

NOTICE TO PURCHASER OF SPECIAL TAXING OR ASSESSMENT DISTRICT

STATE OF TEXAS

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COUNTY OF HARRIS

The real property that you are about purchase is located in **CHAMPIONS MUNICIPAL UTILITY DISTRICT** (formerly Harris County Fresh Water Supply District No. 52) (the "District") 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 rate of the District property tax for year 2023 is \$0.325 on each \$100 of assessed valuation, comprised of \$0.075 per \$100 assessed valuation for debt service purposes and \$0.25 per \$100 assessed valuation for operation and maintenance purposes.

The total amounts of bonds payable wholly or partly from property taxes, excluding refunding bonds that are separately approved by the voters, approved by the voters are:

\$25,000,000 for water, sewer, and drainage facilities

The aggregate initial principal of all such bonds issues are:

\$25,000,000 for water, sewer, and drainage facilities

The District is located wholly or partly in the extraterritorial jurisdiction of the City of Houston. 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 Houston. 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, parks and recreational, and flood control facilities and services. The cost of district facilities is not included in the purchase price of your property.

The following subdivisions within the District have internal private water and wastewater utility lines which are, and have been, the responsibility to be maintained by their respective homeowners' associations since inception, as noted below:

- a) Champions Celebrity Colony I Subdivision; Champions Colony West Subdivision (1964);
- b) Kings Row Subdivision (1967);
- c) Champions Colony II Subdivision; Champions Colony East Subdivision (1968);
- d) Champions Way Subdivision (1976);
- e) Champions Colony III Subdivision (1978); and
- f) Hamlet at Champions Subdivision (1983).

The District maintains all other water and wastewater utility lines and facilities in the District, including, but not limited to, water and wastewater treatment facilities and main water distribution and wastewater collection and transmission lines.

THE PURCHASER IS ADVISED THAT THE INFORMATION SHOWN IN 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 legal description of the property which you are acquiring is as follows:

Date

Signature of Seller(s)

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

Date

Signature of Purchaser(s)

Issued by: Champions Municipal Utility District

Designated Agent: Johnson Petrov LLP – 713.489.8977

Date issued: October 9, 2023