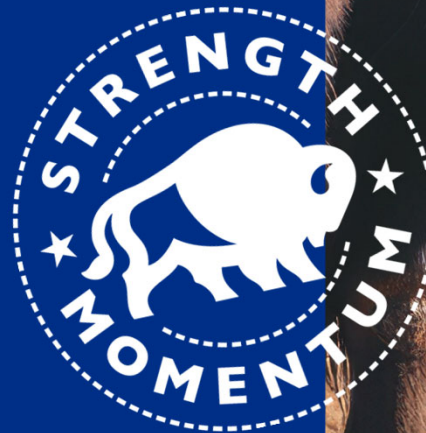


DESOTO ISD  
BOND SALE RECAP



# TRANSACTION OVERVIEW

## UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2025

Financing Team		Transaction Summary	
Issuer:	DeSoto Independent School District, Texas	Pre-Market Date:	July 16, 2025
Municipal Advisor:	Hilltop Securities, Inc.	Sale Date:	July 17, 2025
Senior Manager:	Siebert Williams Shank (40% liability)	Closing Date:	August 5, 2025
Bond Counsel:	Troutman Pepper Locke LLP	Par Amount:	\$193,715,000
Underwriter's Counsel:	Holland & Knight	Tax Status:	Tax-Exempt
Co-Disclosure Counsel	Troutman Pepper Locke LLP West & Associates LLP	Payment Dates:	Interest Pays February 15 & August 15 Commencing August 15, 2025 Principal Pays August 15
Paying Agent/Registrar:	UMB Bank	Ratings:	Moody's: Aaa/A3 stable outlook S&P: AAA/A- negative outlook
Co-Managers:	BOK Financial Securities, Inc. (20% liability) RBC Capital Markets LLC (20% liability) Stephens Inc. (20% liability)	Purpose:	Proceeds from the sale of the Series 2025 Bonds will be used for following: (i) the authorized propositions and purposes by the May 2025 Bond Election, and (ii) paying the costs associated with the issuance of the Bonds
Priority of Orders:	1. Group Net 2. Member	Optional Redemption:	Bonds are callable on August 15, 2034, or any date thereafter, at par

# TRANSACTION SUMMARY

## Sources and Uses

### SOURCES OF FUNDS

Par Amount	\$193,715,000
Net Reoffering Premium	\$7,799,468
<b>Total Sources of Funds</b>	<b>\$201,514,468</b>

### USES OF FUNDS

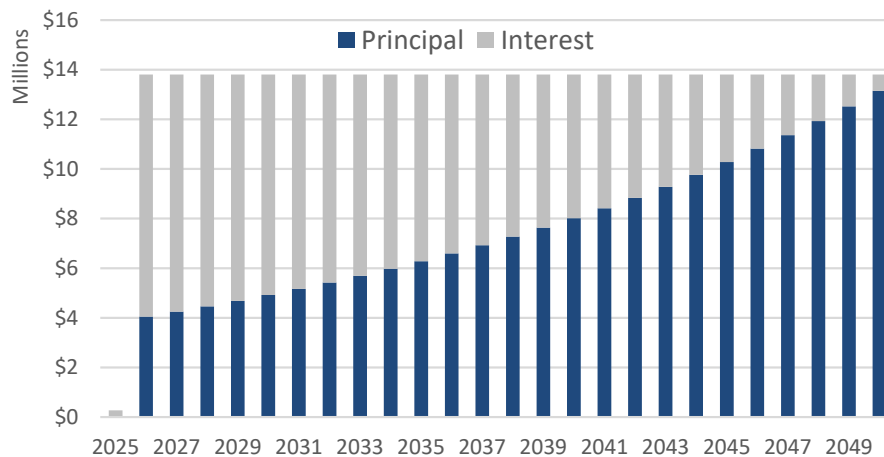
Project Fund Deposit	\$199,855,000
Underwriters' Discount	\$897,073
Cost of Issuance Budget	\$760,000
Additional Proceeds	\$2,395
<b>Total Uses of Funds</b>	<b>\$201,514,468</b>

## Bond Summary Statistics

Closing Date	August 5, 2025
First Coupon	August 15, 2025
Final Maturity	August 15, 2050
Total Principal	\$193,715,000
Total Interest	\$151,746,023
Total Debt Service	\$345,461,023
Average Annual Debt Service	\$13,807,598
Max Annual Debt Service	\$13,810,250
Arbitrage Yield	4.5744%
True Interest Cost	4.7017%
All-In TIC	4.7387%

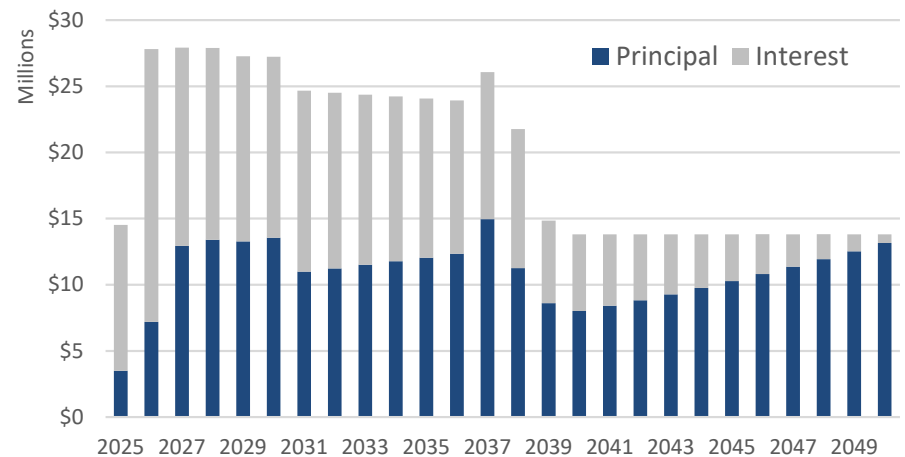
## Unlimited Tax School Building Bonds, Series 2025

As of FY 8/15



## Aggregate Debt Service Requirements

As of FY 8/15



# DESOTO INDEPENDENT SCHOOL DISTRICT

## School Tax Analysis for \$350,000 Home (adjusted for inflation)

Tax Year:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025*</u>
Inflation Rate:	1.20%	4.70%	8.00%	4.10%	2.40%
Market Value of Home:	\$ 290,367	\$ 304,014	\$ 328,335	\$ 341,797	\$ 350,000
State Homestead Exemption:	<u>(25,000)</u>	<u>(40,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>(140,000)</u>
Taxable Value of Home:	\$ 265,367	\$ 264,014	\$ 228,335	\$ 241,797	\$ 210,000
M&O Tax Rate	\$ 0.9603	\$ 0.9429	\$ 0.7575	\$ 0.7552	\$ 0.7000
I&S Tax Rate:	<u>0.4283</u>	<u>0.3153</u>	<u>0.3153</u>	<u>0.3100</u>	<u>0.4700</u>
Total Tax Rate:	\$ 1.3886	\$ 1.2582	\$ 1.0728	\$ 1.0652	\$ 1.1700
School Taxes Due: Annual:	\$ 3,685	\$ 3,322	\$ 2,450	\$ 2,576	\$ 2,457
Monthly:	\$ 307	\$ 277	\$ 204	\$ 215	\$ 205

School Tax Reduction since 2021 (Dollars): \$ 1,228  
School Tax Reduction since 2021 (Percentage): 33.32%

Notes: Inflation percentages are sourced from the Bureau of Labor Statistics, Consumer Price Index.

Future tax rates assume no further compression in the M&O rate.

\* Estimated. The voter information projected a tax increase of \$32.38 per month.

## ORDERS &amp; ALLOTMENTS BY MATURITY

Unlimited Tax School Building Bonds, Series 2025 (\$000)									
Maturity	Coupon	Institutional		Retail		Member		Total	
		Orders	Allotments	Orders	Allotments	Orders	Allotments	Orders	Allotments
8/15/2026	5.00%	8,595	3,035	4,030	1,015	9,100	-	21,725	4,050
8/15/2027	5.00%	18,265	4,250	4,230	-	9,500	-	31,995	4,250
8/15/2028	5.00%	15,800	4,465	4,440	-	9,930	-	30,170	4,465
8/15/2029	5.00%	5,075	4,685	-	-	10,370	-	15,445	4,685
8/15/2030	5.00%	2,640	2,640	-	-	8,200	2,280	10,840	4,920
8/15/2031	5.00%	205	205	-	-	11,125	4,960	11,330	5,165
8/15/2032	5.00%	8,295	5,425	-	-	6,425	-	14,720	5,425
8/15/2033	5.00%	1,700	1,700	-	-	5,245	3,995	6,945	5,695
8/15/2034	5.00%	1,830	1,830	-	-	5,400	4,150	7,230	5,980
8/15/2035	5.00%	8,715	6,280	100	-	1,250	-	10,065	6,280
8/15/2036	5.00%	365	365	-	-	13,710	6,230	14,075	6,595
8/15/2037	5.00%	7,250	6,925	-	-	1,250	-	8,500	6,925
8/15/2038	5.00%	7,485	7,270	-	-	1,500	-	8,985	7,270
8/15/2039	5.00%	8,050	7,635	-	-	1,500	-	9,550	7,635
8/15/2040	5.00%	9,495	8,015	-	-	8,500	-	17,995	8,015
8/15/2041	5.00%	8,470	8,415	-	-	9,000	-	17,470	8,415
8/15/2042	5.00%	9,115	8,835	-	-	2,000	-	11,115	8,835
8/15/2043	5.25%	9,565	9,280	-	-	7,000	-	16,565	9,280
8/15/2044	5.25%	9,775	9,765	-	-	7,000	-	16,775	9,765
8/15/2045	5.25%	12,515	10,230	50	50	7,500	-	20,065	10,280
8/15/2050	5.00%	59,435	59,435	350	350	32,500	-	92,285	59,785
Total		\$212,640	\$170,685	\$13,200	\$1,415	\$168,005	\$21,615	\$393,845	\$193,715



## ORDERS &amp; ALLOTMENTS BY INVESTOR

Unlimited Tax School Building Bonds, Series 2025					
#	Investor	New Investor	Order (\$000)	Allotments (\$000)	Money Type
1	Nuveen Investments	✓	40,170	37,725	Bond Fund
2	Susquehanna Capital Group	✓	28,185	28,185	Hedge Fund / Trading
3	PIMCO	✓	34,840	22,880	Bond Fund
4	First Financial Trust	✓	20,930	19,135	Bank Trust / PWM
5	Northern Trust	✓	12,640	8,440	Bond Fund
6	Federated Investors	✓	10,000	8,215	Bond Fund
7	Brown Brothers Harriman	✓	6,230	6,230	SMA
8	Franklin - Templeton Funds	✓	5,760	5,485	Bond Fund
9	Bessemer Trust	✓	14,070	5,000	Bond Fund
10	16th Amendment Advisors	✓	5,000	5,000	Bond Fund
11	Erie Insurance Company	✓	5,000	5,000	Insurance
12	BlackRock	✗	9,300	4,655	Bond Fund
13	Wasmer Schroeder	✓	4,210	4,210	Bond Fund
14	Millennium Management	✓	2,500	2,500	Hedge Fund / Trading
15	Columbia Management Group	✓	2,025	2,025	Bond Fund
16	Dimensional Fund Advisors	✓	7,030	2,000	Bond Fund
17	AGP Global	✓	2,000	2,000	SMA
18	Maritime Capital	✓	2,000	2,000	Hedge Fund / Trading
19	Hazoor Partners	✓	2,000	1,750	Hedge Fund / Trading
20	Lone Star Investment	✓	2,000	1,500	Bond Fund
21	Northwestern Mutual	✓	1,500	1,500	Insurance
22	WPG Advisors	✓	250	250	SMA
<b>Total</b>		<b>21</b>	<b>\$217,640</b>	<b>\$175,685</b>	

New investor is defined as an investor not currently reporting DeSoto ISD holdings as of June 17, 2025 per Thompson Reuters

# MARKET COMMENTARY

## Market Observations

### Primary Market:

- 30-Day Visible Supply is approximately \$20.163 billion
- The calendar consists of \$10.1 billion of negotiated deals and \$2.1 billion of competitive deals
- The largest negotiated deal of the week is the \$1.5 billion New York City Transitional Finance Authority Future Tax Secured Subordinate Bonds

### Secondary Market:

- Municipal Bond Funds reported \$225 million of net outflows, compared with \$432 million of inflows the prior week
- Weekly trade volume of \$78.289 billion represents an increase of \$3.973 billion from the previous week's \$74.316 billion

### General Market Overview:

- The previous week munis struggled and faced a significant sell off, especially on the long end of the curve, as the market digested another heavy week of supply, mixed economic data results, and political/tariff driven headwind.
- Headline CPI rose by +0.3% in June, up from +0.1% in May and in line with the median forecast. On a year-over-year basis, CPI increased from +2.4% to +2.7%, slightly above expectations. On an annual basis, core consumer inflation edged up from +2.8% to +2.9%, the highest since February.
- Retail Sales for June surprised to the upside, rising +0.6%, an unexpectedly strong bounce following a -0.9% drop in the previous month.

Economic Calendar: Existing Home Sales, Jobless Claims, PMI Composite Flash, Fed Balance Sheet, Durable Goods Orders

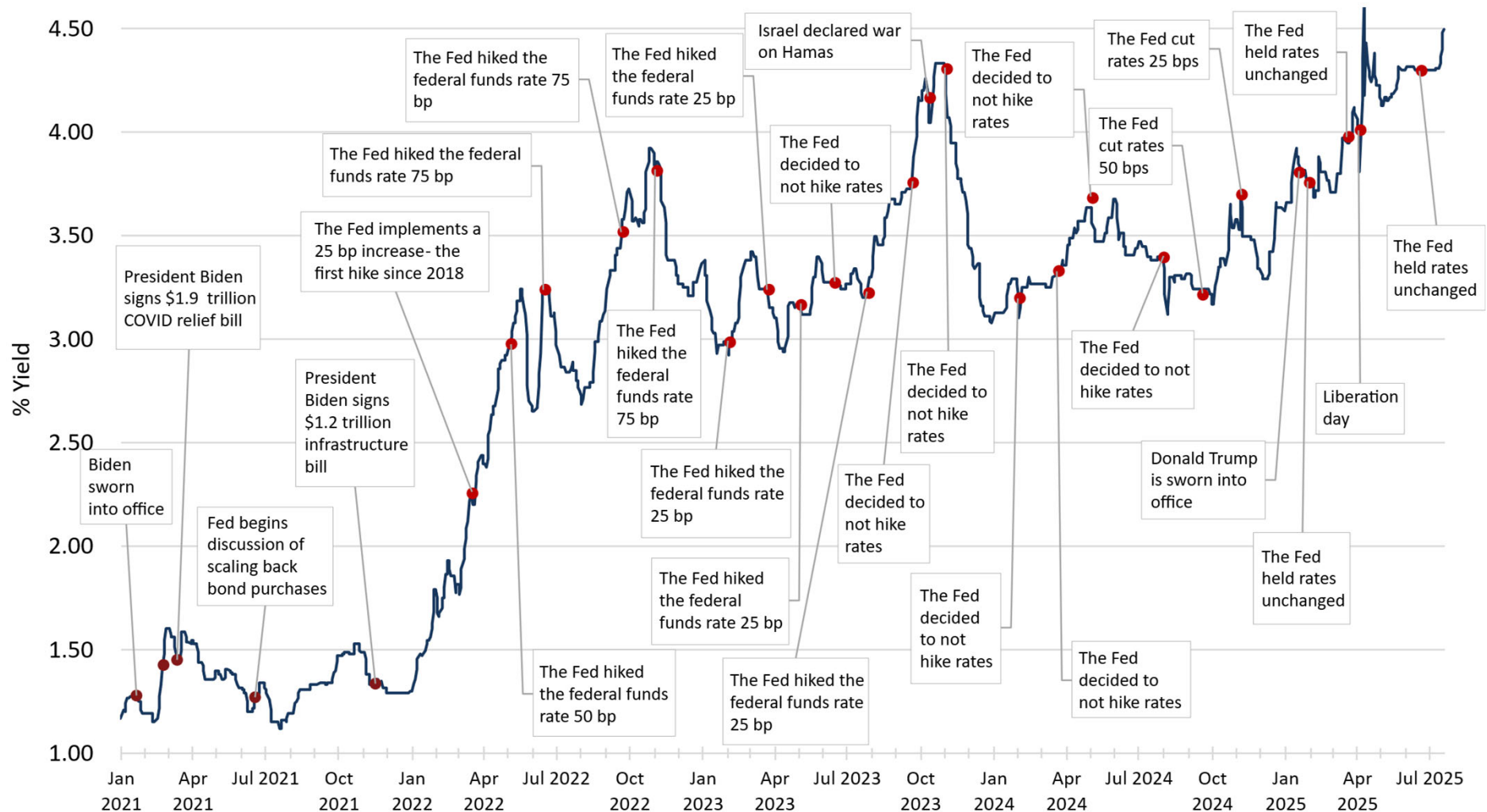
Source: Ipreo, TM3, Bloomberg, BBC, Wall Street Journal, New York Times, The Bond Buyer, Econoday, CNBC

## Statistics

	7/18/2025	7/11/2025	Change
5Y MMD	2.60	2.55	0.05 ▲
10Y MMD	3.35	3.22	0.13 ▲
15Y MMD	4.01	3.84	0.17 ▲
20Y MMD	4.50	4.31	0.19 ▲
30Y MMD	4.77	4.55	0.22 ▲
MMD 2/30 Yield Curve Steepness	231	209	22 ▲
Bond Buyer 11 GO Bond Index	5.20	5.11	0.09 ▲
Bond Buyer 20 GO Bond Index	5.30	5.21	0.09 ▲
Bond Buyer Revenue Bond Index	5.59	5.50	0.09 ▲
1Y UST	4.08	4.09	(0.01) ▼
5Y UST	3.96	3.99	(0.03) ▼
7Y UST	4.18	4.19	(0.01) ▼
10Y UST	4.44	4.43	0.01 ▲
30Y UST	5.00	4.96	0.04 ▲
UST 2/30 Yield Curve Steepness	112	106	6 ▲
10Y MMD/UST Ratio	75	73	2.8 ▲
30Y MMD/UST Ratio	95	92	3.7 ▲
SIFMA	2.46	1.63	0.83 ▲
1M SOFR	4.35	4.34	0.008 ▲
30-Day Negotiated Visible Supply	15,947.0	14,854.0	1,093.0 ▲
30-Day Competitive Visible Supply	4,216.0	3,466.0	750.0 ▲
Lipper Muni Bond Fund Flows	(225)	432	(657) ▼

# CHANGE IN 20-YEAR MMD

## Change in 20-Year MMD with Market Commentary – 1/1/21 to 7/18/2025

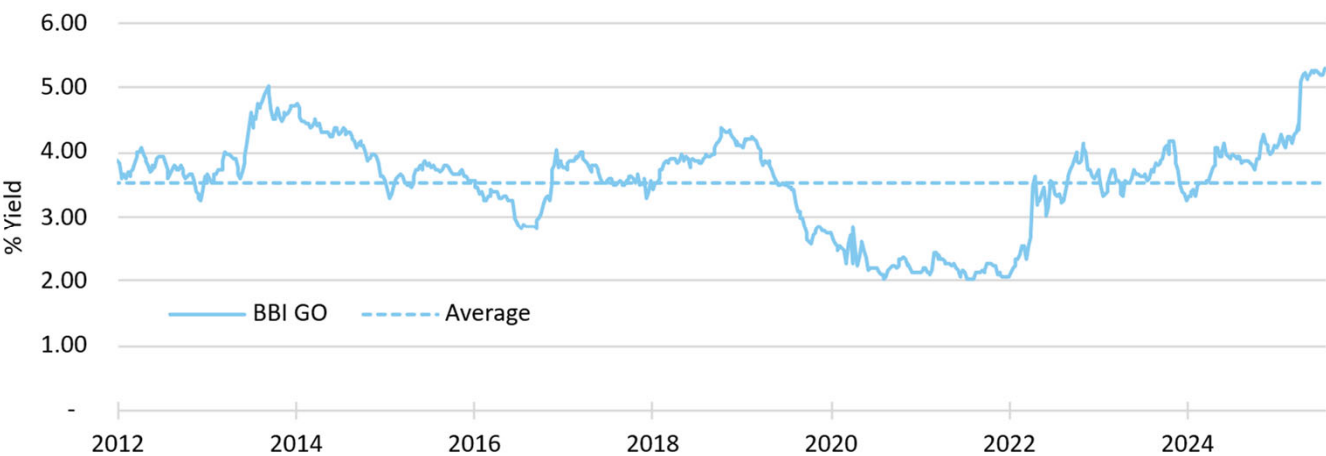


Source: Refinitiv Municipal Market Data and HilltopSecurities

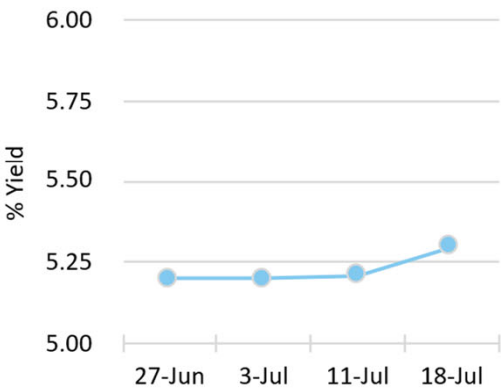


# TAX-EXEMPT MARKET OVERVIEW | THE BOND BUYER

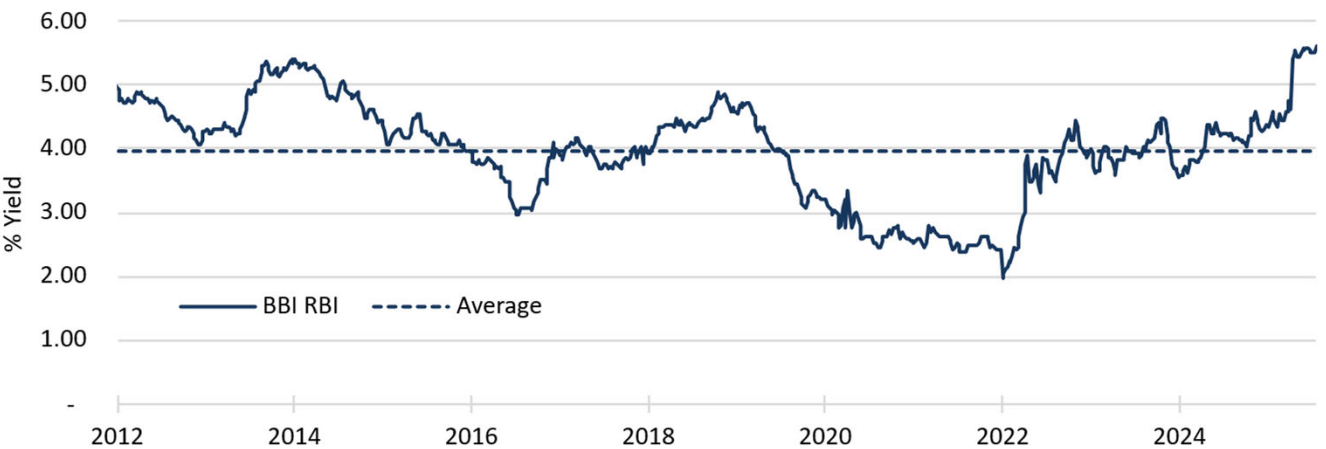
The Bond Buyer 20-Bond General Obligation Index – 1/1/12 to 7/18/2025



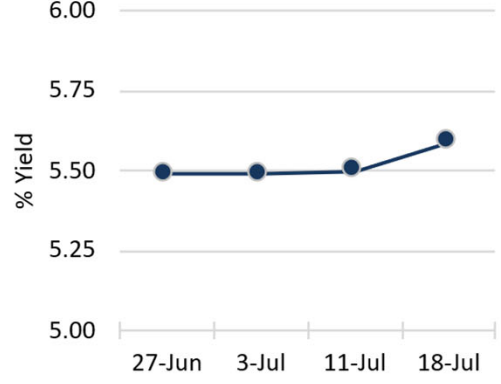
4-Week Snapshot



The Bond Buyer Revenue Bond Index – 1/1/12 to 7/18/2025



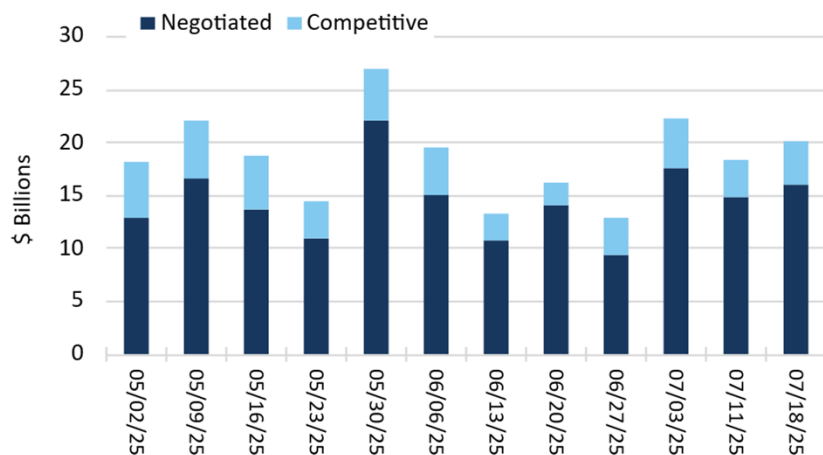
4-Week Snapshot



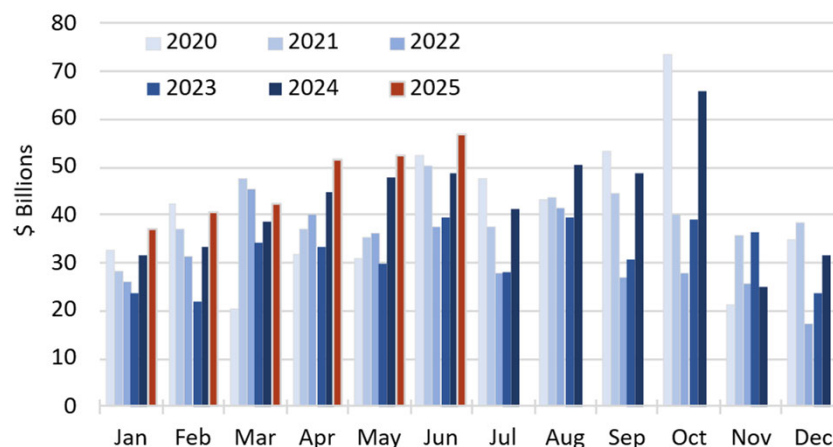
Source: The Bond Buyer

# MUNICIPAL ISSUANCE STATISTICS | SUPPLY AND DEMAND

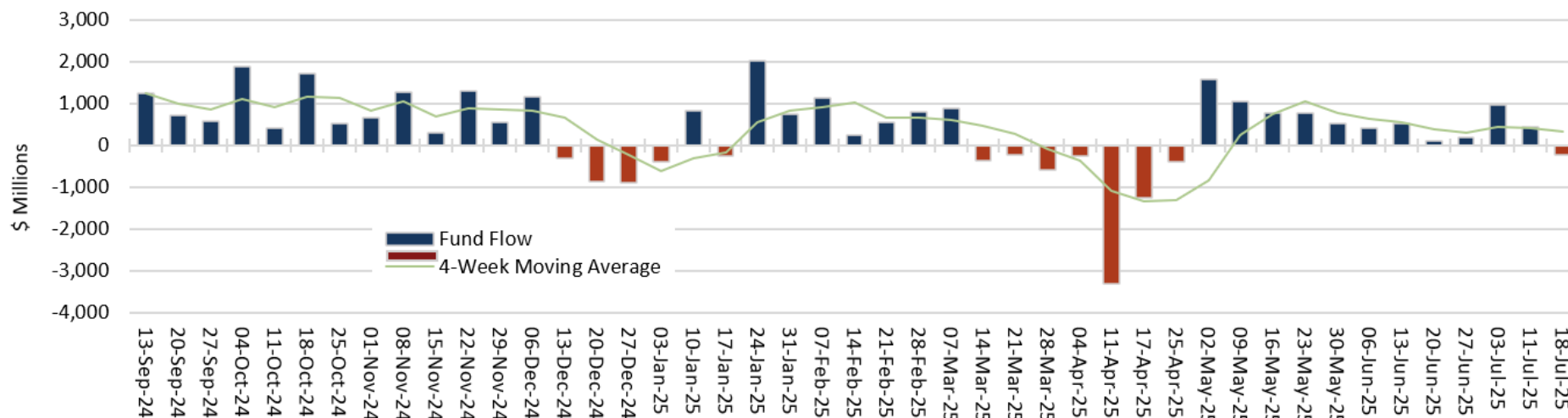
## Visible Supply



## Monthly Bond Issuance



## Lipper Municipal Bond Fund Flows



Source: The Bond Buyer and Bloomberg

## DISCLOSURE

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