



# Texas Infrastructure Program



## Early-Stage Infrastructure Financing

The Texas Infrastructure Program “TIP” has worked with leading industry professionals to develop an **early stage, short term** financing solution to **bridge the gap** between infrastructure expenditures and Municipal Utility District “MUD” reimbursements. This solution allows real estate developers to **monetize their MUD bond reimbursements early in the development cycle with debt that is tax-exempt and 100% non-recourse**. Within the last year, early-stage infrastructure financing has capitalized more than \$412M at a borrowing cost range of 9-12%.

### About the Tool:

- A developer/homebuilder assigns the rights to the future MUD reimbursement to the bondholders until the debt obligation is paid in full. After which, the MUD reimbursements revert to the original beneficiary.
- TIP proceeds can be used to reimburse or fund construction of qualified costs.
- TIP financing does not impact the traditional MUD issuance process or consultant teams.
- Increased certainty of execution with a proven timeline.

The TIP team has worked closely with the Texas Attorney General’s office (“Texas AG”) to ensure that **TIP is compliant with all Texas laws and regulations. The TIP Program has a Standing Letter on file with the Texas AG.**

## TIP Bonds are a Bridge to MUD Bond Issuances



## TIP Team

Trusted Industry Professionals

							
Municipal Advisor	Bond Counsel	Program Counsel	Engineer	Administrator	Government Relations	Underwriter	Underwriter's Counsel

For more information, please contact Mike Libera at [milibera@samcocapital.com](mailto:milibera@samcocapital.com) or 415-916-6171 or Mike Ryan at [mike.ryan@psc.com](mailto:mike.ryan@psc.com) or 303-405-0875.

## Developer Cost of Capital Matrix

### Existing Receivables

(Little to No Development Risk)

Net Proceeds and Final Term

\$225m	8.59%	7.55%	7.07%	6.79%
\$150m	8.63%	7.58%	7.09%	6.81%
\$75m	9.46%	8.11%	7.49%	6.86%
\$25m	9.72%	8.30%	7.64%	6.98%
\$15m	10.06%	8.53%	7.82%	7.15%
	2 years	4 years	6 years	8 years

### Future Receivables

(Significant Development Risk)

Net Proceeds and Final Term

\$225m	9.01%	8.04%	7.59%	7.33%
\$150m	9.05%	8.07%	7.61%	7.35%
\$75m	9.83%	8.57%	7.99%	7.66%
\$25m	10.09%	8.75%	8.13%	7.78%
\$15m	10.54%	9.05%	8.37%	7.97%
	2 years	4 years	6 years	8 years

**Disclaimer:** The cost of capital figures above for the different scenarios are solely intended to provide the directional impact of net proceeds, project development risk and final term on the Developer’s cost of capital for a TIP bond issuance and does not represent actual costs of capital. These figures are based on high level assumptions regarding market interest rates, project development risk and various factors involved in sizing a TIP bond issuance. An actual TIP bond sizing for any of these scenarios will require a comprehensive due diligence review of the specific project.

# TIP Case Studies

**We have an additional \$445 Million in TIP Financings expected to come to market through March 2025!**

Dec 2024

**OAKWOOD ESTATES & STONEBROOKE**

**\$16,630,242**

HARRIS-WALLER CO. MUD NO. 12 & MONTGOMERY CO. MUD NO. 212

Reimbursement of eligible public improvements



Dec 2024

  
**ALPHA RANCH**  
FORT WORTH, TEXAS

**\$55,831,923**

WCID OF DENTON & WISE COUNTIES

Reimbursement of eligible public improvements  
 Project fund for future eligible construction



Oct 2024

  
**WATERSTONE**

**\$53,575,000**

LASALLE MUD NOS. 1 & 2  
HAYS COUNTY

Reimbursement of eligible public improvements  
 Project fund for future eligible construction

**WATERSTONE LAND PARTNERS**

Oct 2024

**TWO STEP FARM**

**\$60,150,597**

MONTGOMERY CO. MUD NOS. 123 & 153

Fund major improvement  
 Reimburse Oxland / Jen for cost incurred

**O X L A N D JEN PARTNERS**

Aug 2024

**BOLLINGER**

**\$11,330,000**

BOLLINGER MUD CALDWELL COUNTY

Reimbursement of eligible public improvements



Aug 2024

 **NOLINA**  **SORELLA**

**\$48,240,000**

HARRIS COUNTY MUD 558 & WILLIAMSON COUNTY MUD 51

Reimbursement of eligible public improvements



Aug 2024

  
**INDIAN SPRINGS**

**\$11,140,000**

MUD NO. 544  
HARRIS COUNTY

Reimbursement of eligible public improvements  
 Project fund for future eligible construction



Jul 2024

  
**BRIDGEWATER**

**\$33,940,000**

MIDLOTHIAN MMD NO. 2  
ELLIS COUNTY

Reimbursement of eligible public improvements  
 Project fund for future eligible construction



Jul 2024

  
**ELEVON**

**\$19,200,000**

ELEVON MUD NO. 1-A  
COLLIN COUNTY

Reimbursement of eligible public improvements  
 Project fund for future eligible construction



Jul 2024

  
**MAYFAIR**  
NEW BRADFORD TEXAS

**\$42,800,000**

WID NOS. 3 & 3A  
COMAL COUNTY

Reimbursement of eligible public improvements



Mar 2024

  
**LEGACY HILLS**

**\$46,145,000**

1  
COLLIN COUNTY

Reimbursement of eligible public improvements



Feb 2024

**WAYSIDE**

**\$13,320,000**

WAYSIDE MUD  
HAYS COUNTY

Reimbursement of eligible public improvements  
 Project fund for future eligible construction



Sep 2023

**HARTLAND RANCH**

**\$8,300,000**

MUD NO. 2  
CALDWELL COUNTY

Reimbursement of eligible public improvements  
 Project fund for future eligible construction



Jan 2023

**WALDEN POND**

**\$14,215,000**

WALDEN POIND FWSD NO. 1  
DAUFMAN COUNTY

Reimbursement of eligible public improvements  
 Project fund for future eligible construction



Jun 2021

**PRAIRIE RIDGE**

**\$16,650,000**

FWSD NO. 1  
ELLIS COUNTY

Reimbursement of eligible public improvements

