

NOTICE TO PURCHASER OF SPECIAL TAXING OR ASSESSMENT DISTRICT

The real property that you are about to purchase is located in the HAYS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1, and may be subject to district taxes or assessments. The district may, subject to voter approval, impose taxes and issue bonds. The district may impose an unlimited rate of tax in payment of such bonds. The current rate of the district property tax is \$0.6849 on each \$100 of assessed valuation. The total amounts of bonds payable wholly or partly from property taxes approved by the voters, excluding refunding bonds that are separately approved by the voters, are \$42,565,000 for water, sewer, and drainage facilities; \$0 for road facilities; and \$0 for parks and recreation facilities. The aggregate initial principal amounts of all such bonds issued are \$36,610,000 for water, sewer, and drainage facilities; \$0 for road facilities; and \$0 for parks and recreation facilities.

The District is located wholly or partly in the extraterritorial jurisdiction of the City of Dripping Springs, Texas. Texas law governs the ability of a municipality to annex property in the municipality's extraterritorial jurisdiction and whether a district that is annexed by the municipality is dissolved. The district has entered into a strategic partnership agreement with the City of Dripping Springs. This agreement may address the timeframe, process, and procedures for the municipal annexation of the area of the district located in the municipality's extraterritorial jurisdiction.

The purpose of the district is to provide water, sewer, drainage, flood control, and parks and recreational facilities and services. The cost of district facilities is not included in the purchase price of your property.

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ANNUALLY ESTABLISHES TAX RATES. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before execution of a binding contract for the purchase of real property or at closing of purchase of the real property.

Date

Signature of Seller

STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, _____, by
_____, Seller.

(Notary Seal)

Notary in and for the State of Texas

My Commission Expires:

Date

Signature of Purchaser

Signature of Purchaser

STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, _____, by
_____, Purchaser.

(Notary Seal)

Notary in and for the State of Texas

My Commission Expires:

AFTER RECORDING RETURN TO:

Hays County Water Control & Improvement District No. 1

c/o Winstead PC

Attn: Vicki Hahn

600 W. 5th Street, Suite 900

Austin, Texas 78701