NOTICE TO PURCHASER OF SPECIAL TAXING OR ASSESSMENT DISTRICT

The real property that you are about to purchase is located in the Fort Bend County Levee Improvement District No. 7 (the "District") and may be subject to district taxes or assessments. The District may, subject to voter approval, impose taxes and issue bonds. The District may impose an unlimited rate of tax in payment of such bonds. The current rate of the District property tax is $0.34 on each $100 of assessed valuation.

The total amount of bonds payable wholly or partly from property taxes approved by the voters, excluding refunding bonds that are separately approved by the voters, are:

(i) $169,105,000 for levee and drainage facilities; and
(ii) $14,500,000 for reclaimed water facilities.

The aggregate initial principal amounts of all such bonds issued are:

(i) $139,076,000 for levee and drainage facilities; and
(ii) $14,500,000 for reclaimed water facilities.

The District is located wholly or partly within the corporate boundaries of the City of Sugar Land (the "City"). Property located in the City and the District is subject to taxation by the City and the District.

The purpose of this District is to provide drainage and flood control facilities and services, reclamation of land, river bank erosion control and mitigation facilities and improvements, and reclaimed water facilities and services, within the District through the issuance of bonds payable in whole or in part from property taxes. The cost of District facilities is not included in the purchase price of your property, and these facilities are owned or to be owned by the District. The legal description of the property which you are acquiring is described in Exhibit "A" attached hereto and made a part hereof.

Reid L. Patton, Seller

By: _____
Name: _____
Title: _____

_____
Date

THE STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 20____, by _____.

_____
Notary Public in and for
the State of T E X A S

(SEAL)

744199v7

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ANNUALLY ESTABLISHES TAX RATES. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or prior to execution of a binding contract for the purchase of the real property or at closing of purchase of the real property.

_____, Purchaser

By: _____
Name: _____
Title: _____

_____
Date

THE STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 20____, by _____.

_____
Notary Public in and for
the State of T E X A S

(SEAL)