

RESOLUTION NO. 43-2004

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING AN ASSIGNMENT OF A TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF MESQUITE, TEXAS, AND HILLWOOD METRO NO. 9, L.P.

WHEREAS, on July 2, 2001, pursuant to Resolution No. 35-2001 the City Council of the City of Mesquite authorized the Mayor to execute a commercial/industrial tax abatement agreement between the City of Mesquite, Texas (hereinafter called the "City") and Hillwood Metro No. 9, L.P. (hereinafter called "Hillwood Metro"); and

WHEREAS, Hillwood Metro has notified the City of an ownership change; and

WHEREAS, the City Council has determined to recognize and accept for all purposes connected with the tax abatement agreement between the City and Hillwood Metro the change in ownership and control of Hillwood Metro to Hillwood LIT LP, a Delaware limited partnership.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. That the change of ownership described in the above recitals is hereby recognized and accepted for all purposes herein.


SECTION 2. That this resolution shall become effective immediately from and after its passage.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 4th day of October, 2004.



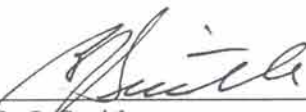
Mike Anderson
Mayor

ATTEST:



Judy Womack
City Secretary

APPROVED:



B. J. Smith
City Attorney



September 27, 2004

Mr. Thomas W. Palmer
Manager Economic Development
City of Mesquite
1515 North Galloway
Mesquite, TX 75185-0137

Re: Tax Abatement Agreement passed under Ordinance No. 3434 dated July 2, 2001 with Hillwood Metro No. 9, L.P. (the "Agreement") affecting the property located at 1100 Chase Road, Suite 100, Mesquite, TX 75149 (the "Property")

Dear Mr. Palmer:

Hillwood Metro No. 9, L.P., a Texas limited partnership ("Owners") owns the Property and is an "Owner" under the Agreement. Owner currently intends to sell the Property to Hillwood/LIT, L.P., a Delaware limited partnership, or its successors and permitted assigns ("Purchaser"). Owner will also assign the Agreement to Purchaser, and Purchaser will assume all rights, duties, and obligations of "Owner" under the Agreement.

Pursuant to Paragraph 7 of the Agreement, this letter requests approval from the City of Mesquite and to be placed on the agenda of the city council for October 4, 2004. The closing of the sale of the Properties is currently scheduled to occur on or before October 6, 2004.

Please indicate below your approval of the anticipated assignment of the Agreement. Please contact Jennifer Dicks of Hillwood at (972) 201-2964 or Joe Bass of Hillwood at (972) 201-2963 if you have any questions regarding the assignment of the Agreement.

Owner:

HILLWOOD METRO NO. 9, L.P.,
a Texas limited partnership

By: Hillwood Operating, L.P.,
a Texas limited partnership,
its general partner

By: Hillwood Development Company, LLC,
a Texas limited liability company,
its sole general partner

By: David A. Newson
Name: David A. Newson
Executive Vice President