FORT BEND COUNTY MUNICIPAL
MUNICIPAL UTILITY DISTRICT NO. 50

(Fort Bend County, Texas)

PRELIMINARY OFFICIAL STATEMENT

DATED: JULY 1, 2026

$14,420,000
UNLIMITED TAX BONDS
SERIES 2026

BIDS DUE: 10:00 A.M., HOUSTON TIME
BONDS AWARDED: 12:00 NOON, HOUSTON TIME
WEDNESDAY, AUGUST 5, 2026
HOUSTON, TEXAS

RATHMANN & ASSOCIATES

Financial Advisor to the District

PRELIMINARY OFFICIAL STATEMENT DATED JULY 1, 2026

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

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

*The Bonds will **not** be designated "qualified tax-exempt obligations" for financial institutions.*

NEW ISSUE - Book-Entry Only

Moody's Investors Service, Inc. (Underlying)… "A3"
See "SALE AND DISTRIBUTION OF THE BONDS - Municipal Bond Insurance and Ratings" herein

$14,420,000
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50
(A Political Subdivision of the State of Texas located within Fort Bend County, Texas)
UNLIMITED TAX BONDS, SERIES 2026

Dated: September 1, 2026
Interest Accrual Date: Date of Delivery

Due: September 1, as shown on inside cover

Principal of the above bonds (the "Bonds") is payable by the paying agent/registrar, initially, The Bank of New York Mellon Trust Company, N. A., currently in Houston, Texas, or any successor paying agent/registrar (the "Paying Agent," "Registrar" or "Paying Agent/Registrar"). Interest on the Bonds accrues from the initial date of delivery (expected September 3, 2026) (the "Date of Delivery"), and is payable on March 1, 2027, and on each September 1 and March 1 thereafter until the earlier of maturity or redemption. The Bonds are issued in denominations of $5,000 or any integral multiple thereof in fully registered form only.

The Bonds are subject to redemption prior to maturity at the option of Fort Bend County Municipal Utility District No. 50 (the "District"), as a whole or in part, on September 1, 2031, or any date thereafter, at a price equal to the principal amount thereof plus accrued interest from the most recent interest payment date to the date fixed for redemption. If fewer than all of the Bonds are redeemed at any time, the particular maturities and amounts of the Bonds to be redeemed shall be selected by the District in integral multiples of $5,000 within any one maturity. If fewer than all of the Bonds of any given maturity are to be redeemed at any time, the particular Bonds to be redeemed shall be selected by such method of random selection as determined by the Registrar (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form). The Registered Owner of any Bond, all or a portion of which has been called for redemption, shall be required to present same to the Registrar for payment of the redemption price on the portion of the Bond so called for redemption and issuance of a new Bond in the principal amount equal to the portion of such Bond not redeemed.

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

See Maturity Schedule on the inside cover

The Bonds constitute the twelfth series of unlimited tax bonds issued by the District for the purpose of acquiring and constructing a waterworks, sanitary sewer and storm drainage system (the "System") to serve the District. THE BONDS ARE SUBJECT TO SPECIAL INVESTMENT CONSIDERATIONS DESCRIBED HEREIN. SEE "INVESTMENT CONSIDERATIONS." Voters in the District authorized a total of $156,300,000 principal amount of bonds for the purpose of acquiring and constructing the System or for refunding purposes, $15,180,000 for refunding purposes only and $21,700,000 for the purpose of acquiring and constructing recreational facilities or for refunding such bonds. Following the issuance of the Bonds, $48,110,000 principal amount of unlimited tax bonds authorized by the District's voters for the acquisition or construction of the System or for refunding purposes, $11,032,370.50 for refunding purposes only and $21,700,000 for recreational facilities will remain authorized but unissued. See "THE BONDS – Issuance of Additional Debt."

The Bonds, when issued, constitute valid and binding obligations of the District, and are 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. See "THE BONDS – Source of Payment." Neither the State of Texas, the City of Houston, Texas, Fort Bend County, Texas, nor any political subdivision other than the District shall be obligated to pay the principal of and interest on the Bonds. Neither the faith and credit nor the taxing power of the State of Texas, the City of Houston, Texas, or Fort Bend County, Texas, is pledged to the payment of the principal of and interest on the Bonds.

The Bonds are offered, when, as and if issued by the District, subject among other things to the approval of the Attorney General of Texas and of Allen Boone Humphries Robinson LLP, Houston, Texas, Bond Counsel. Delivery of the Bonds through the facilities of DTC is expected on or about September 3, 2026.

MATURITY SCHEDULE

CUSIP Prefix (a): 346914

Maturity (September 1)	Principal Amount	Interest Rate	Initial Reoffering Yield (b)	CUSIP Suffix (a)
2046 (c)	$75,000	%	%	
2047 (c)	75,000			
2048 (c)	75,000			
2049 (c)	75,000			
****	****			
2053 (c)	4,465,000			
2054 (c)	4,700,000			
2055 (c)	4,955,000			

(a) CUSIP is a registered trademark of the American Bankers Association. CUSIP data is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. CUSIP numbers have been assigned to this issue by the CUSIP Service Bureau and are included solely for the convenience of the owners of the Bonds. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. Neither the District, the Financial Advisor (as defined herein), nor the Underwriter (as defined herein) take any responsibility for the accuracy of CUSIP numbers.

(b) Information with respect to the initial reoffering yields of the Bonds is the responsibility of the Underwriter. Initial reoffering yields represent the initial offering price to the public which has been established by the Underwriter for public offerings, and which subsequently may be changed.

(c) Subject to optional redemption as described on the front cover.

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

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

All of the summaries of the statutes, orders, resolutions, contracts, audits, and engineering and other related reports set forth in the 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 the Financial Advisor.

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

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

This Official Statement contains "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, which generally can be identified with words or phrases such as "anticipates," "believes," "could," "estimates," "expects," "foresees," "may," "predict," "should," "will," or other words orphrases of similar import. All statements included in this Official Statement that any person expects or anticipates will, should or may occur in the future are forward-looking statements. These statements are based on assumptions and analyses made in light of experience and perceptions of historical trends, current conditions, and expected future developments as well as other factors the District believes are appropriate in the circumstances. However, whether actual results and developments conform with expectations and predictions is subject to a number of risks and uncertainties, including, without limitation, the information discussed under "INVESTMENT CONSIDERATIONS" in this Official Statement, as well as additional factors beyond the District's control. The important risk factors and assumptions described under that caption and elsewhere herein could cause actual results to differ materially from those expressed in any forward-looking statement. All of the forward-looking statements made in this Official Statement are qualified by these cautionary statements.

SALE AND DISTRIBUTION OF THE BONDS

Award of the Bonds

After requesting competitive bids for the Bonds, the District has accepted the bid resulting in the lowest net interest cost to the District, which was tendered by ____________________ (referred to herein as the "Underwriter" or the "Initial Purchaser") to purchase the Bonds bearing the interest rates shown under "MATURITY SCHEDULE" at a price of __________% of the principal amount thereof, which resulted in a net effective interest rate of __________%, as calculated pursuant to Chapter 1204, Texas Government Code, as amended.

Prices and Marketability

The delivery of the Bonds is conditioned upon the receipt by the District of a certificate executed and delivered by the Underwriter on or before the date of delivery of the Bonds stating the prices at which a substantial amount of the Bonds of each maturity have been sold to the public. For this purpose the term “public” shall not include any person who is a bond house, broker or similar person acting in the capacity of underwriter or wholesaler. The District has no control over trading of the Bonds after a bona fide offering of the Bonds is made by the Underwriter at the yields specified on the cover page. Information concerning reoffering yields or prices is the responsibility of the Underwriter.

The District has no control over the reoffering yields or prices of the Bonds or 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 prices of the Bonds may be greater than the difference between the bid and asked prices 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.

The prices and other terms respecting the offering and sale of the Bonds may be changed from time to time by the Underwriter after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering price, including sales to dealers who may sell the Bonds into investment accounts.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Securities Laws

No registration statement relating to the Bonds has been filed with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon 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 acts of any other jurisdictions. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be offered, sold, or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds should not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions.

Municipal Bond Insurance and Ratings

Applications have been made to Assured Guaranty Inc. (“AG”) and Build America Mutual Assurance Company (“BAM”) to issue a commitment for municipal bond guaranty insurance on the Bonds. The purchase of such insurance, if available, and payment of all associated costs, including the premium charged by the insurer, and fees charged by any rating companies other than Moody’s Investors Service, Inc. (“Moody’s”), will be at the option and expense of the Underwriter. The Underwriter understands, by submission of its bid, that the Underwriter is solely responsible for the selection of any insurer and for all negotiations with (i) the insurer as to the premium to be paid, and (ii) the insurer and any and all rating companies as to selection of such rating companies, the ratings to be assigned the Bonds as a consequence of the issuance of the municipal bond insurance policy, and the payment of fees in connection with such ratings except the Moody’s rating fees as described below. Moody’s has assigned an underlying rating of “A3” to the Bonds. If the Underwriter chooses to purchase municipal bond insurance on the Bonds, separate rating(s), including a rating by Moody’s, may at the election of the Underwriter be assigned the Bonds based upon the understanding that upon delivery of the Bonds an insurance policy insuring the timely payment of the principal of and interest on the Bonds will be issued by the insurer. The District will pay the cost of both the underlying rating of Moody’s and the Moody’s rating associated with the insurance policy issued relating to the Bonds, if the latter is elected to be used by the Underwriter. As is stated in this Preliminary Official Statement under the caption “NO MATERIAL ADVERSE CHANGE,” if the Underwriter elects to purchase municipal guaranty insurance on the Bonds, the rating of the insurer’s creditworthiness by any rating agency does not and will not in any manner affect the District’s financial condition, and thus any change to such rating, including a downgrade thereof, at any time, does not and will not constitute a change, material or otherwise, in the District’s financial condition, and therefore cannot be a basis for termination by the Underwriter of its obligations to take up and pay for the Bonds.

OFFICIAL STATEMENT SUMMARY

The following material is a summary of certain information contained herein and is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement.

THE BONDS

The Issuer	Fort Bend County Municipal Utility District No. 50 (the "District"), a political subdivision of the State of Texas, is located in Fort Bend County, Texas. See "THE DISTRICT."
Description	Fort Bend County Municipal Utility District No. 50 Unlimited Tax Bonds, Series 2026, in the aggregate principal amount of $14,420,000 are dated September 1, 2026. Interest on the Bonds accrues from the Date of Delivery (as defined herein), at the rates shown on the inside cover hereof, with interest payable on March 1, 2027, and on each September 1 and March 1 thereafter until maturity or prior redemption. The Bonds mature on September 1 in each of the years and in the amounts shown on the inside cover page of this Official Statement. The Bonds are subject to redemption, in whole or in part, prior to their scheduled maturities, on September 1, 2031, or on any date thereafter at the option of the District. Upon redemption, the Bonds will be payable at a price equal to the principal amount of the Bonds, or portions thereof, so called for redemption, plus accrued interest to the date of redemption. See "THE BONDS."
Book-Entry-Only System..............................	The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of DTC (defined herein), pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of and interest on the Bonds will be payable by the Paying Agent/Registrar (hereinafter defined) to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see "THE BONDS - Book-Entry-Only System").
Source of Payment..	Principal of and interest on the Bonds are payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property located within the District. See "THE BONDS - Source of Payment," "TAX DATA - Tax Rate Calculations," and "INVESTMENT CONSIDERATIONS - Maximum Impact on District Tax Rates." The Bonds are obligations of the District, and are not obligations of the State of Texas, Fort Bend County, Texas, the City of Houston, Texas, or any entity other than the District.

Other Characteristics	The Bonds are issued in fully registered form, without coupons, in the denomination of $5,000 each, or any integral multiple thereof.
Use of Proceeds..	Proceeds of the sale of the Bonds will be used by the District to (i) finance the acquisition or construction of Sub-Regional Detention Basin Phase 3; water distribution, sanitary sewer and drainage facilities for the District West Mixed Use development and Light Haven at District West; engineering fees for Light Haven at District West, the North Park Extension, and a TxDOT Detention Basin Expansion; Parkway Lakes Pond A and Westpark Lakes North Lake wall replacements; generator additions for lift stations 2 through 5; Water Plant No. 1 upgrades and rehabilitation; land acquisition for detention on the House Tract; interest payments for Regional Detention Pond land; and storm sewer facilities to serve an 11.51-acre tract; (ii) pay for administrative and issuance costs, legal fees, fiscal agent's fees, fees to the TCEQ and the Attorney General of Texas; and (iii) pay certain financing costs related to the issuance of the Bonds. See "THE BONDS - Use and Distribution of Bond Proceeds."
Payment Record..	The District previously issued its Unlimited Tax Bonds, Series 1987 (the "Series 1987 Bonds") to acquire and construct components of the System (hereinafter defined). The District defaulted on the payment of principal of and interest on the Series 1987 Bonds, filed bankruptcy, and adjusted its debt. Pursuant to such bankruptcy, the Series 1987 Bonds were amended (the "Amended Bonds") by the District in accordance with the "Amended and Restated Resolution Authorizing the Issuance of $4,065,000 Tax Bonds, Series 1987." Home construction and development in the District were recommenced in 1999. In 2007, the District issued its $6,970,000 Unlimited Tax Refunding Bonds, Series 2007 (the "Series 2007 Refunding Bonds") to refund all of the Amended Bonds. In addition to the Series 1987 Bonds and the Series 2007 Refunding Bonds, the District has issued its Unlimited Tax Bonds, Series 2009 (the "Series 2009 Bonds"), Unlimited Tax Bonds, Series 2011 (the "Series 2011 Bonds"), Unlimited Tax Bonds, Series 2011A (the "Series 2011A Bonds"), Unlimited Tax Bonds, Series 2013 (the "Series 2013 Bonds"), Unlimited Tax Bonds, Series 2015 (the "Series 2015 Bonds"), Unlimited Tax Bonds, Series 2016 (the "Series 2016 Bonds"), Unlimited Tax Bonds, Series 2018A (the "Series 2018A Bonds"), Unlimited Tax Bonds, Series 2020A (the "Series 2020A Bonds") Unlimited Tax Bonds, Series 2023 (the "Series 2023 Bonds") and Unlimited Tax Bonds, Series 2023A (the "Series 2023A Bonds") to acquire and construct components of the System; and the Series 2014 Refunding Bonds (the "Series 2014 Refunding Bonds"), Unlimited Tax Refunding Bonds, Series 2015 (the "Series 2015 Refunding Bonds"), Unlimited Tax Refunding Bonds, Series 2017 (the "Series 2017 Refunding Bonds"), Unlimited Tax Refunding Bonds, Series 2018 (the "Series 2018 Refunding Bonds"), Unlimited Tax Refunding Bonds, Series 2020 (the "Series 2020 Refunding Bonds"), and Unlimited Tax Refunding Bonds, Series 2021 (the "Series

2021 Refunding Bonds") to refund bonds previously issued by the District. Collective reference is made in this Official Statement to all of such bonds that the District has issued as the "Prior Bonds." Other than the Series 1987 Bonds, the District has never defaulted in the timely payment of principal of or interest on the Prior Bonds. Before issuance of the Bonds, the aggregate principal amount of the District's outstanding bonded indebtedness, consisting of the maturities of the Outstanding Bonds not heretofore paid by the District, was $80,680,000 (collectively, the "Outstanding Bonds"), and after issuance of the Bonds, the aggregate principal amount of the District's bonded indebtedness, including the Bonds, will be $95,100,000. In addition to the components of the System that the District has financed with the proceeds of the sale of the Prior Bonds and plans to finance with the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of additional components of the System with the proceeds of bonds, if any, to be issued by the District in the future. See "THE BONDS - Issuance of Additional Debt," "DISTRICT DEBT - Debt Service Requirement Schedule," "THE SYSTEM," and "INVESTMENT CONSIDERATIONS - Future Debt."

Authorized But Unissued Bonds................... $48,110,000 bonds for water, sewer and drainage facilities, or for refunding purposes, $11,032,370.50 for refunding purposes only, and $21,700,000 for recreational facilities will remain authorized but unissued after issuance of the Bonds. See "THE BONDS - Authority for Issuance" and - "Issuance of Additional Debt."

To serve Defined Area No. 1 (defined below), $90,477,000 unlimited tax bonds for waterworks, wastewater, and drainage facilities, and refunding bonds issued for such purposes, $42,525,000 unlimited tax bonds for roads and refunding bonds issued for such purpose; and $26,700,000 unlimited tax bonds for parks and recreational facilities, and refunding of bonds issued for such purposes remain authorized but unissued. See "Defined Area" below.

Municipal Bond Insurance and Ratings......... Applications have been made to Assured Guaranty Inc. ("AG") and Build America Mutual Assurance Company ("BAM") to issue a commitment for municipal bond guaranty insurance on the Bonds. The purchase of such insurance, if available, and payment of all associated costs, including the premium charged by the insurer, and fees charged by any rating companies other than Moody's Investors Service, Inc. ("Moody's"), will be at the option and expense of the Underwriter. The Underwriter understands, by submission of its bid, that the Underwriter is solely responsible for the selection of any insurer and for all negotiations with (i) the insurer as to the premium to be paid, and (ii) the insurer and any and all rating companies as to selection of such rating companies, the ratings to be assigned the Bonds as a consequence of the issuance of the municipal bond insurance policy, and the payment of fees in connection with such ratings except the Moody's rating fees as described below. Moody's has assigned an underlying rating of "A3" to the Bonds. If the Underwriter chooses to purchase municipal bond insurance on the Bonds, separate rating(s), including a rating by Moody's, may at the election of the Underwriter be assigned the Bonds based upon the understanding that upon delivery of the Bonds an insurance policy insuring the timely payment of the principal of and interest on the Bonds will be issued by the insurer. The District will pay the cost of both the underlying rating of Moody's and the Moody's rating associated with the insurance policy issued relating to the Bonds, if the latter is elected to be used by the Underwriter. As is stated in this Preliminary Official Statement under the caption "NO MATERIAL ADVERSE CHANGE," if the Underwriter elects to purchase municipal guaranty insurance on the Bonds, the rating of the insurer's creditworthiness by any rating agency does not and will not in any manner affect the District's financial condition, and thus any change to such rating, including a downgrade thereof, at any time, does not and will not constitute a change, material or otherwise, in the District's financial condition, and therefore cannot be a basis for termination by the Underwriter of its obligations to take up and pay for the Bonds.

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

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

Not Qualified Tax-Exempt Obligations .... The Bonds will **not** be designated "qualified tax-exempt obligations" for financial institutions.

THE DISTRICT

Description .... The District, a municipal utility district created by order of the TWC, now the TCEQ, dated March 18, 1986, operates under the authority of Article XVI, Section 59 of the Constitution of Texas and Chapters 49 and 54 of the Texas Water Code. Pursuant to Chapter 7993 of the Texas Special District Local Laws Code, the District also maintains the authority of Article III, Section 52 of the Constitution of Texas, as well as the ability to establish and administer defined areas. The District is subject to the continuing supervision of the TCEQ. The District contains approximately 1,463.44 acres of land. The District is located approximately twenty-four miles southwest of the central business district of Houston, Texas, in the northern portion of Fort Bend County, Texas. The District is generally bounded on the north by FM 1093. Canal (Belew) Road forms a portion of the District's west boundary and traverses a portion of the District in a north-south direction. Bellaire Boulevard traverses the District in an east-west direction. The Grand Parkway (SH 99) traverses the District in a north-south direction. The District is located approximately seven miles west of the intersection of FM 1093 and State Highway 6 and approximately 7 miles south of Interstate Highway 10. See "APPENDIX A - LOCATION MAP." The District is located entirely within the extraterritorial jurisdiction of the City of Houston, Texas, and lies wholly within Fort Bend County, Texas. Approximately 1,107.15 acres of land located in the District also lie within FBLID No. 12, which provides flood protection and outfall drainage to the District, and such land within the District is subject to taxation by FBLID No. 12. See "THE SYSTEM - Flood Protection and Drainage Facilities" and - "100-Year Flood Plain" and "INVESTMENT CONSIDERATIONS - Overlapping District Taxes and Functions."

Authority .... The rights, powers, privileges, authority and functions of the District are established by Article III, Section 52 and Article XVI, Section 59 of the Constitution of the State of Texas and the general laws of the State of Texas pertaining to municipal utility districts, particularly Chapters 49 and 54 of the Texas Water Code, as amended. See "THE DISTRICT - General."

Defined Area .... On July 2, 2025, pursuant to Section 7993.055 of the Texas Special District Local Laws Code, the District designated Defined Area No. 1 (the "Defined Area") over an approximate 189.9-acre tract located within the District. HT Taylor Morrison of Texas, Inc. has constructed water, sewer, drainage, recreational and road facilities within Defined Area No. 1. The District has agreed to reimburse such developer for a portion of these costs, plus interest, from the proceeds of bond issuances that are secured by ad valorem taxes collected solely from Defined Area No. 1 and are solely obligations of Defined Area No. 1. As described below, the development within Defined Area No. 1, includes Blue Creek Trails, a residential development that has an ultimate build-out of 389 single-family lots, and approximately 14.5 acres on which a school is expected to be constructed. The development is separated into five sections and includes four detention facilities. Blue Creek Trails, Sections 1 and 2 (196 lots) are currently under development and Sections 3 through 5 (193 lots) will be developed in the future. To finance a portion of the facilities serving Defined Area No. 1, the District will issue bonds (the "Defined Area Bonds"), secured solely by ad valorem taxes levied and collected within Defined Area No. 1. Any Defined Area Bonds are not included as part of the District-wide outstanding obligations, as such Defined Area Bonds are secured solely by the ad valorem taxes collected within Defined Area No. 1. For purposes of the Bonds, any Defined Area Bonds are considered to be separate obligations of the District. Defined Area No. 1 has not yet issued any bonds.

The District levies taxes that are imposed on the entirety of the District, including Defined Area No. 1 (the "District-wide Tax") and taxes that are imposed on Defined Area No. 1 only (the "Defined Area Tax"). Defined Area Taxes levied by the District cannot be used to pay debt service on the Bonds, but can be used to pay debt service on any Defined Area Bonds.

For 2025, the District levied a District-wide Tax that consisted of a debt service tax of $0.47 per $100 of Assessed Valuation and a maintenance tax of $0.38 per $100 of Assessed Valuation. In addition, for 2026, the District levied a Defined Area Tax that consisted of a maintenance tax only of $0.65 per $100 of Assessed Valuation.

Development, Home Construction and Developers ....

Land within the District is being developed primarily for single-family residential, multi-family residential and commercial usage. As of June 1, 2026, an aggregate of 1,717 homes have been constructed in the District, 1,600 of which have been sold to homeowners, while the remaining 117 are build-to-rent homes that are currently being rented to tenants. Such homes have been constructed on the 1,717 fully-developed single-family residential lots that have been developed on a total of approximately 392.2 acres of land located in the District.

In addition, Taylor Morrison of Texas, Inc. is currently developing Blue Creek Trails, Sections 1 and 2 (an aggregate of 237 lots on approximately 58.3 acres) within Defined Area No. 1, with completion expected in approximately July 2027. Taylor Morrison of Texas, Inc. owns approximately 61.3 acres of land located within the District on which it intends to develop Blue Creek Trails, Sections 3 through 5 (an aggregate of 193 lots). The District cannot represent whether or when such development will be completed or undertaken.

The development of Westpark Lakes, Section 1, Parkway Lakes, Sections 1 through 3, Lost Creek, Sections 1 through 5, Meadows of Parkway Lakes, Grand Meadows, Sections 1 through 4, Grand Ridge Crossing, Grand Trails, and Light Haven at District West Section 1 (collectively including approximately 392.2 total acres, 1,717 total single-family residential lots), is complete in the District, including water supply and distribution, wastewater collection and treatment, and storm drainage facilities (the "System") and street paving. The development of approximately 39.9 acres located within the District is underway, with completion expected in approximately July 2027, on which a 330-unit apartment complex, a fast food restaurant, an elementary school, and a commercial retail center are being constructed. In addition, a fire station has been constructed on approximately 4 acres located within the District.

Approximately 89.1 acres within the District have been developed with multifamily residential as follows: the 349-unit Cendana District West Apartments on approximately 13.2 acres; the 386-unit MIO District West Apartments on approximately 15.9 acres; the 324-unit Allora District West Apartments on approximately 12.8 acres; the 360-unit Prose District West Apartments on approximately 13.4 acres; and the 433-unit Cyan Cinco Ranch Apartments on approximately 20.6 acres; and The Delaney at Parkway Lakes senior living facility on approximately 13.2 acres. See "INVESTMENT CONSIDERATIONS - Certain Tax Exemptions Provided for Affordable Housing."

A total of approximately 147.2 acres of land within the District has been developed for commercial usage on which approximately 140.82 acres of commercial improvements totaling approximately 1,505,915 square feet of building area have been constructed as follows. Approximately 76.56 of such approximately 147.2 acres contain a total of approximately 725,090 square feet of completed building area in the Shops at Bella Terra. Approximately 8.35 of such approximately 147.2 acres contain a total of approximately 54,468 square feet of completed building area in the Shops at Parkway Lakes. Completed commercial improvements located within the District include the Shops at Bella Terra, the Shops at Parkway Lakes and other commercial developments are set forth below.

The Shops at Bella Terra - Approximately 725,090 total square feet of building area, including: Super Wal-Mart, Kohl's Department Store, 24 Hour Fitness, Best Buy, 9 retail strip centers, 10 freestanding commercial buildings including restaurants and a medical facility, and a Public Storage facility.

Shops at Parkway Lakes - Approximately 54,468 total square feet of building area comprised of 7 freestanding commercial buildings including a car wash, auto parts store, day care, and other tenants, and a retail strip center.

Additional Commercial Development - Approximately 726,355 total square feet of building area, including 11 freestanding commercial buildings, including two gas station/convenience stores, a car wash, self-storage facility 2 medical facilities, a senior living facility, a movie theater, a day care facility, an office building, Sam's Club store, auto parts store, a restaurant, a retail strip center and 3 office condominium buildings.

A total of approximately 567.5 acres of currently undeveloped land located within the District are available for future development. Approximately 25.40 of the currently undeveloped acres located within the District are owned by CNS Ventures LLC. Approximately 42.66 of the currently undeveloped acres located within the District that are currently expected to be developed for single-family residential usage are owned by 3535 Wilcrest, Ltd. According to the District's tax rolls, approximately 268.94 of such currently undeveloped acres located within the District are owned by WBH Ranches, L.P. ("WBH"). Approximately 142.14 currently undeveloped acres located within the District are owned by Cathexis Legacy Holdings, LLC ("Cathexis"). WBH and Cathexis have indicated to the District that they are proceeding with the development of the WBH and Cathexis property consisting of a mixed use commercial, retail, and multi-family development, but, to date, the District has not received a definitive land plan or build-out projections. Approximately 113.47 currently undeveloped acres located within the District are owned by multiple additional parties, none of which has reported a definitive development plan to the District covering any of such acres. Since none of the owners of any of such currently undeveloped acres has any obligation to the District to develop any of such acres according to any timetable or at all, the District cannot represent whether or when the development of any of such acres might be undertaken. The remaining acreage within the District consists of drainage easements, detention ponds, rights-of-way, District wastewater and water plant sites, or is otherwise not available for future development.

The District financed its portion of the cost of the acquisition or construction of the components of the System that serve Westpark Lakes, Section 1, Parkway Lakes, Sections 1 through 3, Lost Creek, Sections 1 through 5, Meadows of Parkway Lakes, Grand Meadows, Sections 1 through 4, Grand Trails, Section 1, District East at Parkway Lakes, Shops at Bella Terra, Phases 2 through 5, Bellaire Boulevard, Bellaire Crossing at Parkway Lakes, Grand Lakes Crossing, the Stripes Tract, Southeast Corner, District West at Parkway Lakes, and certain other facilities, with portions of the proceeds of the sale of the Prior Bonds. The District is financing Sub-Regional Detention Basin Phase 3; water distribution, sanitary sewer and drainage facilities for the District West Mixed Use development and Light Haven at District West; engineering fees for Light Haven at District West, the North Park Extension, and a TxDOT Detention Basin Expansion; Parkway Lakes Pond A and Westpark Lakes North Lake wall replacements; generator additions for lift stations 2 through 5; Water Plant No. 1 upgrades and rehabilitation; land acquisition for detention on the House Tract; interest payments for Regional Detention Pond land; and storm sewer facilities to serve an 11.51-acre tract with portions of the proceeds of the sale of the Bonds. In addition to the components of the System that the District has financed with the proceeds of the Prior Bonds and plans to finance with the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of additional components of the System with the proceeds of bonds, if any, to be issued by the District in the future. See “THE BONDS - Issuance of Additional Debt,” “FUTURE DEVELOPMENT,” “THE SYSTEM,” and “INVESTMENT CONSIDERATIONS - Future Debt.”

Overlapping District Taxes and Functions ......

FBLID No. 12 currently provides flood protection and major outfall drainage for approximately 4,045 acres of land, including approximately 1,107.15 acres that are located within the District. FBLID No. 12 issued Unlimited Tax Levee Improvement Bonds, Series 1986 (the “FBLID No. 12 Series 1986 Bonds”) to finance the facilities which have been constructed to accomplish flood protection and accommodate storm water drainage within FBLID No. 12, including the land located within the District. FBLID No. 12 defaulted on the FBLID No. 12 Series 1986 Bonds, filed bankruptcy and adjusted its debt. Home construction and development in the area were recommenced in 1999. Pursuant to such bankruptcy, the FBLID No. 12 Series 1986 Bonds were amended by FBLID No. 12 (the “FBLID No.

12 Amended Bonds"). FBLID No. 12 issued its $16,315,000 Unlimited Tax Levee Improvement Refunding Bonds, Series 2005 to refund all of the FBLID No. 12 Amended Bonds and to restructure its indebtedness, and Unlimited Tax Levee Improvement Refunding Bonds, Series 2012 and Unlimited Tax Levee Improvement Refunding Bonds, Series 2013 to refund portions of the FBLID No. 12 Series 2005 Refunding Bonds. In addition, FBLID No. 12 has issued Unlimited Tax Levee Improvement Refunding Bonds, Series 2019 to refund portions of the FBLID No. 12 Series 2012 Refunding Bonds, and Unlimited Tax Levee Improvement Refunding Bonds, Series 2020 to refund portions of the FBLID No. 12 Series 2012 and Series 2013 Refunding Bonds. FBLID No. 12 has $3,050,000 bonds currently outstanding. FBLID No. 12 levies a tax on property located within FBLID No. 12, including upon the 1,107.15 acres located within the District, which tax is in addition to the tax levied by the District. FBLID No. 12's 2025 taxable Assessed Valuation is $3,672,426,232. FBLID No. 12 levied a tax of $0.04 per $100 of Assessed Valuation for 2025, $0.015 per $100 of Assessed Valuation of which tax is a debt service tax and $0.025 per $100 of Assessed Valuation of which tax is a maintenance tax.

The District levied a debt service tax in the amount of $0.47 per $100 of Assessed Valuation for 2025, plus a maintenance tax of $0.38 per $100 of Assessed Valuation. Thus, the combined tax levies of the District and FBLID No. 12 are $0.89 per $100 of Assessed Valuation for 2025. For 2026, the District levied a Defined Area Tax that consisted of a maintenance tax only of $0.65 per $100 of Assessed Valuation. Such combined levies are higher than the tax rates levied by some municipal utility districts in the Houston metropolitan area, but are within the range of tax rates being levied by municipal utility districts in the Houston metropolitan area which are in stages of development comparable with the District. As is described in this Official Statement under the caption "TAX DATA - Estimated Overlapping Taxes," the aggregate of the 2025 tax levies of all units of government which levy taxes against the property located within the District, plus the 2025 tax of the District and FBLID No. 12 is $2.5214 per $100 of Assessed Valuation for the portion of the District that does not include Defined Area No. 1 and $3.1314 per $100 of Assessed Valuation for the District and the portion of the District that lies within Defined Area No. 1. No portion of the District is located within both Defined Area No. 1 and FBLID No. 12. Such aggregate levies are higher than the aggregate of the tax levies of some municipal utility districts located in the greater Houston metropolitan area, but is within the range of the aggregate tax levies of municipal utility districts in the Houston metropolitan area which are in stages of development comparable with the District. To the extent that such composite tax rates are not competitive with competing developments, the growth of property tax values in the District and the investment quality or security of the Bonds could be adversely affected.

Prospective purchasers of the Bonds are reminded that development which has occurred to date or which is planned to occur on land covered by FBLID No. 12 other than the District creates Assessed Valuation of property against which taxes will be levied to pay debt service on bonds issued by districts other than the District. The development or lack thereof which occurs in the districts within FBLID No. 12 other than the District will have an effect on the level of indebtedness and debt service payments thereon of such districts and FBLID No. 12, which ultimately could affect the development of the District and the investment quality or security of the Bonds.

THE DISTRICT'S TAX IS LEVIED ONLY ON THE PROPERTY LOCATED WITHIN THE DISTRICT. THEREFORE, THE INVESTMENT SECURITY AND QUALITY OF THE BONDS IS DEPENDENT UPON THE SUCCESSFUL DEVELOPMENT OF PROPERTY LOCATED WITHIN THE DISTRICT AND THE PAYMENT AND COLLECTION OF TAXES LEVIED THEREON. NEVERTHELESS, THE PACE AND EXTENT OF DEVELOPMENT OF LAND LOCATED IN FBLID NO. 12 OTHER THAN THE DISTRICT WILL AFFECT THE TAX LEVIED BY FBLID NO. 12, AND THUS THE TOTAL TAX BURDEN ON LAND IN THE DISTRICT. SEE “INVESTMENT CONSIDERATIONS.”

INVESTMENT CONSIDERATIONS

THE BONDS ARE SUBJECT TO CERTAIN INVESTMENT CONSIDERATIONS. PROSPECTIVE PURCHASERS SHOULD REVIEW THE ENTIRE OFFICIAL STATEMENT BEFORE MAKING AN INVESTMENT DECISION, INCLUDING PARTICULARLY THE SECTION OF THE OFFICIAL STATEMENT ENTITLED “INVESTMENT CONSIDERATIONS.”

SELECTED FINANCIAL INFORMATION
(UNAUDITED)

2025 Assessed Valuation	$	1,172,985,838	(a)
(As of January 1, 2025)			
See “TAX DATA” and “TAXING PROCEDURES”			
2026 Preliminary Valuation	$	1,284,819,582	(b)
(As of January 1, 2026)			
See “TAX DATA” and “TAXING PROCEDURES”			
Direct Debt:			
Outstanding Bonds	$	80,680,000	
The Bonds		14,420,000	
Total	$	95,100,000	(c)
Estimated Overlapping Debt	$	133,083,625	
Total Direct and Estimated Overlapping Debt	$	228,183,625	
Direct Debt Ratios			
: as a percentage of 2025 Assessed Valuation		8.11	%
: as a percentage of 2026 Preliminary Valuation		7.40	%
Direct and Overlapping Debt Ratios			
: as a percentage of 2025 Assessed Valuation		19.45	%
: as a percentage of 2026 Preliminary Valuation		17.76	%
Debt Service Fund Balance as of June 3, 2026	$	9,504,873	(d)
General Fund Balance as of June 3, 2026	$	17,396,775	
2025 Tax Rate per $100 of Assessed Valuation			
The District			
Debt Service Tax $0.47			
Maintenance Tax 0.38			
Total	$	0.85	(e)
Fort Bend County Levee Improvement District No. 12		0.04	(e)
Total District and Levee Improvement District No. 12	$	0.89	(e)
2026 Tax Rate per $100 of Assessed Valuation			
Defined Area No. 1			
Maintenance Tax		0.65	(e)
Average Percentage of Total Tax Collections (2015-2024) as of June 30, 2026		99.90	%
Percentage of 2025 Tax Collections as of June 30, 2026		99.16	%
Average Annual Debt Service Requirements on the Bonds and the Outstanding Bonds (2027-2055)	$	5,509,284	
Maximum Annual Debt Service Requirements on the Bonds and the Outstanding Bonds (2051)	$	6,464,300	

Tax Rate per $100 of Assessed Valuation Required to Pay Average Annual Debt Service Requirements on the Bonds and the Outstanding Bonds (2027-2055) at 95% Tax Collections		
Based Upon 2025 Assessed Valuation	$	0.50
Based Upon 2026 Preliminary Valuation	$	0.46
Tax Rate per $100 of Assessed Valuation Required to Pay Maximum Annual Debt Service Requirements on the Bonds and the Outstanding Bonds (2051) at 95% Tax Collections		
Based Upon 2025 Assessed Valuation	$	0.59
Based Upon 2026 Preliminary Valuation	$	0.53
Number of Single Family Homes as of June 1, 2026		1,717

Completed Commercial Improvements - Approximately 1,505,915 Total Square Feet of Building Area, including:

The Shops at Bella Terra - Approximately 725,090 total square feet of building area, including: Super Wal-Mart, Kohl's Department Store, 24 Hour Fitness, Best Buy, 9 retail strip centers, 10 freestanding commercial buildings including restaurants and a medical facility, and a Public Storage facility.

Shops at Parkway Lakes - Approximately 54,468 total square feet of building area comprised of 7 freestanding commercial buildings including a car wash, auto parts store, day care, and other tenants, and a retail strip center.

Additional Commercial Development - Approximately 726,355 total square feet of building area, including: 11 freestanding commercial buildings including two gas station/convenience stores, a car wash, self-storage facility, 2 medical facilities, a senior living facility, a movie theater, a day care facility, an office building, Sam's Club store, auto parts store, a restaurant, a retail strip center and 3 office condominium buildings.

Improvements Under Construction – 330-unit apartment complex, a fast food restaurant, an elementary school, a commercial retail center – completion anticipated approximately July 2027.

Completed Apartments - the 349-unit Cendana District West Apartments; the 386-unit MIO District West Apartments; the 324-unit Allora District West Apartments; the 360-unit Prose District West Apartments; and the 433-unit Cyan Cinco Ranch Apartments; and The Delaney at Parkway Lakes senior living facility.

(a) As of January 1, 2025, and comprises the District's 2025 tax roll. All property located in the District is valued on the tax rolls by the Fort Bend Central Appraisal District (the "Appraisal District") at 100% of taxable assessed value as of January 1 of each year. The District's tax roll is certified by the Fort Bend County Appraisal Review Board (the "Appraisal Review Board"). See "INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments" and "TAXING PROCEDURES."

(b) This amount is the sum of the preliminary values of all taxable property located within the District as of January 1, 2026, as reflected on the District's preliminary 2026 tax roll supplied to the District by the Appraisal District, and includes the preliminary 2026 value resulting from the construction of taxable improvements from January 1, 2025, through December 31, 2025. No taxes will be levied on this estimate. The District's ultimate 2026 Assessed Valuation may vary significantly from such preliminary tax roll once the Appraisal Review Board certifies the value thereof for 2026. See "TAXING PROCEDURES."

(c) See "DISTRICT DEBT." In addition to the components of the System that the District has financed with the proceeds of the Prior Bonds and plans to finance with the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of additional components of the System with the proceeds of bonds, if any, to be issued by the District in the future. See "THE BONDS - Issuance of Additional Debt" and - "Use and Distribution of Bond Proceeds," "FUTURE DEVELOPMENT," "THE SYSTEM" and "INVESTMENT CONSIDERATIONS - Future Debt."

(d) Neither Texas law nor the Bond Resolution requires the District to maintain any particular sum in the Debt Service Fund. Such fund balance reflects the timely payment by the District of its debt service requirements on the Outstanding Bonds that were due on March 1, 2026. The District's remaining debt service payments for 2026, which are due on September 1, 2026, total $3,261,437. The initial payment on the Bonds consists of the payment of interest thereon due on March 1, 2027. The General Fund does not include separate funds allocated to Defined Area No. 1 General Fund. Such funds will be derived solely from Defined Area No. 1 Tax.

(e) Approximately 1,107.15 acres of land located in the District also lie within FBLID No. 12 and are subject to taxation by FBLID No. 12. The District levied a debt service tax in the amount of $0.47 per $100 of Assessed Valuation for 2025, plus a maintenance tax of $0.38 per $100 of Assessed Valuation. Thus, the combined tax levies of the District and FBLID No. 12 are $0.89 per $100 of Assessed Valuation for 2025. For 2026, the District levied a Defined Area Tax that consisted of a maintenance tax only of $0.65 per $100 of Assessed Valuation. Such combined levies are higher than the tax rates levied by some municipal utility districts in the Houston metropolitan area, but are within the range of tax rates being levied by municipal utility districts in the Houston metropolitan area which are in stages of development comparable with the District. As is described in this Official Statement under the caption "TAX DATA - Estimated Overlapping Taxes," the aggregate of the 2025 tax levies of all units of government which levy taxes against the property located within the District, plus the 2025 tax of the District and FBLID No. 12 is $2.5214 per $100 of Assessed Valuation for the portion of the District that does not include Defined Area No. 1 and $3.1314 per $100 of Assessed Valuation for the District and the portion of the District that lies within Defined Area No. 1. No portion of the District is located within both Defined Area No. 1 and FBLID No. 12. Such aggregate levies are higher than the aggregate of the tax levies of some municipal utility districts located in the greater Houston metropolitan area, but is within the range of the aggregate tax levies of municipal utility districts in the Houston metropolitan area which are in stages of development comparable with the District. See "INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments" and "Overlapping District Taxes and Functions."

$14,420,000
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50
UNLIMITED TAX BONDS
SERIES 2026

INTRODUCTION

This Official Statement provides certain information with respect to the issuance by Fort Bend County Municipal Utility District No. 50 (the “District”) of its Unlimited Tax Bonds, Series 2026 (the “Bonds”). The Bonds are issued pursuant to Article XVI, Section 59 of the Texas Constitution, the general laws of the State of Texas, including particularly Chapters 49 and 54, Texas Water Code, as amended, an order of the Texas Commission on Environmental Quality (the “TCEQ”), elections held within the District on May 6, 2017 (see “THE BONDS - Authority for Issuance”), and a resolution authorizing issuance of the Bonds (the “Bond Resolution”) adopted by the Board of Directors of the District (the “Board”).

Included in this Official Statement are descriptions of the Bonds, the plan of financing, and certain information about the District and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from Allen Boone Humphries Robinson LLP, Phoenix Tower, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027, upon payment of duplication costs. Certain capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Bond Resolution, except as otherwise indicated herein.

THE BONDS

General

The Bonds are dated September 1, 2026. Interest accrues from the date of initial delivery (the “Date of Delivery”), at the rates shown on the inside cover page hereof, with interest payable on March 1, 2027, and on each September 1 and March 1 thereafter until the earlier of stated maturity or redemption. The Bonds are fully registered bonds maturing on September 1 in each of the years and in the amounts shown under “MATURITY SCHEDULE” on the inside cover page of this Official Statement. Principal of the Bonds will be payable by the paying agent/registrar, initially, The Bank of New York Mellon Trust Company, N.A., in Houston, Texas, or any successor paying agent/registrar (the “Paying Agent,” “Registrar” or “Paying Agent/Registrar”).

The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds. Beneficial Owners (as defined herein) 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 below under “Book-Entry-Only System.

Book-Entry-Only System

This section describes how ownership of the Bonds is to be transferred and how the principal of and interest on the Bonds are to be paid to and credited by The Depository Trust Company, New York, New York, (“DTC”) while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The District and the Financial Advisor believe the source of such information to be reliable, but neither of the District or the Financial Advisor takes any responsibility for the accuracy or completeness thereof.

The District cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the

Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, NY, 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, 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 3.5 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 S&P Global rating 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 system for the Bonds is discontinued.

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

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

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

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 securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/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 transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

Assignments, Transfers and Exchanges

In the event the Book-Entry-Only System is discontinued, the Bonds may be transferred, registered and assigned only on the registration books of the Registrar, and such registration and transfer shall be without expense or service charge to the Registered Owner, except for any tax or other governmental charges required to be paid with respect to such registration and transfer. A Bond may be assigned by the execution of an assignment form on the Bonds or by other instrument of transfer and assignment acceptable to the Registrar. Any Bond may be transferred or exchanged upon its presentment and surrender at the office of the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner. To the extent possible, new Bonds issued in an exchange or transfer of Bonds will be delivered to the Registered Owner or assignee of the owner in not more than three business days after the receipt of the request in proper form to transfer or exchange the Bonds. New Bonds registered and delivered in an exchange or transfer shall be in denominations of $5,000 or any integral multiple thereof for any one maturity and for a like aggregate principal amount or maturity amount as the Bond or Bonds surrendered for exchange or transfer. Neither the District nor the Registrar is required (1) to transfer or exchange any Bond during a period beginning at the opening of business on a Record Date and ending at the close of business on the next succeeding interest payment date, or (2) to transfer or exchange any Bond selected for redemption in whole or in part within thirty (30) calendar days of the redemption date. The District has agreed to replace mutilated, destroyed, lost or stolen Bonds upon surrender of the mutilated Bonds, or receipt of satisfactory evidence of such destruction, loss or theft and receipt by the District and the Registrar of security or indemnity to keep them harmless. The District will require payment of taxes, governmental charges and other expenses in connection with any such replacement.

Redemption Provisions

The Bonds shall be subject to redemption and payment at the option of the District, in whole or from time to time in part, on September 1, 2031, or on any date thereafter, at a price equal to the principal amount thereof plus accrued interest to the date fixed for redemption. Notice of the exercise of the reserved right of redemption will be given at least thirty (30) days prior to the redemption date by sending such notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the bond register. If fewer than all of the Bonds are redeemed at any time, the particular maturity or maturities and amounts to be redeemed shall be selected by the District. If fewer than all of the Bonds within a maturity are to be redeemed, the Registrar shall designate by method of random selection the Bonds within such maturity to be redeemed (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form). The Registered Owner of any Bond, all or a portion of which has been called for redemption, shall be required to present same to the Registrar for payment of the redemption price on the portion of the Bonds so called for redemption and issuance of a new Bond in the principal amount equal to the portion of such Bond not redeemed.

Replacement of Registrar

Provision is made in the Bond Resolution for replacement of the Registrar. If the Registrar is replaced by the District, the new paying agent/registrar shall act in the same capacity as the previous Registrar. In order to act as Registrar for the Bonds, any paying agent/registrar selected by the District shall be a national or state banking institution, 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.

Authority for Issuance

Voters of the District have authorized the issuance of a total of $156,300,000 unlimited tax bonds at elections held on April 5, 1986, August 12, 2000, and May 6, 2017, for the purpose of financing the construction of waterworks, wastewater, and drainage facilities (the "System"), $137,000,000 of which may be utilized for refunding purposes, and at an election held within the District on May 2, 1992, the voters of the District authorized $15,180,000 unlimited tax refunding bonds that may only be utilized for refunding purposes. Voters also authorized the issuance of $21,700,000 unlimited tax bonds for the purpose of financing the construction or recreational facilities, or for refunding said bonds at the election held on May 6, 2017. Following the issuance of the Bonds, $48,110,000 bonds for waterworks, wastewater, and drainage facilities, or for refunding purposes, $11,032,370.50 bonds for refunding purposes only and $21,700,000 for recreational facilities, and refunding such bonds, will remain authorized but unissued. See "Issuance of Additional Debt" below. The voters separately authorized Defined Area No. 1 Bonds at an election held on November 4, 2025, which authorization is separate and apart from the authorization which is relied upon for the Bonds.

Payment Record

The District previously issued its Unlimited Tax Bonds, Series 1987 (the "Series 1987 Bonds") to acquire and construct components of the System. The District defaulted on the payment of principal of and interest on the Series 1987 Bonds, filed bankruptcy, and adjusted its debt. Pursuant to such bankruptcy, the Series 1987 Bonds were amended (the "Amended Bonds") by the District in accordance with the "Amended and Restated Resolution Authorizing the Issuance of $4,065,000 Tax Bonds, Series 1987." Home construction and development in the District were recommenced in 1999. In 2007, the District issued its $6,970,000 Unlimited Tax Refunding Bonds, Series 2007 (the "Series 2007 Refunding Bonds") to refund all of the Amended Bonds. In addition to the Series 1987 Bonds and the Series 2007 Refunding Bonds, the District has issued its Unlimited Tax Bonds, Series 2009 (the "Series 2009 Bonds"), Unlimited Tax Bonds, Series 2011 (the "Series 2011 Bonds"), Unlimited Tax Bonds, Series 2011A (the "Series 2011A Bonds"), Unlimited Tax Bonds, Series 2013 (the "Series 2013 Bonds"), Unlimited Tax Bonds, Series 2015 (the "Series 2015 Bonds"), Unlimited Tax Bonds, Series 2016 (the "Series 2016 Bonds"), Unlimited Tax Bonds, Series 2018A (the "Series 2018A Bonds"), Unlimited Tax Bonds, Series 2020A (the "Series 2020A Bonds"), Unlimited Tax Bonds, Series 2023 (the "Series 2023 Bonds") and Unlimited Tax Bonds, Series 2023A (the "Series 2023A Bonds") to acquire and construct components of the System; and the Series 2014 Refunding Bonds (the "Series 2014 Refunding Bonds"), Unlimited Tax Refunding Bonds, Series 2015 (the "Series 2015 Refunding Bonds"), Unlimited Tax Refunding Bonds, Series 2017 (the "Series 2017 Refunding Bonds"), Unlimited Tax Refunding Bonds, Series 2018 (the "Series 2018 Refunding Bonds"), Unlimited Tax Refunding Bonds, Series 2020 (the "Series 2020 Refunding Bonds"), and Unlimited Tax Refunding Bonds, Series 2021 (the "Series 2021 Refunding Bonds") to refund bonds previously issued by the District. Collective reference is made in this Official Statement to all of such bonds that the District has issued as the "Prior Bonds." Other than the Series 1987 Bonds, the District has never defaulted in the timely payment of principal of or interest on the Prior Bonds. Before issuance of the Bonds, the aggregate principal amount of the District's outstanding bonded indebtedness, consisting of the maturities of the Outstanding Bonds not heretofore paid by the District, was $80,680,000 (collectively, the "Outstanding Bonds"), and after the issuance of the Bonds, the aggregate principal amount of the District's bonded indebtedness, including the Bonds, will be $95,100,000. In addition to the components of the System that the District has financed with the proceeds of the sale of the Prior Bonds and plans to finance with the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of additional components of the System with the proceeds of bonds, if any, to be issued by the District in the future. See "THE BONDS - Issuance of Additional Debt," "PLAN OF FINANCING," "DISTRICT DEBT - Debt Service Requirement Schedule," "THE SYSTEM," and "INVESTMENT CONSIDERATIONS - Future Debt."

Source of Payment

The Bonds (together with the Outstanding Bonds, and such additional tax bonds as may hereafter be issued by the District) are 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. In the Bond Resolution, the District covenants to levy a sufficient tax to pay principal of and interest on the Bonds, with full allowance being made for delinquencies, costs of collections, and Registrar fees. Tax proceeds, after deduction for collection costs, will be placed in the debt service fund and used solely to pay principal of and interest on the Bonds, on such additional bonds payable from taxes which may be issued, and Registrar fees.

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

Issuance of Additional Debt

The District's voters have authorized the issuance of a total of $156,300,000 unlimited tax bonds for construction of the System, or for refunding purposes, and could authorize additional amounts. The District's voters have authorized a total of $15,180,000 unlimited tax bonds for refunding purposes only and $21,700,000 for construction of recreational facilities, or for refunding said bonds. After issuance of the Bonds, the District will be authorized to issue $48,110,000 of the former referenced System authorization, $11,032,370.50 additional unlimited tax refunding bonds from the latter referenced authorization and $21,700,000 for construction of recreational facilities, or for refunding said bonds. The Bond Resolution imposes no limitation on the amount of additional parity bonds which may be issued by the District if authorized by the District's voters and approved by the Board and, in the case of unlimited tax bonds for the System, by the Texas Commission on Environmental Quality (the "TCEQ"). The District may issue additional unlimited tax bonds necessary to provide improvements and facilities consistent with the purposes for which the District was created.

The District's voters within Defined Area No. 1 have authorized the issuance of $90,477,000 unlimited tax bonds for waterworks, wastewater, and drainage facilities to serve Defined Area No. 1, and refunding bonds issued for such purposes, $42,525,000 unlimited tax bonds for roads to serve Defined Area No. 1 and refunding bonds issued for such purpose; and $26,700,000 unlimited tax bonds for parks and recreational facilities to serve Defined Area No. 1, and refunding of bonds issued for such purposes and could authorize additional amounts. The District has not yet issued any Defined Area bonds. The Bond Resolution imposes no limitation on the amount of Defined Area bonds which may be issued by the District.

The District has the right to issue the aforementioned bonds without the necessity of further voter authorization. Before issuing any additional bonds for the System, the District would have to obtain approval of the TCEQ for the issuance of such bonds and the projects to be financed thereby. Since the District has not financed all components of its System necessary to complete construction of the System, the District anticipates issuing additional bonds for such purposes as future development in the District necessitates. In addition to the above-mentioned bonds, the District has the right to issue such additional tax bonds, revenue bonds, or combination tax and revenue bonds as may be hereafter approved by the voters of the District. The District also has the right to issue revenue notes, bond anticipation notes, and tax anticipation notes without the necessity of voter approval. In addition, the District has the right to enter into contracts and to pledge its taxing power to secure any payments the District is required to make under such a contract, provided the provisions of the contract are approved by the voters of the District. The District further has the right to issue refunding bonds, in addition to the refunding bonds described above, with additional voter approval.

The District's consulting engineer, BGE, Inc. (the "Engineer") currently estimates that the aforementioned $48,110,000 authorized unlimited tax bonds for the System which remain unissued will be adequate to finance the construction of all System facilities that will be necessary to provide service to all of the currently undeveloped portions of the District. In addition to the components of the System that the District has financed with the proceeds of the Prior Bonds and plans to finance with the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of additional components of the System with the proceeds of bonds, if any, to be issued by the District in the future. See "DISTRICT DEBT - Debt Service Requirement Schedule," "FUTURE DEVELOPMENT," "THE SYSTEM," and "INVESTMENT CONSIDERATIONS - Future Debt."

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

The District is authorized by statute to develop parks and recreational facilities, including the issuing of bonds payable from taxes for such purpose. Before the District could issue park bonds payable from taxes, the following actions would be required: (a) approval of the park project and bonds by the TCEQ; and (b) approval of the bonds by the Attorney General of Texas. If the District does issue park bonds, under existing state law, 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 (1%) but not greater than three percent (3%) of the value of the taxable property in the District. The Board has adopted a park plan but has not yet utilized its aforementioned bond authorization for the purpose of constructing recreational facilities.

Pursuant to Chapter 7993 of the Texas Special District Local Laws Code ("Chapter 7993"), the District is authorized to establish and administer defined areas (each a "Defined Area") as provided by Subchapter J of Chapter 54 of the Texas Water Code to pay for improvements, facilities, or services that primarily benefit Defined Area No. 1, including water, sewer, and drainage facilities, park and recreational facilities, and road improvements. On July 2, 2025, pursuant to Section 7993.055 of the Texas Special District Local Laws Code, the District designated a Defined Area No. 1 (the "Defined Area") over an approximate 189.9-acre tract located within the District. In addition, for 2026, the District levied a Defined Area Tax that consisted of a maintenance tax only of $0.65 per $100 of Assessed Valuation. No funds generated by any Defined Area tax are being pledged as payment to the Bonds. No acreage within Defined Area No. 1 is subject to taxation by FBLID No. 12. See "THE DISTRICT – The Defined Area."

Pursuant to Chapter 7993, the District is further authorized, consistent with Article III, Section 52 of the Texas Constitution, the power to design, construct, and finance certain road facilities. Before the District could issue bonds to pay for such road facilities, the following actions would be required: (i) authorization of road facilities bonds and a road facilities operation and maintenance tax by the qualified voters in the District; and (ii) approval of the bonds by the Attorney General of the State of Texas.

If additional debt obligations are issued in the future by the District, such issuance may increase gross debt/property ratios and might adversely affect the investment security of the Bonds. See "INVESTMENT CONSIDERATIONS - Future Debt."

No Arbitrage

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

Annexation

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the City of Houston, the District must conform to a City of Houston consent ordinance. Generally, the District may be annexed by the City of Houston without the District's consent, and the City cannot annex territory within the District unless it annexes the entire District. However, the City may not annex the District unless (i) such annexation has been approved by a majority of those voting in an election held for that purpose within the area to be annexed, and (ii) if the registered voters in the area to be annexed do not own more than 50 percent of the land in the area, a petition has been signed by more than 50 percent of the landowners consenting to the annexation. Notwithstanding the preceding sentence, the described election and petition process does not apply during the term of a strategic partnership agreement between the City and the District specifying the procedures for full purpose annexation of all or a portion of the District. See "Strategic Partnership Agreement" below for a description of the terms of the Strategic Partnership Agreement between the City and the District.

If the District is annexed, the City of Houston will assume the District's assets and obligations (including the Bonds) and dissolve the District. 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 annexation occur.

Strategic Partnership

As of March 30, 2005, the District entered into a strategic partnership agreement (the "Agreement") with the City of Houston pursuant to Section 43.0751, Texas Local Government Code, whereby the commercial portion of the District was annexed into the City for limited purposes, while the balance of the District remains in the City's extraterritorial jurisdiction. The City and the District may amend the Agreement at any time, and have entered into three amendments to add additional commercial acreage in the District to the area that was annexed by the City for limited purposes. The most recent amendment between the District and the City was a Third Amended and Restated Strategic Partnership Agreement (the "Third Restatement") entered into as of May 8, 2012. As a result of the Agreement, as amended, the City imposes its one percent sales and use tax (but not its property taxes) with the area of limited purpose annexation, and remits one-half of the City's sales and use tax receipts from within the District to the District to be used for any lawful District purpose. In addition, the City agrees not to annex the District for general purposes for the 30-year term of the Agreement, as amended, thus, unless otherwise agreed by the City and the District, delaying for at least 30 years from the effective date of the Third Restatement (May 8, 2012), any dissolution of the District and assumption of its assets and liabilities (including the Bonds) by the City. The District has entered into Economic Development Agreements with certain developers of land within the District under which the District has agreed to make economic development grant payments to such developers from sales taxes collected and remitted to the District if certain development requirements are met. Funds received by the District under the Agreement and any economic development agreements are not pledged to the payment of the Bonds.

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 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.

Registered Owners' Remedies

Pursuant to Texas law, the Bond Resolution provides that, in the event the District defaults in the payment of the principal of or interest on any of the Bonds when due, fails to make payments required by the Bond Resolution into the Debt Service Fund, or defaults in the observance or performance of any of the other covenants, conditions or obligations set forth in the Bond Resolution, any Registered Owner shall be entitled to seek a writ of mandamus from a court of competent jurisdiction compelling and requiring the District to make such payments or to observe and perform such covenants, obligations or conditions. Such right is in addition to other rights the Registered Owners may be provided by the laws of the State of Texas.

In the event of default in the payment of principal of or interest on the Bonds, the Registered Owners may seek a writ of mandamus requiring the District to observe and perform its covenants and obligations to levy adequate taxes to make such payments. Except for the remedy of mandamus, the Bond Resolution does not specifically provide for remedies to a Registered Owner in the event of a District default, nor does it provide for the appointment of a trustee 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. Even if the Registered Owners could obtain a judgment against the District, such a judgment could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on the property of the District or sell property within the District in order to pay the principal of or interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may be further limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. For example, a Chapter 9 bankruptcy proceeding by the District could delay or eliminate payment of principal or interest to the Registered Owners. See "Bankruptcy Limitation to Registered Owners' Rights" below. Certain traditional legal remedies also may not be available.

Bankruptcy Limitation to Registered Owners' Rights

The enforceability of the rights and remedies of the Registered Owners may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. Subject to the requirements of Texas law, the District may voluntarily proceed under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. 901-946, if the District: (1) is generally authorized to file for federal bankruptcy protection by 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. Under Texas law, a municipal utility district such as the District must obtain the approval of the TCEQ prior to filing for bankruptcy. The TCEQ must investigate the financial condition of the District and will authorize the District to proceed only if the TCEQ determines that the District has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

If the District decides in the future to proceed voluntarily under the Federal Bankruptcy Code, the District would develop and file a plan for the adjustment of its debts and the Bankruptcy Court would confirm the District's plan if: (1) the plan complies with the applicable provisions of the Federal Bankruptcy Code; (2) all payments to be made in connection with the plan are fully disclosed and reasonable; (3) the District is not prohibited by law from taking any action necessary to carry out the plan; (4) administrative expenses are paid in full; and (5) the plan is in the best interests of creditors and is feasible. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect a Registered Owner by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of such Registered Owner's claim against the District.

The District may not be placed into bankruptcy involuntarily.

THE DISTRICT DEFAULTED ON ITS UNLIMITED TAX BONDS, SERIES 1987, FILED BANKRUPTCY, AND ADJUSTED ITS DEBT. PURSUANT TO SUCH BANKRUPTCY, THE SERIES 1987 BONDS WERE AMENDED BY THE DISTRICT (THE "AMENDED BONDS"). IN 2007, THE DISTRICT ISSUED THE SERIES 2007 REFUNDING BONDS, THE PROCEEDS OF THE SALE OF WHICH WERE USED TO REFUND ALL OF THE AMENDED BONDS. SEE "DISTRICT BANKRUPTCY" HEREIN.

Legal Investment and Eligibility to Secure Public Funds in Texas

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

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

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

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

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

Defeasance

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

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

There is no assurance that the current law will not be changed in the future in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds. Because the Bond Resolution does not contractually limit such investments, Registered Owners may be deemed to have consented to defeasance with such other investments, notwithstanding the fact that such investments may not be of the same investment quality of those currently permitted under Texas law.

Use and Distribution of Bond Proceeds

Proceeds of the sale of the Bonds will be used by the District to (i) finance the acquisition or construction of Sub-Regional Detention Basin Phase 3; water distribution, sanitary sewer and drainage facilities for the District West Mixed Use development and Light Haven at District West; engineering fees for Light Haven at District West, the North Park Extension, and a TxDOT Detention Basin Expansion; Parkway Lakes Pond A and Westpark Lakes North Lake wall replacements; generator additions for lift stations 2 through 5; Water Plant No. 1 upgrades and rehabilitation; land acquisition for detention on the House Tract; interest payments for Regional Detention Pond land; and storm sewer facilities to serve an 11.51-acre tract; (ii) pay for administrative and issuance costs, legal fees, fiscal agent's fees, fees to the TCEQ and the Attorney General of Texas; and (iii) pay certain financing costs related to the issuance of the Bonds.

I.	**Construction Costs**	**District's Share**
A.	Developer Contribution Items	
	1. Sub-Regional Detention Facilities	$1,099,589
	2. District West Mixed-Use – Water Distribution, Sanitary Sewer and Drainage Facilities	1,926,806
	3. Light Haven at District West – Water Distribution, Sanitary Sewer and Drainage Facilities	2,054,369
	4. Engineering	359,011
	Total Developer Contribution Items	$5,439,775
B.	District Items	
	1. Parkway Lakes Pond A Wall Replacement	$1,083,075
	2. Westpark Lakes North Lake Wall Replacement	386,190
	3. Lift Stations 2, 3, 4 and 5 Generator Additions	852,400
	4. Water Plant No. 1 Upgrades and Rehabilitation	309,000
	5. Contingencies	263,067
	6. Engineering	434,060
	7. Land Acquisition for Detention on House Tract	3,578,214
	8. Regional Detention Pond Land Interest Payments	501,596
	9. Storm Sewer Facilities to Serve 11.51 Acre Tract	350,000
	Total District Items	$7,757,601
	Less Surplus Funds	(775,000)
	TOTAL CONSTRUCTION COSTS	$12,422,376

II. Non-Construction Costs

1.	Legal Fees	$328,400
2.	Fiscal Agent Fees	288,400
3.	Developer Interest	780,221
4.	Bond Discount	432,600
5.	Bond Issuance Expenses	47,452
6.	Bond Application Report Costs	75,000
7.	Attorney General Fee	9,500
8.	TCEQ Bond Issuance Fee	36,050
9.	Contingency	0
	TOTAL NON-CONSTRUCTION COSTS	$1,997,624
	TOTAL BOND ISSUE REQUIREMENT	**$14,420,000**

The construction costs described above were compiled by the Engineer, based in some cases on the estimated costs of the System. Non-construction costs are based upon either contract amounts or estimates. In the instance that estimated amounts exceed the actual costs, the difference comprises a surplus which may be expended. However, the District cannot and does not guarantee the sufficiency of funds for such purposes. Contingency represents the difference in the estimated and actual amounts of Bond Discount.

DISTRICT BANKRUPTCY

On December 17, 1991, the District filed an application with the Texas Water Commission (the "TWC") (now the TCEQ) requesting authorization to file a petition in bankruptcy under Chapter 9 of the United States Bankruptcy Code. By order dated May 14, 1992, the TWC approved the District's application, and on February 16, 1994, the District filed a voluntary petition in the United States Bankruptcy Court for the Southern District of Texas, Case No. 94-41165-H4-9, for relief under Chapter 9 of the United States Bankruptcy Code. Fort Bend County Levee Improvement District No. 12 ("FBLID No. 12"), within whose boundaries the District is located, had on May 27, 1993, filed an application with the TWC requesting authorization to file a petition in bankruptcy under Chapter 9 of the United States Bankruptcy Code, which request was approved by the Texas Natural Resource Conservation Commission, successor to the TWC (now the TCEQ) by Order dated September 9, 1993. On September 30, 1993, FBLID No. 12 filed a voluntary petition in the Bankruptcy Court, Case No. 93-47142-H4-9, for relief under Chapter 9 of the Bankruptcy Code. The cases were handled together after the filing with the Bankruptcy Court by the District. On December 1, 1994, the District and FBLID No. 12 filed a Joint Plan of Adjustment of their debts with the Bankruptcy Court (the "Plan"), and FBLID No. 12 filed a Second Amendment to the Joint Plan of Adjustment on February 22, 1995. The Plan, as amended, provided among other things that as of the effective date of the plan, the District's remaining outstanding Unlimited Tax Bonds, Series 1987 (the "Series 1987 Bonds") would be amended and modified as set forth in the plan. On February 24, 1995, the Bankruptcy Court entered the confirmation order approving the Joint Plan of Adjustment and the Second Amendment to the Joint Plan of Adjustment of the District and FBLID No. 12 (the "Amended Plan"), and the Amended Plan became effective on March 29, 1995 (the "Effective Date").

The Plan provided for five classes of claims against the District:

Class M-1:	Administrative Expense Claims
Class M-2:	Priority Claims
Class M-3:	MUD 50 Bond Claims
Class M-4:	Claims of Delinquent Tax Counsel
Class M-5:	General Unsecured Claims

As set forth in the Amended Plan, and pursuant to the Amended and Restated Resolution Authorizing the Issuance of $4,065,000 Unlimited Tax Bonds, Series 1987, adopted by the District on March 1, 1995, Amended Bonds were delivered by the District in exchange for the Series 1987 bonds (Class M-3 Claims). In 2007, the District issued its $6,970,000 Unlimited Tax Refunding Bonds, Series 2007 to refund all of the Amended Bonds. The District has fully satisfied the Class M-1, M-3, and M-4 claims pursuant to the terms of the Amended Plan. There were no Class M-2 or M-5 claims. Therefore, no Claim remains outstanding under the Amended Plan.

THE DISTRICT

Authority

The District is a municipal utility district created by an order of the TWC, predecessor of the TCEQ, dated March 18, 1986. The creation of the District was confirmed at an election held within the District on April 5, 1986. The rights, powers, privileges, authority, and functions of the District are established by the general laws of the State of Texas pertaining to municipal utility districts, including Article XVI, Section 59 of the Constitution of Texas and Chapters 49 and 54 of the Texas Water Code. The District is subject to the continuing supervision of the TCEQ.

The District is empowered, among other things, to purchase, construct, operate, and maintain all works, improvements, facilities, and plants necessary for the supply of water; the collection, transportation, and treatment of wastewater; and the control and diversion of storm water, including such facilities to serve Defined Area No. 1.

Pursuant to Chapter 7993, the District is further authorized, consistent with Article III, Section 52 of the Texas Constitution, the power to design, construct, and finance certain road facilities. In addition, the District is empowered to finance parks and recreational facilities and road facilities serving Defined Area No. 1. Before the District could issue bonds to pay for such road facilities, the following actions would be required: approval of the bonds by the Attorney General of the State of Texas.

Under certain limited circumstances the District also is authorized to construct, develop, and maintain park and recreational facilities. In addition, the District is authorized to establish, operate, and maintain a fire department, independently or with one or more other conservation and reclamation districts, and provide such facilities and services to the customers of the District.

The TCEQ exercises continuing supervisory jurisdiction over the District. In order to obtain the consent of Houston, within whose extraterritorial jurisdiction the District lies for creation of the District, the District has agreed to observe certain Houston requirements. These requirements limit the purposes for which the District may sell bonds to the acquisition and improvement of waterworks, wastewater, and drainage facilities, park and recreational facilities, fire-fighting facilities, and refunding purposes; limit the net effective interest rate on such bonds and other terms of such bonds; and require approval by Houston of the District's construction plans and specifications.

Description

The District, a municipal utility district created by order of the TWC, now the TCEQ, dated March 18, 1986, operates under the authority of Article XVI, Section 59 of the Constitution of Texas and Chapters 49 and 54 of the Texas Water Code. Pursuant to Chapter 7993 of the Texas Special District Local Laws Code, the District also maintains the authority of Article III, Section 52 of the Constitution of Texas, as well as the ability to establish and administer defined areas. The District is subject to the continuing supervision of the TCEQ. The District contains approximately 1,463.44 acres of land. The District is located approximately twenty-four miles southwest of the central business district of Houston, Texas, in the northern portion of Fort Bend County, Texas. The District is generally bounded on the north by FM 1093. Canal (Belew) Road forms a portion of the District's west boundary and traverses a portion of the District in a north-south direction. Bellaire Boulevard traverses the District in an east-west direction. The Grand Parkway (SH 99) traverses the District in a north-south direction. The District is located approximately seven miles west of the intersection of FM 1093 and State Highway 6 and approximately 7 miles south of Interstate Highway 10. See "APPENDIX A - LOCATION MAP." The District is located entirely within the extraterritorial jurisdiction of the City of Houston, Texas, and lies wholly within Fort Bend County, Texas. Approximately 1,107.15 acres of land located in the District also lie within FBLID No. 12, which provides flood protection and outfall drainage to the District, and such land within the District is subject to taxation by FBLID No. 12. See "THE SYSTEM - Flood Protection and Drainage Facilities" and - "100-Year Flood Plain" and "INVESTMENT CONSIDERATIONS - Overlapping District Taxes and Functions."

Defined Area

On July 2, 2025, pursuant to Section 7993.055 of the Texas Special District Local Laws Code, the District designated a Defined Area No. 1 (the "Defined Area") over an approximate 189.9-acre tract located within the District. HT Taylor Morrison of Texas, Inc. has constructed water, sewer, drainage, recreational and road facilities within Defined Area No. 1. The District has agreed to reimburse such developer for a portion of these costs, plus interest, from the proceeds of bond issuances that are secured by ad valorem taxes collected solely from Defined Area No. 1 and are solely obligations of Defined Area No. 1. As described below, the development within Defined Area No. 1, includes Blue Creek Trails, a residential development that has an ultimate build-out of 389 single-family lots, and approximately 14.5 acres on which a school is expected to be constructed. The development is separated into five sections and includes four detention facilities. Blue Creek Trails, Sections 1 and 2 (196 lots) are currently under development and Sections 3 through 5 (193 lots) will be developed in the future. To finance a portion of the facilities serving Defined Area No. 1, the District will issue bonds (the "Defined Area Bonds"), secured solely by ad valorem taxes levied and collected within Defined Area No. 1. Any Defined Area Bonds are not included as part of the District-wide outstanding obligations as such Defined Area Bonds are secured solely by the ad valorem taxes collected within Defined Area No. 1. For purposes of the Bonds, any Defined Area Bonds are considered to be separate obligations of the District. Defined Area No. 1 has not yet issued any bonds.

The District levies taxes that are imposed on the entirety of the District, including Defined Area No. 1 (the "District-wide Tax") and taxes that are imposed on Defined Area No. 1 only (the "Defined Area Tax"). Defined Area Taxes levied by the District cannot be used to pay debt service on the Bonds, but can be used to pay debt service on any Defined Area Bonds.

For 2025, the District levied a District-wide Tax that consisted of a debt service tax of $0.47 per $100 of Assessed Valuation and a maintenance tax of $0.38 per $100 of Assessed Valuation. In addition, for 2026, the District levied a Defined Area Tax that consisted of a maintenance tax only of $0.65 per $100 of Assessed Valuation.

Management of the District

The District is governed by the Board of Directors, consisting of five directors. The Board of Directors has control over and management supervision of all affairs of the District. Directors serve four-year staggered terms, and elections are held within the District in May in even numbered years. The current members and officers of the Board, along with their respective terms of office, are listed below. All of the Directors currently reside within the District.

Name	Position	Term Expires in May
Leon Bridges, Jr.	President	2030
Ken Mathews	Vice President	2030
Paula Vitello	Secretary	2028
Reginald Stubblefield	Assistant Vice President	2030
Sandy Lewis	Assistant Secretary	2028

The District does not have a general manager or any other employee, but has contracted for services, as follows.

Tax Assessor/Collector - The District has engaged Tax Tech, Inc. as the District's Tax Assessor/Collector. The Tax Assessor/Collector applies the District's tax levy to tax rolls prepared by the Fort Bend Central Appraisal District and bills and collects such levy.

Consulting Engineers - The District has employed the firm of BGE, Inc. (the "Engineer") in connection with the overall planning activities and the design and construction of the System.

Bookkeeper - The District has engaged District Data Services, Inc. as the District's Bookkeeper.

Auditor - As required by the Texas Water Code, the District retains an independent auditor to audit the District's financial statements annually, which annual audit is filed with the TCEQ. The District's current auditor is Mark C. Eyring CPA, PLLC. A copy of the District's audit for the fiscal year ended September 30, 2025, which was prepared by Mark C. Eyring CPA, PLLC, is included as "APPENDIX B" to this Official Statement.

Utility System Operator – Municipal District Services, L.L.C. is the general operator of the System.

Bond Counsel and General Counsel - Allen Boone Humphries Robinson LLP, Houston, Texas ("Bond Counsel") serves as Bond Counsel to the District. The fee to be paid Bond Counsel for services rendered in connection with the issuance of the Bonds is contingent upon the sale and delivery of the Bonds. In addition, Allen Boone Humphries Robinson LLP serves as general counsel to the District on matters other than the issuance of bonds.

Disclosure Counsel - McCall, Parkhurst & Horton L.L.P., 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.

Financial Advisor - The District has engaged Rathmann & Associates, L.P., as financial advisor (the "Financial Advisor") to the District. The fees paid the Financial Advisor for services rendered in connection with the issuance of the Bonds are based on a percentage of the Bonds actually issued and sold. Therefore, the payment of such fees is contingent upon the sale and delivery of the Bonds. Rathmann & Associates, L.P. is an independent municipal advisor registered with the United States Securities and Exchange Commission (the "SEC") and the Municipal Securities Rulemaking Board (the "MSRB"). Rathmann & Associates, L.P.'s SEC registration number is 867-00217 and its MSRB registration number is K0161. Rathmann & Associates, L.P.'s SEC registration Forms MA and MA-1's, which constitute Rathmann & Associates, L.P.'s registration filings, may be accessed through http://www.sec.gov/edgar/searchedgar/company search.html.

DEVELOPMENT AND HOME CONSTRUCTION

Land within the District is being developed primarily for single-family residential, multi-family residential and commercial usage. As of June 1, 2026, an aggregate of 1,717 homes have been constructed in the District, 1,600 of which have been sold to homeowners, while the remaining 117 are build-to-rent homes that are currently being rented to tenants. Such homes have been constructed on the 1,717 fully-developed single-family residential lots that have been developed on a total of approximately 392.2 acres of land located in the District.

In addition, Taylor Morrison of Texas, Inc. is currently developing Blue Creek Trails, Sections 1 and 2 (an aggregate of 237 lots on approximately 58.3 acres) within Defined Area No. 1, with completion expected in approximately July 2027. Taylor Morrison of Texas, Inc. owns approximately 61.3 acres of land located within the District on which it intends to develop Blue Creek Trails, Sections 3 through 5 (an aggregate of 193 lots). The District cannot represent whether or when such development will be completed or undertaken.

The development of Westpark Lakes, Section 1, Parkway Lakes, Sections 1 through 3, Lost Creek, Sections 1 through 5, Meadows of Parkway Lakes, Grand Meadows, Sections 1 through 4, Grand Ridge Crossing, Grand Trails, and Light Haven at District West Section 1 (collectively including approximately 392.2 total acres, 1,717 total single-family residential lots), is complete in the District, including water supply and distribution, wastewater collection and treatment, and storm drainage facilities (the "System") and street paving. The development of approximately 39.9 acres located within the District is underway, with completion expected in approximately July 2027, on which a 330-unit apartment complex, a fast food restaurant, an elementary school, and a commercial retail center are being constructed. In addition, a fire station has been constructed on approximately 4 acres located within the District.

Approximately 89.1 acres within the District have been developed with multifamily residential as follows: the 349-unit Cendana District West Apartments on approximately 13.2 acres; the 386-unit MIO District West Apartments on approximately 15.9 acres; the 324-unit Allora District West Apartments on approximately 12.8 acres; the 360-unit Prose District West Apartments on approximately 13.4 acres; and the 433-unit Cyan Cinco Ranch Apartments on approximately 20.6 acres; and The Delaney at Parkway Lakes senior living facility on approximately 13.2 acres. See "INVESTMENT CONSIDERATIONS - Certain Tax Exemptions Provided for Affordable Housing."

A total of approximately 147.2 acres of land within the District has been developed for commercial usage on which approximately 140.82 acres of commercial improvements totaling approximately 1,505,915 square feet of building area have been constructed as follows. Approximately 76.56 of such approximately 147.2 acres contain a total of approximately 725,090 square feet of completed building area in the Shops at Bella Terra. Approximately 8.35 of such approximately 147.2 acres contain a total of approximately 54,468 square feet of completed building area in the Shops at Parkway Lakes. Completed commercial improvements located within the District include the Shops at Bella Terra, the Shops at Parkway Lakes and other commercial developments are set forth below.

The Shops at Bella Terra - Approximately 725,090 total square feet of building area, including: Super Wal-Mart, Kohl's Department Store, 24 Hour Fitness, Best Buy, 9 retail strip centers, 10 freestanding commercial buildings including restaurants and a medical facility, and a Public Storage facility.

Shops at Parkway Lakes - Approximately 54,468 total square feet of building area comprised of 7 freestanding commercial buildings including a car wash, auto parts store, day care, and other tenants, and a retail strip center.

Additional Commercial Development - Approximately 726,355 total square feet of building area, including 11 freestanding commercial buildings, including two gas station/convenience stores, a car wash, self-storage facility 2 medical facilities, a senior living facility, a movie theater, a day care facility, an office building, Sam's Club store, auto parts store, a restaurant, a retail strip center and 3 office condominium buildings.

A total of approximately 567.5 acres of currently undeveloped land located within the District are available for future development. Approximately 25.40 of the currently undeveloped acres located within the District are owned by CNS Ventures LLC. Approximately 42.66 of the currently undeveloped acres located within the District that are currently expected to be developed for single-family residential usage are owned by 3535 Wilcrest, Ltd. According to the District's tax rolls, approximately 268.94 of such currently undeveloped acres located within the District are owned by WBH Ranches, L.P. ("WBH"). Approximately 142.14 currently undeveloped acres located within the District are owned by Cathexis Legacy Holdings, LLC ("Cathexis"). WBH and Cathexis have indicated to the District that they are proceeding with the development of the WBH and Cathexis property consisting of a mixed use commercial, retail, and multi-family development, but, to date, the District has not received a definitive land plan or build-out projections. Approximately 113.47 currently undeveloped acres located within the District are owned by multiple additional parties, none of which has reported a definitive development plan to the District covering any of such acres. Since none of the owners of any of such currently undeveloped acres has any obligation to the District to develop any of such acres according to any timetable or at all, the District cannot represent whether or when the development of any of such acres might be undertaken. The remaining acreage within the District consists of drainage easements, detention ponds, rights-of-way, District wastewater and water plant sites, or is otherwise not available for future development.

The District financed its portion of the cost of the acquisition or construction of the components of the System that serve Westpark Lakes, Section 1, Parkway Lakes, Sections 1 through 3, Lost Creek, Sections 1 through 5, Meadows of Parkway Lakes, Grand Meadows, Sections 1 through 4, Grand Trails, Section 1, District East at Parkway Lakes, Shops at Bella Terra, Phases 2 through 5, Bellaire Boulevard, Bellaire Crossing at Parkway Lakes, Grand Lakes Crossing, the Stripes Tract, Southeast Corner, District West at Parkway Lakes, and certain other facilities, with portions of the proceeds of the sale of the Prior Bonds. The District is financing Sub-Regional Detention Basin Phase 3; water distribution, sanitary sewer and drainage facilities for the District West Mixed Use development and Light Haven at District West; engineering fees for Light Haven at District West, the North Park Extension, and a TxDOT Detention

Basin Expansion; Parkway Lakes Pond A and Westpark Lakes North Lake wall replacements; generator additions for lift stations 2 through 5; Water Plant No. 1 upgrades and rehabilitation; land acquisition for detention on the House Tract; interest payments for Regional Detention Pond land; and storm sewer facilities to serve an 11.51-acre tract with portions of the proceeds of the sale of the Bonds. In addition to the components of the System that the District has financed with the proceeds of the Prior Bonds and plans to finance with the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of additional components of the System with the proceeds of bonds, if any, to be issued by the District in the future. See "THE BONDS - Issuance of Additional Debt," "FUTURE DEVELOPMENT," "THE SYSTEM," and "INVESTMENT CONSIDERATIONS - Future Debt."

As of June 1, 2026, the status of land development and home construction within the District was as follows:

	LOTS				HOMES				
					Under Construction		Complete		
Subdivision	Developed	Acres	Under Development	Acres	Sold	Unsold	Sold	Unsold	Totals
Westpark Lakes									
Section 1	192	41.5			0	0	192	0	192
Parkway Lakes									
Section 1	133	45.5			0	0	133	0	133
Section 2	78	25.3			0	0	78	0	78
Section 3	92	22.1			0	0	92	0	92
Lost Creek									
Section 1	157	40.5			0	0	157	0	157
Section 2	219	48.1			0	0	219	0	219
Section 3	78	20.0			0	0	78	0	78
Section 4	51	10.6			0	0	51	0	51
Section 5	51	10.3			0	0	51	0	51
Meadows of Parkway Lakes	91	20.0			0	0	91	0	91
Grand Meadows									
Section 1	64	12.7			0	0	64	0	64
Section 2	70	15.4			0	0	70	0	70
Section 3	103	23.9			0	0	103	0	103
Section 4	6	1.5			0	0	6	0	6
Grand Ridge Crossing*	86	20.1			0	0	86	0	86
Grand Trails	129	24.2			0	0	129	0	129
Light Haven at District West									
Section 1	117	11.5			0	0	117	0	117
Blue Creek Trails									
Section 1			97	22.7					
Section 2			140	35.6					
Totals	1,717	393.2	237	58.3	0	0	1,717	0	1,717

* The land that has been developed as Grand Ridge Crossing was originally platted as Grand Lakes Crossing.

DEVELOPERS AND PRINCIPAL LAND OWNERS

Role of a Developer

In general, the activities of a developer in a municipal utility district such as the District include purchasing the land within the District, designing the subdivision, designing the utilities and streets to be emplaced in the subdivision, designing any community facilities to be built, defining a marketing program and building schedule, securing necessary governmental approvals and permits for development, arranging for the construction of roads and the installation of utilities (including, in some cases, water, sewer, and drainage facilities pursuant to the rules of the TCEQ, as well as gas, telephone, and electric service) and selling improved lots and commercial reserves to builders, developers, or other third parties. In some instances, the developer will be required to pay up to thirty percent (30%) of the cost of emplacing certain of the water, wastewater and drainage facilities in the utility district pursuant to the rules of the TCEQ. The District requested an exemption from such developer participation requirement with respect to the Prior Bonds on the basis of one of the criteria under TCEQ rules for such exemption. The TCEQ granted the request for such exemption in its Orders authorizing the District to issue the Prior Bonds. The relative success or failure of a developer to perform such activities in development of the property within a utility district may have a profound effect on the security of the unlimited tax bonds issued by a district. A developer is generally under no obligation to a district to develop the property which it owns in a district. Furthermore, there is no restriction on the developer's right to sell any or all of the land which the developer owns within a district. In addition, a developer is ordinarily a major taxpayer within a municipal utility district during the development phase of the property.

Description of the Developers and Principal Land Owners

Descriptions of certain developers that have undertaken development projects to date in the District and of certain other principal land owners that own land that is located within the District follow. The developer of the 303 fully developed single-family residential lots located within the District that have been subdivided as Parkway Lakes, Sections 1 through 3 is Parkway Lakes Development, Inc., a Texas corporation ("PLDI") whose principal shareholder is Sun Coast Financial, Inc. PLDI has sold all of the Parkway Lakes, Sections 1 through 3 lots to home building companies that have constructed homes on all of such lots and have sold all of such homes to homeowners.

Taylor Morrison of Texas, Inc., a Texas corporation ("TM"), is currently developing Blue Creek Trails, Sections 1 and 2 (an aggregate of 237 lots on approximately 58.3 acres) within Defined Area No. 1, with completion expected in approximately July 2027. Taylor Morrison of Texas, Inc. owns approximately 61.3 acres of land located within the District on which it intends to develop Blue Creek Trails, Sections 3 through 5 (an aggregate of 193 lots). The District cannot represent whether or when such development will be completed or undertaken.

Approximately 24.2 acres located within the District were developed by Meritage Homes of Texas, LLC ("Meritage") which has developed such acres as Grand Trails (approximately 24.2 acres, 129 single-family residential lots). Meritage has sold all of the Grand Trails lots to home building companies that have constructed homes on all of such lots and have sold all of such homes to homeowners.

TM, PLDI, and Meritage are referred to herein together as the "Developers."

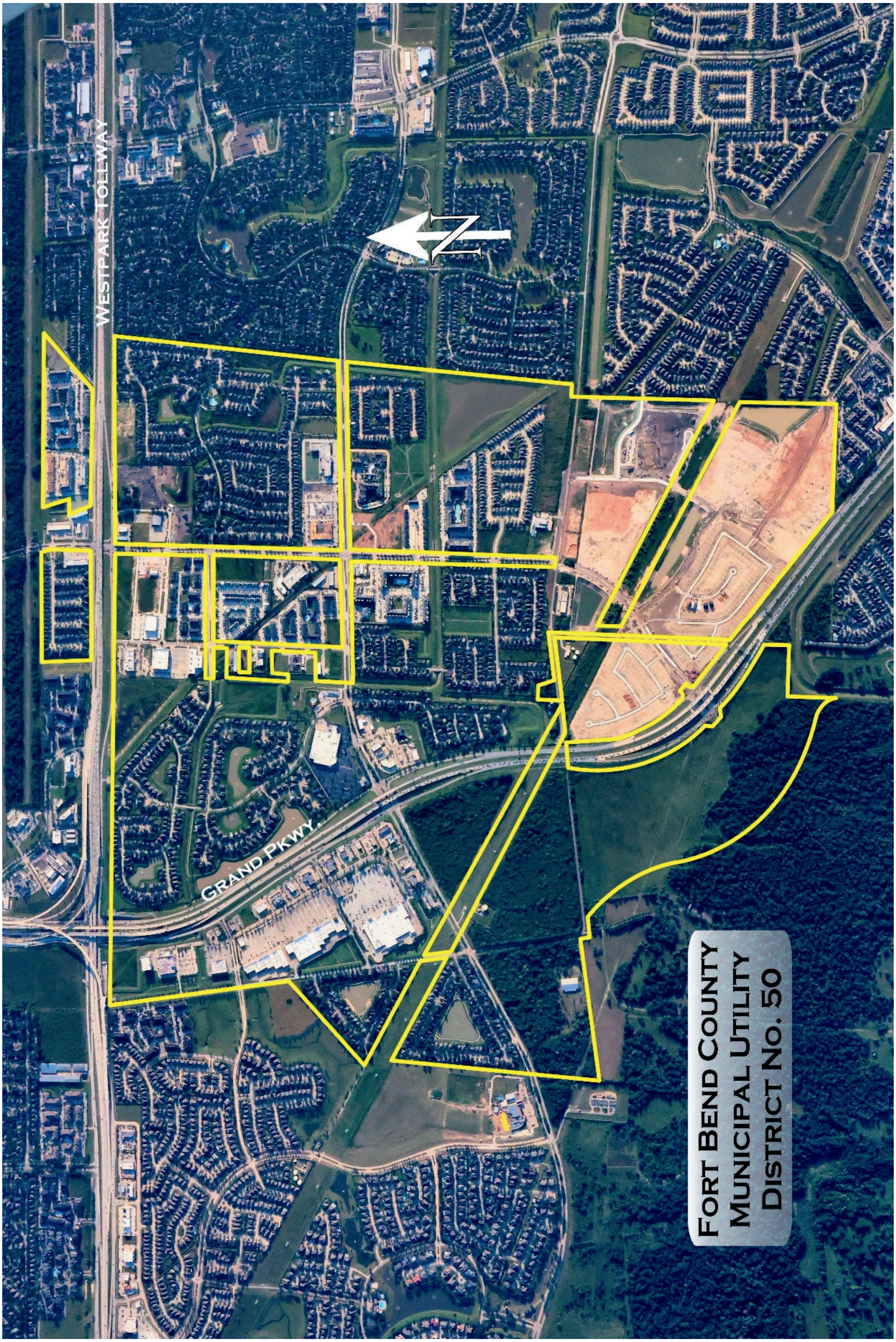
Approximately 5.2 acres of land within the District have been developed for commercial usage by Grand Park Professional Place, LLC, on which three office condominium buildings totaling approximately 16,700 square feet of building area on approximately 1.8 acres have been constructed.

A total of approximately 567.5 acres of currently undeveloped land located within the District are available for future development. Approximately 25.40 of the currently undeveloped acres located within the District are owned by CNS Ventures LLC. Approximately 42.66 of the currently undeveloped acres located within the District that are currently expected to be developed for single-family residential usage are owned by 3535 Wilcrest, Ltd. According to the District's tax rolls, approximately 268.94 of such currently undeveloped acres located within the District are owned by WBH Ranches, L.P. ("WBH"). Approximately 142.14 currently undeveloped acres located within the District are owned by Cathexis Legacy Holdings, LLC ("Cathexis"). WBH and Cathexis have indicated to the District that they are proceeding with the development of the WBH and Cathexis property consisting of a mixed use commercial, retail, and multi-family development, but, to date, the District has not received a definitive land plan or build-out projections. Approximately 113.47 currently undeveloped acres located within the District are owned by multiple additional parties, none of which has reported a definitive development plan to the District covering any of such acres. Since none of the owners of any of such currently undeveloped acres has any obligation to the District to develop any of such acres according to any timetable or at all, the District cannot represent whether or when the development of any of such acres might be undertaken. The remaining acreage within the District consists of drainage easements, detention ponds, rights-of-way, District wastewater and water plant sites, or is otherwise not available for future development.

FUTURE DEVELOPMENT

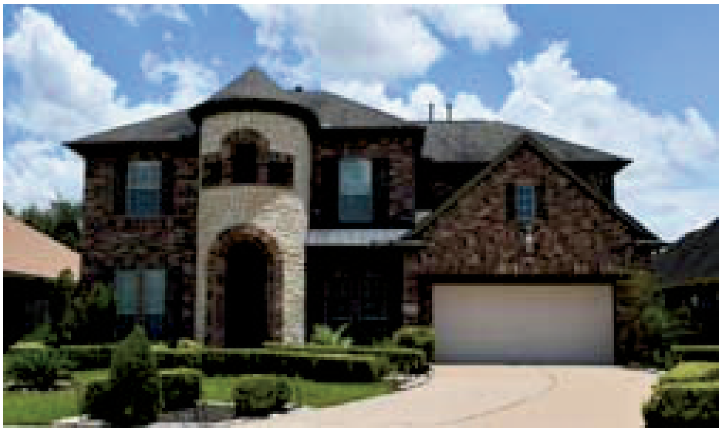
The District contains approximately 567.5 acres of land available for future development on which no development activity has yet been undertaken, which acres are currently expected to be developed for future single-family residential, multi-family residential, and/or commercial usage. Taylor Morrison of Texas, Inc. is currently developing Blue Creek Trails, Sections 1 and 2 (an aggregate of 237 lots on approximately 58.3 acres) within Defined Area No. 1, with completion expected in approximately July 2027. Taylor Morrison of Texas, Inc. owns approximately 61.3 acres of land located within the District on which it intends to develop Blue Creek Trails, Sections 3 through 5 (an aggregate of 193 lots). The District cannot represent whether or when such development will be completed or undertaken. Approximately 25.40 of the currently undeveloped acres located within the District are owned by CNS Ventures LLC. Approximately 42.66 of the currently undeveloped acres located within the District that are currently expected to be developed for single-family residential usage are owned by 3535 Wilcrest, Ltd. According to the District's tax rolls, approximately 268.94 of such currently undeveloped acres located within the District are owned by WBH Ranches, L.P. ("WBH"). Approximately 142.14 currently undeveloped acres located within the District are owned by Cathexis Legacy Holdings, LLC ("Cathexis"). WBH and Cathexis have indicated to the District that they are proceeding with the development of the WBH and Cathexis property consisting of a mixed use commercial, retail, and multi-family development, but, to date, the District has not received a definitive land plan or build-out projections. Approximately 113.47 currently undeveloped acres located within the District are owned by multiple additional parties, none of which has reported a definitive development plan to the District covering any of such acres. A portion of the aforementioned undeveloped acreage within the District consists of drainage easements, detention ponds, rights-of-way, District wastewater and water plant sites, or is otherwise not available for future development. As is stated above under the caption "DEVELOPERS AND PRINCIPAL LAND OWNERS," since no owner of any of the currently undeveloped land located within the District is under any obligation to the District to undertake the development of any of such land, and may sell any of such land at its sole discretion, the District cannot represent when, or whether, any development of any of such land might be undertaken, or the ultimate usage of any of such land. The initiation of any new development beyond that described in this Official Statement will be dependent on, to a great extent, the general and other economic conditions which would affect any party's ability to develop and sell residential lots and/or other property, including land developed for multi-family residential and/or commercial usage, of any home builder to sell completed homes, and of any party to construct and lease multi-family and/or commercial above-ground improvements described in this Official Statement under the caption "INVESTMENT CONSIDERATIONS." If the undeveloped portions of the District are eventually developed, additions to the District's System required to service such undeveloped acreage may be financed by future issues (if any) of the District's bonds and developer contributions, if any, as required by the TCEQ. In addition to the components of the System that the District has financed with the proceeds of the Prior Bonds and plans to finance with the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of additional components of the System with the proceeds of bonds, if any, to be issued by the District in the future. See "THE BONDS - Issuance of Additional Debt" and - "Use and Distribution of Bond Proceeds," "FUTURE DEVELOPMENT," "THE SYSTEM," and "INVESTMENT CONSIDERATIONS - Future Debt." The District's consulting engineer, BGE, Inc. (the "Engineer") currently estimates that the aforementioned $48,110,000 authorized unlimited tax bonds which remain unissued will be adequate to finance the construction of all waterworks, wastewater, and drainage facilities that will be necessary to provide service to all of the currently undeveloped portions of the District. See "THE BONDS - Issuance of Additional Debt" and "INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments."

AERIAL PHOTOGRAPH OF THE DISTRICT
(taken July 2026)

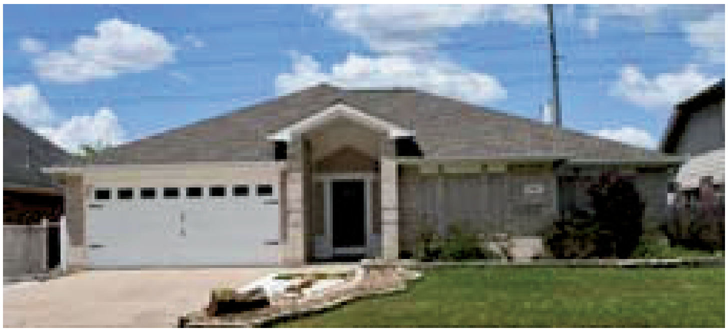


PHOTOGRAPHS TAKEN WITHIN THE DISTRICT
(taken July 2026)

PHOTOGRAPHS TAKEN WITHIN THE DISTRICT
(taken July 2026)



PHOTOGRAPHS TAKEN WITHIN THE DISTRICT
(taken July 2026)



DISTRICT DEBT

General

The following tables and calculations relate to the Bonds and the Outstanding Bonds. Before issuance of the Bonds, the aggregate principal amount of the Outstanding Bonds will be $80,680,000 (the "Outstanding Bonds"), and after the issuance of the Bonds, the aggregate principal amount of the District's bonded indebtedness, including the Bonds, will be $95,100,000. The District is empowered to incur debt to be paid from revenues raised by taxation against all taxable property located within the District, and various other political subdivisions of government that overlap all or a portion of the District are empowered to incur debt to be paid from revenues raised or to be raised by taxation against all or a portion of the property within the District.

2025 Assessed Valuation		$	1,172,985,838	(a)
(As of January 1, 2025)				
See "TAX DATA" and "TAXING PROCEDURES"				
2026 Preliminary Valuation..........		$	1,284,819,582	(b)
(As of January 1, 2026)				
See "TAX DATA" and "TAXING PROCEDURES"				
Direct Debt:				
Outstanding Bonds		$	80,680,000	
The Bonds			14,420,000	
Total		$	95,100,000	(c)
Estimated Overlapping Debt		$	133,083,625	
Total Direct and Estimated Overlapping Debt		$	228,183,625	
Direct Debt Ratios				
: as a percentage of 2025 Assessed Valuation..........			8.11	%
: as a percentage of 2026 Preliminary Valuation..........			7.40	%
Direct and Overlapping Debt Ratios				
: as a percentage of 2025 Assessed Valuation..........			19.45	%
: as a percentage of 2026 Preliminary Valuation..........			17.76	%
Debt Service Fund Balance as of June 3, 2026..........		$	9,504,873	(d)
General Fund Balance as of June 3, 2026..........		$	17,396,775	
2025 Tax Rate per $100 of Assessed Valuation				
The District				
Debt Service Tax..........	$0.47			
Maintenance Tax..........	0.38			
Total		$	0.85	(e)
Fort Bend County Levee Improvement District No. 12			0.04	(e)
Total District and Levee Improvement District No. 12..........		$	0.89	(e)
2026 Tax Rate per $100 of Assessed Valuation				
Defined Area No. 1				
Maintenance Tax			0.65	

Average Percentage of Total Tax Collections (2015-2024) as of June 30, 2026..................	99.90 %
Percentage of 2025 Tax Collections as of June 30, 2026	99.16 %

(a) As of January 1, 2025, and comprises the District's 2025 tax roll. All property located in the District is valued on the tax rolls by the Fort Bend Central Appraisal District (the "Appraisal District") at 100% of taxable assessed value as of January 1 of each year. The District's tax roll is certified by the Fort Bend County Appraisal Review Board (the "Appraisal Review Board"). See "INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments" and "TAXING PROCEDURES."

(b) This amount is the sum of the preliminary values of all taxable property located within the District as of January 1, 2026, as reflected on the District's preliminary 2026 tax roll supplied to the District by the Appraisal District, and includes the preliminary 2026 value resulting from the construction of taxable improvements from January 1, 2025, through December 31, 2025. No taxes will be levied on this estimate. The District's ultimate 2026 Assessed Valuation may vary significantly from such preliminary tax roll once the Appraisal Review Board certifies the value thereof for 2026. See "TAXING PROCEDURES."

(c) In addition to the components of the System that the District has financed with the proceeds of the Prior Bonds and plans to finance with the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of additional components of the System with the proceeds of bonds, if any, to be issued by the District in the future. See "THE BONDS - Issuance of Additional Debt" and - "Use and Distribution of Bond Proceeds," "FUTURE DEVELOPMENT," "THE SYSTEM" and "INVESTMENT CONSIDERATIONS - Future Debt."

(d) Neither Texas law nor the Bond Resolution requires the District to maintain any particular sum in the Debt Service Fund. Such fund balance reflects the timely payment by the District of its debt service requirements on the Outstanding Bonds that were due on March 1, 2026. The District's remaining debt service payments for 2026, which are due on September 1, 2026, total $3,261,437. The initial payment on the Bonds consists of the payment of interest thereon due on March 1, 2027. The General Fund does not include separate funds allocated to Defined Area No. 1 General Fund. Such funds will be derived solely from Defined Area No. 1 Tax.

(e) Approximately 1,107.15 acres of land located in the District also lie within FBLID No. 12 and are subject to taxation by FBLID No. 12. The District levied a debt service tax in the amount of $0.47 per $100 of Assessed Valuation for 2025, plus a maintenance tax of $0.38 per $100 of Assessed Valuation. Thus, the combined tax levies of the District and FBLID No. 12 are $0.89 per $100 of Assessed Valuation for 2025. For 2026, the District levied a Defined Area Tax that consisted of a maintenance tax only of $0.65 per $100 of Assessed Valuation. Such combined levies are higher than the tax rates levied by some municipal utility districts in the Houston metropolitan area, but are within the range of tax rates being levied by municipal utility districts in the Houston metropolitan area which are in stages of development comparable with the District. As is described in this Official Statement under the caption "TAX DATA - Estimated Overlapping Taxes," the aggregate of the 2025 tax levies of all units of government which levy taxes against the property located within the District, plus the 2025 tax of the District and FBLID No. 12 is $2.5214 per $100 of Assessed Valuation for the portion of the District that does not include Defined Area No. 1 and $3.1314 per $100 of Assessed Valuation for the District and the portion of the District that lies within Defined Area No. 1. No portion of the District is located within both Defined Area No. 1 and FBLID No. 12. Such aggregate levies are higher than the aggregate of the tax levies of some municipal utility districts located in the greater Houston metropolitan area, but is within the range of the aggregate tax levies of municipal utility districts in the Houston metropolitan area which are in stages of development comparable with the District. See "INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments" and "Overlapping District Taxes and Functions."

Estimated Direct and Overlapping Debt Statement

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

Taxing Jurisdiction	Debt as of June 1, 2026	Estimated Overlapping Percent	Estimated Overlapping Amount
Fort Bend County	$1,152,335,706	0.90584%	$10,438,348
Fort Bend County Drainage District	20,585,000	0.91217%	187,770
Fort Bend Levee Improvement District No. 12	3,050,000	28.43759%	867,346
Grand Lakes Water Control & Improvement District	2,135,000	55.60865%	1,187,245
Lamar Consolidated Independent School District	3,555,130,000	3.38674%	120,402,916
Total Estimated Overlapping Debt			$133,083,625
The District (the Bonds and the Outstanding Bonds)			95,100,000
Total Direct & Estimated Overlapping Debt			$228,183,625

Debt Ratios

	% of 2025 Assessed Valuation	% of 2026 Preliminary Valuation
Direct Debt	8.11%	7.40%
Direct and Estimated Overlapping Debt	19.45%	17.76%

Under Texas law, ad valorem taxes levied by each taxing authority other than the District create a lien that is on a parity with the lien in favor of the District on all taxable property within the District. In addition to the ad valorem taxes required to retire the foregoing direct and overlapping debt, the various taxing authorities mentioned above are also authorized by Texas law to assess, levy, and collect ad valorem taxes for operation, maintenance, administration, and/or general revenue purposes. Certain of the jurisdictions have in the past levied such taxes. The District has the power to assess, levy, and collect ad valorem taxes for operations and maintenance purposes, and such taxes have been authorized by the duly qualified voters of the District. The District has levied a maintenance tax of $0.38 per $100 of Assessed Valuation in 2025. For 2026, the District levied a Defined Area Tax that consisted of a maintenance tax only of $0.65 per $100 of Assessed Valuation. No portion of the District is located within both Defined Area No. 1 and FBLID No. 12. See "TAX DATA - Maintenance Tax."

Debt Service Requirement Schedule

The following schedule sets forth the debt service requirements for the Outstanding Bonds plus the estimated principal and interest requirements of the Bonds.

Year Ending	Current Total	Plus: The Bonds		New Total
December 31	Debt Service	Principal	Interest	Debt Service
2026	$4,737,874			$4,737,874
2027	4,703,511		$757,050	5,460,561
2028	4,685,011		757,050	5,442,061
2029	4,655,599		757,050	5,412,649
2030	4,790,336		757,050	5,547,386
2031	4,792,149		757,050	5,549,199
2032	4,767,536		757,050	5,524,586
2033	4,740,336		757,050	5,497,386
2034	4,721,574		757,050	5,478,624
2035	4,694,824		757,050	5,451,874
2036	4,670,336		757,050	5,427,386
2037	4,763,049		757,050	5,520,099
2038	4,983,599		757,050	5,740,649
2039	5,018,986		757,050	5,776,036
2040	4,776,349		757,050	5,533,399
2041	4,782,980		757,050	5,540,030
2042	4,821,461		757,050	5,578,511
2043	4,818,336		757,050	5,575,386
2044	4,860,305		757,050	5,617,355
2045	4,868,305		757,050	5,625,355
2046	4,375,305	$75,000	757,050	5,207,355
2047	4,380,540	75,000	753,113	5,208,653
2048	4,386,085	75,000	749,175	5,210,260
2049	4,386,825	75,000	745,238	5,207,063
2050	4,461,810		741,300	5,203,110
2051	5,723,000		741,300	6,464,300
2052	5,600,344		741,300	6,341,644
2053		4,465,000	741,300	5,206,300
2054		4,700,000	506,888	5,206,888
2055		4,955,000	260,138	5,215,138
	$128,966,365	$14,420,000	$21,120,752	$164,507,117

Average Annual Requirements: (2027-2055) $5,509,284
Maximum Annual Requirement: (2051) $6,464,300

* Interest is estimated at 5.25% per annum for purposes of illustration.

TAX DATA

Debt Service Tax

All taxable property within the District is subject to the assessment, levy and collection by the District of an annual ad valorem tax, without legal limitation as to rate or amount, sufficient to pay principal of and interest on the Outstanding Bonds and the Bonds (see "TAXING PROCEDURES"). The Board of Directors of the District has in its Bond Resolution covenanted to assess and levy for each year that all or any part of the Bonds remain outstanding and unpaid a tax ample and sufficient to produce funds to pay the principal of and interest on the Bonds (see "THE BONDS" and "INVESTMENT CONSIDERATIONS"). The District has levied a debt service tax for 2025 at a rate of $0.47 per $100 of Assessed Valuation. See - "Tax Rate Distribution" below.

Maintenance 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 a vote of the District's electorate. On May 2, 1992, the District voters authorized the levy of such a maintenance tax in an amount not to exceed $5.75 per $100 of Assessed Valuation. Such tax is levied in addition to taxes which the District is authorized to levy for paying principal of and interest on the Outstanding Bonds, the Bonds and any tax-supported bonds which may be issued in the future. The District has levied a District-wide maintenance tax of $0.38 per $100 of Assessed Valuation for 2025. See "Tax Rate Distribution" below.

At an election held on November 4, 2025, voters authorized the following additional maintenance taxes for facilities to serve Defined Area No. 1: (i) a maintenance tax for facilities to serve Defined Area No. 1 that are authorized by Article XVI, Section 59, of the Texas Constitution not to exceed $1.50 per $100 valuation on all property within Defined Area No. 1 subject to taxation; and (ii) a maintenance tax for road facilities to serve Defined Area No. 1 that are authorized by Article III, Section 52, of the Texas Constitution not to exceed $0.25 per $100 valuation on all property within Defined Area No. 1 subject to taxation. The District levied a Defined Area maintenance tax of $0.65 per $100 of Assessed Valuation for 2026. No portion of the District is located within both Defined Area No. 1 and FBLID No. 12.

Tax Rate Limitation

The District:

Debt Service:	Unlimited (no legal limit as to rate or amount).
Maintenance:	$5.75 per $100 Assessed Valuation.

Defined Area No. 1:

Debt Service:	Unlimited (no legal limit as to rate or amount).
Maintenance:	$1.50 per $100 Assessed Valuation.

Historical Values and Tax Collection History

Tax Year	Assessed Valuation	Tax Rate(a)	Adjusted Levy	Cumulative % Collections Current & Prior Years(b)	Year Ending 09/30
2015	$436,992,314	$0.91	$3,976,621	100.00%	2016
2016	470,466,496	0.91	4,281,245	99.96	2017
2017	501,481,145	0.91	4,563,478	99.95	2018
2018	538,018,422	0.91	4,895,968	99.91	2019
2019	563,088,529	0.91	5,124,106	99.95	2020
2020	590,902,600	0.91	5,377,214	99.96	2021
2021	649,878,710	0.91	5,913,896	99.92	2022
2022	755,808,350	0.91	6,877,856	98.92	2023
2023	916,021,527	0.85	7,786,183	99.86	2024
2024	1,065,898,830	0.85	9,020,434	99.55	2025
2025	1,172,985,838	0.85	9,969,245	99.16(c)	2026

(a) Per $100 of Assessed Valuation.
(b) Such percentages reflect cumulative total collections for each year from the time each respective annual tax was levied through June 30, 2026. The amount of tax collected for each levy on a current basis (by September 30 of the year following each respective annual levy) is not reflected in this statement.
(c) As of June 30, 2026. In process of collection.

Tax Rate Distribution *

	2025	2024	2023	2022	2021
Debt Service	$0.47	$0.47	$0.55	$0.65	$0.65
Maintenance	0.38	0.38	0.30	0.26	0.26
Total	$0.85	$0.85	$0.85	$0.91	$0.91

* The District-wide tax. The District also levied a 2026 Defined Area maintenance tax only of $0.65 per $100 of Assessed Valuation. The total of the 2025 tax rate of the District and the 2026 Defined Area tax rate imposed on Defined Area No. 1 is $1.50. See “THE DISTRICT - Defined Area.”

Analysis of Tax Base

The following table illustrates the composition of property located within the District during the past five years.

Type of Property	2025 Assessed Valuation	%	2024 Assessed Valuation	%	2023 Assessed Valuation	%
Land	$222,787,613	18.99%	$214,146,154	20.09%	$177,620,751	19.39%
Agricultural	25,255	0.00%	52,442	0.00%	56,292	0.01%
Improvements	992,059,108	84.58%	883,741,831	82.91%	747,701,687	81.62%
Personal Property	52,408,423	4.47%	50,398,297	4.73%	49,174,294	5.37%
Auto/Other	1,119,292	0.10%	1,303,811	0.12%	835,549	0.09%
Exemptions	-95,471,624	-8.14%	-83,743,705	-7.86%	-59,367,047	-6.48%
TOTAL	$1,172,928,067	100.00%	$1,065,898,830	100.00%	$916,021,526	100.00%

Type of Property	2022 Assessed Valuation	%	2021 Assessed Valuation	%
Land	$168,798,219	22.33%	$161,540,729	24.86%
Agricultural	$55,850	0.01%	$57,060	0.01%
Improvements	581,555,916	76.94%	457,102,597	70.34%
Personal Property	43,598,450	5.77%	43,669,530	6.72%
Auto/Other	394,740	0.05%	538,300	0.08%
Exemptions	-38,594,825	-5.11%	-13,029,506	-2.00%
TOTAL	$755,808,350	100.00%	$649,878,710	100.00%

Principal 2025 Taxpayers

Based upon information supplied by the District's Tax Assessor/Collector, the following table lists principal District taxpayers, type of property owned by such taxpayers, and the Assessed Valuation of such property as of January 1, 2025. The information reflects the composition of the Appraisal District's record of property ownership as of January 1, 2025.

Taxpayer	Type of Property	2025 Taxable Value	% of 2025 Tax Roll
21650 FM 1092 TX Owner LP	Land and Improvements	$70,460,900	6.01%
VR Cendana LP (1)	Land, Improvements and Personal Property	62,908,641	5.36%
DD Bellaire Blvd LLC (1)	Land, Improvements and Personal Property	54,883,460	4.68%
CRP AR Prose District West Owner LP (1)	Land, Improvements and Personal Property	53,701,919	4.58%
CH-AFH I Houston District West LP (1)	Land, Improvements and Personal Property	49,569,000	4.23%
Bella Terra Retail Associates LLC	Land and Improvements	41,916,412	3.57%
Wal-Mart Real Estate Business Trust and Wal-Mart Stores Texas LLC (2)	Land, Improvements and Personal Property	24,558,095	2.09%
Sam's Real Estate Business Trust #6867 and Sam's East Inc. (2)	Land, Improvements and Personal Property	23,872,015	2.04%
BMSH I Katy TX LLC	Land, Improvements and Personal Property	18,178,610	1.55%
Pelican District West Senior LLC	Land and Improvements	16,972,233	1.45%
Total		$417,021,285	35.55%

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(1) See "INVESTMENT CONSIDERATIONS - Certain Tax Exemptions Provided for Affordable Housing."
(2) Related parties. Combines Wal-Mart Real Estate Business Trust ($17,919,942) and Wal-Mart Stores Texas LLC ($6,638,153). Combines Sam's Real Estate Business Trust #6867 ($17,042,895) and Sam's East Inc. ($6,829,120).

Tax Exemption

The District has adopted a residential homestead exemption for persons 65 or older or disabled persons in the amount of $40,000 of appraised value, and has granted a 9% general residential homestead exemption (but not less than $5,000) for tax year 2026. See "TAXING PROCEDURES."

Tax Rate Calculations

The tax rate calculations set forth below are presented to indicate the tax rates per $100 of Assessed Valuation which would be required to meet certain debt service requirements if no growth in the District's tax base occurs beyond the 2025 Assessed Valuation or the 2026 Preliminary Valuation. The calculations assume collection of 95% of taxes levied, no use of funds on hand, and the sale of no bonds by the District other than the Outstanding Bonds and the Bonds.

Average Annual Debt Service Requirements (2027-2055)	$5,509,284
Tax Rate of $0.50 on the 2025 Assessed Valuation ($1,172,985,838) produces	$5,571,683
Tax Rate of $0.46 on the 2026 Preliminary Valuation ($1,284,819,582) produces	$5,614,662
Maximum Annual Debt Service Requirement (2051)	$6,464,300
Tax Rate of $0.59 on the 2025 Assessed Valuation ($1,172,985,838) produces	$6,574,586
Tax Rate of $0.53 on the 2026 Preliminary Valuation ($1,284,819,582) produces	$6,469,067

The District levied a debt service tax of $0.47 per $100 of Assessed Valuation for 2025, plus a maintenance tax of $0.38 per $100 of Assessed Valuation. As the above table indicates, the 2025 debt service tax rate will be sufficient to pay the average annual but not the maximum annual debt service requirement on the Bonds and the Outstanding Bonds given taxable values in the District at the level of the 2026 Preliminary Valuation, assuming the District will have a tax collection rate of 95%, no use of District funds on hand other than tax collections for such purpose, and the issuance of no additional bonds by the District other than the Bonds and the Outstanding Bonds. See "TAXING PROCEDURES" and "INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments." However, as is illustrated above under the caption "Historical Values and Tax Collection History," the District had collected an average of 99.90% of its 2015 through 2024 tax levies as of June 30, 2026, and its 2025 tax levy was 99.16% collected as of such date. In addition, the District's Debt Service Fund balance was $9,504,873 as of June 3, 2026. Although neither Texas law nor the Bond Resolution requires that any specific amount be retained in the Debt Service Fund at any time, the District has in the past applied earnings from the investment of monies held in the Debt Service Fund to meet the debt service requirements of the Prior Bonds. See "APPENDIX B – ANNUAL AUDIT REPORT." Therefore, the District anticipates that it will be able to meet the debt service requirements on the Bonds and the Outstanding Bonds without increasing the tax rate for debt service above the debt service rate which the District levied for 2025 - $0.47 per $100 of Assessed Valuation. However, the District can make no representation that the taxable property values in the District will maintain a value sufficient to support the aforementioned tax rate or to justify continued payment of taxes by property owners. See "TAXING PROCEDURES" and "INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments."

Estimated Overlapping Taxes

Property located within the District is subject to taxation by several taxing authorities in addition to the District. Set forth below is a compilation of all 2025 taxes levied upon property located within the District and the District's 2025 tax rate. Under Texas law, ad valorem taxes levied by each taxing authority other than the District entitled to levy taxes against property located within the District create a lien which is on a parity with the tax lien of the District. In addition to the ad valorem taxes required to make the debt service payments on bonded indebtedness of the District and of such other jurisdictions (see "DISTRICT DEBT - Estimated Direct and Overlapping Debt Statement"), certain taxing jurisdictions are authorized by Texas law to assess, levy and collect ad valorem taxes for operation, maintenance, administrative and/or general revenue purposes.

Taxing Jurisdiction	2025 Tax Rate/$100
Fort Bend County	$0.4120
Fort Bend County Drainage District	0.0100
Lamar Consolidated Independent School District	1.1469
Grand Lakes Water Control & Improvement District	0.0525
Fort Bend Levee Improvement District No. 12 (i)	0.0400
Harris-Fort Bend Emergency Services District No. 100	0.0100
The District (ii)	0.8500
	$2.5214

(i) Approximately 1,107.15 acres located within the District are also located within Fort Bend Levee Improvement District No. 12.

(ii) The District has levied a District-wide total tax rate of $0.85 per $100 of Assessed Valuation for 2025, consisting of debt service and maintenance taxes of $0.47 and $0.38 per $100 of Assessed Valuation, respectively. The District also levied a 2026 Defined Area maintenance tax only of $0.65 per $100 of Assessed Valuation. The aggregate of the 2025 tax levies of all units of government which levy taxes against the property located within the District, plus the 2025 tax of the District and FBLID No. 12 is $2.5214 per $100 of Assessed Valuation for the portion of the District that does not include Defined Area No. 1 and $3.1314 per $100 of Assessed Valuation for the District and the portion of the District that lies within Defined Area No. 1. No portion of the District is located within both Defined Area No. 1 and FBLID No. 12. See "THE DISTRICT – Defined Area."

TAXING PROCEDURES

Authority to Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in 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 "INVESTMENT CONSIDERATIONS - 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 above under "THE BONDS - Source of Payment." Under Texas law, the Board may also levy and collect annual ad valorem taxes for the operation and maintenance of the District and the System and for the payment of certain contractual obligations. See "TAX DATA - Maintenance Tax" and - "Tax Rate Distribution."

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 the responsibility for reviewing and equalizing the values established by the appraisal district. The Fort Bend Central Appraisal District (the "Appraisal District") has the responsibility of appraising property for all taxing units within Fort Bend County, including the District. Such appraisal values will be subject to review and change by the Fort Bend County Appraisal Review Board (the "Appraisal Review Board").

The Property Tax Code provides that the governing body of a taxing unit located within an area declared to be a disaster area by the governor of the State of Texas may authorize reappraisal of all property damaged in the disaster at its market value immediately after the disaster. For reappraised property, the taxes are pro rated for the year in which the disaster occurred. The taxing unit assesses taxes prior to the date the disaster occurred based upon market value as of January 1 of that year. Beginning on the date of the disaster and for the remainder of the year, the taxing unit assesses taxes on the reappraised market value of the property.

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; and most individually-owned automobiles. In addition, the District may by its own action exempt residential homesteads of persons 65 years or older and certain disabled persons to the extent deemed advisable by the Board. 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, but only to the maximum extent of between $5,000 and $12,000 of taxable valuation depending on the disability rating of the veteran. A veteran who receives a disability rating of 100%, and, under certain circumstances, the surviving spouse of such veteran, is entitled to the exemption for the full amount of the residential homestead. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veteran's disability rating 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 is, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and subject to certain conditions, 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 to be transferred to a subsequent residence homestead of the surviving spouse.

Residential Homestead Exemptions: The Property Tax Code authorizes the governing body of each political subdivision in the State of Texas to exempt up to twenty percent (20%) of the appraised market 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. The District has granted a 9% general residential homestead exemption (but not less than $5,000) for tax year 2026. See "TAX DATA - Exemptions."

Freeport Goods Exemption: 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 for all prior and subsequent years.

Tax Exemption Provided to Public Facility Corporations and Certain Lessees

Chapter 303 of the Texas Local Government Code (the "PFC Act") authorizes cities, counties, school districts, housing authorities and special districts (a "Sponsor") to create a sponsored Public Facility Corporation ("PFC") to acquire, construct, rehabilitate, renovate, repair, equip, furnish and place in service public facilities. These activities may be financed through certain obligations of either the Sponsor or the PFC. Under the PFC Act, a "public facility" includes any real, personal, or mixed property, or an interest in property devoted or to be devoted to public use and authorized to be financed under the PFC Act. A public facility, including a leasehold estate in a public facility, that is owned by a PFC is exempt from taxation by the State or a municipality or other political subdivision of the State, including the District. This exemption applies to both ad valorem and sales taxes levied by such taxing authorities. Subject to certain restrictions, a leasehold or other possessory interest granted by the PFC to the user of a PFC-owned multifamily residential development entitles that user to this same exemption. The 88th Texas Legislature passed H.B. 2071, which became effective June 18, 2023, to amend the PFC Act. H.B. 2071 significantly revised the PFC Act's requirements for the lessee of a multifamily residential development to qualify for this exemption and provides that the exemption for such projects does not apply to taxes imposed by a conservation and reclamation district such as the District providing water, sewer or drainage services to the development, unless an agreement is entered into with the district concerning payments in lieu of taxation. Projects for which PFC or Sponsor approval was received prior to the effective date of H. B. 2071 are governed by the prior law and are not subject to the same requirements. The District is not aware of any public facilities located within the boundaries of the District that are either owned or leased by a PFC. However, because the District was not required to be notified of such ownership or lease by a PFC, the District can make no representation regarding the possible existence of such ownership or lease within the District's boundaries prior to the enactment of H.B. 2071. Numerous multi-family improvements of substantial assessed value have been and are being constructed within the boundaries of the District. See "OFFICIAL STATEMENT SUMMARY – SELECTED FINANCIAL INFORMATION (UNAUDITED)" and "TAX DATA – Principal 2025 Taxpayers." The ownership or a lease by a PFC of one or more multi-family projects within the boundaries of the District prior to the enactment of H.B. 2071, and the resulting ad valorem property tax exemption associated therewith, could dilute the investment quality or security of the Bonds.

Tax Abatement

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

Valuation of Property for Taxation

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

The Property Tax Code permits land designated for agricultural use, open space or timberland to be appraised at its value based on the land's capacity to produce agricultural or timber products rather than at its market value. The Property Tax Code permits under certain circumstances that residential real property inventory held by a person in the trade or business be valued at the price all of 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 for another. If a claimant receives the agricultural use designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use, including taxes for the previous three (3) years for agricultural use, open space land and timberland.

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

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

District and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units (such as the District) may appeal the orders of the Appraisal Review Board by filing a timely petition for review in State district court. In such event, the value of the property in question will be determined by the court, or by a jury, if requested by any party. Additionally, taxing units may bring suit against the Appraisal Districts 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 values, appraisals that are higher than renditions and appraisals of property not previously on an appraisal roll.

Levy and Collection of Taxes

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

Certain qualified taxpayers, including owners of residential homesteads, located within a natural disaster area and whose property has been damaged as a direct result of the disaster, 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.

Tax Payment Installments After Disaster

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

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

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 than1.08 times the amount of the total tax imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, may be required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Special Taxing Unit is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate.

Developed Districts

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

Developing Districts

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

The District

A determination as to a district's status as a Special Taxing Unit, Developed District or Developing District will be made by the Board of Directors on an annual basis. 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. For the 2026 tax rate year, a determination was made by the District's Board of Directors that the District, as well as Defined Area No. 1, is a Developing District.

Additional Penalties

The District has contracted with a delinquent tax attorney to collect certain delinquent taxes. In connection with that contract, the District can establish an additional penalty of twenty percent (20%) of the tax to defray the costs of collection. This 20% penalty applies to taxes that 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 Tax Code.

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 taxes, penalties and interest ultimately imposed for the year on the property. The lien exists in favor of each local taxing unit, including the District, having the power to tax the property. The District's tax lien is on a parity with the tax liens of other such taxing units (see "TAX DATA - Estimated Overlapping Taxes"). A tax lien on real property takes priority over the claims of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by 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. 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 (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 "INVESTMENT CONSIDERATIONS -Tax Collection Limitations."

THE SYSTEM

Regulation

According to the District's Engineer, the District's water supply and distribution, wastewater collection and treatment, and storm drainage facilities (collectively, the "System") have been designed in accordance with accepted engineering practices and the requirements of various agencies having regulatory or supervisory jurisdiction over the construction and operation of such facilities. The construction and operation of the System must be accomplished in accordance with the standards and specifications of such entities and are subject to inspection by each such entity. The TCEQ exercises continuing supervisory authority over the District. Discharge of treated sewage is subject to the regulatory authority of the TCEQ. Construction of drainage facilities is subject to the regulatory authority of the Fort Bend Drainage District, and, in some instances, FBLID No. 12, the TCEQ, and the U.S. Army Corps of Engineers. Fort Bend County and the City of Houston also exercise regulatory jurisdiction over the District's System. The total number of equivalent single-family connections ("ESFCs") estimated at this time for the District upon the full development of its approximate 1,463.44 acres is 7,128 with a total estimated population of 15,000 people. The following descriptions are based upon information supplied by the District's Engineer.

Description

The District financed its portion of the cost of the acquisition or construction of the components of the System that serve Westpark Lakes, Section 1, Parkway Lakes, Sections 1 through 3, Lost Creek, Sections 1 through 5, Meadows of Parkway Lakes, Grand Meadows, Sections 1 through 4, Grand Trails, Section 1, District East at Parkway Lakes, Shops at Bella Terra, Phases 2 through 5, Bellaire Boulevard, Bellaire Crossing at Parkway Lakes, Grand Lakes Crossing, the Stripes Tract, Southeast Corner, District West at Parkway Lakes, and certain other facilities, with portions of the proceeds of the sale of the Prior Bonds. The District is financing Sub-Regional Detention Basin Phase 3; water distribution, sanitary sewer and drainage facilities for the District West Mixed Use development and Light Haven at District West; engineering fees for Light Haven at District West, the North Park Extension, and a TxDOT Detention Basin Expansion; Parkway Lakes Pond A and Westpark Lakes North Lake wall replacements; generator additions for lift stations 2 through 5; Water Plant No. 1 upgrades and rehabilitation; land acquisition for detention on the House Tract; interest payments for Regional Detention Pond land; and storm sewer facilities to serve an 11.51-acre tract with portions of the proceeds of the sale of the Bonds. In addition to the components of the System that the District has financed with the proceeds of the Prior Bonds and plans to finance with the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of additional components of the System with the proceeds of bonds, if any, to be issued by the District in the future. See “THE BONDS - Issuance of Additional Debt,” “FUTURE DEVELOPMENT” and “INVESTMENT CONSIDERATIONS - Future Debt.

Water Supply

The District is served by a water well and Water Plant No. 1, which consists of a 1,500 gallons-per-minute (“g.p.m.”) water well and pump, a 500,000 gallon ground storage tank, one 25,000 gallon and one 15,000 gallon hydropneumatic tank, booster pumps totaling 5,500 g.p.m., a control building, chlorination facilities, an auxiliary power unit, and related appurtenances; and Water Plant No. 2, which consists of a 1,500 g.p.m. water well and pump, two 318,000 gallon ground storage tanks, two 30,000 gallon hydropneumatic tanks, booster pumps totaling 2,500 g.p.m., a control building, chlorination facilities, an auxiliary power unit, and all related appurtenances. The District has emergency water interconnections with Fort Bend County Municipal Utility District No. 122 and Fort Bend County Municipal Utility District No. 133. The interconnections are normally closed and are used for emergency purposes only. The District also receives surface water, which is provided by North Fort Bend Water Authority (“NFBWA”). See “Fort Bend Subsidence District/North Fort Bend Water Authority” below. According to the District's Engineer, the aforementioned water supply facilities contain adequate capacity to provide service to 4,375 ESFCs located in the District.

Wastewater Treatment

The District is currently served by a 1,500,000 gallons-per-day (“g.p.d.”) wastewater treatment plant. According to the District’s Engineer, the facility contains adequate capacity to provide service to 6,666 ESFCs located in the District, based upon flow of 225 g.p.d./ESFC. Portions of the proceeds of the sale of the Prior Bonds were used to finance the engineering design and the cost of construction of the 1,500,000 g.p.d. permanent wastewater treatment plant. See “DEVELOPMENT OF THE DISTRICT.”

Outfall Drainage Channel

Storm water from within the District generally drains through underground lines to detention ponds, and outfalls to Long Point Slough which has been constructed by FBLID No. 12. The District financed its portion of the cost of construction of detention pond facilities with portions of the proceeds of the sale of the Prior Bonds.

Flood Protection and Drainage Facilities

Approximately 4,045 acres of land, including approximately 1,107.15 acres that are located within the District, lie within the boundaries of FBLID No. 12. In accordance with Chapter 57 of the Texas Water Code, FBLID No. 12 adopted a Plan of Reclamation which is the overall plan for reclaiming and draining the land within FBLID No. 12. The Plan of Reclamation was approved by the Texas Water Commission (now the TCEQ) by order dated January 7, 1986. Under the provisions of Chapter 57 of the Texas Water Code, FBLID No. 12 may only construct drainage facilities and improvements that are included in the approved Plan of Reclamation. In connection with the Plan of Reclamation, a predecessor of the TCEQ issued a permit allowing for the construction of approximately 58,100 feet of channel improvements on Clodine Ditch and Long Point Slough, replacement of an existing Southern Pacific Railroad bridge, modifications to an existing bridge on F.M. 1093, assorted culverts, and the adjustment of a number of pipelines to accommodate the ultimate outfall drainage needs of the District. Completion of all of the ultimate drainage facilities authorized under the Plan of Reclamation was planned to eliminate the overbank 100-year flood plain from the District.

Construction of improvements, including construction of the downstream 43,500 feet of channel, along with all pipeline adjustments, culverts, and bridge work, has been completed. In addition, a channel was constructed for the remaining 14,600 feet upstream. The improvements removed all of FBLID No. 12, including the entirety of the land located within the District, except for that area that is part of Clodine Ditch and Long Point Slough, from the 100-year flood plain, as evidenced by the Flood Insurance Rate Map dated January 2, 1997, and updated April 2, 2014.

FBLID No. 12 financed all of the facilities proposed to be constructed pursuant to the approved Plan of Reclamation with the proceeds of the sale of the FBLID No. 12 Series 1986 Bonds.

100-Year Flood Plain

As is stated above, according to the Engineer, the entirety of the developable land located within FBLID No. 12, including the entirety of the developable area of the District, has been removed from the 100-year flood plain designation on the most recent Federal Emergency Management Agency ("FEMA") Flood Insurance Rate Map ("FIRM") dated April 2, 2014, as a consequence of the construction of flood plain reclamation and outfall drainage improvements financed by FBLID No. 12 with the proceeds of the sale of the FBLID No. 12 Series 1986 Bonds. The improvements allow for full development of property as long as FBLID No. 12's storm water detention requirements are satisfied. Any project constructed within FBLID No. 12 is required to provide storm water detention to a minimum specification of 0.6 acre-feet per acre. The entirety of the land located within FBLID No. 12, including the entirety of the District, is located outside the 100-year flood plain of the Clodine Ditch and Long Point Slough channels.

FEMA has completed a study to reevaluate the "base flood elevation" (commonly referred to as the 100-year flood plain elevation) in Fort Bend County. Based on the results of this study, FEMA and Fort Bend County revised the FIRM panels for the entire County and, based on the new flood plain map (dated April 2, 2014), the District remains outside the 100-year flood plain except for the area that is within the Clodine Ditch and Long Point Slough.

"Flood Insurance Rate Map" or "FIRM" means an official map of a community on which the Federal Emergency Management Agency (FEMA) has delineated the appropriate areas of flood hazards. The 1% chance of probable inundation, also known as the 100-year flood plain, is depicted on these maps. The "100 year flood plain" (or 1% chance of probable inundation) as shown on the FIRM is the estimated geographical area that would be flooded by a rain storm of such intensity to statistically have a one percent chance of occurring in any given year. Generally speaking, homes must be built above the 100 year flood plain in order to meet local regulatory requirements and to be eligible for federal flood insurance. An engineering or regulatory determination that an area is above the 100 year flood plain is not an assurance that homes built in such area will not be flooded, and a number of neighborhoods in the greater Houston area that are above the 100-year flood plain have flooded multiple times in the last several years. If substantial or frequent flooding of homes were to occur in the area of the District, the marketing of homes and the future growth of property values in the District could be adversely affected. See "INVESTMENT CONSIDERATIONS - Extreme Weather Events."

The National Weather Service has 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.

Fort Bend Subsidence District/North Fort Bend Water Authority

The District is within the boundaries of the Fort Bend Subsidence District (the "Subsidence District"), which regulates groundwater withdrawal. The District's authority to pump groundwater is subject to an annual permit issued by the Subsidence District. The Subsidence District has adopted regulations requiring reduction of groundwater withdrawals through conversion to alternate source water (e.g., surface water) in certain areas within the Subsidence District's jurisdiction, including the area within the District. In 2005, the Texas legislature created the North Fort Bend Water Authority (the "Authority") to, among other things, reduce groundwater usage in, and to provide surface water to, the northern portion of Fort Bend County (including the District) and a small portion of Harris County. The Authority has entered into a Water Supply Contract with the City of Houston, Texas ("Houston") to obtain treated surface water from Houston. The Authority has developed a groundwater reduction plan ("GRP") and obtained Subsidence District approval of its GRP. The Authority's GRP sets forth the Authority's plan to comply with Subsidence District regulations, construct surface water facilities, and convert users from groundwater to alternate source water (e.g., surface water). The District is included within the Authority's GRP.

The Authority, among other powers, has the power to: (i) issue debt supported by the revenues pledged for the payment of its obligations; (ii) establish fees (including fees imposed on the District for groundwater pumped by the District), user fees, rates, charges and special assessments as necessary to accomplish its purposes; and (iii) mandate water users, including the District, to convert from groundwater to surface water. The Authority currently charges the District, and other major groundwater users, a fee per 1,000 gallons based on the amount of groundwater pumped by the District, and the amount, if any, of surface water received from the Authority. The Authority has issued revenue bonds to fund, among other things, Authority surface water project costs. While the Authority does not have any bonds issuances currently planned, should the Authority issue additional bonds to finance its project costs, it is anticipated that the fees charged by the Authority would increase as a result thereof.

Under the Subsidence District regulations and the GRP, the Authority is required to: (i) limit groundwater withdrawals to no more than 70% of the total water demand of the water users within the Authority's GRP, beginning in the year 2014; and (ii) limit groundwater withdrawals to no more than 40% of the total water demand of the water users within the Authority's GRP, beginning in the year 2030. If the Authority fails to comply with the above Subsidence District regulations, the Authority is subject to a disincentive fee penalty, currently $6.50 per 1,000 gallons ("Disincentive Fees"), imposed by the Subsidence District for any groundwater withdrawn in excess of 40% of the total water demand in the Authority's GRP. In the event of such Authority failure to comply, the Subsidence District may also seek to collect Disincentive Fees from the District. If the District failed to comply with surface water conversion requirements mandated by the Authority, the Authority would likely seek monetary or other penalties against the District.

The District cannot predict the amount or level of fees and charges, which may be due the Authority in the future, but anticipates the need to pass such fees through to its customers: (i) through higher water rates and/or (ii) with portions of maintenance tax proceeds, if any. In addition, conversion to surface water could necessitate improvements to the System which could require the issuance of additional bonds by the District. No representation is made that the Authority: (i) will build the necessary facilities to meet the requirements of the Subsidence District for conversion to surface water, (ii) will comply with the Subsidence District's surface water conversion requirements, or (iii) will comply with its GRP.

INVESTMENT CONSIDERATIONS

General

The Bonds, which are obligations solely of the District and not of the State of Texas, Fort Bend County, Texas, the City of Houston, Texas, or any political subdivision or agency other than the District, are secured by the proceeds an annual ad valorem tax, levied without legal limit as to rate or amount, upon all taxable property within the District. The ultimate security for payment of the principal of and interest on the Bonds depends upon the District's ability to collect from the property owners within the District taxes levied against all taxable property located within the District, or, in the event taxes are not collected and foreclosure proceedings are instituted by the District, upon the value of the taxable property with respect to taxes levied by the District and by other taxing authorities. The District makes no representation that over the life of the Bonds the taxable property within the District will maintain a value sufficient to justify continued payment of taxes by property owners or that there will be a market for any property if the District forecloses on property to enforce its tax lien. The potential increase in taxable valuation of District property is directly related to the economics of the residential housing industry, not only due to general economic conditions, but also due to the particular factors discussed below. Further, the collection of delinquent taxes owed the District, and the enforcement by a Registered Owner of the District's obligation to collect sufficient taxes may be costly and lengthy processes. See "Tax Collection Limitations" and "Registered Owners' Remedies and Bankruptcy" below and "THE BONDS - Source of Payment" and - "Registered Owners' Remedies."

Factors Affecting Taxable Values and Tax Payments

Economic Factors: A substantial proportion of the assessed valuation of the property located within the District is attributable to the current market value of (i) single-family residences that have been constructed within the District, and (ii) commercial buildings that have been constructed within the District. The market value of such residences is related to general economic conditions affecting the demand for residences. Demand for residences of this type and the construction of commercial buildings can be significantly affected by factors such as interest rates, credit availability, construction costs, energy costs and availability and the prosperity and demographic characteristics of the urban center toward which the marketing of homes and commercial enterprises is directed. Recent changes in federal tax law limiting deductions for ad valorem taxes may adversely affect the demand for housing and the prices thereof. Volatility in the price of oil could adversely affect job stability, wages and salaries, thereby negatively affecting the demand for housing as well as the value of existing homes (see "Potential Effects of Oil Price Volatility on the Houston Area" below). Were the District to experience a significant number of residential foreclosures, the value of all homes within the District could be adversely affected. Decreased levels of home construction activity would restrict the growth of property values in the District. Although development of the District has occurred as described in this Official Statement under the captions "DEVELOPMENT OF THE DISTRICT," and "DEVELOPERS AND PRINCIPAL LAND OWNERS," the District cannot predict the pace or magnitude of any future land development, home construction, or the construction of future commercial buildings in the District other than that which has occurred to date, and the District cannot predict the level of occupancy of the homes or commercial buildings that have been or may be constructed within the District.

District Bankruptcy: In the mid to late 1980's, the Houston metropolitan area, including the vicinity of the District, experienced increases in unemployment, business failures, and unleased office space. Articles in the media reported an oversupply of homes for sale and numerous foreclosures in the Houston suburbs. These factors adversely affected the demand for new and used suburban residences. The general oversupply of homes, in turn, adversely impacted prices for homes and lots and, consequently, property values in the Houston metropolitan area declined. THE DISTRICT DEFAULTED ON ITS SERIES 1987 BONDS, FILED BANKRUPTCY, AND ADJUSTED ITS DEBT. Home construction and development were recommenced in 1999. See "DISTRICT BANKRUPTCY" and "DEVELOPMENT OF THE DISTRICT."

National Economy: The housing and building industry has historically been a cyclical industry, affected by both short-term and long-term interest rates, availability of mortgage and development funds, employment levels and general economic conditions. Although development of the District has occurred as described in this Official Statement under the caption "DEVELOPMENT OF THE DISTRICT" and "DEVELOPERS AND

PRINCIPAL LAND OWNERS," the District cannot predict the pace or magnitude of any future land development, home construction or the construction of future commercial buildings in the District other than that which has occurred to date, and the District cannot predict the level of occupancy of the homes or commercial buildings that have been or may be constructed within the District. See "FUTURE DEVELOPMENT." The District cannot predict what impact, if any, a downturn in the local housing markets or in the national housing and financial markets may have on the Houston market generally and the District specifically.

Credit Markets and Liquidity in the Financial Markets: Interest rates and the availability of mortgage and development funding have a direct impact on development and homebuilding activity and the construction of commercial buildings, particularly short-term interest rates at which developers are able to obtain financing for development costs and at which homebuilders are able to finance the construction of new homes for sale and at which the construction of commercial buildings might be undertaken. Interest rate levels may affect the ability of a developer with undeveloped property to undertake and complete development activities within the District, of homebuilders to initiate the construction of new homes for sale, or the construction of future commercial buildings. 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 development and/or home construction or construction of future commercial buildings within the District. In addition, since the District is located approximately 24 miles from the central downtown business district of the City of Houston, the success of development within the District and growth of District taxable property values are, to a great extent, a function of the Houston metropolitan and regional economies and national credit and financial markets. A downturn in the economic conditions of Houston and further decline in real estate and financial markets in the United States could adversely affect development and homebuilding plans or construction of future commercial buildings in the District and restrain the growth of the District's property tax base.

Principal Land Owners' Obligations to the District: The ability of any principal land owner to make full and timely payments of taxes levied against its property by the District and similar taxing authorities will directly affect the District's ability to meet its debt service obligations. The District's largest taxpayer in 2025, as reflected on the District's 2025 tax roll, is 21650 FM 1092 TX Owner LP. The 2025 Assessed Valuation of the property owned by 21650 FM 1092 TX Owner LP comprised approximately 6.01% of the District's total 2025 taxable Assessed Valuation. The District's second largest taxpayer in 2025, as reflected on the District's 2025 tax roll, is VR Cendana LP. The 2025 Assessed Valuation of the property owned by Bella Terra comprised approximately 5.36% of the District's total 2025 taxable Assessed Valuation. The District's third largest taxpayer in 2025, as reflected on the District's 2025 tax roll, is DD Bellaire Blvd LLC. The 2025 Assessed Valuation of the property owned by DD Bellaire Blvd LLC comprised approximately 4.68% of the District's total 2025 taxable Assessed Valuation. See "TAX DATA - Principal 2025 Taxpayers." No other party owns property the 2025 Assessed Valuation of which exceeded 4.58% of the District's total 2025 Assessed Valuation. The ten largest taxpayers in 2025 own property that in the aggregate comprised approximately 35.55% of the District's 2025 taxable Assessed Valuation. The District cannot represent that its tax base will in the future be (i) distributed among a significantly larger number of taxpayers, or (ii) less concentrated in property owned by a relatively small number of property owners, than it is currently. Failure by one or more of the District's principal property owners to make full and timely payments of taxes due may have an adverse affect on the investment quality or security of the Bonds. There is no commitment by or legal requirement of the Developers or any other party to the District to proceed at any particular rate or according to any specified plan with the development of land in the District, or of any home building company to proceed at any particular pace with the construction of homes in the future within the District, or of any party to construct additional commercial buildings within the District, and there is no restriction on any landowner's right to sell its land. Therefore, the District can make no representation about the probability of future development, if any, or the rate of home construction activity or that future commercial buildings will be constructed in the District. See "FUTURE DEVELOPMENT," "TAX DATA - Analysis of Tax Base," - "Tax Exemption," and "TAXING PROCEDURES - Valuation of Property for Taxation."

Maximum Impact on District Tax Rates

The value of the land and improvements currently located within the District will be a major determinant of the ability of the District to collect, and the willingness of District property owners to pay, ad valorem taxes levied by the District. The District's 2025 Assessed Valuation is $1,172,985,838. After issuance of the Bonds, the Maximum Annual Debt Service Requirement on the Bonds and the Outstanding Bonds will be $6,464,300 (2051) and the Average Annual Debt Service Requirements will be $5,509,284 (2027 through 2055, inclusive). Assuming no increase to nor decrease from the 2025 Assessed Valuation, no use of funds on hand, and the issuance of no additional bonds by the District, tax rates of $0.59 and $0.50 per $100 of Assessed Valuation at a 95% tax collection rate would be necessary to pay the Maximum Annual Debt Service Requirement and the Average Annual Debt Service Requirements, respectively. The District's 2026 Preliminary Valuation is $1,284,819,582. Assuming no increase to nor decrease from the 2025 Assessed Valuation, no use of funds on hand, and the issuance of no additional bonds by the District, tax rates of $0.53 and $0.46 per $100 of Assessed Valuation at a 95% tax collection rate would be necessary to pay the Maximum Annual Debt Service Requirement and the Average Annual Debt Service Requirements, respectively.

The District levied a debt service tax of $0.47 per $100 of Assessed Valuation for 2025, plus a maintenance tax of $0.38 per $100 of Assessed Valuation. Therefore, the 2025 debt service tax rate will be sufficient to pay the average annual but not the maximum annual debt service requirement on the Bonds and the Outstanding Bonds given taxable values in the District at the level of the 2026 Preliminary Valuation, assuming the District will have a tax collection rate of 95%, no use of District funds on hand other than tax collections for such purpose, and the issuance of no additional bonds by the District other than the Bonds and the Prior Bonds. See “TAXING PROCEDURES” and “INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments.” However, as is illustrated above under the caption “Historical Values and Tax Collection History,” the District had collected an average of 99.90% of its 2015 through 2024 tax levies as of June 30, 2026, and its 2025 tax levy was 99.16% collected as of such date. In addition, the District's Debt Service Fund balance was $9,504,873 as of June 3, 2026. Although neither Texas law nor the Bond Resolution requires that any specific amount be retained in the Debt Service Fund at any time, the District has in the past applied earnings from the investment of monies held in the Debt Service Fund to meet the debt service requirements of the Prior Bonds (see “APPENDIX B – ANNUAL AUDIT REPORT”). Therefore, the District anticipates that it will be able to meet the debt service requirements on the Bonds and the Outstanding Bonds without increasing the tax rate for debt service above the debt service rate which the District levied for 2025 - $0.47 per $100 of Assessed Valuation. However, the District can make no representation that the taxable property values in the District will maintain a value sufficient to support the aforementioned tax rate or to justify continued payment of taxes by property owners. See “TAXING PROCEDURES” and “INVESTMENT CONSIDERATIONS - Factors Affecting Taxable Values and Tax Payments.”

FBLID No. 12 has levied a total tax of $0.04 per $100 of Assessed Valuation for 2025. Thus, the combined tax levies of the District and FBLID No. 12 are $0.89 per $100 of Assessed Valuation for 2025. For 2026, the District levied a Defined Area Tax that consisted of a maintenance tax only of $0.65 per $100 of Assessed Valuation. Such combined levies are higher than the tax rates levied by some municipal utility districts in the Houston metropolitan area, but are within the range of tax rates being levied by municipal utility districts in the Houston metropolitan area which are in stages of development comparable with the District. As is described in this Official Statement under the caption “TAX DATA - Estimated Overlapping Taxes,” the aggregate of the 2025 tax levies of all units of government which levy taxes against the property located within the District, plus the 2025 tax of the District and FBLID No. 12 is $2.5214 per $100 of Assessed Valuation for the portion of the District that does not include Defined Area No. 1 and $3.1314 per $100 of Assessed Valuation for the District and the portion of the District that lies within Defined Area No. 1. No portion of the District is located within both Defined Area No. 1 and FBLID No. 12. Such aggregate levies are higher than the aggregate of the tax levies of some municipal utility districts located in the greater Houston metropolitan area, but is within the range of the aggregate tax levies of municipal utility districts in the Houston metropolitan area which are in stages of development comparable with the District. To the extent that such composite tax rates are not competitive with competing developments, the growth of property tax values in the District and the investment quality or security of the Bonds could be adversely affected.

Increases in the District's tax rate to substantially higher levels than the total rate of $0.85 per $100 of Assessed Valuation that the District has levied for 2025 may have an adverse impact upon future development of the District, the construction of homes within the District, and the ability of the District to collect, and the willingness of owners of property located within the District to pay, ad valorem taxes levied by the District. In addition, the collection by the

District of delinquent taxes owed to it and the enforcement by a Registered Owner of the District's obligations to collect sufficient taxes may be a costly and lengthy process. See “THE BONDS - Registered Owners' Remedies,” “TAX DATA - Estimated Overlapping Taxes” and “TAXING PROCEDURES.”

One must consider the total tax burden of all overlapping jurisdictions imposed upon property located within the District as contrasted with property located in comparable real estate developments to gauge the relative tax burden on property within the District. The tax rate necessary to service the debt issued or to be issued by the District and FBLID No. 12, and the tax rates levied by other overlapping jurisdictions, are subject to numerous uncertainties and variables, and thus the District can give no assurance that the composite tax rates imposed by overlapping jurisdictions, plus the District's tax rate, will be competitive with the tax rates of competing projects. See “THE BONDS - Registered Owners' Remedies,” “TAX DATA - Estimated Overlapping Taxes,” “TAXING PROCEDURES” and - “Overlapping District Taxes and Functions” below.

Overlapping District Taxes and Functions

FBLID No. 12 currently provides flood protection and major outfall drainage for approximately 4,045 acres of land, including approximately 1,107.15 acres that are located within the District. FBLID No. 12 issued Unlimited Tax Levee Improvement Bonds, Series 1986 (the “FBLID No. 12 Series 1986 Bonds”) to finance the facilities which have been constructed to accomplish flood protection and accommodate storm water drainage within FBLID No. 12, including the approximately 1,107.15 acres of land located within the District. FBLID No. 12 defaulted on the FBLID No. 12 Series 1986 Bonds, filed bankruptcy and adjusted its debt. Home construction and development were recommenced in 1999. Pursuant to such bankruptcy, the FBLID No. 12 Series 1986 Bonds were amended by FBLID No. 12 (the “FBLID No. 12 Amended Bonds”). FBLID No. 12 issued its $16,315,000 Unlimited Tax Levee Improvement Refunding Bonds, Series 2005 to refund all of the FBLID No. 12 Amended Bonds and to restructure its indebtedness, and Unlimited Tax Levee Improvement Refunding Bonds, Series 2012, and Unlimited Tax Levee Improvement Refunding Bonds, Series 2013 to refund portions of the FBLID No. 12 Series 2005 Refunding Bonds. In addition, FBLID No. 12 has issued Unlimited Tax Levee Improvement Refunding Bonds, Series 2019 to refund portions of the FBLID No. 12 Series 2012 Refunding Bonds, and Unlimited Tax Levee Improvement Refunding Bonds, Series 2020 to refund portions of the FBLID No. 12 Series 2012 and Series 2013 Refunding Bonds. FBLID No. 12 has $3,050,000 bonds currently outstanding. FBLID No. 12 levies a tax on property located within FBLID No. 12, including upon the 1,107.15 acres located within the District, which tax is in addition to the tax levied by the District. FBLID No. 12's 2025 Assessed Valuation is $3,672,426,232. FBLID No. 12 levied a tax of $0.04 per $100 of Assessed Valuation for 2025, $0.015 per $100 of Assessed Valuation of which tax is a debt service tax and $0.025 per $100 of Assessed Valuation of which tax is a maintenance tax.

The District levied a debt service tax in the amount of $0.47 per $100 of Assessed Valuation for 2025, plus a maintenance tax of $0.38 per $100 of Assessed Valuation. Thus, the combined tax levies of the District and FBLID No. 12 are $0.89 per $100 of Assessed Valuation for 2025. For 2026, the District levied a Defined Area Tax that consisted of a maintenance tax only of $0.65 per $100 of Assessed Valuation. Such combined levies are higher than the tax rates levied by some municipal utility districts in the Houston metropolitan area, but are within the range of tax rates being levied by municipal utility districts in the Houston metropolitan area which are in stages of development comparable with the District. As is described in this Official Statement under the caption “TAX DATA - Estimated Overlapping Taxes,” the aggregate of the 2025 tax levies of all units of government which levy taxes against the property located within the District, plus the 2025 tax of the District and FBLID No. 12 is $2.5214 per $100 of Assessed Valuation for the portion of the District that does not include Defined Area No. 1 and $3.1314 per $100 of Assessed Valuation for the District and the portion of the District that lies within Defined Area No. 1. No portion of the District is located within both Defined Area No. 1 and FBLID No. 12. Such aggregate levies are higher than the aggregate of the tax levies of some municipal utility districts located in the greater Houston metropolitan area, but is within the range of the aggregate tax levies of municipal utility districts in the Houston metropolitan area which are in stages of development comparable with the District. To the extent that such composite tax rates are not competitive with competing developments, the growth of property tax values in the District and the investment quality or security of the Bonds could be adversely affected.

Prospective purchasers of the Bonds are reminded that development which has occurred to date or which is planned to occur on land covered by FBLID No. 12 other than the District creates assessed valuation of property against which taxes will be levied to pay debt service on bonds issued by districts other than the District. The development or lack thereof which occurs in districts within FBLID No.12 other than the District will have an effect on the level of indebtedness and debt service payments thereon of such districts and FBLID No. 12, which ultimately could affect the development of the District and the investment quality or security of the Bonds.

THE DISTRICT'S TAX IS LEVIED ONLY ON THE PROPERTY LOCATED WITHIN THE DISTRICT. THEREFORE, THE INVESTMENT SECURITY AND QUALITY OF THE BONDS IS DEPENDENT UPON THE SUCCESSFUL DEVELOPMENT OF PROPERTY LOCATED WITHIN THE DISTRICT AND THE PAYMENT AND COLLECTION OF TAXES LEVIED THEREON. NEVERTHELESS, THE PACE AND EXTENT OF DEVELOPMENT OF LAND LOCATED IN FBLID NO. 12 OTHER THAN THE DISTRICT WILL AFFECT THE TAX LEVIED BY FBLID NO. 12, AND THUS THE TOTAL TAX BURDEN ON LAND IN THE DISTRICT.

Certain Tax Exemptions Provided for Affordable Housing

There are five multifamily apartment complexes located within the District, including the 349-unit Cendana District West Apartments; the 386-unit MIO District West Apartments; the 324-unit Allora District West Apartments; the 360-unit Prose District West Apartments; and the 433-unit Cyan Cinco Ranch Apartments. Certain multi-family housing may be exempt from ad valorem taxation by the District pursuant to Chapter 303 of the Texas Local Government Code (the “PFC Act”), Chapter 392 of the Texas Local Government Code (the “Housing Authority Act”), or Chapter 394 of the Texas Local Government Code (the "HFC Act"), if certain conditions are met.

The Housing Authority Act authorizes cities and counties to create housing authorities to provide safe and sanitary housing for persons of low income within the area of operation of the housing authority. Multi-family property owned by a housing authority, including property for which a housing authority holds an equitable interest, is exempt from all taxes and special assessments of a city, county, the state, or another political subdivision, including conservation and reclamation districts such as the District, if certain conditions are met under the Housing Authority Act. The District has not been given notice that any apartment complex located in the District is exempt from taxation.

The PFC Act authorizes cities, counties, school districts, housing authorities and special districts (a “Sponsor”) to create a sponsored Public Facility Corporation (“PFC”) to acquire, construct, rehabilitate, renovate, repair, equip, furnish and place in service public facilities. These activities may be financed through certain obligations of either the Sponsor or the PFC. Under the PFC Act, a “public facility” includes any real, personal, or mixed property, or an interest in property devoted or to be devoted to public use, and authorized to be financed under the PFC Act. A public facility, including a leasehold estate in a public facility, that is owned by a PFC is exempt from taxation by the State or a municipality or other political subdivision of the State, including the District. This exemption applies to both ad valorem and sales taxes levied by such taxing authorities.

Subject to certain restrictions, a leasehold or other possessory interest granted by the PFC to the user of a PFC-owned multifamily residential development entitles that user to this same exemption. A PFC project approved on or after June 18, 2023, does not quality for an exemption with respect to taxes imposed by a conservation and reclamation district providing water, sewer, or drainage services to the development, unless an agreement is entered into with the district concerning payments in lieu of taxation. Projects for which PFC or Sponsor approval was received prior to the effective date of H.B. 2071 are governed by the prior law and are not subject to the same requirements. The District is not aware of any public facilities located within the boundaries of the District that are either owned or leased by a PFC.

The HFC Act provides for the formation of housing finance corporations ("HFCs") by municipalities and counties for the purpose of providing decent, safe, and sanitary housing at affordable prices to residents of local governments. Public property owned by an HFC, including property for which an HFC holds an equitable interest, is exempt from taxes imposed by the state or any political subdivision of the state, including conservation and reclamation districts such as the District, provided certain conditions are met under the HFC Act. This exemption applies to both ad valorem and sales taxes levied by taxing authorities where the qualified project is located. Section 394.904(d) (as added by H.B. 21, 89th Texas Legislature, Regular Session) provides in part that, for property acquired by an HFC after May 28, 2025, such ad valorem tax exemptions do not apply to taxes levied by a conservation or reclamation district created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, that provides water, sewer, or drainage service to the multifamily residential development owned by the HFC, unless the applicable HFC has entered into a written agreement with the district to make a payment to the district in lieu of taxation, in the amount specified in the agreement. Further, property acquired by an HFC prior to May 28, 2025, may become subject to taxation by a conservation and reclamation district in future tax years unless certain additional requirements are met under the HFC

Act. The District is not aware of any public property located within the boundaries of the District that is owned by an HFC.

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 (i) cumbersome, time-consuming, and expensive collection procedures, (ii) a bankruptcy court's stay of tax collection procedures against a taxpayer, (iii) market conditions limiting the proceeds from a foreclosure sale of taxable property, or (iv) the taxpayer's right to redeem the property within two years of foreclosure. 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.

Registered Owners' Remedies and Bankruptcy

In the event of default in the payment of principal of or interest on the Bonds, the Registered Owners have a right to seek a writ of mandamus requiring the District to levy adequate taxes each year to make such payments. Except for mandamus, the Bond Resolution does not 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. 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 judgement for money damages. Even if Registered Owners could obtain a judgment against the District, such a judgment could not be enforced by a 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 in order to pay the principal of and interest on the Bonds. Since there is no trust indenture or trustee, the Registered Owners would have to initiate and finance the legal process to enforce their remedies.

The enforceability of the rights and remedies of the Registered Owners may be further limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. In this regard, should the District file a petition for protection from creditors under federal bankruptcy laws, a suit seeking the remedy of mandamus would be automatically stayed and could not be pursued unless authorized by a federal bankruptcy judge. See "THE BONDS - Registered Owners' Remedies."

The District may not be placed into bankruptcy involuntarily.

Marketability

The District has no understanding (other than the initial reoffering yields) with the Underwriter regarding the reoffering yields or prices of the Bonds and has no control over the trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made for the Bonds. If there is a secondary market, the difference between the bid and asked price of the Bonds may be greater than the bid and asked spread of other bonds generally bought, sold, or traded in the secondary market. See "SALE AND DISTRIBUTION OF THE BONDS."

Future Debt

The District has the right to issue the remaining $48,110,000 authorized but unissued bonds for waterworks, wastewater, and drainage facilities, or for refunding purposes, $11,032,370.50 unissued bonds authorized for refunding purposes only and $21,700,000 authorized but unissued bonds for recreational facilities and refunding such bonds (see "THE BONDS - Issuance of Additional Debt"), and such additional bonds as may hereafter be approved by both the Board and voters of the District. The District also has the right to issue certain other additional bonds, special project bonds, and other obligations described in the Bond Resolution. All of the remaining $48,110,000 bonds for waterworks, wastewater, and drainage facilities and $21,700,000 unissued bonds authorized for recreational facilities or refunding such bonds which have heretofore been authorized by the voters of the District may be issued by the District from time to time as needed. The issuance of such $48,110,000 bonds for waterworks, wastewater, and drainage facilities is also subject to TCEQ authorization.

The District also has the right to issue $90,477,000 unlimited tax bonds for waterworks, wastewater, and drainage facilities to serve Defined Area No. 1, and refunding bonds issued for such purposes, $42,525,000 unlimited tax bonds for roads to serve Defined Area No. 1 and refunding bonds issued for such purpose; and $26,700,000 unlimited tax bonds for parks and recreational facilities to serve Defined Area No. 1, and refunding of bonds issued for such purposes to be secured solely by ad valorem taxes levied and collected within Defined Area No. 1 (see "THE BONDS - Issuance of Additional Debt"), and such additional bonds as may hereafter be approved by both the Board and voters of Defined Area No. 1. The District has not yet issued any Defined Area bonds. The Bond Resolution imposes no limitation on the amount of Defined Area bonds which may be issued by the District.

The District's consulting engineer, BGE, Inc. (the "Engineer") currently estimates that the aforementioned $48,110,000 authorized unlimited tax bonds which remain unissued will be adequate to finance the construction of all waterworks, wastewater, and drainage facilities (the "System") that will be necessary to provide service to all of the currently undeveloped portions of the District. See "DEVELOPMENT OF THE DISTRICT," "FUTURE DEVELOPMENT," and "THE SYSTEM." In addition to the components of the System that the District has financed with the proceeds of the Prior Bonds and plans to finance with the proceeds of the sale of the Bonds, the District expects to finance the acquisition or construction of additional components of the System with the proceeds of bonds, if any, to be issued by the District in the future. See "THE BONDS - Issuance of Additional Debt" and - "Use and Distribution of Bond Proceeds," "FUTURE DEVELOPMENT" and "THE SYSTEM." If additional bonds are issued in the future and property values have not increased proportionately, such issuance may increase gross debt/property valuation ratios and thereby adversely affect the investment quality or security of the Bonds.

The District is authorized by statute to develop parks and recreational facilities, including the issuing of bonds payable from taxes for such purpose. Voters in the District have authorized $21,700,000 in unlimited tax bonds for recreational facilities, none of which bonds have been issued to date. Before the District could issue park bonds payable from taxes, the following actions would be required: (a) approval of the park project and bonds by the TCEQ; and (b) approval of the bonds by the Attorney General of Texas. If the District does issue park and recreational facility bonds, the outstanding principal amount of any 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.

Competitive Nature of Houston Housing and Commercial Building Markets

The single-family development and housing and commercial development and building industries in the Houston area are very competitive, and the District can give no assurance that the building programs that are planned by any future home builder(s) will be completed, that additional commercial buildings will be constructed within the District, or that any development projects other than those that have been heretofore undertaken in the District will be initiated or completed. The likelihood of the construction of future homes or commercial buildings or the initiation of any new residential or commercial development projects in the District is affected by most of the factors discussed in this section, and such likelihood is directly related to tax revenues received by the District and the growth and maintenance of taxable values in the District.

Continuing Compliance with Certain Covenants

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

Approval of the Bonds

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

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) (the "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.

Extreme Weather Events

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, including the District, 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. However, according to the District's Operator and Engineer, the District's System did not sustain any material damage and there was no interruption of water and sewer service from Hurricane Harvey. Further, according to the District's Operator, after investigation, although the District experienced street flooding, there was no apparent material wind or water damage to homes or commercial improvements within the District except for roof damage to approximately 4 homes in the Lost Creek subdivision.

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 in 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.

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

Potential Effects of Oil Price Volatility on the Houston Area

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

LEGAL MATTERS

Legal Opinions

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" (except for information under the subheadings "Book-Entry-Only System" and "Use and Distribution of Bond Proceeds"), "THE DISTRICT - Authority" and - "Bond Counsel," "TAXING PROCEDURES," "LEGAL MATTERS," "TAX MATTERS" and "CONTINUING DISCLOSURE OF INFORMATION" solely to determine whether such information, insofar as it relates to matters of law, is true and correct and whether such information fairly summarizes matters of law, the provisions of the documents referred to therein, and conforms to the provisions of the Order of the TCEQ approving the Bonds. 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, other than the matters discussed immediately above.

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 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-Litigation Certificate

The District will furnish the Underwriter a certificate, executed by the President and Secretary of the Board, and dated as of the date of delivery of the Bonds, that, to their knowledge, no litigation is pending or threatened affecting the validity of the Bonds, or the levy and/or collection of taxes for the payment thereof, or the organization or boundaries of the District, or the title of the officers thereof to their respective offices.

No Material Adverse Change

The obligations of the Underwriters to take up 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 financial condition of the District subsequent to the date of sale from that set forth in the Preliminary Official Statement, as it may have been finalized, supplemented or amended through the date of sale. The rating of the Insurer's creditworthiness by any rating agency does not and will not in any manner affect the District's financial condition, and thus any change to such rating, including a downgrade thereof, at any time, does not and will not constitute a change, material or otherwise, in the District's financial condition, and therefore cannot be a basis for termination by the Underwriter of its obligations to take up and pay for the Bonds.

TAX MATTERS

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

Tax Exemption

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

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

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

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

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

NOT Qualified Tax-Exempt Obligations

The Bonds will **not** be designated "qualified tax-exempt obligations" for financial institutions.

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 those noted below. Therefore, prospective purchasers of the Bonds should consult their own tax advisors as to the tax consequences of the acquisition, ownership and disposition of the Bonds.

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

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

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

Tax Accounting Treatment of Original Issue Premium

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

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

Tax Accounting Treatment of Original Issue Discount

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

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

The foregoing discussion assumes that (i) the Underwriter has purchased the Bonds for contemporaneous sale to the public and (ii) all of the OID Bonds have been initially offered, and a substantial amount of each maturity thereof has been sold, to the general public in arm's-length transactions for a price (and with no other consideration being included) not more than the initial offering prices thereof stated on the inside 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.

OFFICIAL STATEMENT

General

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

The District's financial statements for the fiscal year ended September 30, 2025, were audited by Mark C. Eyring, CPA, PLLC, Certified Public Accountants, and have been included herein as "APPENDIX B." Mark C. Eyring, PLLC, Certified Public Accountants has agreed to the publication of such financial statements in this Official Statement.

Experts

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

The information contained in the Official Statement relating to assessed valuations of property generally and, in particular, that information concerning collection rates and valuations contained in the sections captioned "DISTRICT DEBT" and "TAX DATA" was provided by Tax Tech, Inc. and the Appraisal District. Such information has been included herein in reliance upon the authority of Tax Tech, Inc. as an expert in the field of tax collection and the Appraisal District's authority as an expert in the field of tax assessing.

Certification as to Official Statement

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

Updating of Official Statement

If, subsequent to the date of the Official Statement, to and including the date the Underwriter is no longer required to provide an Official Statement to customers who request same pursuant to Rule 15c2-12 of the United States Securities and Exchange Commission (the "SEC"), the District learns, or is notified by the Underwriter, of any adverse event which causes the Official Statement to be materially misleading, and unless the Underwriter elects to terminate its obligation to purchase the Bonds, the District will promptly prepare and supply to the Underwriter an appropriate amendment or supplement to the Official Statement satisfactory to the Underwriter; provided, however, that the obligation of the District to so amend or supplement the Official Statement will terminate upon the earlier of (i) 90 days after the "end of the underwriting period" as defined in SEC Rule 15c2-12 or (ii) the date the Official Statement is filed with the MSRB (hereinafter defined), but in no case less than 25 days after the "end of the underwriting period."

Official Statement "Deemed Final"

For purposes of compliance with the Rule, this document, as the same may be supplemented or corrected by the District from time to time, may be treated as an "official statement" with respect to the Bonds described herein "deemed final" by the District as of the date hereof (or of any such supplement or correction) except for the omission of certain information referred to in the succeeding paragraph.

This document, when further supplemented by adding information specifying the interest rates and certain other information relating to the Bonds, shall constitute a "final official statement" of the District with respect to the Bonds, as that term is defined in the Rule.

CONTINUING DISCLOSURE OF INFORMATION

In the Bond Resolution, the District has made the following agreement for the benefit of the holders and beneficial owners of the Bonds. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the District will be obligated to provide certain updated financial information and operating data annually, and timely notice of certain specified events, to the Municipal Securities Rulemaking Board (the "MSRB") or any successor to its functions as a repository through its Electronic Municipal Market Access ("EMMA") system.

Annual Reports

The District will provide certain updated financial information and operating data annually to the MSRB. The information to be updated with respect to the District includes all quantitative financial information and operating data of the general type included in this Official Statement under the headings "DISTRICT DEBT," "TAX DATA," and in "APPENDIX B." The District will update and provide this information within six months after the end of each of its fiscal years ending in or after 2026. The District will provide the updated information to the MSRB or any successor to its functions as a repository.

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 it 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 shall provide unaudited financial statements for the applicable fiscal year to the MSRB within such six-month period, and audited financial statements when the audit report on such statements becomes 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 fiscal year end is currently September 30. Accordingly, it must provide updated information by March 31 in each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify the MSRB of the change.

Event Notices

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

Availability of Information

The District has agreed to provide the foregoing information only to the MSRB. Investors will be able to access, without charge from the MSRB, continuing disclosure information filed with the MSRB at www.emma.msrb.org.

Limitations and Amendments

The District has agreed to update information and to provide notices of certain specified events only as described above. The District has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The District makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders 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 to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, if but only if the agreement, as amended, would have permitted an Underwriter to purchase or sell Bonds in the offering made hereby in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the holders of a majority in aggregate principal amount of the 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 Underwriter from lawfully purchasing the Bonds in the initial offering. If the District so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance With Prior Undertakings

During the last five years, the District has complied in all material respects with all its continuing disclosure agreements made by it in accordance with the Rule.

This Official Statement was approved by the Board of Directors of Fort Bend County Municipal Utility District No. 50 as of the date shown on the first page hereof.

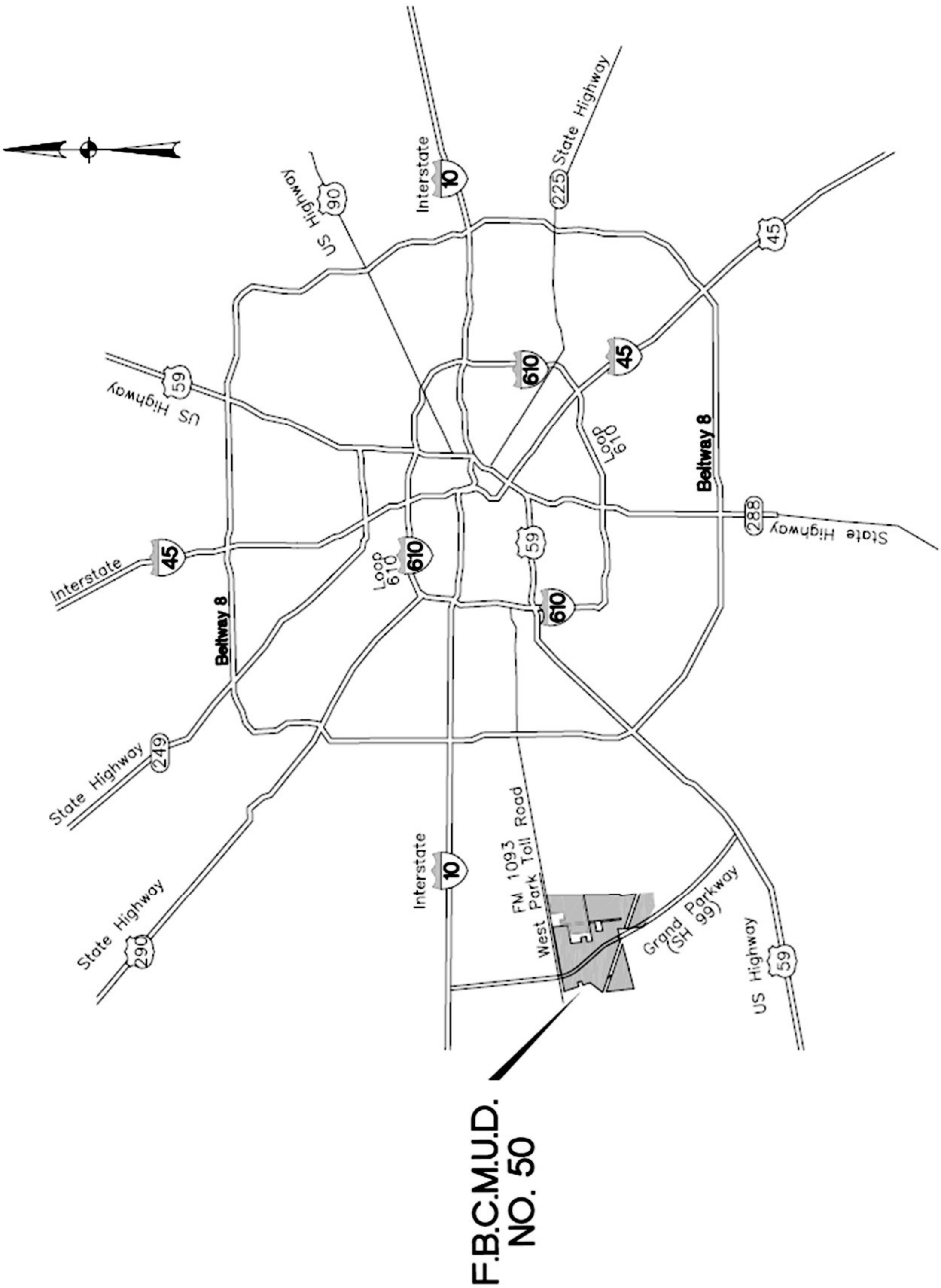
President, Board of Directors
Fort Bend County Municipal Utility District No. 50

ATTEST:

Secretary, Board of Directors
Fort Bend County Municipal Utility District No. 50

APPENDIX A

LOCATION MAP



APPENDIX B

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

FORT BEND COUNTY, TEXAS

ANNUAL AUDIT REPORT

SEPTEMBER 30, 2025

FORT BEND COUNTY

MUNICIPAL UTILITY DISTRICT NO. 50

FORT BEND COUNTY, TEXAS

ANNUAL AUDIT REPORT

SEPTEMBER 30, 2025

CONTENTS

Mark C. Eyring, CPA, PLLC

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January 7, 2026

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Fort Bend County Municipal
Utility District No. 50
Fort Bend County, Texas

Opinions

I have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Fort Bend County Municipal Utility District No. 50 as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise Fort Bend County Municipal Utility District No. 50's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Fort Bend County Municipal Utility District No. 50, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows there of for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Fort Bend County Municipal Utility District No. 50, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Fort Bend County Municipal Utility District No. 50'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

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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. I 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 Fort Bend County Municipal Utility District No. 50's internal control. Accordingly, no such opinion is expressed. I 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. I conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Fort Bend County Municipal Utility District No. 50's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Fort Bend County Municipal Utility District No. 50's basic financial statements. The supplementary information on Pages 26 to 54 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. Except for the portion marked "unaudited," the information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The supplementary information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on it. The accompanying supplementary information includes financial data excerpted from prior year financial statements which were audited by my firm.

Management's Discussion and Analysis

Using this Annual Report

Within this section of the Fort Bend County Municipal Utility District No. 50 (the "District") annual report, the District's Board of Directors provides narrative discussion and analysis of the financial activities of the District for the fiscal year ended September 30, 2025.

The annual report consists of a series of financial statements plus additional supplemental information to the financial statements as required by its state oversight agency, the Texas Commission on Environmental Quality. In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program. In the District's case, the single governmental program is provision of water and sewer services. Other activities, such as garbage collection, are minor activities and are not budgeted or accounted for as separate programs. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented on the left side of the statements, a column for adjustments is to the right of the fund financial statements, and the government-wide financial statements are presented to the right side of the adjustments column. The following sections describe the measurement focus of the two types of statements and the significant differences in the information they provide.

Government-Wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the District. The District's government-wide financial statements include the statement of net position and statement of activities, which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the statement of net position is to attempt to report all of the assets and liabilities owned by the District. The District reports all of its assets when it acquires or begins to maintain the assets and reports all of its liabilities when they are incurred.

The difference between the District's total assets and total liabilities is labeled as *net position* and this difference is similar to the total owners' equity presented by a commercial enterprise.

The purpose of the statement of activities is to present the revenues and expenses of the District. Again, the items presented on the statement of activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the District. Thus, revenues are reported even when they may not be collected for several months or years after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

Although the statement of activities looks different from a commercial enterprise's income statement, the financial statement is different only in format, not substance. Whereas the bottom line in a commercial enterprise is its net income, the District reports an amount described as *change in net position*, essentially the same thing.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures and change in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted into cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and water and sewer systems. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund's total assets and total liabilities is labeled the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's' activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the fiscal year.

Because the focus of the government-wide and fund financial statements are different, there are significant differences between the totals presented in these financial statements. For this reason, there is an analysis in Note 3 of the notes to the financial statements that reconciles the total fund balances to the amount of net position presented in the governmental activities column on the statement of net position. Also, there is an analysis in Note 3 of the notes to the financial statements that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column in the statement of activities.

Financial Analysis of the District as a Whole

Financial Analysis of the District as a Whole begins with an understanding of how financial resources flow through the District's funds. Resources in the Capital Projects Fund are derived principally from proceeds of the sale of bonds, and expenditures from this fund are subject to the Rules of the Texas Commission on Environmental Quality. Resources in the Debt Service Fund are derived principally from the collection of property taxes and are used for the payment of tax collection costs and bond principal and interest. Resources in the General Fund are derived principally from property taxes and billings for water and sewer services and are used to operate and maintain the system and to pay costs of administration of the District.

Management has financial objectives for each of the District's funds. The financial objective for the Capital Projects Fund is to spend the funds as necessary in accordance with the Rules of the Texas Commission on Environmental Quality. The financial objective for the Debt Service Fund is to levy the taxes necessary to pay the fiscal year debt service requirements plus the cost of levying and collecting taxes, leaving the appropriate fund balance as recommended by the District's financial advisor. The financial objective for the General Fund is to keep the fund's expenditures as low as possible while ensuring that revenues are adequate to cover expenditures and maintaining the fund balance that Management believes is prudent. Management believes that these financial objectives were met during the fiscal year.

Management believes that the required method of accounting for certain elements of the government-wide financial statements makes the government-wide financial statements as a whole not useful for financial analysis. In the government-wide financial statements, capital assets and depreciation expense have been required to be recorded at historical cost. Management's policy is to maintain the District's capital assets in a condition greater than or equal to the condition required by regulatory authorities, and management does not believe that depreciation expense is relevant to the management of the District. In the government-wide financial statements, certain non-cash costs of long-term debt are capitalized and amortized over the life of the related debt. Management believes that this required method of accounting is not useful for financial analysis of the District and prefers to consider the required cash flows of the debt as reported in the fund statements and the notes to the financial statements. In the government-wide financial statements, property tax revenues are required to be recorded in the fiscal year for which the taxes are levied, regardless of the year of collection. Management believes that the cash basis method of accounting for property taxes in the funds provides more useful financial information.

The following required summaries of the District's overall financial position and operations for the past two years are based on the information included in the government-wide financial statements. For the reasons described in the preceding paragraph, a separate analysis of the summaries is not presented.

Summary of Net Position

	2025	2024	Change
Current and other assets	$ 23,399,946	$ 19,186,130	$ 4,213,816
Capital assets	79,563,995	78,522,184	1,041,811
Total assets	102,963,941	97,708,314	5,255,627
Long-term liabilities	88,408,678	89,075,430	(666,752)
Other liabilities	3,264,546	2,621,666	642,880
Total liabilities	91,673,224	91,697,096	(23,872)
Net position:			
Invested in capital assets, net of related debt	(8,844,683)	(10,553,246)	1,708,563
Restricted	6,820,777	6,794,711	26,066
Unrestricted	13,314,623	9,769,753	3,544,870
Total net position	$ 11,290,717	$ 6,011,218	$ 5,279,499

Summary of Changes in Net Position

	2025	2024	Change
Revenues:			
Property taxes, including related penalty and interest	$ 9,184,969	$ 7,743,033	$ 1,441,936
Charges for services	4,240,315	3,415,051	825,264
Other revenues	1,400,142	1,476,046	(75,904)
Total revenues	14,825,426	12,634,130	2,191,296
Expenses:			
Service operations	6,409,902	6,100,942	308,960
Debt service	3,136,025	3,195,820	(59,795)
Total expenses	9,545,927	9,296,762	249,165
Change in net position	5,279,499	3,337,368	1,942,131
Net position, beginning of year	6,011,218	2,673,850	3,337,368
Net position, end of year	$ 11,290,717	$ 6,011,218	$ 5,279,499

Financial Analysis of the District's Funds

The District's combined fund balances as of the end of the fiscal year ended September 30, 2025 were $20,147,677, an increase of $3,445,963 from the prior year.

The General Fund balance increased by $3,484,827, in accordance with the District's financial plan.

The Debt Service Fund balance increased by $394,261, in accordance with the District's financial plan.

The Capital Projects Fund balance decreased by $433,125, as authorized expenditures exceeded interest earnings on deposits and investments and the reimbursement of $643,350 from the General Fund.

General Fund Budgetary Highlights

The Board of Directors did not amend the budget during the fiscal year. The District's budget is primarily a planning tool. Accordingly, actual results varied from the budgeted amounts. A comparison of actual to budgeted amounts is presented on Page 25 of this report. The budgetary fund balance as of September 30, 2025, was expected to be $12,840,865 and the actual end of year fund balance was $13,225,192.

Capital Asset and Debt Administration

Capital Assets

Capital assets held by the District at the end of the current and previous fiscal years are summarized as follows:

	Capital Assets (Net of Accumulated Depreciation)		
	2025	2024	Change
Land and easements	$ 16,586,587	$ 16,586,587	$ 0
Detention ponds	10,556,504	10,556,504	0
Construction in progress	13,050,485	10,843,475	2,207,010
Water facilities	9,804,015	10,137,384	(333,369)
Sewer facilities	19,170,821	19,687,177	(516,356)
Drainage facilities	10,395,583	10,711,057	(315,474)
Totals	$ 79,563,995	$ 78,522,184	$ 1,041,811

Changes to capital assets during the fiscal year ended September 30, 2025, are summarized as follows:

Additions:	
Water system improvements	$ 1,194,478
Sewer system improvements	109,454
Detention system improvements	6,372
Increase in estimated developer construction	971,630
Total additions to capital assets	2,281,934
Decreases:	
Depreciation	(1,240,123)
Net change to capital assets	$ 1,041,811

Debt

Changes in the bonded debt position of the District during the fiscal year ended September 30, 2025, are summarized as follows:

Bonded debt payable, beginning of fiscal year	$ 82,435,000
Bonds paid	(1,755,000)
Bonded debt payable, end of fiscal year	$ 80,680,000

At September 30, 2025, the District had $62,530,000 of bonds authorized but unissued for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage system within the District and $21,700,000 for parks and recreational facilities.

The District's bonds have an underlying rating of BBB- by Standard & Poor's. The Series 2018, 2018A, 2020, 2020A, 2021, 2023 and 2023A bonds have an underlying rating of A3 by Moody's. The Series 2015 unlimited tax bonds, Series 2015 refunding bonds, Series 2016 unlimited tax bonds, Series 2017 refunding bonds, the Series 2018A unlimited tax bonds, Series 2020 refunding bonds, Series 2020A unlimited tax bonds, and Series 2021 refunding bonds are insured by Assured Guaranty Municipal Corp. The Series 2018 refunding bonds and Series 2023 and 2023A unlimited tax bonds are insured by Build America Mutual Assurance Company. The insured rating of the Series 2015, 2015 refunding, 2016, 2017, 2018 refunding, 2018A, 2020 refunding, 2020A, 2021 refunding, 2023 and 2023A is AA by Standard & Poor's. There were no changes in the bond ratings during the fiscal year ended September 30, 2025.

As further described in Note 5 of the notes to the financial statements, developers within the District are constructing certain facilities on behalf of the District under the terms of contracts with the District. The District has agreed to purchase these facilities from the proceeds of future bond issues subject to the approval of the Texas Commission on Environmental Quality. At September 30, 2025, the estimated amount due to developers was $9,536,567.

RELEVANT FACTORS AND WATER SUPPLY ISSUES

Property Tax Base

The District's tax base increased approximately $162,020,000 for the 2024 tax year (approximately 18%), due to the addition of new houses and commercial properties to the tax base and increases to the valuations of existing properties.

Relationship to the City of Houston

Utilizing a provision of Texas law, the District and the City of Houston (the "City") entered into a 30 year Strategic Partnership Agreement (the "Agreement") effective March 25, 2005 (amended December 20, 2007, December 14, 2009 and May 8, 2012). Under the terms of the Agreement, the City annexed a portion of the District (the "Partial District") for the limited purpose of imposition of the City's Sales and Use Tax. In addition, the Agreement provides that the City shall apply and enforce within the Partial District the most current section of the City's fire code banning fireworks as adopted by City Council. The Agreement states that the District and all taxable property within the District shall not be liable for any present or future debts of the City and current and future taxes levied by the City shall not be levied on taxable property within the District. During the term of the SPA, the City has agreed not to annex all or part of the District or commence any action to annex all or part of the District for full purposes.

The City imposed a Sales and Use Tax within the boundaries of the Partial District at the time of the limited-purpose annexation of the Partial District. The Agreement provides that the City shall pay to the District one half of all Sales and Use Tax revenues generated within the boundaries of the Partial District and received by the City from the Comptroller of Public Accounts of the State of Texas.

As further described in the notes to the financial statements, the District has entered into Economic Development Agreements with developers within the District which commits a portion of the Sales and Use Tax revenues collected on the developed properties to the reimbursement of the developers for the construction and related costs of the project improvements.

Water Supply Issues

The District is within the boundaries of the Fort Bend Subsidence District (the "Subsidence District"), which regulates groundwater withdrawal. The District's authority to pump groundwater is subject to an annual permit issued by the Subsidence District. On September 24, 2003, the Subsidence District issued a District Regulatory Plan (the "Plan") to reduce groundwater withdrawal through conversion to surface water or other alternative water sources in certain areas within the Subsidence District's jurisdiction. Under the Plan, the District was required to have a groundwater reduction plan ("GRP") approved by the Subsidence District by the beginning date of the District's permit term in 2008, or pay a disincentive fee for any groundwater withdrawn in excess of 40% of the District's total water demand. Additional disincentive fees would be imposed under the Plan if the District's groundwater withdrawal exceeds 70% of the District's total water demand beginning October 2014, and exceeds 40% of the District's total water demand beginning January of 2027. The Texas Legislature created the North Fort Bend Water Authority (the "Authority") and included the District within the boundaries of the Authority. The Authority was created to provide a regional entity to build the necessary facilities to meet the Subsidence District's requirements for conversion from groundwater to surface water of all permit holders within its boundaries, including the District. Accordingly, the District is required to pay fees to the Authority, and in turn is entitled to rely upon the Authority's GRP to achieve compliance with the Subsidence District's requirements. The Subsidence District approved the Authority's GRP on August 27, 2008. The Authority may establish such fees, charges, or tolls as necessary to accomplish its purposes. As of September 30, 2025, the Authority had established a pumpage fee of $4.55 per 1,000 gallons of groundwater pumped and a surface water fee of $4.90 per 1,000 gallons of surface water purchased both of which may increase in the future.

As of September 30, 2025, the District has been converted to surface water. While the Authority has met its current conversion requirements, in the event the Authority fails to commence and complete construction of additional surface water infrastructure to serve the necessary districts by the 2025 deadline established by the Subsidence District, the District and others within the Authority's GRP group could be required to pay the disincentive fee on withdrawn groundwater. This disincentive fee is substantial, and the District expects it would need to pass such fee through to its customers via higher water rates. This disincentive fee would be in addition to the Authority's fee. The District cannot predict the amount or level of fees and charges which may be due the Authority for future years, but anticipates that it will pass such fees through to its customers via higher water rates.

Defined Area

Pursuant to the Chapter 7993 of the Texas Special District Local Laws Code, the District is authorized to establish and administer defined areas as provided by Subchapter J of Chapter 54 of the Texas Water Code to pay for improvements, facilities, or services that primarily benefit that area.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET

SEPTEMBER 30, 2025

	General	Debt Service	Capital Projects	Total	Adjustments (Note 3)	Statement of Net Position
ASSETS						
Cash, including interest-bearing accounts, Note 7	$ 1,010,466	$ 629,551	$ 409	$ 1,640,426	$	$ 1,640,426
Temporary investments, at cost, Note 7	13,144,549	5,498,724	2,254,787	20,898,060		20,898,060
Receivables:						
Property taxes	89,431	121,212		210,643		210,643
Accrued penalty and interest on property taxes				0	23,153	23,153
Service accounts	591,991			591,991		591,991
Other	101			101		101
Maintenance taxes collected not yet transferred from other fund	241,088			241,088	(241,088)	0
Groundwater bank certificates, at cost, Note 11	35,572			35,572		35,572
Capital assets, net of accumulated depreciation, Note 4:						
Capital assets not being depreciated				0	40,193,576	40,193,576
Depreciable capital assets				0	39,370,419	39,370,419
Total assets	$15,113,198	$6,249,487	$ 2,255,196	$23,617,881	79,346,060	102,963,941
LIABILITIES						
Accounts payable	$ 766,178	$ 70,428	$	$ 836,606		836,606
Construction contracts payable			331,949	331,949		331,949
Construction advances by others			817,521	817,521		817,521
Due to developer, Note 9	332,536			332,536		332,536
Accrued interest payable					246,073	246,073
Customer and builder deposits	699,861			699,861		699,861
Maintenance taxes collected not yet transferred to other fund		241,088		241,088	(241,088)	0
Long-term liabilities, Note 5:						
Due in one year				0	1,778,789	1,778,789
Due in more than one year				0	86,629,889	86,629,889
Total liabilities	1,798,575	311,516	1,149,470	3,259,561	88,413,663	91,673,224
DEFERRED INFLOWS OF RESOURCES						
Property tax revenues	89,431	121,212	0	210,643	(210,643)	0
FUND BALANCES / NET POSITION						
Fund balances:						
Nonspendable: Ground water bank certificates, Note 11	35,572			35,572	(35,572)	0
Committed to construction contracts in progress			41,010	41,010	(41,010)	0
Assigned to:						
Debt service		5,816,759		5,816,759	(5,816,759)	0
Capital projects			1,064,716	1,064,716	(1,064,716)	0
Unassigned	13,189,620			13,189,620	(13,189,620)	0
Total fund balances	13,225,192	5,816,759	1,105,726	20,147,677	(20,147,677)	0
Total liabilities, deferred inflows, and fund balances	$15,113,198	$6,249,487	$ 2,255,196	$23,617,881		
Net position:						
Invested in capital assets, net of related debt, Note 4					(8,844,683)	(8,844,683)
Restricted for debt service					5,715,051	5,715,051
Restricted for capital projects					1,105,726	1,105,726
Unrestricted					13,314,623	13,314,623
Total net position					$ 11,290,717	$ 11,290,717

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments (Note 3)	Statement of Activities
REVENUES						
Property taxes	$ 4,021,320	$ 4,974,053	$	$ 8,995,373	$ 122,283	$ 9,117,656
Water service	1,098,070			1,098,070		1,098,070
Sewer service	1,001,264			1,001,264		1,001,264
Surface water fees, Note 10	1,558,812			1,558,812		1,558,812
Penalty, interest and other	80,391	69,921		150,312	(2,608)	147,704
Tap connection and inspection fees	501,778			501,778		501,778
Sales and Use Taxes, Note 9	448,894			448,894		448,894
Interest on deposits and investments	521,546	312,032	117,670	951,248		951,248
Total revenues	9,232,075	5,356,006	117,670	14,705,751	119,675	14,825,426
EXPENDITURES / EXPENSES						
Service operations:						
Professional fees	403,901	25,631		429,532		429,532
Contracted services	286,274	133,537		419,811		419,811
Utilities	127,836			127,836		127,836
Regional water authority fees, Note 10	1,393,169			1,393,169		1,393,169
Repairs and maintenance	1,194,791			1,194,791		1,194,791
Other operating expenditures	360,549			360,549		360,549
Garbage disposal	457,960			457,960		457,960
Administrative expenditures	194,337	22,872		217,209		217,209
Depreciation				0	1,240,123	1,240,123
Capital outlay / non-capital outlay	685,081		1,194,145	1,879,226	(1,310,304)	568,922
Debt service:						
Principal retirement		1,755,000		1,755,000	(1,755,000)	0
Interest and fees		3,024,705		3,024,705	111,320	3,136,025
Total expenditures / expenses	5,103,898	4,961,745	1,194,145	11,259,788	(1,713,861)	9,545,927
Excess (deficiency) of revenues over expenditures	4,128,177	394,261	(1,076,475)	3,445,963	1,833,536	5,279,499
OTHER FINANCING SOURCES (USES)						
Reimbursement to (from) other fund	(643,350)	0	643,350	0	0	0
Total other financing sources (uses)	(643,350)	0	643,350	0	0	0
Net change in fund balances / net position	3,484,827	394,261	(433,125)	3,445,963	1,833,536	5,279,499
Beginning of year	9,740,365	5,422,498	1,538,851	16,701,714	(10,690,496)	6,011,218
End of year	$ 13,225,192	$ 5,816,759	$ 1,105,726	$ 20,147,677	$ (8,856,960)	$ 11,290,717

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

NOTE 1: REPORTING ENTITY

Fort Bend County Municipal Utility District No. 50 (the "District") was created by an order of the Texas Water Commission (now the Texas Commission on Environmental Quality) effective March 18, 1986, and operates in accordance with Texas Water Code Chapters 49 and 54. The District is a political subdivision of the State of Texas, governed by an elected five member Board of Directors. The Board of Directors held its first meeting on March 19, 1986 and the first bonds were issued on April 14, 1987. The District is subject to the continuing supervision of the Texas Commission on Environmental Quality.

The District is empowered, among other things, to purchase, construct, operate and maintain all works, improvements, facilities and plants necessary for the supply of water; the collection, transportation and treatment of wastewater; and the control and diversion of storm water. The District may provide garbage disposal and collection services, including recycling. The District is empowered to construct parks and recreational facilities for the residents of the District. The District is authorized to construct, acquire, improve, maintain or operate roads located within or outside its boundaries and to define areas or designate certain property of the District (“Defined Areas”) to pay for improvements, facilities, or services that primarily benefit that area. The District is also empowered to contract for and employ its own peace officers with powers to make arrests and to establish, operate and maintain a fire department to perform all fire-fighting activities within the District.

In evaluating how to define the District for financial reporting purposes, the Board of Directors of the District has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria established by the Governmental Accounting Standards Board. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, there were no other entities which were included as a component unit in the District's financial statements.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

The District's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board (the "GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board issued through November 30, 1989 (when applicable), that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the District are discussed below.

Basic Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and governmental fund financial statements (reporting the District's funds). Because the District is a single-program government as defined by the GASB, the District has combined the government-wide statements and the fund financial statements using a columnar format that reconciles individual line items of fund financial data to government-wide data in a separate column on the face of the financial statements. An additional reconciliation between the fund and the government-wide financial data is presented in Note 3.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District's net position is reported in three parts – invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The government-wide statement of activities reports the components of the changes in net position during the reporting period.

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for in a separate set of self-balancing accounts that comprises its assets, liabilities, fund balances, revenues and expenditures and changes in fund balances. The District's fund balances are reported as nonspendable, restricted, committed, assigned or unassigned. Nonspendable fund balances are either not in spendable form or are contractually required to remain intact. Restricted fund balances include amounts that can only be used for the specific purposes stipulated by constitutional provisions, external resource providers or enabling legislation. Committed fund balances include amounts that can only be used for the specific purposes determined by formal action of the District's Board of Directors. Assigned fund balances are intended for a specific purpose but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. The transactions of the District are accounted for in the following funds:

> General Fund -- To account for all revenues and expenditures not required to be accounted for in other funds.
>
> Debt Service Fund -- To account for the accumulation of financial resources for, and the payment of, bond principal and interest, paid principally from property taxes levied by the District.
>
> Capital Projects Fund -- To account for financial resources designated to construct or acquire capital assets. Such resources are derived principally from proceeds of the sale of bonds.

Basis of Accounting

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting which recognizes all long-term assets and receivables as well as long-term debt and obligations. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Ad valorem property taxes are recognized as revenues in the fiscal year for which they have been levied and related penalties and interest are recognized in the fiscal year in which they are imposed. An allowance for uncollectibles is estimated for delinquent property taxes and reported separately in the financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred except for principal and interest on bonds payable which are recorded only when payment is due.

Interfund Activity

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is reported as interfund receivables or payables, as appropriate, as are all other outstanding balances between funds. Operating transfers between funds represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended.

Receivables

Service accounts receivable as reported are considered collectible. The District uses the direct write off method for uncollectible service accounts. Unbilled water and sewer revenues are not material and are not recorded at year end. The District considers service accounts revenues to be available if they are to be collected within 60 days after the end of the fiscal year.

In the fund financial statements, ad valorem taxes and penalties and interest are reported as revenues in the fiscal year in which they become available to finance expenditures of the fiscal year for which they have been levied. Property taxes which have been levied and are not yet collected (or have been collected in advance of the fiscal year for which they have been levied) are recorded as deferred inflow of resources. Property taxes collected after the end of the fiscal year are not included in revenues.

Capital Assets

Capital assets, which include property, plant, equipment, and immovable public domain or "infrastructure" assets are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than $5,000 (including installation costs, if any, and associated professional fees) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed by the District. Donated capital assets are recorded at historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset or increase the value of an asset are capitalized. Costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on capital assets is computed using the straight-line method over the following estimated useful lives:

Plant and equipment	10-45 years
Underground lines	45 years

Long-term Liabilities

Long-term debt and other long-term obligations are reported in the government-wide financial statements. Bond premiums and discounts, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable premium or discount. If bonds are refunded and the carrying amount of the new debt is different than the net carrying amount of the old debt, the difference is netted against the new debt and amortized using the effective interest method over the shorter of the remaining life of the refunded debt or the life of the new debt issued.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures of the fund from which they are paid.

NOTE 3: RECONCILIATION OF FUND TO GOVERNMENT-WIDE FINANCIAL STATEMENTS

Reconciliation of year end fund balances to net position:

Total fund balances, end of year		$ 20,147,677
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Total capital assets, net		79,563,995
Some long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:		
Bonds payable	$ (80,680,000)	
Deferred charge on refunding (to be amortized as interest expense)	665,758	
Issuance discount, net of premium (to be amortized as interest expense)	1,142,131	
Due to developers for construction	(9,536,567)	(88,408,678)
Some receivables that do not provide current financial resources are not reported as receivables in the funds:		
Accrued penalty and interest on property taxes receivable	23,153	
Uncollected property taxes	210,643	233,796
Some liabilities that do not require the use of current financial resources are not reported as liabilities in the funds:		
Accrued interest		(246,073)
Net position, end of year		$ 11,290,717

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Reconciliation of net change in fund balances to change in net position:

Total net change in fund balances		$ 3,445,963
The funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:		
Capital outlay	$ 1,310,304	
Depreciation	(1,240,123)	70,181
The issuance of long-term debt (bonds payable) provides current financial resources to the funds, while the repayment of the principal of long-term debt consumes the current financial resources of the funds. Neither transaction, however, has any effect on net position. The effect of these differences in the treatment of long-term debt:		
Principal reduction		1,755,000
The funds report the effect of bond premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of these items:		
Refunding charges	(72,860)	
Issuance discount, net of premium	(43,758)	(116,618)
Some revenues reported in the statement of activities do not provide current financial resources and therefore are not reported as revenues in the funds:		
Accrued penalty and interest on property taxes receivable	(2,608)	
Uncollected property taxes	122,283	119,675
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds:		
Accrued interest		5,298
Change in net position		$ 5,279,499

NOTE 4: CAPITAL ASSETS

At September 30, 2025, “Invested in capital assets, net of related debt” was $(8,844,683). This amount was negative primarily because not all expenditures from bond proceeds (such as bond issuance costs) were for the acquisition of capital assets. In addition, some expenditures from bond proceeds were for the acquisition of capital assets beneath the capitalization threshold of $5,000 (see Note 2) and some authorized expenditures were not for capital assets.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Capital asset activity for the fiscal year ended September 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and easements	$ 16,586,587	$	$	$ 16,586,587
Detention ponds	10,556,504			10,556,504
Construction in progress	10,843,475	2,207,010		13,050,485
Total capital assets not being depreciated	37,986,566	2,207,010	0	40,193,576
Depreciable capital assets:				
Water system	13,258,708			13,258,708
Sewer system	24,588,722	74,924		24,663,646
Drainage system	14,196,360			14,196,360
Total depreciable capital assets	52,043,790	74,924	0	52,118,714
Less accumulated depreciation for:				
Water system	(3,121,324)	(333,369)		(3,454,693)
Sewer system	(4,901,545)	(591,280)		(5,492,825)
Drainage system	(3,485,303)	(315,474)		(3,800,777)
Total accumulated depreciation	(11,508,172)	(1,240,123)	0	(12,748,295)
Total depreciable capital assets, net	40,535,618	(1,165,199)	0	39,370,419
Total capital assets, net	$ 78,522,184	$ 1,041,811	$ 0	$ 79,563,995
Changes to capital assets:				
Capital outlay		$ 1,310,304	$	
Increase in estimated value of developer construction		971,630		
Less depreciation expense for the fiscal year		(1,240,123)		
Net increases / decreases to capital assets		$ 1,041,811	$ 0	

NOTE 5: LONG-TERM LIABILITIES AND CONTINGENT LIABILITIES

Long-term liability activity for the fiscal year ended September 30, 2025, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable	$ 82,435,000	$	$ 1,755,000	$ 80,680,000	$ 1,785,000
Deferred amounts:					
For issuance (discounts) premiums	(1,185,889)		(43,758)	(1,142,131)	94,491
For refunding charges	(738,618)		(72,860)	(665,758)	(100,702)
Total bonds payable	80,510,493	0	1,638,382	78,872,111	1,778,789
Due to developers for construction (see below)	8,564,937	971,630	0	9,536,567	-----------
Total due to developers	8,564,937	971,630	0	9,536,567	0
Total long-term liabilities	$ 89,075,430	$ 971,630	$ 1,638,382	$ 88,408,678	$ 1,778,789

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The bond issues payable at September 30, 2025, were as follows:

	Series 2015	Refunding Series 2015	Series 2016
Amounts outstanding, September 30, 2025	$3,475,000	$10,355,000	$11,800,000
Interest rates	3.50% to 6.00%	3.00% to 4.00%	4.00% to 5.00%
Maturity dates, serially beginning/ending	September 1, 2026/2043	September 1, 2026/2036	September 1, 2026/2045
Interest payment dates	March 1/September 1	March 1/September 1	March 1/September 1
Callable dates	September 1, 2022*	September 1, 2022*	September 1, 2023*

	Refunding Series 2017	Refunding Series 2018	Series 2018A
Amounts outstanding, September 30, 2025	$7,660,000	$4,005,000	$9,650,000
Interest rates	3.75% to 4.25%	3.00% to 3.75%	2.75% to 4.00%
Maturity dates, serially beginning/ending	September 1, 2026/2038	September 1, 2026/2039	September 1, 2026/2048
Interest payment dates	March 1/September 1	March 1/September 1	March 1/September 1
Callable dates	September 1, 2024*	September 1, 2023*	September 1, 2023*

	Refunding Series 2020	Series 2020A	Series 2021
Amounts outstanding, September 30, 2025	$5,375,000	$9,035,000	$3,675,000
Interest rates	3.00%	2.30%	1.00% to 4.00%
Maturity dates, serially beginning/ending	September 1, 2026/2041	September 1, 2046/2050	September 1, 2026/2029
Interest payment dates	March 1/September 1	March 1/September 1	March 1/September 1
Callable dates	September 1, 2025*	September 1, 2025*	September 1, 2026*

*Or any date thereafter at par plus accrued interest to the date of redemption, in whole or in part at the option of the District.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	Series 2023	Series 2023A
Amounts outstanding, September 30, 2025	$12,850,000	$2,800,000
Interest rates	4.00% to 6.50%	4.375% to 4.50%
Maturity dates, serially beginning/ending	September 1, 2026/2052	September 1, 2051/2052
Interest payment dates	March 1/September 1	March 1/September 1
Callable dates	September 1, 2028*	September 1, 2028*

*Or any date thereafter at par plus accrued interest to the date of redemption, in whole or in part at the option of the District.

As of September 30, 2025, the debt service requirements on the bonds payable were as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 1,785,000	$ 2,952,874	$ 4,737,874
2027	1,825,000	2,878,512	4,703,512
2028	1,855,000	2,830,009	4,685,009
2029	1,875,000	2,780,601	4,655,601
2030	2,055,000	2,735,336	4,790,336
2031 - 2035	11,300,000	12,416,421	23,716,421
2036 - 2040	14,215,000	9,997,320	24,212,320
2041 - 2045	16,985,000	7,166,385	24,151,385
2046 - 2050	18,135,000	3,855,565	21,990,565
2051 - 2052	10,650,000	673,344	11,323,344
	$ 80,680,000	$ 48,286,367	$ 128,966,367

Bonds voted for financing facilities	$ 25,300,000
Bonds for financing facilities approved for sale and sold	25,300,000
Bonds voted for financing facilities and not issued	0
Bonds voted for financing facilities and refunding purposes	$ 131,000,000
Bonds voted for financing facilities and refunding purposes and issued	68,470,000
Bonds voted for financing facilities and refunding purposes and not issued	62,530,000
Bonds voted for financing parks and recreational facilities	$ 21,700,000
Bonds voted for financing parks and recreational facilities and issued	0
Bonds voted for financing parks and recreational facilities and not issued	21,700,000
Refunding bonds voted	$ 15,180,000.00
Refunding bonds voted and issued	4,147,629.50
Refunding bonds voted and not issued	11,032,370.50

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.

Developer Construction Commitments and Liabilities

The developers within the District are constructing certain facilities within the District's boundaries. The District has agreed to reimburse the developers for these construction and related engineering costs plus interest not to exceed the interest rate of the applicable District bond issue. These amounts are to be reimbursed from the proceeds of a future bond issue to the extent approved by the Texas Commission on Environmental Quality. The District's engineer stated that cost of the construction in progress at September 30, 2025, was $9,536,567. This amount has been recorded in the government-wide financial statements and in the schedules in Notes 4 and 5.

NOTE 6: PROPERTY TAXES

The Fort Bend Central Appraisal District has the responsibility for appraising property for all taxing units within Fort Bend County as of January 1 of each year, subject to review and change by the county Appraisal Review Board. The appraisal roll, as approved by the Appraisal Review Board, must be used by the District in establishing its tax roll and tax rate. The District's taxes are usually levied in the fall, are due when billed, and are not delinquent until after the following January 31. On January 1 of each year, a statutory tax lien attaches to property to secure the payment of all taxes, penalties and interest ultimately imposed for the year on the property.

The Bond Resolution requires that the District 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.

At an election held May 2, 1992, the voters within the District authorized a maintenance tax not to exceed $5.75 per $100 valuation on all property subject to taxation within the District. This maintenance tax is being used by the General Fund to pay expenditures of operating the District.

On September 4, 2024, the District levied the following ad valorem taxes for the 2024 tax year on the adjusted taxable valuation of $1,078,175,760:

	Rate	Amount
Debt service	$ 0.4700	$ 5,067,426
Maintenance	0.3800	4,097,068
	$ 0.8500	$ 9,164,494

A reconciliation of the tax levy to property tax revenues on the Statement of Activities is as follows:

2024 tax year total property tax levy	$ 9,164,494
Appraisal district adjustments to prior year taxes	(46,838)
Statement of Activities property tax revenues	$ 9,117,656

NOTE 7: DEPOSITS AND TEMPORARY INVESTMENTS

The District complied with the requirements of the Public Funds Investment Act during the current fiscal year including the preparation of quarterly investment reports required by the Act.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

State statutes authorize the District to invest and reinvest in direct or indirect obligations of the United States, the State of Texas, any county, city, school district, or other political subdivision of the state, or in local government investment pools authorized under the Public Funds Investment Act. Funds of the District may be placed in certificates of deposit of state or national banks or savings and loan associations within the state provided that they are secured in the manner provided for the security of the funds under the laws of the State of Texas. In accordance with the District's investment policies, during the current year the District's funds were invested in interest bearing accounts at authorized financial institutions, a money market mutual fund, an authorized private sector investment pool, and in TexPool, a local government investment pool sponsored by the State Comptroller. TexPool is rated AAAm by Standard & Poor's.

In accordance with state statutes and the District's investment policies, the District requires that insurance or security be provided by depositories for all funds held by them. At the balance sheet date, the carrying amount of the District's deposits was $1,640,426 and the bank balance was $1,740,115. Of the bank balance, $1,299,270 was covered by federal insurance and $440,845 was covered by a letter of credit in favor of the District issued by the Federal Home Loan Bank of Dallas.

At the balance sheet date the carrying value and market value of the investments in TexPool was $20,898,060.

Deposits and temporary investments restricted by state statutes and the Bond Resolutions:

Debt Service Fund

For payment of debt principal and interest, paying agent fees and costs of assessing and collecting taxes:

Cash	$ 629,551
Temporary investments	5,498,724
	$ 6,128,275

Capital Projects Fund

For construction of capital assets:

Cash	$ 409
Temporary investments	2,254,787
	$ 2,255,196

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; personal injuries and natural disasters. Significant losses are covered by insurance as described below. There were no significant reductions in insurance coverage from the prior fiscal year. There have been no settlements which have exceeded the insurance coverage for each of the past three fiscal years.

At September 30, 2025, the District had property damage and boiler and machinery coverage of $33,498,971, general liability coverage with a per occurrence limit of $5,000,000 and $10,000,000 general aggregate, pollution liability coverage of $2,000,000, automobile liability coverage of $2,000,000 and statutory worker's compensation coverage with the Texas Municipal League Intergovernmental Risk Pool (the "Pool"). The Pool is a public entity risk pool currently operating as a common risk management and insurance program for various Texas public entities. The District pays annual premiums for its general insurance coverage. The Pool purchases reinsurance for protection against catastrophic losses that exceed the Pool's self-insurance retention. This reinsurance is purchased from companies rated A- or higher by A. M. Best Company. At this date, the District also had consultant's crime coverage of $500,000 and a tax assessor-collector bond of $500,000.

NOTE 9: STRATEGIC PARTNERSHIP AGREEMENT

Utilizing a provision of Texas law, the District and the City of Houston (the "City") entered into a 30 year Strategic Partnership Agreement (the "Agreement") effective March 25, 2005 (amended December 20, 2007, December 14, 2009 and May 8, 2012). Under the terms of the Agreement, the City annexed a portion of the District (the "Partial District") for the limited purpose of imposition of the City's Sales and Use Tax. In addition, the Agreement provides that the City shall apply and enforce within the Partial District the most current section of the City's fire code banning fireworks as adopted by City Council. The Agreement states that the District and all taxable property within the District shall not be liable for any present or future debts of the City and current and future taxes levied by the City shall not be levied on taxable property within the District. During the term of the SPA, the City has agreed not to annex all or part of the District or commence any action to annex all or part of the District for full purposes.

The City has imposed a Sales and Use Tax within the boundaries of the Partial District at the time of the limited-purpose annexation of the Partial District. The Agreement provides that the City shall pay to the District one half of all Sales and Use Tax revenues generated within the boundaries of the Partial District and received by the City from the Comptroller of Public Accounts of the State of Texas. The District accrued Sales and Use Tax revenues of $400,000 (net of the amount due to the developers as described in the following paragraphs) plus $48,894 (from properties not subject to this Economic Development Grant described in the following paragraphs) from the City for the fiscal year ended September 30, 2025.

A developer within the District has constructed certain project improvements on property within the District's boundaries which are economically beneficial to the District. Effective July 16, 2007, the District entered into an Economic Development Agreement (as amended) with the developer to make certain Economic Development Grant payments to the developer to help offset the construction and related engineering costs of the project improvements plus two years of interest. Beginning 2010, these Economic Development Grant payments will be made from the proceeds of Sales and Use Tax revenues collected on that certain property in excess of $200,000 per calendar year. The total eligible Economic Development Grant payments, subject to the District receiving sufficient Sales and Use Tax revenues from the City, are $7,780,903. The District's obligation to make Economic Development Grant payments associated with construction and engineering costs terminates after May 15, 2042, regardless of whether the amount of Sales and Use Tax revenue has been sufficient to pay all of the eligible Economic Development Grant amount. The District's obligation to make these annual payments shall cease twenty-eight years from the effective date of the Economic Development Agreement. The District paid the developer $492,325 for the 2024 calendar year. At September 30, 2025, the Sales and Use Tax revenues for calendar year 2025 in excess of $200,000 and due to the developer were $332,536.

A second developer within the District is constructing certain project improvements on property within the District's boundaries which are economically beneficial to the District. Effective May 24, 2010, the District entered into an Economic Development Agreement with the developer to make certain Economic Development Grant payments to the developer for the construction and related engineering costs of the project improvements plus two years of interest. These Economic Development Grant payments will be from the proceeds of Sales and Use Tax revenues collected on that certain property in annual payments beginning May 1 in the year after the first year in which sales tax receipts are collected on the property. The annual Economic Development Grant payments shall equal 50% of the Sales and Use Tax revenues collected on that certain property. The Economic Development Agreement estimates the total Economic Development Grant to be $914,000. The District’s obligation to make these annual payments shall cease twelve years from the effective date of the Economic Development Agreement. For the fiscal year ended September 30, 2025, no Sales and Use Tax revenues were collected on that certain property.

A third developer within the District is constructing certain project improvements on property within the District's boundaries which are economically beneficial to the District. Effective October 8, 2019 (amended July 6, 2022), the District entered into an Economic Development Agreement with the developer and the North Fort Bend Redevelopment Authority (the “Authority”) to make certain Economic Development Grant payments to the Authority on behalf of the developer for the construction and related engineering costs of the project improvements plus interest at the rate permitted under the rules established by the Texas Commission on Environmental Quality (the “Grant Amount”). These Economic Development Grant payments will be from the proceeds of Sales and Use Tax revenues collected on that certain property in annual payments beginning May 15, 2020. The District shall not make the first Economic Development Grant payment until the developer builds 100,000 square feet of sales tax producing project improvements. The annual Economic Development Grant payments shall equal 50% of the Sales and Use Tax revenues collected on that certain property. The Grant Amount is not to exceed $10,000,000. The District’s obligation to make these annual payments shall continue until the earlier of: (I) when the District has paid the entire Grant Amount; or (ii) May 15, 2042. For the fiscal year ended September 30, 2025, no Sales and Use Tax revenues were collected on the relevant property.

A fourth developer within the District is constructing certain road improvements on property within the District's boundaries which are economically beneficial to the District. Effective January 14, 2020, the District entered into an Road Development Financing Agreement with the developer to make certain Economic Development Grant payments to the developer for the construction and related engineering costs of the road improvements plus two years interest at the rate permitted under the rules established by the Texas Commission on Environmental Quality (the “Grant Amount”). These Economic Development Grant payments will be from the proceeds of Sales and Use Tax revenues collected on that certain property in annual payments beginning May 15th of the year after the first year in which the developer has completed fifty (50) single-family homes on the property. The cost of the road improvements was determined to be $1,554,933 during the fiscal year ended September 30, 2025. The District made the annual payment of $200,000 to the developer during the fiscal year ended September 30, 2025. The District’s obligation to make these annual $200,000 payments shall continue, provided certain home sale thresholds are met, until the earlier of: (I) when the District has paid the entire Grant Amount; or (ii) January 14, 2032.

NOTE 10: REGIONAL WATER AUTHORITY

The District is within the boundaries of the Fort Bend Subsidence District (the “Subsidence District”), which regulates groundwater withdrawal. The District’s authority to pump groundwater is subject to an annual permit issued by the Subsidence District. On September 24, 2003, the Subsidence District issued a District Regulatory Plan (the “Plan”) to reduce groundwater withdrawal through conversion to surface water or other alternative water sources in certain areas within the Subsidence District’s jurisdiction. Under the Plan, the District was required to have a groundwater reduction plan (“GRP”) approved by the Subsidence District by the beginning date of the District’s permit term in 2008, or pay a disincentive fee for any groundwater withdrawn in excess of 40% of the District’s total water demand. Additional disincentive fees would be imposed under the Plan if the District’s groundwater withdrawal exceeds 70% of the District’s total water demand beginning October 1, 2014, and exceeds 40% of the District’s total water demand beginning January of 2027.

The Texas Legislature created the North Fort Bend Water Authority (the "Authority") and included the District within the boundaries of the Authority. The Authority was created to provide a regional entity to build the necessary facilities to meet the Subsidence District's requirements for conversion from groundwater to surface water of all permit holders within its boundaries, including the District. Accordingly, the District is required to pay fees to the Authority, and in turn is entitled to rely upon the Authority's GRP to achieve compliance with the Subsidence District's requirements. The Subsidence District approved the Authority's GRP on August 27, 2008. The Authority may establish such fees, charges, or tolls as necessary to accomplish its purposes. As of September 30, 2025, the Authority had established a fee of $4.55 per 1,000 gallons of groundwater pumped and a surface water fee of $4.90 per 1,000 gallons of surface water purchased both of which may increase in the future. The surface water fees payable by the District to the Authority for the fiscal year ended September 30, 2025, were $1,393,169. The District billed its customers $1,558,812 during the fiscal year to pay for the fees charged by the Authority.

As of September 30, 2025, the District has been converted to surface water. While the Authority has met its current conversion requirements, in the event the Authority fails to commence and complete construction of additional surface water infrastructure to serve the necessary districts by the 2027 deadline established by the Subsidence District, the District and others within the Authority's GRP group could be required to pay the disincentive fee on withdrawn groundwater. This disincentive fee is substantial, and the District expects it would need to pass such fee through to its customers via higher water rates. This disincentive fee would be in addition to the Authority's fee. The District cannot predict the amount or level of fees and charges which may be due the Authority for future years, but anticipates that it will pass such fees through to its customers via higher water rates.

NOTE 11: GROUNDWATER BANK CERTIFICATES

The District has received Groundwater Bank certificates directly from the issuer, the Fort Bend Subsidence District (the "FBSD"). These certificates expire in 20 years and allow the bearer to pump the quantity of water specified on the certificate from wells instead of using surface water as mandated by the FBSD. Certificates can also be used in lieu of a disincentive fee assessed by the FBSD for ground water pumpage in excess of the District's permit as amended. At September 30, 2025, the District had in its possession certificates totaling 80,220 thousand gallons of water. The District values the certificates at cost which resulted in a total cost basis for the certificates on hand of $35,572 at September 30, 2025.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL, GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Property taxes	$ 2,700,000	$ 2,700,000	$ 4,021,320	$ 1,321,320
Water service	880,000	880,000	1,098,070	218,070
Sewer service	900,000	900,000	1,001,264	101,264
Surface water fees	1,500,000	1,500,000	1,558,812	58,812
Penalty and other	125,000	125,000	80,391	(44,609)
Tap connection and inspection fees	60,000	60,000	501,778	441,778
Sales and Use Taxes	1,175,000	1,175,000	448,894	(726,106)
Interest on deposits and investments	480,000	480,000	521,546	41,546
TOTAL REVENUES	7,820,000	7,820,000	9,232,075	1,412,075
EXPENDITURES				
Service operations:				
Professional fees	517,000	517,000	403,901	(113,099)
Contracted services	272,000	272,000	286,274	14,274
Utilities	150,000	150,000	127,836	(22,164)
Regional water authority fees	1,500,000	1,500,000	1,393,169	(106,831)
Repairs and maintenance	1,168,000	1,168,000	1,194,791	26,791
Other operating expenditures	405,500	405,500	360,549	(44,951)
Garbage disposal	459,500	459,500	457,960	(1,540)
Administrative expenditures	227,500	227,500	194,337	(33,163)
Capital outlay	20,000	20,000	685,081	665,081
TOTAL EXPENDITURES	4,719,500	4,719,500	5,103,898	384,398
EXCESS REVENUES (EXPENDITURES)	3,100,500	3,100,500	4,128,177	1,027,677
OTHER FINANCING SOURCES (USES)				
Reimbursement to other fund	0	0	(643,350)	(643,350)
EXCESS SOURCES (USES)	3,100,500	3,100,500	3,484,827	384,327
FUND BALANCE, BEGINNING OF YEAR	9,740,365	9,740,365	9,740,365	0
FUND BALANCE, END OF YEAR	$ 12,840,865	$ 12,840,865	$ 13,225,192	$ 384,327

The District's Board of Directors adopts an annual nonappropriated budget. This budget may be amended throughout the fiscal year and is prepared on a basis consistent with generally accepted accounting principles.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

SCHEDULE OF TEXAS SUPPLEMENTARY INFORMATION
REQUIRED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

SEPTEMBER 30, 2025

(Schedules included are checked or explanatory notes provided for omitted schedules.)

[X] TSI-1. Services and Rates

[X] TSI-2. General Fund Expenditures

[X] TSI-3. Temporary Investments

[X] TSI-4. Taxes Levied and Receivable

[X] TSI-5. Long-Term Debt Service Requirements by Years

[X] TSI-6. Changes in Long-Term Bonded Debt

[X] TSI-7. Comparative Schedule of Revenues and Expenditures - General Fund and Debt Service Fund - Five Year

[X] TSI-8. Board Members, Key Personnel and Consultants

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

SCHEDULE OF SERVICES AND RATES

SEPTEMBER 30, 2025

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

__ Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)

__ Other

2. Retail Service Providers

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

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1000 Gallons Over Minimum	Usage Levels
WATER:	$23.00	0 to 10,000	N	$1.50	10,001 to 15,000
				2.00	15,001 to 20,000
				3.00	20,001 to 50,000
				4.00	Over 50,000
WASTEWATER:	$37.00	0	Y	Not Applicable	Not Applicable

SURCHARGE: $5.39 per 1,000 gallons of water used. – NFBWA surface water fees.

District employs winter averaging for wastewater usage: Yes __ No X

Total charges per 10,000 gallons usage: Water: $23.00 Wastewater: $37.00 Surcharge: $53.90

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

SCHEDULE OF SERVICES AND RATES (Continued)

SEPTEMBER 30, 2025

b. Water and Wastewater Retail Connections (unaudited):

Meter Size	Total Connections	Active Connections	ESFC* Factor	Active ESFCs
Unmetered	3	2	1.0	2
< or = 3/4"	1,738	1,722	1.0	1,722
1"	32	29	2.5	73
1-1/2"	16	15	5.0	75
2"	82	78	8.0	624
3"	2	2	15.0	30
4"	1	1	25.0	25
6"	8	8	50.0	400
8"	10	10	80.0	800
10"	1	1	115.0	115
Total Water	1,893	1,868		3,866
Total Wastewater	1,785	1,765	1.0	1,765

*Single family equivalents

3. Total Water Consumption during the Fiscal Year (rounded to thousands):

Gallons pumped into system (unaudited): 295,767
Gallons billed to customers (unaudited): 293,621

Water Accountability Ratio
(Gallons billed/ gallons pumped): 99%

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

Does the District have Debt Service standby fees? Yes __ No X

If yes, date of the most recent Commission Order: ___________________

Does the District have Operation and Maintenance standby fees? Yes __ No X

If yes, date of the most recent Commission Order: ___________________

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

EXPENDITURES

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Totals (Memorandum Only)
CURRENT				
Professional fees:				
Auditing	$ 14,450	$	$	$ 14,450
Legal	205,121	25,631		230,752
Engineering	184,330			184,330
	403,901	25,631	0	429,532
Contracted services:				
Bookkeeping	28,390			28,390
Operation and billing	251,884			251,884
SPA inspections	6,000			6,000
Tax assessor-collector		42,031		42,031
Central appraisal district		91,506		91,506
	286,274	133,537	0	419,811
Utilities	127,836	0	0	127,836
Regional water authority fees:				
Ground water pumpage fees	134,093			134,093
Purchased surface water	1,259,076			1,259,076
	1,393,169	0	0	1,393,169
Repairs and maintenance	1,194,791	0	0	1,194,791
Other operating expenditures:				
Sludge hauling	84,056			84,056
Chemicals	168,096			168,096
Laboratory costs	56,701			56,701
Sewer inspection costs	27,000			27,000
TCEQ assessment	10,277			10,277
Other	14,419			14,419
	360,549	0	0	360,549
Garbage disposal	457,960	0	0	457,960
Administrative expenditures:				
Director's fees	30,184			30,184
Office supplies and postage	30,726			30,726
Insurance	104,148			104,148
Permit fees	13,533			13,533
Other	15,746	22,872		38,618
	194,337	22,872	0	217,209

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

EXPENDITURES (Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Totals (Memorandum Only)
CAPITAL OUTLAY				
Authorized expenditures	$ 336,240	$	$ 1,194,145	$ 1,530,385
Tap connection costs	348,841			348,841
	685,081	0	1,194,145	1,879,226
DEBT SERVICE				
Principal retirement	0	1,755,000	0	1,755,000
Interest and fees:				
Interest		3,016,455		3,016,455
Paying agent fees		8,250		8,250
	0	3,024,705	0	3,024,705
TOTAL EXPENDITURES	$ 5,103,898	$ 4,961,745	$ 1,194,145	$ 11,259,788

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

ANALYSIS OF CHANGES IN DEPOSITS AND TEMPORARY INVESTMENTS
ALL GOVERNMENTAL FUND TYPES

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Totals (Memorandum Only)
SOURCES OF DEPOSITS AND TEMPORARY INVESTMENT				
Cash receipts from revenues excluding maintenance taxes	$ 5,157,463	$ 5,356,006	$ 117,670	$ 10,631,139
Maintenance tax receipts		4,021,320		4,021,320
Transfer of maintenance taxes	3,804,144			3,804,144
Increase in customer and other deposits	200,687		1,819,716	2,020,403
Reimbursement from other fund			643,350	643,350
Sales and Use Taxes collected to be paid to developer in accordance with Economic Development Agreement	332,536			332,536
Overpayments from taxpayers		218,532		218,532
TOTAL DEPOSITS AND TEMPORARY INVESTMENTS PROVIDED	9,494,830	9,595,858	2,580,736	21,671,424
APPLICATIONS OF DEPOSITS AND TEMPORARY INVESTMENTS				
Cash disbursements for:				
Current expenditures	4,114,224	202,009		4,316,233
Capital outlay	685,081		1,152,653	1,837,734
Debt service		4,779,705		4,779,705
Other entity			1,610,110	1,610,110
Payment to developer in accordance with Economic Development Agreement	492,325			492,325
Transfer of maintenance taxes		3,804,144		3,804,144
Reimbursement to other fund	643,350			643,350
Refund of taxpayer overpayments		153,054		153,054
TOTAL DEPOSITS AND TEMPORARY INVESTMENTS APPLIED	5,934,980	8,938,912	2,762,763	17,636,655
INCREASE (DECREASE) IN DEPOSITS AND TEMPORARY INVESTMENTS	3,559,850	656,946	(182,027)	4,034,769
DEPOSITS AND TEMPORARY INVESTMENTS BALANCES, BEGINNING OF YEAR	10,595,165	5,471,329	2,437,223	18,503,717
DEPOSITS AND TEMPORARY INVESTMENTS BALANCES, END OF YEAR	$14,155,015	$ 6,128,275	$ 2,255,196	$ 22,538,486

See accompanying independent auditor’s report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

SCHEDULE OF TEMPORARY INVESTMENTS

SEPTEMBER 30, 2025

	Interest Rate	Maturity Date	Year End Balance	Accrued Interest Receivable
GENERAL FUND				
TexPool				
No. xxxxxxxx00001	Market	On demand	$ 7,074,922	$ 0
No. xxxxxxxx00005	Market	On demand	6,069,627	0
			$ 13,144,549	$ 0
DEBT SERVICE FUND				
TexPool				
No. xxxxxxxx00002	Market	On demand	$ 4,987,028	$ 0
No. xxxxxxxx00003	Market	On demand	511,696	0
			$ 5,498,724	$ 0
CAPITAL PROJECTS FUND				
TexPool				
No. xxxxxxxx00004	Market	On demand	$ 1,034,092	$ 0
No. xxxxxxxx00006	Market	On demand	363,771	0
No. xxxxxxxx00007	Market	On demand	856,924	0
			$ 2,254,787	$ 0
Total – All Funds			$ 20,898,060	$ 0

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

TAXES LEVIED AND RECEIVABLE

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Maintenance Taxes	Debt Service Taxes
RECEIVABLE, BEGINNING OF YEAR	$ 29,388	$ 58,972
Additions and corrections to prior year taxes	(15,705)	(31,133)
Adjusted receivable, beginning of year	13,683	27,839
2024 ADJUSTED TAX ROLL	4,097,068	5,067,426
Total to be accounted for	4,110,751	5,095,265
Tax collections: Current tax year	(4,018,533)	(4,970,291)
Prior tax years	(2,787)	(3,762)
RECEIVABLE, END OF YEAR	$ 89,431	$ 121,212
RECEIVABLE, BY TAX YEAR		
2014 and prior	$ 3	$ 10
2015	1	5
2016	2	5
2017	253	748
2018	448	1,325
2019	477	1,411
2020	444	1,314
2021	1,353	3,381
2022	2,049	5,123
2023	5,866	10,755
2024	78,535	97,135
RECEIVABLE, END OF YEAR	$ 89,431	$ 121,212

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

TAXES LEVIED AND RECEIVABLE (Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2025

ADJUSTED PROPERTY VALUATIONS AS OF JANUARY 1 OF TAX YEAR	2024	2023	2022	2021
Land	$ 213,230,811	$ 177,620,752	$ 168,798,219	$ 161,540,729
Improvements	896,549,400	747,701,687	581,555,916	457,102,597
Personal property	50,398,297	49,174,294	43,598,450	43,669,530
Less exemptions	(82,002,748)	(58,342,687)	(38,144,235)	(12,434,146)
TOTAL PROPERTY VALUATIONS	$1,078,175,760	$ 916,154,046	$ 755,808,350	$ 649,878,710
TAX RATES PER $100 VALUATION				
Debt service tax rates	$ 0.47000	$ 0.55000	$ 0.65000	$ 0.65000
Maintenance tax rates*	0.38000	0.30000	0.26000	0.26000
TOTAL TAX RATES PER $100 VALUATION	$ 0.85000	$ 0.85000	$ 0.91000	$ 0.91000
TAX ROLLS	$ 9,164,494	$ 7,787,309	$ 6,877,856	$ 5,913,896
PERCENT OF TAXES COLLECTED TO TAXES LEVIED	98.1 %	99.8 %	99.9 %	99.9 %

*Maximum tax rate approved by voters on May 2, 1992: $5.75

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS

SEPTEMBER 30, 2025

	Series 2015		
Due During Fiscal Years Ending September 30	Principal Due September 1	Interest Due March 1, September 1	Total
2026	$ 25,000	$ 135,094	$ 160,094
2027	25,000	133,594	158,594
2028	25,000	132,718	157,718
2029	25,000	131,844	156,844
2030	25,000	130,968	155,968
2031	25,000	130,094	155,094
2032	25,000	129,094	154,094
2033	25,000	128,094	153,094
2034	25,000	127,094	152,094
2035	25,000	126,094	151,094
2036	25,000	125,094	150,094
2037	25,000	124,094	149,094
2038	25,000	123,094	148,094
2039	25,000	122,094	147,094
2040	25,000	121,094	146,094
2041	25,000	120,124	145,124
2042	1,500,000	119,156	1,619,156
2043	1,575,000	61,030	1,636,030
TOTALS	$ 3,475,000	$ 2,220,468	$ 5,695,468

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)

SEPTEMBER 30, 2025

	Series 2015 Refunding		
Due During Fiscal Years Ending September 30	Principal Due September 1	Interest Due March 1, September 1	Total
2026	$ 105,000	$ 408,612	$ 513,612
2027	110,000	405,462	515,462
2028	115,000	401,612	516,612
2029	120,000	397,588	517,588
2030	1,245,000	393,088	1,638,088
2031	1,295,000	346,400	1,641,400
2032	1,350,000	294,600	1,644,600
2033	1,410,000	240,600	1,650,600
2034	1,470,000	184,200	1,654,200
2035	1,535,000	125,400	1,660,400
2036	1,600,000	64,000	1,664,000
TOTALS	$ 10,355,000	$ 3,261,562	$ 13,616,562

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)

SEPTEMBER 30, 2025

	Series 2016		
Due During Fiscal Years Ending September 30	Principal Due September 1	Interest Due March 1, September 1	Total
2026	$ 100,000	$ 479,000	$ 579,000
2027	100,000	474,000	574,000
2028	100,000	469,000	569,000
2029	100,000	464,000	564,000
2030	100,000	459,000	559,000
2031	100,000	454,000	554,000
2032	100,000	449,000	549,000
2033	100,000	444,000	544,000
2034	100,000	440,000	540,000
2035	100,000	436,000	536,000
2036	100,000	432,000	532,000
2037		428,000	428,000
2038		428,000	428,000
2039		428,000	428,000
2040	525,000	428,000	953,000
2041	525,000	407,000	932,000
2042	1,475,000	386,000	1,861,000
2043	1,525,000	327,000	1,852,000
2044	3,250,000	266,000	3,516,000
2045	3,400,000	136,000	3,536,000
TOTALS	$ 11,800,000	$ 8,234,000	$ 20,034,000

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)

SEPTEMBER 30, 2025

	Series 2017		
Due During Fiscal Years Ending September 30	Principal Due September 1	Interest Due March 1, September 1	Total
2026	$ 240,000	$ 307,450	$ 547,450
2027	245,000	297,850	542,850
2028	255,000	288,050	543,050
2029	255,000	277,850	532,850
2030	255,000	267,650	522,650
2031	260,000	257,450	517,450
2032	265,000	247,050	512,050
2033	270,000	236,450	506,450
2034	280,000	225,650	505,650
2035	280,000	214,450	494,450
2036	285,000	203,250	488,250
2037	2,175,000	191,850	2,366,850
2038	2,595,000	110,288	2,705,288
TOTALS	$ 7,660,000	$ 3,125,288	$ 10,785,288

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)

SEPTEMBER 30, 2025

	Series 2018		
Due During Fiscal Years Ending September 30	Principal Due September 1	Interest Due March 1, September 1	Total
2026	$ 90,000	$ 146,863	$ 236,863
2027	90,000	144,163	234,163
2028	90,000	141,350	231,350
2029	90,000	138,538	228,538
2030	90,000	135,500	225,500
2031	115,000	132,462	247,462
2032	115,000	128,438	243,438
2033	110,000	124,412	234,412
2034	110,000	120,424	230,424
2035	110,000	116,438	226,438
2036	110,000	112,312	222,312
2037	110,000	108,188	218,188
2038	10,000	104,062	114,062
2039	2,765,000	103,688	2,868,688
TOTALS	$ 4,005,000	$ 1,756,838	$ 5,761,838

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)

SEPTEMBER 30, 2025

	Series 2018A		
Due During Fiscal Years Ending September 30	Principal Due September 1	Interest Due March 1, September 1	Total
2026	$ 75,000	$ 380,000	$ 455,000
2027	75,000	377,938	452,938
2028	75,000	375,874	450,874
2029	75,000	373,626	448,626
2030	75,000	371,375	446,375
2031	75,000	368,938	443,938
2032	75,000	366,500	441,500
2033	75,000	363,876	438,876
2034	75,000	361,250	436,250
2035	75,000	358,438	433,438
2036	75,000	355,625	430,625
2037	75,000	352,812	427,812
2038	75,000	350,000	425,000
2039	75,000	347,000	422,000
2040	75,000	344,000	419,000
2041	75,000	341,000	416,000
2042	75,000	338,000	413,000
2043	75,000	335,000	410,000
2044	100,000	332,000	432,000
2045	100,000	328,000	428,000
2046	2,600,000	324,000	2,924,000
2047	2,700,000	220,000	2,920,000
2048	2,800,000	112,000	2,912,000
TOTALS	$ 9,650,000	$ 7,777,252	$ 17,427,252

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)

SEPTEMBER 30, 2025

	Series 2020		
Due During Fiscal Years Ending September 30	Principal Due September 1	Interest Due March 1, September 1	Total
2026	$ 65,000	$ 161,250	$ 226,250
2027	65,000	159,300	224,300
2028	65,000	157,350	222,350
2029	65,000	155,400	220,400
2030	65,000	153,450	218,450
2031	65,000	151,500	216,500
2032	65,000	149,550	214,550
2033	65,000	147,600	212,600
2034	65,000	145,650	210,650
2035	65,000	143,700	208,700
2036	65,000	141,750	206,750
2037	65,000	139,800	204,800
2038	65,000	137,850	202,850
2039	65,000	135,900	200,900
2040	2,180,000	133,950	2,313,950
2041	2,285,000	68,550	2,353,550
TOTALS	$ 5,375,000	$ 2,282,550	$ 7,657,550

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)

SEPTEMBER 30, 2025

	Series 2020A		
Due During Fiscal Years Ending September 30	Principal Due September 1	Interest Due March 1, September 1	Total
2026	$	$ 207,805	$ 207,805
2027		207,805	207,805
2028		207,805	207,805
2029		207,805	207,805
2030		207,805	207,805
2031		207,805	207,805
2032		207,805	207,805
2033		207,805	207,805
2034		207,805	207,805
2035		207,805	207,805
2036		207,805	207,805
2037		207,805	207,805
2038		207,805	207,805
2039		207,805	207,805
2040		207,805	207,805
2041		207,805	207,805
2042		207,805	207,805
2043		207,805	207,805
2044		207,805	207,805
2045		207,805	207,805
2046	555,000	207,805	762,805
2047	585,000	195,040	780,040
2048	620,000	181,585	801,585
2049	3,555,000	167,325	3,722,325
2050	3,720,000	85,560	3,805,560
TOTALS	$ 9,035,000	$ 4,993,415	$ 14,028,415

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)

SEPTEMBER 30, 2025

	Series 2021		
Due During Fiscal Years Ending September 30	Principal Due September 1	Interest Due March 1, September 1	Total
2026	$ 885,000	$ 63,300	$ 948,300
2027	915,000	27,900	942,900
2028	930,000	18,750	948,750
2029	945,000	9,450	954,450
TOTALS	$ 3,675,000	$ 119,400	$ 3,794,400

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)

SEPTEMBER 30, 2025

	Series 2023		
Due During Fiscal Years Ending September 30	Principal Due September 1	Interest Due March 1, September 1	Total
2026	$ 200,000	$ 539,312	$ 739,312
2027	200,000	526,313	726,313
2028	200,000	513,312	713,312
2029	200,000	500,313	700,313
2030	200,000	492,312	692,312
2031	200,000	484,313	684,313
2032	200,000	476,312	676,312
2033	200,000	468,313	668,313
2034	200,000	460,312	660,312
2035	200,000	452,313	652,313
2036	200,000	444,312	644,312
2037	200,000	436,313	636,313
2038	200,000	428,312	628,312
2039	200,000	420,313	620,313
2040	200,000	412,312	612,312
2041	200,000	404,313	604,313
2042	200,000	396,312	596,312
2043	200,000	388,313	588,313
2044	200,000	380,312	580,312
2045	200,000	372,313	572,313
2046	200,000	364,312	564,312
2047	200,000	356,313	556,313
2048	200,000	348,312	548,312
2049	200,000	340,313	540,313
2050	200,000	332,062	532,062
2051	3,925,000	323,813	4,248,813
2052	3,925,000	161,906	4,086,906
TOTALS	$ 12,850,000	$ 11,223,281	$ 24,073,281

See accompanying independent auditor’s report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)

SEPTEMBER 30, 2025

	Series 2023A		
Due During Fiscal Years Ending September 30	Principal Due September 1	Interest Due March 1, September 1	Total
2026	$	$ 124,188	$ 124,188
2027		124,187	124,187
2028		124,188	124,188
2029		124,187	124,187
2030		124,188	124,188
2031		124,187	124,187
2032		124,188	124,188
2033		124,187	124,187
2034		124,188	124,188
2035		124,187	124,187
2036		124,188	124,188
2037		124,187	124,187
2038		124,188	124,188
2039		124,187	124,187
2040		124,188	124,188
2041		124,187	124,187
2042		124,188	124,188
2043		124,187	124,187
2044		124,188	124,188
2045		124,187	124,187
2046		124,188	124,188
2047		124,187	124,187
2048		124,188	124,188
2049		124,187	124,187
2050		124,188	124,188
2051	1,350,000	124,187	1,474,187
2052	1,450,000	63,438	1,513,438
TOTALS	$ 2,800,000	$ 3,292,313	$ 6,092,313

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

LONG-TERM DEBT SERVICE REQUIREMENTS, BY YEARS (Continued)

SEPTEMBER 30, 2025

	Annual Requirements for All Series		
Due During Fiscal Years Ending September 30	Total Principal Due	Total Interest Due	Total
2026	$ 1,785,000	$ 2,952,874	$ 4,737,874
2027	1,825,000	2,878,512	4,703,512
2028	1,855,000	2,830,009	4,685,009
2029	1,875,000	2,780,601	4,655,601
2030	2,055,000	2,735,336	4,790,336
2031	2,135,000	2,657,149	4,792,149
2032	2,195,000	2,572,537	4,767,537
2033	2,255,000	2,485,337	4,740,337
2034	2,325,000	2,396,573	4,721,573
2035	2,390,000	2,304,825	4,694,825
2036	2,460,000	2,210,336	4,670,336
2037	2,650,000	2,113,049	4,763,049
2038	2,970,000	2,013,599	4,983,599
2039	3,130,000	1,888,987	5,018,987
2040	3,005,000	1,771,349	4,776,349
2041	3,110,000	1,672,979	4,782,979
2042	3,250,000	1,571,461	4,821,461
2043	3,375,000	1,443,335	4,818,335
2044	3,550,000	1,310,305	4,860,305
2045	3,700,000	1,168,305	4,868,305
2046	3,355,000	1,020,305	4,375,305
2047	3,485,000	895,540	4,380,540
2048	3,620,000	766,085	4,386,085
2049	3,755,000	631,825	4,386,825
2050	3,920,000	541,810	4,461,810
2051	5,275,000	448,000	5,723,000
2052	5,375,000	225,344	5,600,344
TOTALS	$ 80,680,000	$ 48,286,367	$ 128,966,367

See accompanying independent auditor’s report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

ANALYSIS OF CHANGES IN LONG-TERM BONDED DEBT

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	(1)	(2)	(3)
Bond Series:	2015	2015 Ref.	2016
Interest Rate:	3.50% to 6.00%	3.00% to 4.00%	4.00% to 5.00%
Dates Interest Payable:	March 1/ September 1	March 1/ September 1	March 1/ September 1
Maturity Dates:	September 1, 2026/2043	September 1, 2026/2036	September 1, 2026/2045
Bonds Outstanding at Beginning of Current Year	$ 3,500,000	$ 10,460,000	$ 11,900,000
Less Retirements	(25,000)	(105,000)	(100,000)
Bonds Outstanding at End of Current Year	$ 3,475,000	$ 10,355,000	$ 11,800,000
Current Year Interest Paid	$ 136,594	$ 411,762	$ 484,000

Bond Descriptions and Original Amount of Issue

(1) Fort Bend County Municipal Utility District No. 50 Unlimited Tax Bonds, Series 2015 ($3,700,000)

(2) Fort Bend County Municipal Utility District No. 50 Unlimited Tax Refunding Bonds, Series 2015 ($12,765,000)

(3) Fort Bend County Municipal Utility District No. 50 Unlimited Tax Bonds, Series 2016 ($12,500,000)

Paying Agent/Registrar

(1) (2) (3) The Bank of New York Mellon Trust Company, N.A., Dallas, Texas

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

ANALYSIS OF CHANGES IN LONG-TERM BONDED DEBT (Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	(4)	(5)	(6)	(7)
Bond Series:	2017 Ref.	2018 Ref.	2018A	2020 Ref.
Interest Rate:	3.75% to 4.25%	3.00% to 3.75%	2.75% to 4.00%	3.00%
Dates Interest Payable:	March 1/ September 1	March 1/ September 1	March 1/ September 1	March 1/ September 1
Maturity Dates:	September 1, 2026/2038	September 1, 2026/2039	September 1, 2026/2048	September 1, 2026/2041
Bonds Outstanding at Beginning of Current Year	$ 7,890,000	$ 4,100,000	$ 9,725,000	$ 5,440,000
Less Retirements	(230,000)	(95,000)	(75,000)	(65,000)
Bonds Outstanding at End of Current Year	$ 7,660,000	$ 4,005,000	$ 9,650,000	$ 5,375,000
Current Year Interest Paid	$ 316,650	$ 149,712	$ 381,782	$ 162,550

Bond Descriptions and Original Amount of Issue

(4) Fort Bend County Municipal Utility District No. 50 Unlimited Tax Refunding Bonds, Series 2017 ($8,855,000)

(5) Fort Bend County Municipal Utility District No. 50 Unlimited Tax Refunding Bonds, Series 2018 ($4,415,000)

(6) Fort Bend County Municipal Utility District No. 50 Unlimited Tax Bonds, Series 2018A ($10,000,000)

(7) Fort Bend County Municipal Utility District No. 50 Unlimited Tax Refunding Bonds, Series 2020 ($5,605,000)

Paying Agent/Registrar

(4) (5) (6) (7) The Bank of New York Mellon Trust Company, N.A., Dallas, Texas

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

ANALYSIS OF CHANGES IN LONG-TERM BONDED DEBT (Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	(8)	(9)	(10)
Bond Series:	2020A	2021 Ref.	2023
Interest Rate:	2.30%	1.00% to 4.00%	4.00% to 6.50%
Dates Interest Payable:	March 1/ September 1	March 1/ September 1	March 1/ September 1
Maturity Dates:	September 1, 2046/2050	September 1, 2026/2029	September 1, 2026/2052
Bonds Outstanding at Beginning of Current Year	$ 9,035,000	$ 4,535,000	$ 13,050,000
Less Retirements		(860,000)	(200,000)
Bonds Outstanding at End of Current Year	$ 9,035,000	$ 3,675,000	$ 12,850,000
Current Year Interest Paid	$ 207,805	$ 89,100	$ 552,312

Bond Descriptions and Original Amount of Issue

(8) Fort Bend County Municipal Utility District No. 50 Unlimited Tax Bonds, Series 2020A ($9,035,000)

(9) Fort Bend County Municipal Utility District No. 50 Unlimited Tax Refunding Bonds, Series 2021 ($6,260,000)

(10) Fort Bend County Municipal Utility District No. 50 Unlimited Tax Bonds, Series 2023 ($13,050,000)

Paying Agent/Registrar

(8) (9) (10) The Bank of New York Mellon Trust Company, N.A., Dallas, Texas

Net Debt Service Fund deposits and investments balances as of September 30, 2025:	$5,816,759
Average annual debt service payment for remaining term of all debt:	4,776,532

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

ANALYSIS OF CHANGES IN LONG-TERM BONDED DEBT (Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	(11)	Totals
Bond Series:	2023A	
Interest Rate:	4.375% to 4.50%	
Dates Interest Payable:	March 1/ September 1	
Maturity Dates:	September 1, 2051/2052	
Bonds Outstanding at Beginning of Current Year	$ 2,800,000	$ 82,435,000
Less Retirements		(1,755,000)
Bonds Outstanding at End of Current Year	$ 2,800,000	$ 80,680,000
Current Year Interest Paid	$ 124,188	$ 3,016,455

Bond Descriptions and Original Amount of Issue

(11) Fort Bend County Municipal Utility District No. 50 Unlimited Tax Bonds, Series 2023A ($2,800,000)

Paying Agent/Registrar

(11) The Bank of New York Mellon Trust Company, N.A., Dallas, Texas

Bond Authority	Tax Bonds*	Other Bonds	Refunding Bonds*
Amount Authorized by Voters:	$ 156,300,000	$ 21,700,000	$ 15,180,000.00
Amount Issued:	93,770,000	0	4,147,629.50
Remaining to be Issued:	62,530,000	21,700,000	11,032,370.50

*See Note 5 of the notes to financial statements for additional information.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

COMPARATIVE STATEMENTS OF REVENUES AND EXPENDITURES, GENERAL FUND

FOR YEARS ENDED SEPTEMBER 30

	AMOUNT					PERCENT OF TOTAL REVENUES				
	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021
REVENUES										
Property taxes	$ 4,021,320	$ 2,709,306	$ 2,001,875	$ 1,720,265	$ 1,318,945	43.6 %	38.5 %	29.6 %	31.5 %	28.6 %
Water service	1,098,070	941,933	882,587	836,608	692,383	11.9	13.3	13.1	15.3	15.1
Sewer service	1,001,264	927,003	803,712	758,539	679,435	10.8	13.1	11.9	13.9	14.8
Surface water fees	1,558,812	1,385,440	1,361,856	1,166,688	904,465	16.9	19.6	20.1	21.4	19.6
Penalty and other	80,391	80,935	282,464	76,150	67,680	0.9	1.1	4.2	1.4	1.5
Tap connection and inspection fees	501,778	79,740	644,586	263,660	320,261	5.4	1.1	9.5	4.8	7.0
Sales and Use Taxes	448,894	447,768	416,973	588,912	612,204	4.9	6.3	6.2	10.8	13.3
Interest on deposits and investments	521,546	492,139	365,021	50,556	2,982	5.6	7.0	5.4	0.9	0.1
TOTAL REVENUES	9,232,075	7,064,264	6,759,074	5,461,378	4,598,355	100.0	100.0	100.0	100.0	100.0
EXPENDITURES										
Current:										
Professional fees	403,901	348,170	319,557	375,758	320,863	4.4	4.9	4.7	6.9	7.0
Contracted services	286,274	260,668	215,517	217,582	175,798	3.1	3.7	3.2	4.0	3.8
Utilities	127,836	114,130	107,334	139,766	106,469	1.4	1.6	1.6	2.6	2.3
Regional water authority fees	1,393,169	1,262,025	1,290,589	1,145,901	881,655	15.1	17.9	19.1	20.9	19.3
Sewer plant lease payments	0	0	0	103,600	310,800	0.0	0.0	0.0	1.9	6.8
Repairs and maintenance	1,194,791	1,165,324	978,195	1,119,188	762,629	12.9	16.5	14.5	20.5	16.6
Other operating expenditures	360,549	439,447	359,054	304,461	272,489	3.9	6.2	5.3	5.6	5.9
Garbage disposal	457,960	439,864	412,075	362,220	328,486	5.0	6.2	6.1	6.6	7.1
Administrative expenditures	194,337	180,779	146,920	148,015	86,589	2.1	2.6	2.2	2.7	1.9
Capital outlay	685,081	694,983	2,346,758	271,284	262,669	7.4	9.8	34.7	5.0	5.7
TOTAL EXPENDITURES	5,103,898	4,905,390	6,175,999	4,187,775	3,508,447	55.3	69.4	91.4	76.7	76.4
EXCESS REVENUES (EXPENDITURES)	$ 4,128,177	$ 2,158,874	$ 583,075	$ 1,273,603	$ 1,089,908	44.7 %	30.6 %	8.6 %	23.3 %	23.6 %
TOTAL ACTIVE RETAIL WATER CONNECTIONS	1,868	1,749	1,752	1,741	1,737					
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	1,765	1,649	1,654	1,653	1,646					

See accompanying independent auditor's report.

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

COMPARATIVE STATEMENTS OF REVENUES AND EXPENDITURES,
DEBT SERVICE FUND
FOR YEARS ENDED SEPTEMBER 30

	AMOUNT					PERCENT OF TOTAL REVENUES				
	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021
REVENUES										
Property taxes	$ 4,974,053	$ 4,948,937	$ 5,005,395	$ 4,317,787	$ 3,899,489	92.9 %	92.3 %	93.8 %	96.2 %	98.6 %
Penalty and interest	69,921	70,406	64,048	136,224	42,442	1.3	1.3	1.2	3.0	1.1
Accrued interest on bonds received at date of sale	0	0	0	0	9,871	0.0	0.0	0.0	0.0	0.2
Interest and other	312,032	344,060	264,871	37,491	2,588	5.8	6.4	5.0	0.8	0.1
TOTAL REVENUES	5,356,006	5,363,403	5,334,314	4,491,502	3,954,390	100.0	100.0	100.0	100.0	100.0
EXPENDITURES										
Current:										
Professional fees	25,631	20,734	21,268	61,053	9,728	0.5	0.4	0.4	1.4	0.2
Contracted services	133,537	103,096	95,551	85,068	68,446	2.5	1.9	1.8	1.9	1.7
Other expenditures	22,872	16,054	19,316	21,090	6,240	0.4	0.3	0.4	0.5	0.2
Debt service:										
Principal retirement	1,755,000	1,485,000	1,450,000	1,410,000	1,390,000	32.8	27.7	27.2	31.4	35.2
Interest and fees	3,024,705	3,082,945	2,753,295	2,489,461	2,518,640	56.4	57.5	51.5	55.3	63.7
TOTAL EXPENDITURES	4,961,745	4,707,829	4,339,430	4,066,672	3,993,054	92.6	87.8	81.3	90.5	101.0
EXCESS REVENUES (EXPENDITURES)	$ 394,261	$ 655,574	$ 994,884	$ 424,830	$ (38,664)	7.4 %	12.2 %	18.7 %	9.5 %	(1.0) %

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS

SEPTEMBER 30, 2025

Complete District Mailing Address: Fort Bend County Municipal Utility District No. 50
c/o Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, Texas 77027

District Business Telephone No.: 713-860-6400

Submission date of the most recent District Registration Form: October 2, 2024

Limit on Fees of Office that a Director may receive during a fiscal year: $7,200

BOARD MEMBERS

Name and Address	Term of Office (Elected/ Appointed)	Fees of Office Paid	Expense Reimb.	Title at Year End
Leon Bridges c/o Allen Boone Humphries Robinson LLP 3200 Southwest Freeway, Suite 2600 Houston, Texas 77027	Elected 5/07/22- 5/02/26	$ 7,200	$ 3,312	President
Ken Matthews c/o Allen Boone Humphries Robinson LLP 3200 Southwest Freeway, Suite 2600 Houston, Texas 77027	Elected 5/07/22- 5/02/26	4,199	1,240	Vice President
Paula Vitello c/o Allen Boone Humphries Robinson LLP 3200 Southwest Freeway, Suite 2600 Houston, Texas 77027	Elected 5/04/24- 5/06/28	7,072	1,904	Secretary
Sandy Lewis c/o Allen Boone Humphries Robinson LLP 3200 Southwest Freeway, Suite 2600 Houston, Texas 77027	Appointed 6/05/24- 5/06/28	5,525	625	Assistant Secretary
Reginald Stubblefield c/o Allen Boone Humphries Robinson LLP 3200 Southwest Freeway, Suite 2600 Houston, Texas 77027	Elected 5/07/22- 5/02/26	1,768	298	Assistant Vice President

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS (Continued)

SEPTEMBER 30, 2025

CONSULTANTS

Name and Address	Date Hired	Fees and Expense Reimbursements	Title at Year End
Allen Boone Humphries Robinson LLP 3200 Southwest Freeway, Suite 2600 Houston, Texas 77027	7/27/03	$ 205,121	Attorney
Perdue, Brandon, Fielder, Collins & Mott, L.L.P. 1235 North Loop West, Suite 600 Houston, Texas 77008	4/16/02	25,631	Delinquent Tax Attorney
District Data Services, Inc. 9575 Katy Freeway, Suite 450 Houston, Texas 77024	3/19/86	28,390	Bookkeeper
Wendy Austin/Stephanie Viator 9575 Katy Freeway, Suite 450 Houston, Texas 77024	10/10/06	0	Investment Officers
Municipal District Services, L.L.C. 406 West Grand Parkway South, Suite 260 Katy, Texas 77494	6/1/12	1,773,083	Operator
BGE, Inc. 23501 Cinco Ranch Blvd., Suite A-250 Katy, Texas 77494	8/29/24	195,396	Engineer
R. G. Miller Engineers, Inc. 16340 Park Ten Place, Suite 350 Houston, Texas 77084	Replaced 8/29/24	41,858	Engineer
Tax Tech, Inc. 12841 Capricorn Drive Stafford, Texas 77477	1/08/08	43,641	Tax Assessor-Collector
Fort Bend Central Appraisal District 2801 B. F. Terry Rosenberg, Texas 77471	Legislative Action	91,506	Central Appraisal District
Rathmann & Associates, L.P. 8584 Katy Freeway, Suite 250 Houston, Texas 77024	6/05/03	0	Financial Advisor
Mark C. Eyring, CPA, PLLC 12702 Century Drive, Suite C2 Stafford, Texas 77477	Prior to 1992	14,450	Independent Auditor

See accompanying independent auditor’s report.

Rathmann & Associates

Financial Advisor to the District