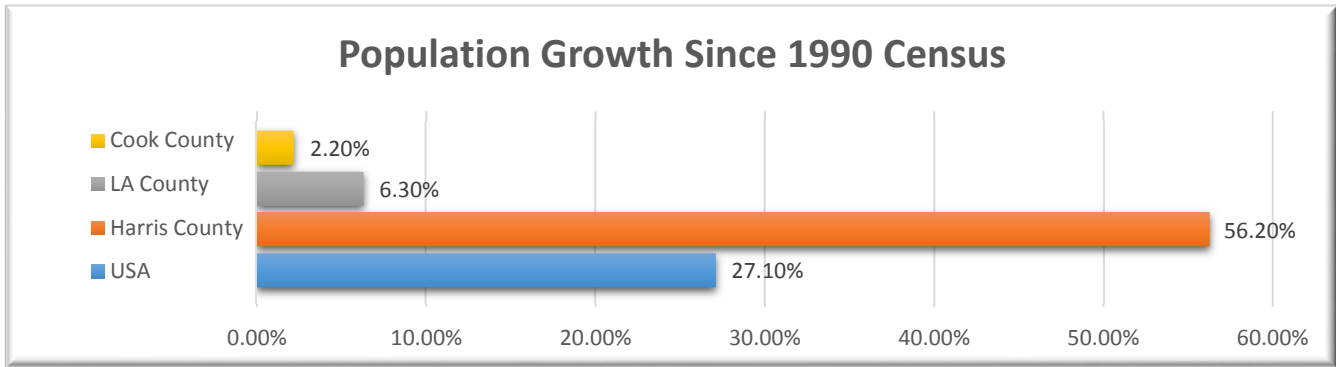


Population Study

Harris County's population grew to an estimated 4.4 million residents by June 2014. This report is the latest update on the population growth and its impact on the demand for county services. Estimates are based on Census Bureau data and real property information from the Harris County Appraisal District (HCAD).

Sustained Rapid Growth

Harris County continues to be the nation's third largest county in terms of population and one of the fastest growing counties with over 30% growth since 2000 and over 56% since 1990. The following chart shows the county's growth since 1990, compared to the growth for the entire United States and the two counties (LA and Cook) that are larger than Harris County:



Unique Unincorporated Area

Harris County is different than every other large county in the nation for having an unincorporated area that would be the fifth largest city in the U.S. if it were incorporated as a single city. "Harris County Unincorporated" would also be the second largest city in Texas, behind Houston, and has a larger population than 12 states.

Over 75% of the growth in Harris County population since 2000 has been in the unincorporated areas of the county. The following chart shows the number of new residents since year 2000 for the unincorporated area versus the City of Houston and the 34 other smaller cities within Harris County.



Population Estimates

Harris County's population is increasing by over 80,000 people per year. The following shows the latest population estimates for the county within the city limits as well as in the unincorporated area:

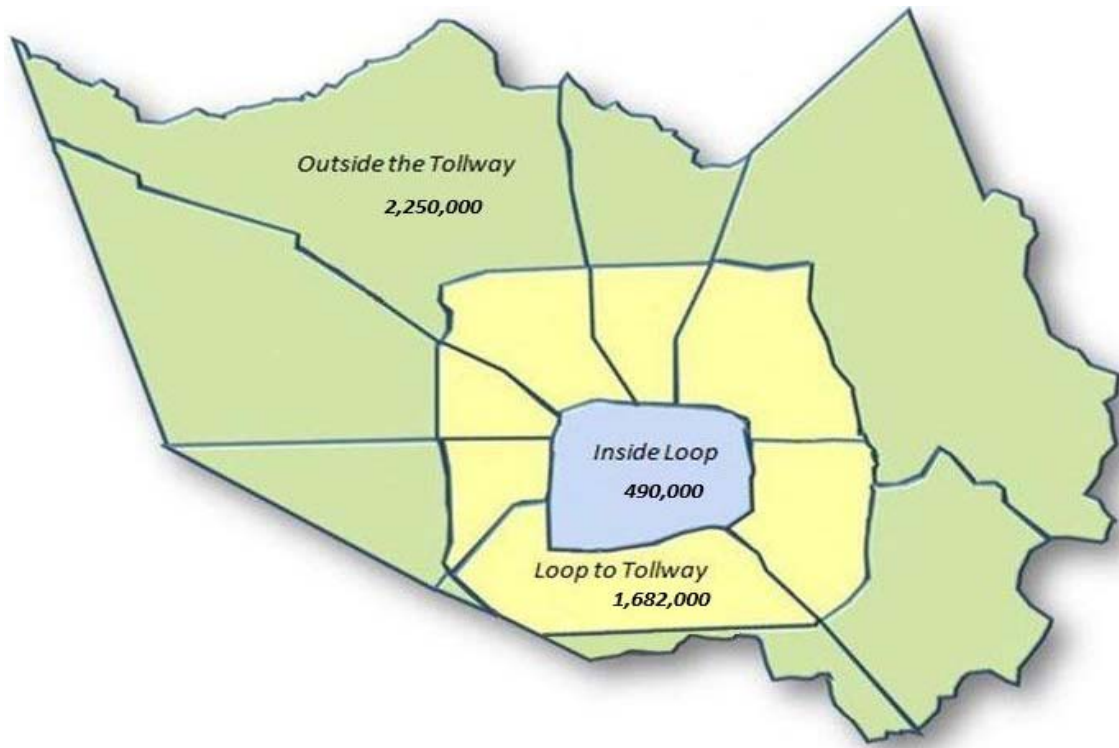
Within Harris County	2000	2010	2013	2014	Growth since 2000	
	Census	Census	Estimate	Estimate	Population	%
City of Houston	1,919,789	2,057,280	2,114,000	2,132,000	212,211	11%
Other Cities	439,615	473,716	477,000	480,000	40,385	9%
Unincorporated Area	1,041,174	1,561,463	1,747,000	1,810,000	768,826	74%
	3,400,578	4,092,459	4,338,000	4,422,000	1,021,422	30%
<i>Percent Unincorporated</i>	31%	38%	40%	41%	75%	

The unincorporated area now represents 41% of the total county population, up from 31% in 2000.

Population Spreading Out

Over the last 14 years, the population of Harris County has spread out considerably. The Sam Houston Tollway forms a complete outer loop in the county. The following chart shows how the population outside the tollway has grown significantly faster than the area inside the tollway:

Within Harris County	2000	2010	2013	2014	Growth since 2000	
	Census	Census	Estimate	Estimate	Population	%
Inside Loop 610	456,649	469,051	481,000	490,000	33,351	7%
Loop 610 to SH Tollway	1,493,635	1,597,326	1,650,000	1,682,000	188,365	13%
Subtotal Inside Tollway	1,950,284	2,066,377	2,131,000	2,172,000	221,716	11%
Outside the Tollway	1,450,294	2,026,082	2,207,000	2,250,000	799,706	55%
	3,400,578	4,092,459	4,338,000	4,422,000	1,021,422	30%
<i>Percent Outside Tollway</i>	43%	50%	51%	51%	78%	



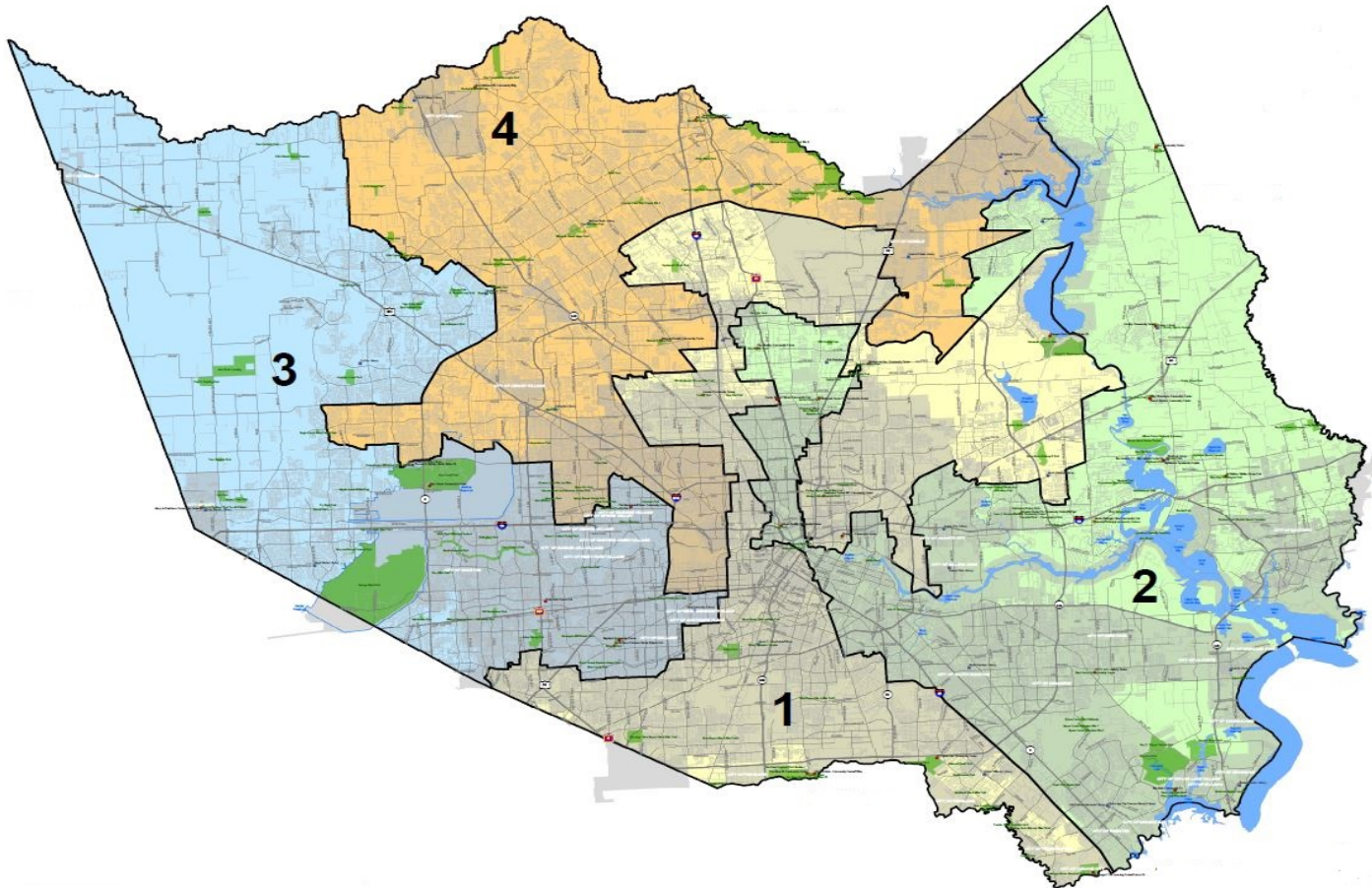
Harris County Precincts and Redistricting

The map below shows the boundaries of each of the commissioner precincts in relation to the boundaries of the City of Houston and other cities, which are shaded. The boundaries of the City of Houston extend into neighboring counties as shown in the highlighted gray areas both north and south of Harris County.

Each of the four Harris County commissioner precincts include significant unincorporated areas and population as indicated on the map in the lighter colored yellow, green, orange and blue areas. Most of the northwestern and northeastern areas of the county are unincorporated for example. The following shows a breakdown of the estimated population in each of the four precincts.

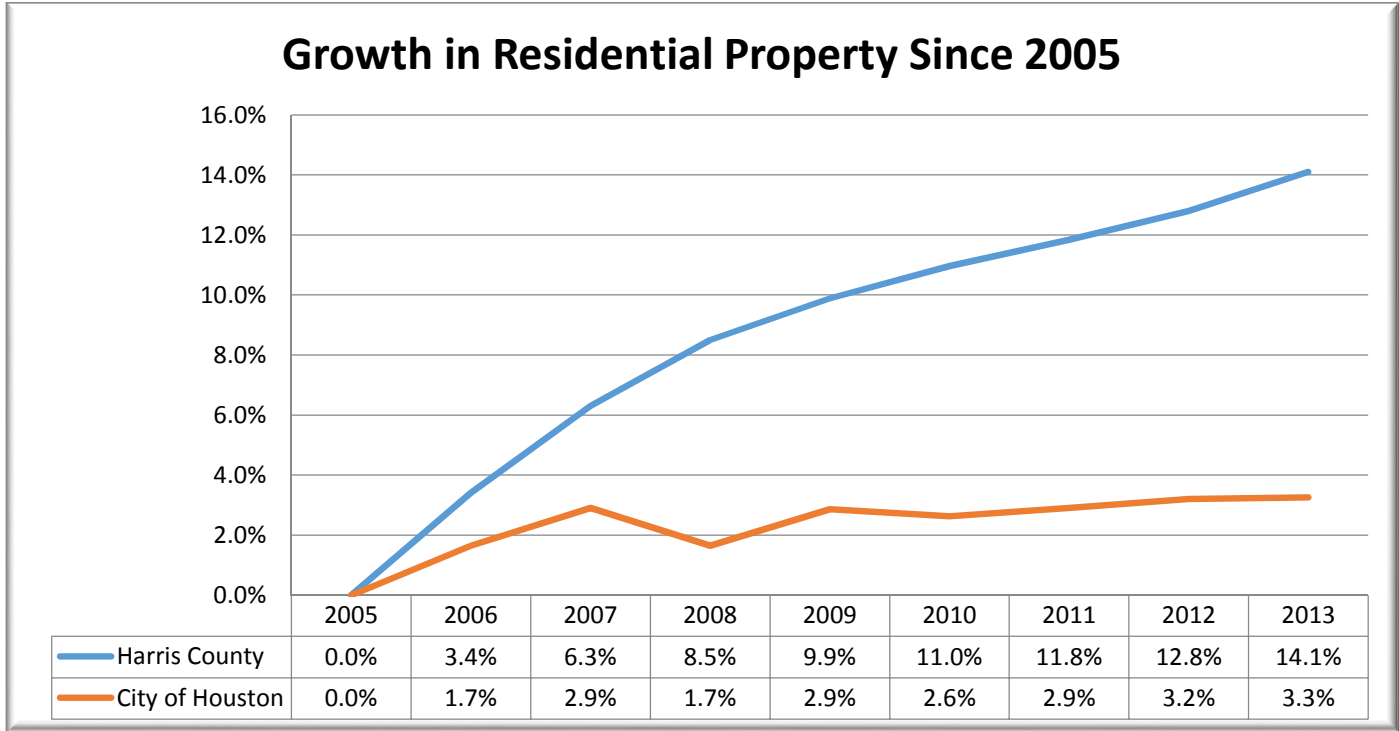
Precinct	Estimated as of June 30, 2014		
	Total Population	Within City Limits	Unincorporated Area
Precinct 1	1,069,000	811,000	258,000
Precinct 2	1,064,000	812,000	252,000
Precinct 3	1,142,000	657,000	485,000
Precinct 4	1,147,000	332,000	815,000
	4,422,000	2,612,000	1,810,000

% of Unincorporated by Precinct	
Current Estimates	Before Redistricting
14.3%	13.5%
13.9%	12.0%
26.8%	27.1%
45.0%	47.4%
100.0%	100.0%



Growth in Taxable Property

According to HCAD data, the total number of residential properties including single family, multifamily, and agricultural property in Harris County added to the tax roll through 2013 for Harris County has increased by 14.1% compared to only 3.3% within the city limits of Houston.

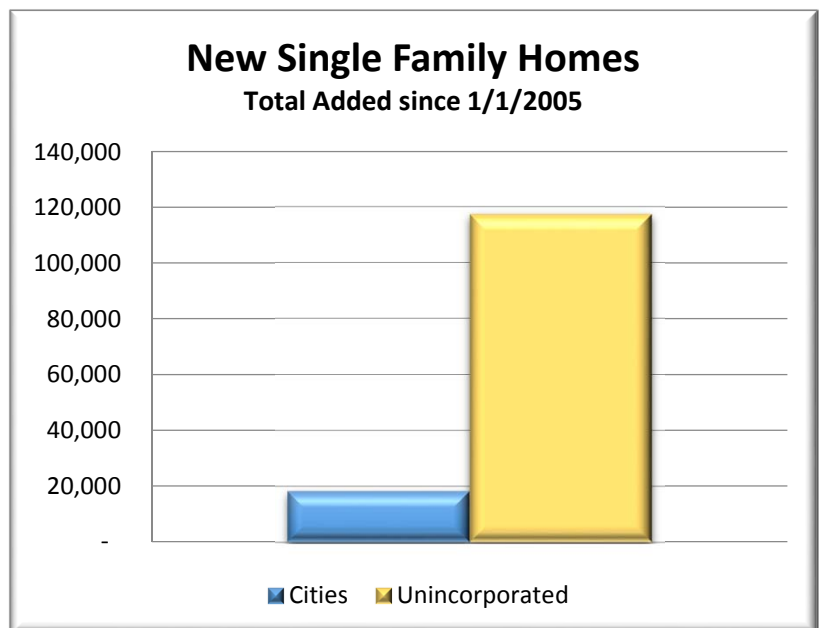


Growth in Number of Single Family Homes

The number of single family homes in Harris County increased by over 135,000 from 2005 to 2013 according to Harris County Appraisal District data.

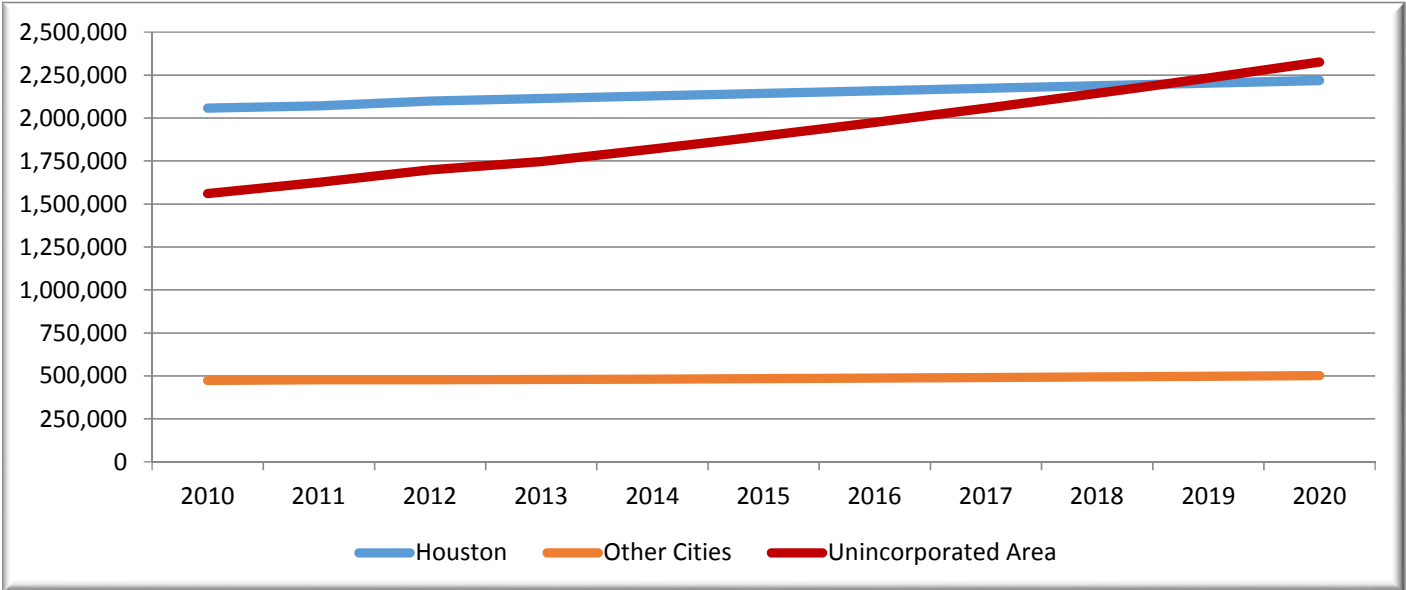
The number of single family homes in the unincorporated area of the county increased by 117,303 during this period, which represents 86% of the new homes in Harris County added to the tax roll during that period.

This growth impacts the county in many ways including the demand for new roads and infrastructure as well as the need for additional law enforcement services and other public services provided by the county.



Projecting to 2020

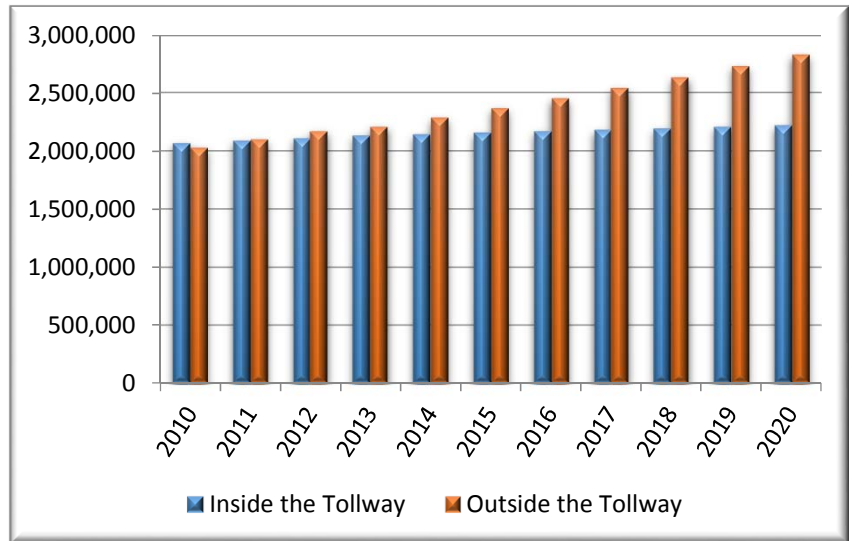
The following shows the projected growth in population during the next several years assuming that the growth patterns from 2000 to 2014 continue for Harris County with no significant populated areas being annexed by the City of Houston.



The unincorporated area would pass the City of Houston in population by 2018 if the current trends continue. Total Harris County population would pass the five million mark in 2020. The next chart shows the population inside and outside the tollway assuming the same trends continue.

Over 88% of the growth in population over the next ten years would be outside the tollway.

Harris County government provides much of its services to residents throughout the county including those living in Houston and surrounding cities and towns. There are some services, such as law enforcement and public safety, public health and animal control, and libraries that are provided primarily in the unincorporated areas of the county.



All indications are that Harris County will continue to experience significant growth throughout the county in all four County Commissioner precincts and especially in the unincorporated areas. The demand for infrastructure to support this growth, as well as increased demand for services such as law enforcement and health care, will make it necessary to maintain adequate sources of revenue for budgetary purposes.