

Notice to purchasers of real property

The real property, described below, which you are about to purchase, is in the Bayview Municipal Utility 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 on real property located in the District is \$ 0.3858 on each \$100 of assessed valuation. If the District has not levied taxes, the most recent projected rate of tax, as of this date, is \$ n/a on each \$100 of assessed valuation. The total amount of bonds which has been approved by the voters and which have been or may, at this date, be issued is \$5,000,000 and the aggregate initial principal amounts 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 \$5,000,000.

The District has the authority to adopt and impose a standby fee on property in the District that has water, sewer, sanitary or drainage facilities, or other 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 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 within the corporate boundaries of the City of Kemah, County of Galveston. The taxpayers of the District are subject to the taxes imposed by the municipality and by the District until the District is dissolved. By law, a District located within the corporate boundaries of a municipality may be dissolved by municipal ordinance without the consent of the District or the voters of the District.

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 as follows: _____.

Date: _____

Signature of Seller (s): _____

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.

Date: _____

Signature of Buyer (s): _____

State of Texas

County of _____

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

Notary Public, State of Texas

NOTE: Correct District name, tax rate, bond amounts and legal description are to be placed in the appropriate space. Except for notices included as an addendum or paragraph of a purchase contract, the notice shall be executed by the seller and purchaser, as indicated. If the District does not propose to provide on or more specified facilities and services, the appropriate purpose may be eliminated. If the District has not yet levied taxes, a statement of the Districts most recent projected rate of tax is to be placed in the appropriate space. If the District does not have approval form required to be given to the prospective purchaser prior to execution of a binding contract of sale and purchase, a seller and any agent, representative, or person acting on the seller's behalf may modify the notice by substitution of the words "January 1. ____" for the words "this date" and place the correct calendar year in the appropriate space.