

ORDER GRANTING PETITION; APPROVING A SERVICE AND IMPROVEMENT AND ASSESSMENT PLAN; APPROVING AN ASSESSMENT ROLL; SETTING AN ASSESSMENT RATE FOR PROPERTY WITHIN THE DISTRICT FOR YEAR ONE OF THE DISTRICT'S SERVICE AND IMPROVEMENT AND ASSESSMENT PLAN; LEVYING ANNUAL ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT FOR A TEN YEAR PERIOD SPECIFIED IN THE SERVICE AND IMPROVEMENT PLAN, SPECIFYING THE METHOD OF PAYMENT AND THE AMOUNT OF ANNUAL INSTALLMENTS OF THE ASSESSMENT, PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS; AND AUTHORIZING THE COLLECTION OF ASSESSMENTS

On October 24, 2013, at 6:30 p.m., the Board of Directors of Harris County Improvement District No. 9 (the "Board") convened in a duly called session at the Hobby Doubletree Hotel, 8181 Airport Boulevard, Houston, Texas, inside the boundaries of Harris County Improvement District No. 9, and the roll was called of the duly constituted members of said Board, to-wit:

Danny R. Perkins, Ph.D.	Chairman
Helen Bonsall	Vice Chairman
Sue DeHaven	Secretary
Ann Collum	Director
Marjorie Evans	Director
Jo Ann Lemon	Director
Darryl Bailey	Director

all such members being present, except Directors Evans, thus constituting a quorum, when, among other business, there came on for consideration the Hearing Examiner's Report And Proposal For Decision (the "Hearing Examiners' Report") and recommendation on whether: (i) the Petition should be granted, (ii) it is advisable to provide the services and improvements requested in the Petition and proposed in the Service Plan, (iii) the provision of such services and improvements will benefit all of the properties within the District, (iv) the assessment roll for the District should be approved, and (v) the District should levy assessments on property in the District sufficient to pay for such services and improvements, a copy of which is attached as Exhibit "A", and such other orders, acts, procedures, and relief as may be necessary and proper in connection therewith. All terms used herein that begin with initial capital letters shall have the meaning set forth in the Hearing Examiners' Report unless otherwise defined herein.

In accordance with the provisions of Chapter 3859 Texas Special Districts Local Laws Code (the "Act"), and of Chapter 375, Texas Local Government Code (the "Code"), there was presented to the Board on July 24, 2013, a petition (the "Petition") requesting the District provide the services and improvements as described in the Petition and the 2014-2023 Service Plan (the "Service Plan"), which are attached as Exhibits "B" and "C" to this Order.

The Service Plan sets out the nature of the services and improvements requested by the petitioners (the "Petitioners"), the estimated cost thereof and the proposed method of assessing the cost.

At the public hearing on the Petition (the "Hearing") convened on October 24, 2013, the Hearing Examiners invited any interested person, entity, or party to offer testimony or other evidence on (1) the advisability of improvement projects and services; and (2) approving the Service Plan, assessment roll, and the levy of assessments on property within the district, and other matters relating to the subject. Thereupon, several persons appeared, offered testimony, exhibits, and documentary evidence in favor of

the allegations contained in the Petition, and in support of the Service Plan and the levy of assessments as proposed in the Petition and the Service Plan and on the accuracy of the Assessment Roll.

The District was designated as a party to the Hearing. In addition, the following individual was also designated as a party to the Hearing: Jim Davis

At the Hearing, the following persons entered their appearances in support of granting the Petition, adopting the Service Plan and the levy of assessments to pay the costs thereof: Josh Hawes of Hawes Hill Calderon, L.L.P., the District's administrator; Pat Hall, of Equi-Tax, Inc., the District's assessor/collector, and Mario Ramirez, Maria Gonzalez, Dario Garcia, Karen Kemper, James Raymond, Roger Radtke, Roxana Ramirez, Dolores Thacker, Lillian Villarreal, Catherine Sessums, Susan McLeland, Dr. Kathy Gibson, Harold Mullins, Thomas Brents and Jonathan Garza, property owners in the District.

The following persons appeared at the Hearing to question and/or contest the granting of the Petition, adopting the Service Plan, approving the assessment roll and the levy of assessments: Randy Pennington, Deena Taylor, Elias Villagomez, Bradley Fish, Michael Nassif, Jim Davis, Gary Blankinship, Robert Salinas, Carol Gross, Mike Albright, Louise Hewitt, Shajad Hogue, Jason Kuhn, Saba Nassif, Norm Peterson, Juan Silva,.

Additionally, members of the public were given an opportunity at the Hearing to make statements and ask questions. Such comments and questions are contained in the Hearing Examiner's report.

The Hearing Examiner heard all evidence and approved the Hearing Examiner's Report following the Hearing, which he now presents to the Board for action. The Board has reviewed the Hearing Examiner's Report and considered all issues presented.

The Board duly ordered that official notice be taken and that all persons, entities, and parties be on notice of and that the official record of the proceedings of such Hearing include:

1. All memoranda and reports of the staff of and consultants to the District and documents of the District prepared and dated as of or prior to the date of the Hearing and relating to the Petitioners, the Petition, the District, the Service Plan, the levy of assessments, the Assessment Roll (as hereinafter defined) and the subject matter of such hearing;
2. The status of The Houston Business Journal as a newspaper of general circulation within Harris County, the county in which the District is located;
3. All petitions, certificates, orders, resolutions, reports, and related documents and data submitted to and on file with the District and the Board relating to the Hearing, the Service Plan, the Assessment Roll, and the levy of assessments; and
4. The tax rolls of the Harris County Appraisal District for the year 2013, the value of property on such tax roll and the owners of property and their addresses on such tax roll.

There was submitted for the record and as evidence of the matters therein contained, an affidavit of publication of the notice of the Hearing in The Houston Business Journal, with such publication occurring on September 20, 2013 which was at least thirty (30) days prior to the date of such Hearing, as required by the Code.

There was also submitted at the Hearing an Affidavit of Mailing stating that the notice of the Hearing was mailed by regular, first class U. S. Mail, to each owner of property in the District subject to

assessment at the address of such property owner as reflected on the most recent tax roll of the Harris County Appraisal District.

The Board invited any interested person, entity, or party to offer testimony or other evidence on the (1) the advisability of improvement projects and services; and (2) approving the Service Plan, Assessment Roll, and the levy of assessments on property within the district, and other matters relating to the subject. After official notice of the foregoing matters and following receipt of all testimony, other evidence, exhibits, and statements of counsel for all persons, agencies, and parties, the Board received and reviewed the Hearing Examiner's Report. The Hearing Examiner explained the reasons for his decisions reflected in the Hearing Examiner's Report.

FINDINGS OF FACT

In consideration of all issues of fact and law relative to the Hearing, the Board rules and makes the following Findings of Fact:

1. All petitions, resolutions, orders, and related documents and data required of Petitioners pursuant to the Act and the Code, and of the District have been duly and timely submitted to and filed with the District; and
2. By order of the Board adopted on July 24, 2013, the time, date, subject, and place of the Hearing before the Hearings Examiner was set for October 24, 2013, at 6:30 p.m. at the Hobby Doubletree Hotel, 8181 Airport Boulevard, Houston Texas; and
3. A notice (the "Notice") setting forth the time and place of the Hearing, the general nature of the services and improvements proposed by Petitioners, the estimated cost of the services and improvements, the area and property to be benefited, the amount of the benefit and the proposed time, method and amount of assessment was promulgated was given by publishing a copy of the Notice in The Houston Business Journal, a newspaper of general circulation in Harris County, on September 20, 2013, which was not less than thirty (30) days prior to the commencement of the hearing on October 24, 2013, and by mailing a copy of the Notice by regular, first class U.S. Mail on September 20, 2013, which is not later than thirty (30) days before the date of the Hearing on October 24, 2013, to each owner of property in the District subject to assessment at the address of such property owner as reflected on the most recent tax roll of the Harris County Appraisal District; and
4. There was presented to the Board a Petition requesting the services and improvements as set forth in the Service Plan which was executed by at least fifty (50) persons who own land within the District as shown on the tax rolls of the Harris County Appraisal District as required by the Act. The Petition was properly executed and meets all of the requirements of the Act and the Code; and
5. The Petition and Service Plan fully explain and describe the services and improvements proposed for the District, contain a description of the general nature of the proposed services and improvements, the estimated costs thereof, the area benefited, the proposed method of assessment, the time for payment of the assessments, and contain a recommendation with respect to the penalties to be imposed and interest to accrue on delinquent assessments; and
6. The Petition and the Service Plan are consistent with and in conformity with the requirements of the Act and the Code; and

7. It is advisable for the District to provide the services and improvements described in the Service Plan. The Petition, along with the Service Plan, should be approved as the Service Plan of the District; and
8. The Assessment Roll in the form presented to the Board and signed by the President of the Board for purposes of identification and incorporated herein by reference (the "Assessment Roll") should be approved as the Assessment Roll for the District; and
9. There should be levied against all property shown on the Assessment Roll for each of the years 2014 through 2023, an assessment for services and improvements. The rate of the assessment for the year 2014, the first assessable year of the Service Plan, should be \$0.15 per \$100 assessed valuation of taxable real property as shown on the Assessment Roll and in the amount set forth on the Assessment Roll. In subsequent years, years 2015 through 2023, the Board may vary the rate of assessment; provided that in no year may the rate be increased over the 2014 rate of \$0.15 per \$100 assessed valuation of taxable real property as shown on the Assessment Roll. The Board should reserve the right to assess a lower amount than the maximum that could be levied during the ten-year term of the Service Plan.
10. Except as provided in Finding of Fact No. 12 below, for the year 2014 assessment the District should use the value of taxable real property for the year 2013 as determined by the Harris County Appraisal District for the year 2013 and as shown on the certified tax roll of the Harris County Appraisal District for the year 2013 as the value of each parcel of property within the District for purposes of assessing the cost of providing the services and improvements and described in the Service Plan. In subsequent years, years 2015 through 2023, except as provided by Finding of Fact No. 12 below, the Board should assess property on the basis of the then current year's certified taxable value as shown on the tax rolls of the Harris County Appraisal District; and
11. Except as provided in Finding of Fact No. 12 below, beginning the second year that a property is assessed, and each year thereafter, the total dollar assessment should be capped at twice the total assessment on such property assessed in 2014.
12. In subsequent years, years 2015 through 2023, new improvements or substantially rehabilitated improvements (collectively "Improvements") under construction on January 1, 2013 or constructed in the District after January 1, 2013, should be added to the District's Assessment Roll at the value shown on the tax rolls of the Harris County Appraisal District for each year. A rehabilitation is substantial if the costs of such rehabilitation equal or exceed 25% of the value of the original Improvements. Assessments on improvements under construction should be based on the value of the portion of the Improvement that is complete, and such value shall not be subject to the cap on assessments. Assessments on Improvements that have been completed should be based on the value of the completed Improvement as shown on the tax rolls of the Harris County Appraisal District. Each year after such completed Improvement is added to the Assessment Roll, the total dollar assessment should be capped at twice the total assessment on such property for year 2014. After conducting a public hearing, the Board should prepare a supplemental assessment roll for such properties and levy assessments against such properties for the specific benefits to be received by the services and improvements to be provided by the District; and
13. That the following property should be exempt from assessment: (a) property of municipalities, counties and other political subdivisions; (b) property owned by

organizations of purely public charity and organizations exempt from tax under Section 501(c)(3) of the Internal Revenue Code; (c) single-family detached residential property, duplexes, triplexes, quadraplexes or condominiums; (d) property, equipment or facilities of a public utility; (e) property owned by a church or by a strictly religious society which yields no revenue whatsoever to such church or religious society and which is used as an actual place of religious worship or as a dwelling place for the ministry of such church or religious society; (f) property owned by an association engaged in promoting the religious, educational and physical development of children or young men or young women operating under a state or national organization of like character and used exclusively and necessarily for such purpose; (g) vacant properties designated as residential on the tax rolls of Harris County Appraisal District and (h) all other property exempt from assessment by the Act or the Code; and

14. Land and improvements which have a special use designation for tax purposes on the tax rolls of the Harris County Appraisal District for the year 2013 as (a) agricultural use, (b) timber land use, or (c) recreational, park or service use, should be assessed by the Board at their designated special use values for so long as they enjoy that special use designation. If land or improvements which have a special use designation are converted to other uses and lose their special use designation on the tax rolls of the Harris County Appraisal District, the Board should thereafter assess such land and improvements at their full value as shown on the tax rolls of the Harris County Appraisal District; and
15. All of the real property in the District which is being assessed by the Board in the amount shown on the Assessment Roll will be benefited by the services and improvements proposed to be provided by the District in the Service Plan, and each parcel of real property will receive special benefits in each year equal to or greater than the amount assessed, and will receive special benefits during the Service Plan ten-year period of assessments in an amount equal to or greater than the total amount assessed during the Service Plan ten-year assessment term; and
16. The costs of providing the services and improvements for the District, as shown in the Petition and the Service Plan, on the basis of the value of property as shown on the tax rolls of the Harris County Appraisal District and as shown on the Assessment Roll results in imposing equal shares of the costs on property similarly benefited, and results in a reasonable classification and formula for the apportionment of costs of the various classes of services and improvements to the benefited property within the District; and
17. The method of apportioning the costs of the services and improvements to be provided in the Service Plan is fair and reasonable and results in a reasonable and fair classification and formula for apportioning the costs between the properties benefited; and
18. The provisions relating to due and delinquency dates for assessments, interest, and penalties on delinquent assessments, and procedures in connection with the imposition and collection of assessments as set forth in the Service Plan and the Petition should be approved and will expedite collection of the assessments in a timely manner in order to provide the services and improvements needed and required for the District as described in the Service Plan; and
19. The provision of the services and improvements set forth in the Service Plan will accomplish or aid in accomplishing the mandate of the Texas Legislature in creating the District by establishing programs which will: (i) further the public purposes of developing and diversifying the economy of the state; (ii) promote the health, safety, and

general welfare of residents, employers, employees, visitors, and consumers in the district, and of the public; (iii) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the area as a community and business center; (iv) promote the health, safety, welfare, and enjoyment of the public by providing public art and pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic and aesthetic beauty; (v) promote and benefit commercial development and commercial areas in the district; (vi) promote and develop public transportation and pedestrian facilities and systems using new and alternative means that are attractive, safe, and convenient, including securing expanded and improved transportation and pedestrian facilities and systems; and (vii) establish and make provisions for the establishment of proper administrative staff to administer the programs mandated by the Texas Legislature in creating the District and the programs set out in the Service Plan; and

20. Delinquencies and contingencies for assessments as estimated in the Service Plan are reasonable; and
21. The recitations, objectives, goals, costs, programs, and conclusions set forth in the Service Plan are found to be true and correct and will benefit the District and the properties within the District as determined and set forth in the Service Plan; and
22. The Board finds that it is advisable that the improvements and services set forth in the Service Plan be provided within the District during the term set forth in the Service Plan; and
23. The improvements and services proposed in the Service Plan are authorized and permissible services and improvements under the Act and the Code; and
24. The estimated cost of services and improvements set forth in the Petition and the Service Plan on an annual and ten-year basis are reasonable and fair, and will result in the provision of the services and improvements set forth in the Service Plan at fair and reasonable costs; and
25. Each property proposed to be assessed in the Petition and the Service Plan at the rate and in the amount shown on the Assessment Roll will receive special benefits equal to or greater than the cost assessed to such property pursuant to the Service Plan and the Assessment Roll; and
26. Assessments for services and improvements should be payable in ten annual installments for each property in the amount set forth in the Assessment Roll with the first annual installment being due prior to January 31, 2014, and each annual installment thereafter being due and payable prior to February 1 of each year thereafter in accordance with the end of the Service and Improvement and Assessment Plan. Any assessment not paid by the due date should be considered delinquent. There should not be any provision made for split payment of assessments, or discounts for the early payment of assessments; and
27. A delinquent assessment should accrue interest and be assessed penalties in the same manner as a property tax levied by a political subdivision of the State of Texas pursuant to the Texas Tax Code, as amended from time to time. Each delinquent assessment should accrue interest at the rate of one percent (1%) for each month or portion of a month the assessment remains unpaid after it becomes due. A delinquent assessment should also incur a penalty of six percent (6%) of the amount of the assessment for the

first calendar month, or fraction thereof, it is delinquent plus one percent (1%) for each additional month, or fraction thereof, the assessment remains unpaid prior to July 1 of the year in which it becomes delinquent; however, an assessment delinquent on July 1 for the annual installments due January 31 of each year incurs a total penalty of twelve percent (12%) of the amount of the delinquent assessment without regard to the number of months the assessment has been delinquent; and

28. If it is necessary for the Board to contract with an attorney for the purpose of representing the District in the collection of delinquent assessments, an additional penalty of twenty percent (20%) of the assessment and the penalties and interest on the assessments shall be imposed; and
29. The District should use and follow the provisions of the Texas Tax Code, as amended from time to time, and other laws governing Municipal Management Districts in the imposition and collection of assessments by the District to the extent not inconsistent with this Order or the Act or the Code; and
30. That the matters, facts, and recommendations of the Hearings Examiner's Report and Proposal for Decision are found to be true and correct.

CONCLUSIONS OF LAW

In consideration of all issues of fact and law relative to the Hearing, the Board rules and makes the following Conclusions of Law:

1. The Petition, including the Service Plan, meets all requirements of the Act and the Code and should be approved as to form and substance; and
2. The Hearing of the District on the advisability of the District undertaking and providing services and improvements in the District area, as requested by the Petition and the Service Plan, was held and all necessary and appropriate notice thereof was given under the authority of and in accordance with the provisions of the Act and the Code; and
3. The Board has jurisdiction to consider the Petition and conduct the Hearing and is authorized to: (1) approve the Petition and the Service Plan; (2) levy assessments against benefited property as described and set out in the Petition; (3) establish and approve a method of apportioning the cost of providing the services described in the Petition and the Service Plan; (4) adopt and approve an Assessment Roll; and (5) levy assessments for the years 2014 through 2023 on the value of benefited property in the District as determined by the Board, and shown on the Assessment Roll for services and improvements for the 2014-2023 Service Plan; and
4. The rate of assessment for the year 2014, the first assessable year of the Service Plan, shall be \$0.15 per \$100 valuation of taxable real property as show on the Assessment Roll and in the amount set forth on the Assessment Roll. In subsequent years, years 2015 through 2023, the Board may vary the rate of assessment; provided that in no year may the rate be increased by more than the 2014 rate. The Board should reserve the right to assess a lower amount than the maximum that could be levied during the ten-year term of the Service Plan.
5. Except as provided in Conclusion of Law No. 7 below, for the year 2014 assessment the District should use the value of taxable real property for the year 2013 as determined by

the Harris County Appraisal District for the year 2013 and as shown on the tax roll of the Harris County Appraisal District for the year 2013 as the value of each parcel of property within the District for purposes of assessing the cost of providing the services and improvements described in the Service Plan. In subsequent years, years 2015 through 2023, except as provided by Conclusion of Law No. 6 below, the Board should assess property on the basis of the then current year's certified taxable value as shown on the tax rolls of the Harris County Appraisal District; and

6. Except as provided in Conclusion of Law No. 7 below, beginning the second year that a property is assessed and each year thereafter, the total dollar assessment should be capped at twice the total assessment on such property for year 2014; and
7. In subsequent years, years 2015 through 2023, new improvements or substantially rehabilitated improvements (collectively "Improvements") under construction on January 1, 2013 or constructed in the District after January 1, 2013, should be added to the District's Assessment Roll at the value shown on the tax rolls of the Harris County Appraisal District for each year. A rehabilitation is substantial if the costs of such rehabilitation equal or exceed 25% of the value of the original Improvements. Assessments on improvements under construction should be based on the value of the portion of the Improvement that is complete, and such value shall not be subject to the cap on assessments. Assessments on Improvements that have been completed should be based on the value of the completed Improvement as shown on the tax rolls of the Harris County Appraisal District. Each year after such completed Improvement is added to the Assessment Roll, the total dollar assessment should be capped at twice the total assessment on such property for year 2014. After conducting a public hearing, the Board should prepare a supplemental assessment roll for such properties and levy assessments against such properties for the specific benefits to be received by the services and improvements to be provided by the District; and
8. In order to accomplish and effectuate the purposes for which the District was created as set forth in the Act and Section 375.001 of the Code, the Petition should be granted, the Service Plan should be approved, the Assessment Roll should be approved, and an assessment for services and improvements on all benefited properties as shown on the Assessment Roll and as described in the Service Plan should be levied by the Board for the years of 2014 through 2023; and
9. The method of apportioning costs on the basis of valuation of property as certified by the Harris County Appraisal District for services and improvements will result in the reasonable apportionment of the costs, and imposing equal shares of the costs of the Service Plan on properties similarly benefited results in a reasonable classification and formula for the apportionment of the costs of the various classes of services and improvements proposed to be provided to the benefited property within the District; and
10. The property described in Finding of Fact No. 13 (the "Exempt Property") is either exempt by law under the Act, the Code, or the other laws of the State of Texas or should be exempt from assessment on the basis that the property receives no benefit from the assessments; and
11. The property described in Finding of Fact No. 14 (the "Special Use Property") should be assessed on its special use value on the basis that this level of assessment is commensurate with the benefits such property receives; and

12. The Board is authorized to assume that a percentage of the assessments will be delinquent or other contingencies will arise and that the allowances for delinquencies and contingencies for services and minor capital expenses and for major capital improvements set forth in the Service Plan are reasonable and the Board is authorized to make such determination and allowance under the provisions of the Act and the Code; and
13. The Board is authorized by the Act and the Code to permit assessments to be paid annually over the ten-year period from 2014 through 2023 and is authorized by the Act and the Code to impose interest charges and penalties on delinquent assessments; and
14. The interest rate on delinquent assessments and the penalties on delinquent assessments are the same as those imposed by the Texas Tax Code on the delinquent payment of property taxes to political subdivisions of the State.

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF HARRIS COUNTY IMPROVEMENT DISTRICT NO. 9 THAT:

Section 1. Findings and Adoption of Hearings Examiner's Report. That the recitals, findings and conclusions in the preamble of this Order are hereby found and determined to be true and correct. That the matters, facts, and recommendations of the Hearings Examiner's Report and Proposal for Decision are hereby adopted.

Section 2. Levy of Assessments. The Board hereby levies ten (10) annual assessments for the years 2014 through 2023 against all benefited property as shown on the Assessment Roll. The rate of assessment for the year 2014 is \$0.15 per \$100 valuation of property within the District for services and improvements as shown in the Service Plan. In subsequent years, years 2015 through 2023, the Board may vary the rate of assessment; provided that in no year may the rate be more than the 2014 rate. The Board reserves the right to assess a lower amount than the maximum that could be levied during the ten-year term of the Service Plan. The District will levy the year 2014 assessment based on the assessed valuation of land and improvements based upon the tax rolls of the Harris County Appraisal District for the year 2013. In subsequent years, years 2015 through 2023, the Board will assess property on the basis of the then current year's certified taxable value as shown on the tax rolls of the Harris County Appraisal District. Beginning the second year that a property is assessed, and each year thereafter, the total dollar assessment will be capped at twice the total assessment on such property for the year 2014. In subsequent years, years 2015 through 2023, new improvements or substantially rehabilitated improvements (collectively, "Improvements") under construction on January 1, 2013, or constructed in the District after January 1, 2013, will be added to the District's Assessment Roll at the value shown on the tax rolls of the Harris County Appraisal District for each year. A rehabilitation is substantial if the costs of such rehabilitation equal or exceed 25% of the value of the original Improvements. Assessments on Improvements under construction will be based on the value of the portion of the Improvement that is complete, and such value shall not be subject to the cap on assessments. Assessments on Improvements that have been completed will be based on the value of the completed Improvement as shown on the tax rolls of the Harris County Appraisal District. Each year after such completed Improvement is added to the assessment roll, the total dollar assessment will be capped at twice the total assessment on such property for the first year it was assessed. After conducting a public hearing, the Board will prepare a supplemental assessment roll for such properties and levy assessments against such properties for the specific benefits to be received by the services and improvements to be provided by the District.

Section 3. Service and Improvement Plan and Assessment Plan. The Petition is hereby granted. The 2014-2023 Service Plan providing for services and improvements, attached as Exhibit "C," is hereby approved as the Service Plan for the District; provided, however, the Board will approve a

budget annually and, as set forth in Section 2 above, may adjust the rate of assessment for the taxable years 2015 through 2023 by approving a budget providing for the current year's assessment and by adopting the current year's assessment by separate order of the Board.

Section 4. Assessment Roll. The assessment roll is hereby approved as the Assessment Roll of the District. The Assessment Roll as approved is to be signed by the Chairman of the Board for the purposes of identification and is incorporated in this Order by reference.

Section 5. Due Date of Assessments. All assessments shall be payable in ten (10) annual installments for each property in the amount set forth in the Assessment Roll with the first annual installment due on January 31, 2014, and each annual installment thereafter being due and payable prior to February 1 of each year in accordance with the Service and Improvement and Assessment Plan. Any assessment not paid by the due date will be considered delinquent. All delinquent assessments incur penalties and interest as provided herein. There will be no split payment of assessments or discounts for the early payment of assessments.

Section 6. Annual Review. The amount of the assessment on each parcel of benefited property shown on the Assessment Roll is subject to annual review.

Section 7. Interest on Delinquent Payments. A delinquent assessment will accrue interest and be assessed penalties in the same manner as a property tax levied by a political subdivision of the State pursuant to the Texas Tax Code, as amended from time to time. Each delinquent assessment will accrue interest at a rate of one percent (1%) for each month or portion of a month the assessment remains unpaid after it becomes due.

Section 8. Penalties. A delinquent assessment should also incur a penalty of six percent (6%) of the amount of the assessment for the first calendar month, or fraction thereof, it is delinquent plus one percent (1%) for each additional month, or fraction thereof, the assessment remains unpaid prior to July 1 of the year in which it becomes delinquent; however, an assessment delinquent on July 1 for the annual installments due January 31 incurs a total penalty of twelve percent (12%) of the amount of the delinquent assessment without regard to the number of months the assessment has been delinquent. Penalties shall not exceed the amount permitted by the Code.

Section 9. Additional Penalty. If it is necessary for the District to contract with an attorney for the purposes of representing the District in the collection of delinquent assessments, an additional penalty of twenty percent (20%) of the assessment and the penalties and interest on the assessment shall be imposed. Penalties shall not exceed the amount permitted by the Code.

Section 10. Lien for Collection of Assessments. Assessments together with interest, penalties, and expense of collection and reasonable attorneys fees, as permitted by the Code shall be a first and prior lien against the property assessed, superior to all other liens and claims, except liens or claims for state, county, school district, or municipal ad valorem taxes, and shall be a personal liability of and charge against the owner of the property regardless of whether the owners are named. The lien for assessments and penalties and interest is effective from the date of this Order levying the assessment until the assessment is paid, and shall be enforced by the District in the manner provided by the Texas Tax Code for collecting ad valorem taxes on real property.

Section 11. Applicability of Tax Code. To the extent not inconsistent with this Order, and not inconsistent with the Act, the Code or the other laws governing municipal management districts, the provisions of the Texas Tax Code, as amended from time to time, shall be applicable to the imposition and collection of assessments by the District.

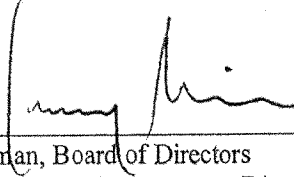
Section 12. Assessment Collections. The District's assessment assessor/collector, currently Kenneth Byrd of Equi-Tax, Inc., is authorized and directed to collect the assessments on behalf of the District.

Section 13. Severability. If any provision, section, subsection, sentence, clause, or phrase of this Order, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portions of this Order or their application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the Board in adopting this Order that no portion hereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity of any other portion hereof, and all provisions of this Order are declared to be severable for that purpose.

Section 14. Notice. The Board officially finds, determines, recites, and declares that sufficient written notice of the date, hour, place, and subject of this meeting of the Board were posted at places convenient to the public at the Harris County Clerk's Office and in the District for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Order and the subject matter thereof has been discussed, considered, and formally acted upon. The Board further ratifies, approves and confirms such written notice and the contents and posting thereof.


[Execution Page Follows]

PASSED AND ADOPTED this 14th day of November, 2013.



Chairman, Board of Directors
Harris County Improvement District No. 9

ATTEST:


Secretary, Board of Directors
Harris County Improvement District No. 9