

TEXAS TRANSPORTATION COMMISSION

HARRIS County

MINUTE ORDER

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HOUSTON District

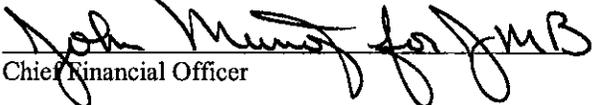
Transportation Code, Section 201.1055, authorized the Texas Department of Transportation (department) to enter into an agreement that includes design and construction of a district office headquarters facility in a county with a population of 3.3 million or more; lease department-owned real property in such a district to a private entity; authorize a private entity to construct and retain ownership of a building on the leased property and enter into a lease with an option to purchase such a building.

The commission by Minute Order No. 110121, authorized the department to execute various transaction documents including a lease with an option to purchase (LWOP) in connection with renovating and constructing buildings for the Houston District Headquarters.

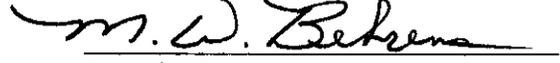
Article XVI of the LWOP requires the department to provide within six months after the end of the fiscal year certain updated financial information and operating data.

IT IS THEREFORE ORDERED by the commission that the annual report of financial information and operating data, attached as Exhibit A, is accepted.

Submitted and reviewed by:

  
Chief Financial Officer

Recommended by:

  
Executive Director

**110438 FEB 23 06**

Minute Date  
Number Passed

EXHIBIT A

Annual Financial Information and Operating Data  
with Respect to  
\$34,355,000  
Certificates of Participation<sup>1</sup>  
Evidencing Proportionate Interests of the Owner Thereof in a  
Lease with Option to Purchase With the  
Texas Department of Transportation as Lessee

(1) Audited Financial Statements of the Department – the unaudited financial statements of the department for fiscal year ending August 31, 2005 are attached hereto.

(2) Status of Project – all of the design development floor plans have been approved for both phases. The construction planning documents are approximately 60 percent complete for the signal shop, district lab and central lab/shop buildings.

Project is on schedule. GP DOT Houston Development, LP plans to break ground on phase one of project by April 1, 2006 and complete phase one construction on March 28, 2007.

Payments have been approved by the department for GP DOT Houston Development, LP's pre-development and the design work through October, 2005 in the amount of \$1,111,931 with \$55,597 withheld as retainage in accordance with the contract. The project was 3% complete as of October, 2005. The November pay request is under review.

<sup>1</sup> CUSIP 88276T