTION DURING THE FISCAL YEAR ROUNDED TO THE NEAREST THOUSAND: (Unaudited)

Gallons pumped into system:		Water Accountability Ratio: 100% (Gallons billed and sold/Gallons pumped and purchased)
Gallons purchased:	81,485,000	From: Harris County MUD No. 478
Gallons billed to customers:	81,485,000	

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
SERVICES AND RATES
FOR THE YEAR ENDED FEBRUARY 28, 2026

5. LOCATION OF DISTRICT:

Is the District located entirely within one county?

Yes X No _____

County in which District is located:

Harris 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 X Partly _____ Not at all _____

ETJ in which District is located:

City of Houston, Texas

Are Board Members appointed by an office outside the District?

Yes _____ No X

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED FEBRUARY 28, 2026

PROFESSIONAL FEES:		
Auditing	$	14,250
Engineering		42,709
Legal		109,437
TOTAL PROFESSIONAL FEES	$	166,396
PURCHASED WATER SERVICE:		
Purchased Water Service	$	330,482
Capacity Reservation Fees		1,677,000
TOTAL PURCHASED WATER SERVICE	$	2,007,482
CONTRACTED SERVICES:		
Bookkeeping	$	13,862
Operations and Billing		18,837
Solid Waste Disposal		72,182
TOTAL CONTRACTED SERVICES	$	104,881
UTILITIES	$	26,059
REPAIRS AND MAINTENANCE	$	155,758
ADMINISTRATIVE EXPENDITURES:		
Director Fees, Including Payroll Taxes	$	13,711
Insurance		3,078
Legal Notices		760
Office Supplies and Postage		1,581
Other		2,200
TOTAL ADMINISTRATIVE EXPENDITURES	$	21,330
TAP CONNECTIONS	$	344,803
CONDEMNATION FEES	$	740,562
OTHER EXPENDITURES:		
Laboratory Fees	$	634
Permit Fees		3,744
Reconnection Fees		15,550
Inspection Fees		88,896
Regulatory Assessment		1,782
TOTAL OTHER EXPENDITURES	$	110,606
TOTAL EXPENDITURES	$	3,677,877

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
INVESTMENTS
FEBRUARY 28, 2026

Fund	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
DEBT SERVICE FUND					
TexSTAR	XXXX3331	Varies	Daily	$ 398,126	$
TexSTAR	XXXX3333	Varies	Daily	106,857	
TOTAL DEBT SERVICE FUND				$ 504,983	$ - 0 -

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED FEBRUARY 28, 2026

	Maintenance Taxes		Debt Service Taxes	
TAXES RECEIVABLE - MARCH 1, 2025	$ 20,106		$ -0-	
Adjustments to Beginning Balance	(6,707)	$ 13,399		$ -0-
Original 2025 Tax Levy	$ 826,270		$ 354,116	
Adjustment to 2025 Tax Levy	160,065	986,335	68,599	422,715
TOTAL TO BE ACCOUNTED FOR		$ 999,734		$ 422,715
TAX COLLECTIONS:				
Prior Years	$ 13,399		$	
Current Year	922,088	935,487	395,180	395,180
TAXES RECEIVABLE - FEBRUARY 28, 2026		$ 64,247		$ 27,535
TAXES RECEIVABLE BY YEAR:				
2025		$ 64,247		$ 27,535

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED FEBRUARY 28, 2026

	2025	2024	2023
PROPERTY VALUATIONS:			
Land	$ 27,272,283	$ 14,325,869	$ 6,881,899
Improvements	66,664,377	6,917,593.00	
TOTAL PROPERTY VALUATIONS	$ 93,936,660	$ 21,243,462	$ 6,881,899
TAX RATES PER $100 VALUATION:			
Contract Road Tax	$ 0.30	$ -	$ -
Contract Water, Sewer and Drainage Tax	0.15		
Total Debt Service Tax Rate	$ 0.45	$ -	$ -
Maintenance Tax Rate	1.05	1.50	1.50
TOTAL TAX RATES PER $100 VALUATION	$ 1.50	$ 1.50	$ 1.50
ADJUSTED TAX LEVY*	$ 1,409,050	$ 318,652	$ 103,228
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	93.49 %	100.00 %	100.00 %

* Based on 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 not to exceed $1.50 per $100 of assessed valuation approved by voters on May 1, 2021.

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
LONG-TERM DEBT SERVICE REQUIREMENTS
FEBRUARY 28, 2026

Due During Fiscal Years Ending February 28/29	SERIES-2025 ROADS		
	Principal Due September 1	Interest Due March 1/ September 1	Total
2027	$	$ 105,804	$ 105,804
2028	60,000	141,073	201,073
2029	65,000	138,672	203,672
2030	70,000	136,073	206,073
2031	70,000	133,272	203,272
2032	75,000	130,473	205,473
2033	80,000	127,397	207,397
2034	85,000	124,078	209,078
2035	85,000	120,507	205,507
2036	90,000	116,853	206,853
2037	95,000	112,892	207,892
2038	100,000	108,618	208,618
2039	105,000	104,017	209,017
2040	110,000	99,188	209,188
2041	120,000	94,127	214,127
2042	125,000	88,608	213,608
2043	130,000	82,795	212,795
2044	140,000	76,750	216,750
2045	145,000	69,750	214,750
2046	155,000	62,500	217,500
2047	160,000	54,750	214,750
2048	170,000	46,750	216,750
2049	180,000	38,250	218,250
2050	185,000	29,250	214,250
2051	195,000	20,000	215,000
2052	205,000	10,250	215,250
	$ 3,000,000	$ 2,372,697	$ 5,372,697

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
CHANGE IN LONG-TERM BOND DEBT
FOR THE YEAR ENDED FEBRUARY 28, 2026

Description	Original Bonds Issued	Bonds Outstanding March 1, 2025
Harris County Municipal Utility District No. 477 Unlimited Tax Road Bonds - Series 2025	$ 3,000,000	$
TOTAL	$ 3,000,000	$ - 0 -

Bond Authority:	Tax Bonds	Road Bonds	Park Bonds
Amount Authorized by Voters	$ 189,865,000	$ 168,140,000	$ 209,060,000
Amount Issued		3,000,000	
Remaining to be Issued	$ 189,865,000	$ 165,140,000	$ 209,060,000

Debt Service Fund cash, investments and cash with paying agent balances as of February 28, 2026:	$ 891,861
Average annual debt service payment (principal and interest) for remaining term of all debt:	$ 206,642

See Note 3 for interest rate, interest payment dates and maturity dates.

See accompanying independent auditor's report.

Current Year Transactions				
	Retirements			
Bonds Sold	Principal	Interest	Bonds Outstanding February 28, 2026	Paying Agent
$ 3,000,000	$	$	$ 3,000,000	BOKF, N.A. Dallas, TX
$ 3,000,000	$ - 0 -	$ - 0 -	$ 3,000,000	

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND – FIVE YEARS

	Amounts		
	2026	2025	2024
REVENUES			
Property Taxes	$ 935,487	$ 298,629	$ 103,145
Water Service	172,667	65,276	3,849
Wastewater Service	208,034	68,033	4,174
Tap Connection and Inspection Fees	895,711	671,714	114,795
Water Authority Fees	328,146	132,115	
Penalty and Interest	8,319	6,065	30
Investment Revenues	663	1,299	2,588
Miscellaneous Revenues	40,634	16,465	465
TOTAL REVENUES	$ 2,589,661	$ 1,259,596	$ 229,046
EXPENDITURES			
Professional Fees	$ 166,396	$ 145,979	$ 161,394
Contracted Services	104,881	45,102	9,548
Purchased Water and Capacity Reservation Fees	2,007,482	508,623	
Utilities	26,059	1,750	
Repairs and Maintenance	155,758	113,378	638
Other	476,739	309,376	45,631
Capital Outlay		17,363	
Condemnation Fees and Settlement Payments	740,562	173,611	12,703,499
TOTAL EXPENDITURES	$ 3,677,877	$ 1,315,182	$ 12,920,710
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (1,088,216)	$ (55,586)	$ (12,691,664)
OTHER FINANCING SOURCES (USES)			
Developer Advances	$ 1,115,301	400,000	13,182,742
NET CHANGE IN FUND BALANCE	$ 27,085	$ 344,414	$ 491,078
BEGINNING FUND BALANCE (DEFICIT)	296,986	(47,428)	(538,506)
ENDING FUND BALANCE (DEFICIT)	$ 324,071	$ 296,986	$ (47,428)

See accompanying independent auditor's report.

2023	2022	Percentage of Total Revenues 2026	2025	2024	2023	2022
$	$	36.1 %	23.7 %	45.1 %	%	%
		6.7	5.2	1.7		
		8.0	5.4	1.8		
		34.6	53.3	50.1		
		12.7	10.5			
		0.3	0.5			
146			0.1	1.1	100.0	
		1.6	1.3	0.2		
$ 146	$ - 0 -	100.0 %	100.0 %	100.0 %	100.0 %	%
$ 70,300	$ 106,864	6.4 %	11.6 %	70.5 %	48150.7 %	%
9,050	10,150	4.1	3.6	4.2	6198.6	
		77.5	40.3			
		1.0	0.1			
		6.0	9.0	0.3		
10,997	14,432	18.4	24.6	19.9	7,532.2	
			1.4			
2,564,350	2,643,090	28.6	13.8	5,546.2	1,756,404.1	
$ 2,654,697	$ 2,774,536	142.0 %	104.4 %	5,641.1 %	1,818,285.6 %	%
$ (2,654,551)	$ (2,774,536)	(42.0) %	(4.4) %	(5,541.1) %	(1,818,185.6) %	N/A
2,203,000	2,687,581					
$ (451,551)	$ (86,955)					
(86,955)						
$ (538,506)	$ (86,955)					

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
DEBT SERVICE FUND – FIVE YEARS

	Amounts		
	2026	2025	2024
REVENUES			
Property Taxes	$	$	$
Penalty and Interest	2,014		
Investment Revenues	2,800		
Miscellaneous Revenues	420		
TOTAL REVENUES	$ 5,234	$ - 0 -	$ - 0 -
EXPENDITURES			
Tax Collection Expenditures	$ 22,540	$	$
TOTAL EXPENDITURES	$ 22,540	$ - 0 -	$ - 0 -
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ (17,306)	$ - 0 -	$ - 0 -
OTHER FINANCING SOURCES (USES)			
Long-Term Debt Issued	$ 211,609	$	$
NET CHANGE IN FUND BALANCE	$ 194,303	$ - 0 -	$ - 0 -
BEGINNING FUND BALANCE			
ENDING FUND BALANCE	$ 194,303	$ - 0 -	$ - 0 -
TOTAL ACTIVE RETAIL WATER CONNECTIONS	553	213	N/A
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	523	202	N/A

See accompanying independent auditor's report.

		Percentage of Total Revenue				
2023	2022	2026	2025	2024	2023	2022
$	$	%	%	%	%	%
		38.5				
		53.5				
		8.0				
$ - 0 -	$ - 0 -	100.0 %	%	%	%	%
$	$	430.6 %	%	%	%	%
$ - 0 -	$ - 0 -	430.6 %	%	%	%	%
$ - 0 -	$ - 0 -	(330.6) %	N/A %	N/A %	N/A %	N/A %
$	$					
$ - 0 -	$ - 0 -					
$ - 0 -	$ - 0 -					
N/A	N/A					
N/A	N/A					

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
FEBRUARY 28, 2026

District Mailing Address - Harris County Municipal Utility District No. 477
c/o Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, TX 77027

District Telephone Number - (713) 860-6400

Board Members	Term of Office (Elected or Appointed)	Fees of Office for the year ended February 28, 2026	Expense Reimbursements for the year ended February 28, 2026	Title
Danny Ware	05/2022 - 05/2026 (Elected)	$ 2,652	$ -0-	President
Cory Budinscak	05/2024 - 05/2028 (Elected)	$ 2,431	$ -0-	Vice President
Roel Huerta	05/2022 - 05/2026 (Elected)	$ 2,210	$ -0-	Secretary
Lyle Klingbeil	05/2024 - 05/2028 (Elected)	$ 4,199	$ 165	Assistant Vice President
Brooke Marrs	06/2025 - 05/2028 (Appointed)	$ 884	$ 190	Assistant Secretary

Note: 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 developer or with any of the District's consultants.

Submission date of most recent District Registration Form: November 19, 2025

The limit on Fees of Office that a Director may receive during a fiscal year is $7,200 as set by Board Resolution on June 18, 2023. Fees of Office are the amounts actually paid to a Director during the District's current fiscal year.

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 477
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
FEBRUARY 28, 2026

Consultants:	Date Hired	Fees for the year ended February 28, 2026	Title
Allen Boone Humphries Robinson LLP	01/11/21	$ 109,457 $ 93,000	General Counsel Bond Related
McCall Gibson Swedlund Barfoot Ellis PLLC	02/23/24	$ 14,250 $ 17,500	Auditor Bond Related
Myrtle Cruz, Inc.	02/08/21	$ 15,358 $ 5,250	Bookkeeper Bond Related
Perdue, Brandon, Fielder, Collins & Mott, LLP	07/12/21	$ 321	Delinquent Tax Attorney
Post Oak Municipal Advisors LLC	02/08/21	$ 64,269	Financial Advisor
LJA Engineering, Inc.	01/11/21	$ 68,443 $ 25,000	Engineer Bond Related
Tax Tech, Inc.	02/08/21	$ 15,320 $ 2,500	Tax Assessor/ Collector Bond Related
Si Environmental, LLC	02/08/21	$ 589,422	Operator
Mary Jarmon	02/08/21	$ -0-	Investment Officer
Hunton Andrews Kurth, LLP	03/21/22	$ 714,828	Condemnation Counsel

See accompanying independent auditor's report.