

NOTICE TO PURCHASERS

The real property, described below, that you are about to purchase is located in DENTON COUNTY FRESH WATER SUPPLY NO. 1-E. The District has the taxing authority separate from any other taxing authority and may, subject to voter approval, (1) issue an unlimited amount of District bonds and levy an unlimited rate of tax in payment of such bonds and (2) enter into contracts with the City of Lewisville to support the issuance of public improvement district (PID) bonds in an unlimited amount and levy an unlimited tax in payment of such bonds. As of this date, the rate of taxes levied by the District on real property located in the District is \$0.59 on each \$100 of assessed valuation. The total amount of District bonds approved by the voters and which may, at this date, be issued is \$28,500,000. The total amount of contract tax PID bonds approved by the voters and which may, at this date, be supported by the District is \$28,500,000. The total amounts of District bonds and PID bonds issued as of this date and payable or supported by property taxes are \$-0- and \$27,430,000, respectively.

The District is located in whole or in part in the extraterritorial jurisdiction of the City of Lewisville. 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, flood control facilities, road, streets 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 as follows:

Date

Signature of Seller

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 purchase of the real property.

Date

Signature of Purchaser