

MUNICIPAL UTILITY DISTRICT

NOTICE TO PURCHASER

THE STATE OF TEXAS §

COUNTY OF _____ §

The real property, described below, that you are about to purchase is located within Wells Branch Municipal Utility District, formerly known as North Austin Growth Corridor Municipal Utility District No. 1 (the "District"). The District has taxing authority separate from any other taxing authority, and may, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds. As of this date, the rate of taxes levied by the District upon real property located in the District is \$0.47 on each \$100.00 of assessed valuation. The total amount of bonds, excluding refunding bonds and any bonds or any portion of bonds issued that are payable solely from revenues received or expected to be received under a contract with a governmental entity, approved by the voters and which have been or may, at this date, be issued is \$15,100,000, and the aggregate initial principal amount of all bonds issued for one or more of the specified facilities of the District and payable in whole or in part from property taxes is \$14,615,000.

The District has the authority to adopt and impose a standby fee on property in the District that has water, sanitary sewer or drainage facilities and services available but not connected and which does not have a house, building, or other improvement located thereon and does not substantially utilize the utility capacity available to the property. The District may exercise the authority without holding an election on the matter. As of this date, the most recent amount of the standby fee is \$0. An unpaid standby fee is a personal obligation of the person that owned the property at the time of imposition and is secured by a lien on the property. Any person may request a certificate from the District stating the amount, if any, of unpaid standby fees on a tract of property in the District.

The District is located in whole or in part in the extraterritorial jurisdiction of the City of Austin. By law, a district located in the extraterritorial jurisdiction of a municipality may be annexed without the consent of the district or the voters of the district. When a district is annexed, the district is dissolved.

The purpose of this District is to provide water, sewer, drainage, or flood control facilities and services within the District through the issuance of bonds payable in whole or in part from property taxes. The cost of these utility facilities is not included in the purchase price of your property, and these utility facilities are owned or to be owned by the District. The legal description of the property which you are acquiring is more fully described as follows:

The District has agreed that, on June 23, 1993, ninety percent (90%) of the facilities for which District bonds were originally authorized had been installed. The District has further agreed that, on or before September 1, 1999, ninety percent (90%) of the facilities for which District bonds have now been authorized will be installed within the boundaries of the District, including all annexed areas. If such facilities have not been installed by September 1, 1999, the City, at its option, is entitled to revoke its authorization for or approval of the installation of any further facilities or amenities and its authorization for the issuance of the balance of the District's unissued bonds. After annexation of the District by the City, a water and sewer service surcharge of \$8.89 per month for each single family residential customer or living unit equivalent (LUE) of the District's water or sewer system, as determined by the City's policies and ordinances, may be charged by the City, in addition to the City's normal water and sewer rates, until the bonded indebtedness of the District has been retired.

SELLER:

Date

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ROUTINELY ESTABLISHES TAX RATES DURING THE MONTHS OF SEPTEMBER THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE YEAR IN WHICH THE TAX RATES ARE APPROVED BY THE DISTRICT. 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 prior to execution of a binding contract for the purchase of the real property described in such notice or at closing of the purchase of the real property.

PURCHASER:

Date