

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 188

VOTER INFORMATION DOCUMENT FOR BOND ELECTION

Harris County Municipal Utility District No. 188 (the “District”) will be holding bond election on May 3, 2025, for voting upon the following:

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 188 BALLOT LANGUAGE
OFFICIAL BALLOT

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 188

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 188
PROPOSITION A

- () FOR
- () THE ISSUANCE OF \$41,880,000 BONDS FOR
- () WATER, SANITARY SEWER, AND
- () DRAINAGE AND STORM SEWER SYSTEMS
- () AND FOR REFUNDING WATER, SANITARY
- () SEWER, AND DRAINAGE AND STORM
- () SEWER SYSTEMS BONDS OF THE DISTRICT,
- () AND THE LEVY OF TAXES, WITHOUT
- () LIMIT AS TO RATE OR AMOUNT,
- () SUFFICIENT TO PAY THE PRINCIPAL OF
- () AND INTEREST ON THE BONDS
- () AGAINST

| ESTIMATED DEBT SERVICE REQUIREMENTS FOR PROPOSED BONDS SECURED BY AD VALOREM TAXES | |
|---|---------------|
| | Proposition A |
| Principal for Proposed Bonds to be authorized | \$41,880,000 |
| Estimated Interest for Proposed Bonds to be authorized ¹ | \$32,577,975 |
| Estimated Combined Principal and Interest Requirements for the Proposed Bonds ¹ | \$77,457,975 |

¹Assumes an interest rate of 4.75% on the Proposed Bonds and issuance in accordance with the amortization schedule shown below. The estimated interest and amortization schedule are based upon current assumptions and projections of interest rates, property development, assessed valuations and tax collection rates. To the extent that such assumptions and projects are not realized, the actual interest on the bonds may vary substantially from the estimated interest presented herein. The estimated interest provided herein shall not be considered part of the bond propositions to be submitted to the voters and shall not be considered as a limitation on the District’s authority to levy, assess and collect an unlimited tax as to rate or amount pursuant to the Texas Constitution and laws.

| OUTSTANDING BONDS SECURED BY AD VALOREM TAXES AS OF JANUARY 15, 2025 | |
|---|-----------------|
| Principal of Outstanding Bonds | \$13,475,000 |
| (+) Estimated Remaining Interest on Outstanding Bonds ² | \$3,280,081.26 |
| (=) Estimated Combined Principal and Interest Requirements ² | \$16,755,081.26 |

²Assumes the principal of and interest on the Outstanding Bonds are paid on time in accordance with the maturity schedules set forth in the Official Statement for each series of the bonds, and that no such bonds are refunded, defeased, or otherwise called for redemption prior to their scheduled maturities.

| ESTIMATED MAXIMUM ANNUAL INCREASE IN TAXES | |
|---|---------------|
| | Proposition A |
| Estimated Maximum Annual Increase in Taxes on Residential Homestead with Appraised Value of \$100,000 | \$0.00 |

SUMMARY OF MAJOR ASSUMPTIONS

The estimated maximum annual increase in taxes listed above for the Proposed Bonds is based upon the assumptions presented in this section regarding the estimated growth in appraised value of the District, amortization schedule for the District's outstanding bonds and Proposed Bonds, the District's tax collection rate, no change in the District's other tax rate components, if any, and the exemptions currently granted by the District, if any. To the extent that such assumptions are not realized, the actual maximum annual increase in the amount of taxes that would be imposed on a residence homestead in the District with an appraised value of \$100,000 to repay the bonds may vary substantially from the estimated maximum annual increase presented herein. The estimated maximum annual increase presented herein shall not be considered part of the bond propositions to be submitted to the voters and shall not be considered as a limitation on the District's authority to levy, assess and collect an unlimited tax as to rate or amount pursuant to the Texas Constitution and laws.

Primary assumptions in cash flow that are not listed elsewhere on this form:

- \$41,880,000 proposed bonds:
 - Issued every other year from 2026 to 2044 in increments of \$4,190,000 per issuance with the exception of the final issuance being \$4,170,000.
 - Dated/delivered on 10/1 in the year of the issuance with the first coupon being on 4/1 in the year following the issuance.
 - Interest only for 3 years followed by 25 years of principal amortization.
- Assumes the issuance of the District's remaining WSD new money authorization of \$1,755,000 in 2025.
- No capitalized interest assumed.
- Debt Service Fund balances earn interest at 1.5%.

Changes in Future Appraised Value:

| Tax Year | Annual Growth | Appraised Value |
|----------|---------------|-----------------|
| 2025 | 7.50% | \$557,551,769 |
| 2026 | 7.50% | \$599,368,151 |
| 2027 | 7.50% | \$644,320,763 |
| 2028 | 7.50% | \$692,644,820 |
| 2029 | 7.50% | \$744,593,181 |
| 2030 | 7.50% | \$800,437,670 |
| 2031 | 7.50% | \$860,470,495 |
| 2032 | 7.50% | \$925,005,782 |
| 2033 | 7.50% | \$994,381,216 |
| 2034 | 7.50% | \$1,068,959,807 |

Amortization of
Debt Service:

| Fiscal Year | Outstanding Bonds | Proposition A Proposed Bonds |
|-------------|-------------------|------------------------------|
| 2025 | \$1,366,250 | \$0 |
| 2026 | \$1,112,938 | \$0 |
| 2027 | \$1,120,763 | \$ 199,025 |
| 2028 | \$ 891,738 | \$ 199,025 |
| 2029 | \$ 891,675 | \$ 398,050 |
| 2030 | \$ 890,606 | \$ 485,913 |
| 2031 | \$ 893,444 | \$ 685,544 |
| 2032 | \$ 890,125 | \$ 773,775 |
| 2033 | \$ 885,700 | \$ 973,538 |
| 2034 | \$ 875,900 | \$1,061,663 |
| 2035 | \$ 895,350 | \$1,261,081 |
| 2036 | \$ 898,731 | \$1,348,625 |
| 2037 | \$ 503,438 | \$1,547,225 |
| 2038 | \$ 504,831 | \$1,633,713 |
| 2039 | \$ 510,959 | \$1,831,019 |
| 2040 | \$ 511,278 | \$1,920,856 |
| 2041 | \$ 515,769 | \$2,116,156 |
| 2042 | \$ 514,963 | \$2,208,631 |
| 2043 | \$ 518,563 | \$2,401,213 |
| 2044 | \$ 521,500 | \$2,495,613 |
| 2045 | \$ 519,125 | \$2,683,813 |
| 2046 | \$ 521,438 | \$2,779,425 |
| 2047 | | \$2,770,288 |
| 2048 | | \$2,866,163 |
| 2049 | | \$2,856,813 |
| 2050 | | \$2,864,138 |
| 2051 | | \$2,848,138 |
| 2052 | | \$2,858,575 |
| 2053 | | \$2,845,213 |
| 2054 | | \$2,862,694 |
| 2055 | | \$2,562,788 |
| 2056 | | \$2,575,731 |
| 2057 | | \$2,276,644 |

Amortization of
Debt Service:

| Fiscal Year | Outstanding Bonds | Proposition A Proposed Bonds |
|----------------|----------------------|---------------------------------|
| 2058 | | \$2,290,644 |
| 2059 | | \$1,992,850 |
| 2060 | | \$1,998,619 |
| 2061 | | \$1,707,950 |
| 2062 | | \$1,715,963 |
| 2063 | | \$1,422,894 |
| 2064 | | \$1,428,981 |
| 2065 | | \$1,139,344 |
| 2066 | | \$1,144,219 |
| 2067 | | \$ 853,844 |
| 2068 | | \$ 858,456 |
| 2069 | | \$ 568,294 |
| 2070 | | \$ 573,594 |
| 2071 | | \$ 284,594 |
| 2072 | | \$ 286,650 |

Interest Rate on Proposed Bonds:

4.75%

Annual District Tax Collections Rate:

99%

Residence Homestead Exemption:

20%

[EXECUTION PAGE FOLLOWS]

BY ORDER OF THE BOARD OF DIRECTORS.

/s/ Gary Henderson
President, Board of Directors