

**SUPPLEMENT DATED JANUARY 16, 2023  
TO  
PRELIMINARY LIMITED OFFERING MEMORANDUM DATED JANUARY 6, 2023**

relating to

**\$4,015,000\***

**CITY OF KYLE, TEXAS,**

**(a municipal corporation of the State of Texas located in Hays County)**

**SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2023**

**(6 CREEKS PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #2B PROJECT)**

*This Supplement dated January 16, 2023 (this “Supplement”) amends and supplements the Preliminary Limited Offering Memorandum, dated January 6, 2023 (the “Preliminary Limited Offering Memorandum”) for the above-referenced bonds (the “Series 2023 IA#2B Bonds”). Capitalized terms used but not otherwise defined in this Supplement have the meaning ascribed to such terms in the Preliminary Limited Offering Memorandum.*

Information regarding a recent acquisition and development loan entered into by HM 6 Creeks Development with ABC on September 20, 2022, relating to HM 6 Creeks Development’s purchase of approximately 259.70 acres from HMBRR LP #2, was inadvertently omitted from the information provided under “THE DEVELOPERS — History and Financing of the District — Acquisition and Development Financing.” Amounts advanced under the HM 6 Creeks Development and Acquisition Loan (defined herein below) may be used to finance construction costs relating to Section 12 and the Future Improvement Areas of the District. In that regard, the following portion of the Preliminary Limited Offering Memorandum located on page 52 under “THE DEVELOPER — History and Financing of the District — Acquisition and Development Financing” is hereby replaced in its entirety with the following:

*Acquisition and Development Financing.* The original acquisition and subsequent acquisitions of property within the District by HMBRR Development, were funded with equity by means of contributions made to HMBRR Development by its shareholders and a portion of the proceeds of a development loan from American Bank in the amount of \$8,000,000 (the “Development Loan”). The Development Loan was secured by a deed of trust in favor of American Bank, which covered approximately 61.49 acres within the District. The Development Loan was subsumed under the HMBRR Development and Acquisition Loan described below.

The original acquisition of property within the District by HMBRR LP was funded by an acquisition loan from American Bank in the amount of \$5,000,000 (the “Acquisition Loan”). The Acquisition Loan was secured by a deed of trust in favor of American Bank, which covered approximately 188.51 acres within the District. The Acquisition Loan was subsumed under the HMBRR Development and Acquisition Loan described below.

HMBRR Development purchased land from HMBRR LP on February 14, 2020, pursuant to an assumption and special warranty deed pursuant to which HMBRR Development assumed and promised to keep and perform all of the covenants and obligations of HMBRR LP under the Acquisition Loan. On February 14, 2020, HMBRR

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\* Preliminary, subject to change.

Development and American Bank entered into a new loan in the amount of \$13,000,000 (the “HMBRR Development and Acquisition Loan”), which replaced the Development Loan and the Acquisition Loan and transferred the outstanding, unpaid balances of the Development Loan and the Acquisition Loan to the new HMBRR Development and Acquisition Loan. The HMBRR Development and Acquisition Loan was secured by a deed of trust dated February 14, 2020, in favor of American Bank. In September 2020, HMBRR Development paid off the HMBRR Development and Acquisition Loan and obtained a new \$6,000,000 development loan (the “HMBRR Development Loan”) from American Bank of Commerce (“ABC”), which has a revolving feature and is the current construction financing loan for HMBRR Development. Payment of amounts drawn on the HMBRR Development Loan is secured by a deed of trust and lien on the land within the District owned by HMBRR Development. Additionally, Blake J. Magee and Jay A. Hanna are the guarantors of the HMBRR Development Loan.

The original financing of the property within the District by HMBRR LP #2 was financed by the Seller Note. HM 6 Creeks Development purchased approximately 250 acres from HMBRR LP #2 on September 23, 2020, funded with equity from its shareholders and proceeds of an acquisition loan of \$9,000,000 from ABC, which loan was reduced to \$7,000,000 by the proceeds of the sale of approximately 50 acres (Sections 8A and 8B) to Taylor Morrison. HM 6 Creeks Development purchased an additional 99.955 acres from HMBRR LP #2 on December 15, 2021, 93.991 acres (Sections 13A, 13B, 14A and 14B) of which was immediately conveyed to Pulte. Finally, HM 6 Creeks Development acquired the remaining land owned by HMBRR LP #2 by Special Warranty Deed dated September 20, 2022 and entered into a \$14,000,000 acquisition and development loan from ABC (the “HM 6 Creeks Development and Acquisition Loan”), which amended and restated the acquisition loan. The HM 6 Creeks Development and Acquisition Loan has a revolving feature and is the current construction financing loan for HM 6 Creeks Development. Payment of amounts drawn on the HM 6 Creeks Development and Acquisition Loan is secured by a deed of trust and lien on the land within the District owned by HM 6 Creeks Development. Additionally, Blake J. Magee and Jay A. Hanna are the guarantors of the HM 6 Creeks Development and Acquisition Loan.

*Except as described above, the Preliminary Limited Offering Memorandum remains unchanged. The information in this Supplement will be incorporated into the final Limited Offering Memorandum for the Series 2023 IA#2B Bonds.*