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Memorandum

To	Yoon Kim Collin County Commissioners Court		
From	John Sivils	Date	July 16, 2026
Re	Supplemental approval relating to Tarrant County Cultural Education Facilities Finance Corporation Texas Health Resources System Revenue Bonds Series 2025		

Dear Mr. Kim:

Tarrant County Cultural Education Facilities Finance Corporation (the “**Issuer**”) previously issued qualified 501(c)(3) bonds (the “**Bonds**”) and loaned the proceeds thereof to Texas Health Resources (“**THR**”) in order to provide funds to (i) finance and refinance hospital and related healthcare facilities of THR and its affiliates and (ii) pay the costs of issuance of such Bonds.

The Bonds were issued in July 2025 pursuant to a plan of financing that was approved for purposes of Section 147(f) of the Code in advance of such issuance following a duly noticed public hearing. Subsequent to the issuance of the Bonds, as a result of a change in circumstances unforeseen at the time of issuance, the Issuer and THR have proposed to change the use of the proceeds of the Bonds to increase the amount to be expended for hospital and related healthcare facilities located at the Northwest Quadrant of U.S. 75 and Laud Howell Parkway in McKinney, Texas.

In order for the Bonds to retain their tax-exempt status, the Internal Revenue Code requires a supplemental TEFRA approval from the “applicable elected representative” of the governmental units where the projects which are affected by the change in the plan of financing and use of the proceeds of the Bonds are located, after a supplemental public hearing following reasonable public notice.

THR issued a supplemental TEFRA notice in *The Dallas Morning News* and the *Fort Worth Star-Telegram* on July 7, 2026 and July 8, 2026, respectively, and the supplemental TEFRA hearing was held on July 16, 2026. THR is requesting TEFRA approval from the Commissioners Court of Collin County, Texas, as an “applicable elected representative” in regard to THR’s facility to be constructed in McKinney.

Please note that Commissioners Court approval is solely for TEFRA purposes; the approval is not construed to be a representation or warranty that the Bonds are valid or that they will be paid timely, nor it is not a pledge of faith and credit by Collin County.

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Please let me know if you have any questions or concerns. I or Matt McCabe from our firm will be in attendance at the Commissioners Court Meeting on August 3 and we look forward to seeing you then.

JAS