NOTICE TO PURCHASER OF SPECIAL TAXING OR ASSESSMENT DISTRICT

The real property that you are about to purchase is located in the Chelford One Municipal Utility District of Harris County, Texas (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 $0.477 on each $100 of assessed valuation.

The total amounts of bonds payable wholly or partly from property taxes, assessments, approved by the voters are:

$36,000,000 for water, sewer, and drainage facilities.

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

$26,825,000 for water, sewer, and drainage facilities.

The District is located wholly or partly in the extraterritorial jurisdiction of the City of Houston. Texas law governs the ability of a municipality to annex property in the municipality's extraterritorial jurisdiction and whether a District that is annexed by the municipality is dissolved.

The District has entered into a strategic partnership agreement with the City of Houston. This agreement may address the timeframe, process, and procedures for the municipal annexation of the area of the District located in the municipality's extraterritorial jurisdiction.

The purpose of the District is to provide water, sewer, drainage, flood control facilities and services. The cost of District facilities is not included in the purchase price of your property.

SELLER:

_____ _____

(Date) Signature of Seller

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 before the execution of a binding contract for the purchase of real property or at closing of purchase of the real property.

PURCHASER:

_____ _____

(Date) Signature of Purchaser

(APPROPRIATE ACKNOWLEDGMENTS)

AFTER RECORDING, return to: _____.