



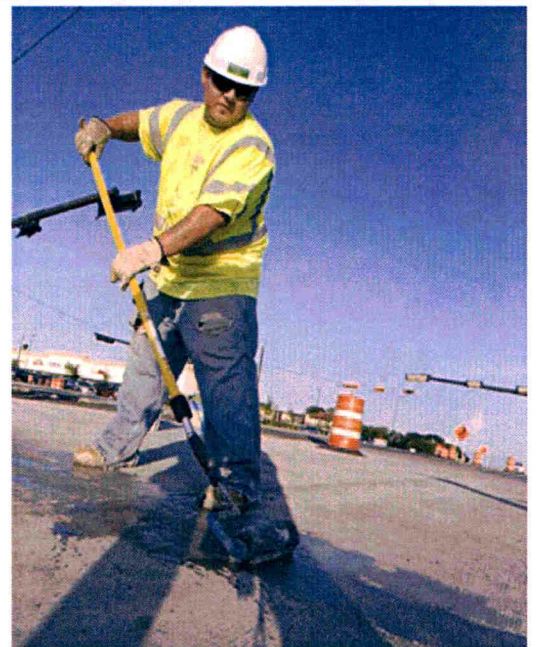
FORT BEND COUNTY, TEXAS

OCTOBER 6, 2009

PRICING INFORMATION



#20D



 **First Southwest Company**

\$20,780,000
UNLIMITED TAX ROAD
REFUNDING BONDS
SERIES 2009

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September 28, 2009

Summary:

Fort Bend County, Texas; General Obligation

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Summary:

Fort Bend County, Texas; General Obligation

Credit Profile

US\$22.665 mil unlted tax road rfdg bnds ser 2009 dtd 10/15/2009 due 03/01/2021

Long Term Rating

AA+/Stable

New

Fort Bend Cnty GO

Long Term Rating

AA+/Stable

Affirmed

Rationale

Standard & Poor's Ratings Services assigned its 'AA+' long-term rating, and stable outlook, to Fort Bend County, Texas' series 2009 unlimited tax road refunding bonds and affirmed its 'AA+' long-term rating and Standard & Poor's underlying rating (SPUR), with a stable outlook, on the county's existing debt.

The ratings continue to reflect our view of the county's:

- Participation in the Houston metropolitan statistical area economy, resulting in continued property tax base growth and diversification;
- Above-average wealth levels; and
- Sound financial performance.

The county's high overlapping debt burden and tax rate due, in large part, to the preferred method of financing new projects, including the use of individual municipal utility districts in the county's unincorporated areas, minimally offset these strengths.

The county's full faith and credit pledge secures the bonds. Officials will use bond proceeds to advance refund and defease certain of the county's bonds outstanding.

Fort Bend County is located adjacent to Harris County ('AAA' GO rating) and encompasses the city of Sugar Land. The county's access to the state's largest city, as well as areas in the entire region, has allowed it to experience rapid commercial and residential development. The county population has increased by approximately 50% since 2000 to nearly 550,000. Officials are forecasting the population to grow to about 700,000 by 2020. Residential income levels have also increased. Median household effective buying income indicators have risen to about 160% of the nation's average from 135% in 1990. Meanwhile, county unemployment has historically remained below state and national rates. Assessed value (AV) has also grown significantly. AV has increased by \$17 billion since fiscal 2004 to more than \$38 billion, though growth from fiscal 2009 to 2010 was only minimal. Market value per capital remains high at approximately \$70,000. Single-family residences account for almost two-thirds of the total property tax base, following steady building activity in the master-planned communities of Cinco Ranch, First Colony, Greatwood, and New Territory.

In our view, Fort Bend County's financial performance remains strong. County officials reported a \$38.5 million unreserved general fund balance, or about 23% of annual operating expenditures, at fiscal year-end 2008, which is well above the county's policy of maintaining 15% of reserves on hand. Officials regularly budget for pay-as-you-go

capital expenditures, but high property tax base growth allows reserves to remain elevated. The local property tax rate of 48.4 cents per \$100 of AV, which generates the vast majority of county revenues, has steadily decreased in recent years, affording county officials some additional revenue-raising flexibility. A general fund operating and maintenance levy of 39.6 cents per \$100 of AV and additional road and bridge maintenance, debt service, and local drainage district levies comprise the tax rate.

Standard & Poor's deems Fort Bend County's management practices "strong" under its Financial Management Assessment (FMA) methodology, indicating practices are strong, well embedded, and likely sustainable.

The county's own debt burden is in our view low and very manageable at just 0.9% of AV, but overall net debt levels are elevated at about 10.0% of market value. Due to a large amount of overlapping debt, however, the county's debt burden appears very high. Direct debt consists of bonds issued for county toll roads, supported by toll road revenues. Overall net debt consists of:

- \$1.66 billion issued by special districts, including a large number of municipal utility districts;
- \$1.68 billion issued by local school districts; and
- \$291 million issued by cities.

Debt associated with the county toll roads accounts for approximately \$136 million of the county's debt. Revenues generated by the toll roads currently provide sufficient funds to operate the thoroughfares and cover debt service. In addition, special districts within the county typically issue tax-backed debt for water and sewer projects, which entities in many other counties address with revenue bonds.

In 2007, the electorate authorized \$156 million of general obligation bonds for county roads, and, in 2008, authorized an additional \$74 million for county buildings. County officials have exhausted the 2008 authorization, and have \$106 million remaining from the 2007 authorization.

Outlook

The stable outlook reflects Standard & Poor's expectation that the county will continue to maintain strong reserves. The county's manageable capital needs and property tax base stability are credit strengths that should, we expect, remain in place. Given the substantial number of special districts within the county, we expect debt ratios will remain above average. Officials, however, do not expect this high debt, coupled with high overall tax rates, to slow the county's economic growth.

Related Research

USPF Criteria: "GO Debt," Oct. 12, 2006

Ratings Detail (As Of September 28, 2009)		
Fort Bend Cnty perm imp rfdg bnds ser 2003 dtd 07/01/2003 due 09/01/2004-2011		
<i>Unenhanced Rating</i>	AA+(SPUR)/Stable	Affirmed
Fort Bend Cnty GO		
<i>Unenhanced Rating</i>	AA+(SPUR)/Stable	Affirmed

Ratings Detail (As Of September 28, 2009) (cont.)

Fort Bend Flood Cntl Wtr Supply Corp, Texas

Fort Bend Cnty, Texas

Fort Bend Flood Ctl Wtr Supply Corp GO

Unenhanced Rating

AA+(SPUR)/Stable

Affirmed

Many issues are enhanced by bond insurance.

Complete ratings information is available to RatingsDirect subscribers at www.ratingsdirect.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com; under Ratings in the left navigation bar, select Find a Rating.

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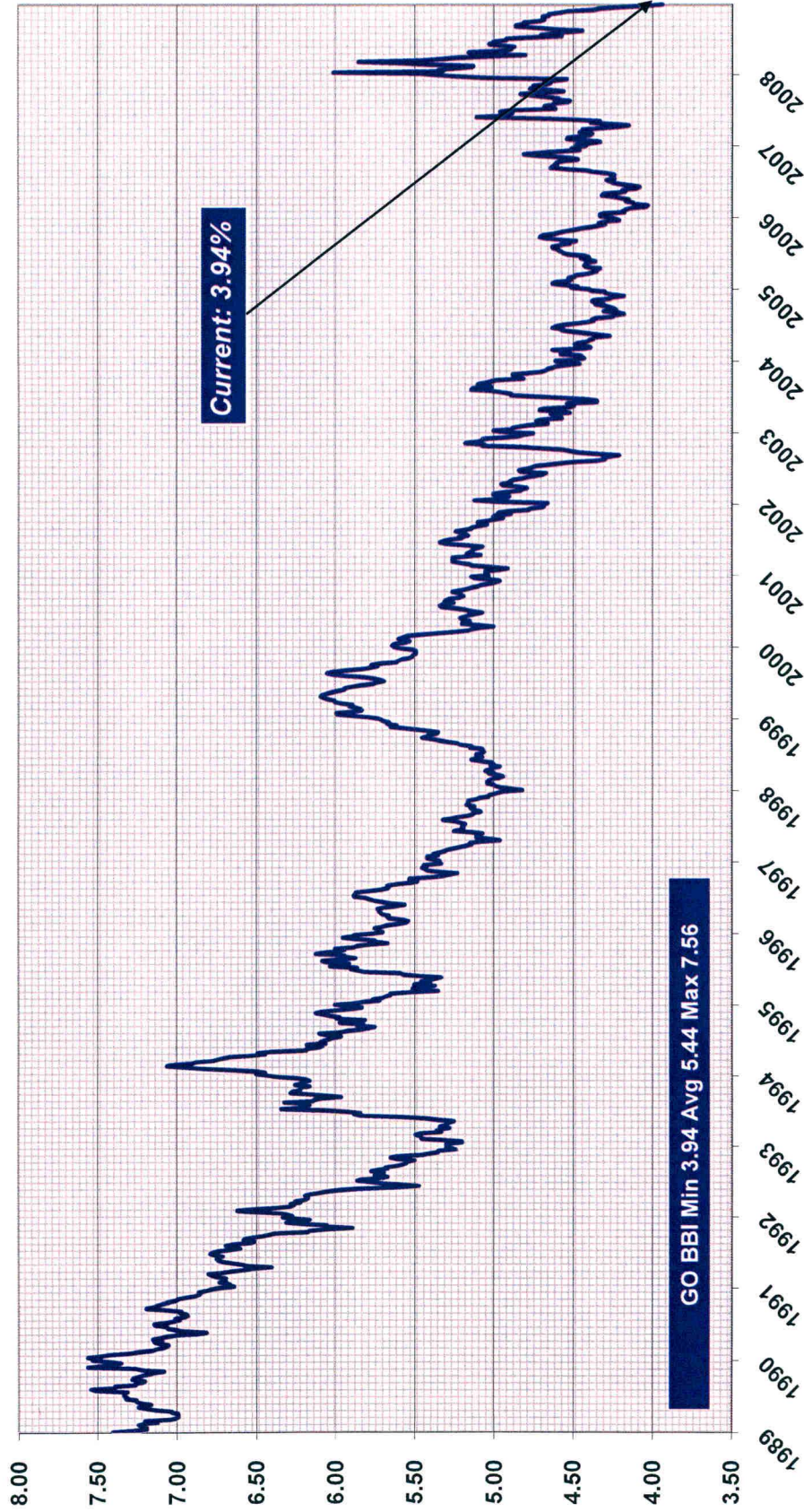
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Historical Interest Rates

BBI GO Index Over Past 20 Years
As of 10/1/2009



This graph depicts historical interest rates and their respective relationships. Future interest rates are dependent upon many factors such as, but not limited to, interest rate trends, tax rates, the supply and demand of short term securities, changes in laws, rules and regulations, as well as changes in credit quality and rating agency considerations. The effect of changes in such factors individually or in any combination could materially affect the relationships and effective interest rates. These results should be viewed with these potential changes in mind as well as the understanding that there may be interruptions in the short term market or no market may exist at all.

\$20,780,000

FORT BEND COUNTY, TEXAS

UNLIMITED TAX ROAD REFUNDING BONDS, SERIES 2009

PAR AMOUNT OF BONDS REFUNDED	\$22,550,000
NAME OF REFUNDED ISSUE	UNLIMITED TAX ROAD BONDS, SERIES 2001
NAME OF REFUNDING ISSUE	UNLIMITED TAX ROAD REFUNDING BONDS, SERIES 2009
NET GROSS SAVINGS	\$2,843,425.00
PRESENT VALUE SAVINGS	\$2,726,176.54
AVERAGE ANNUAL SAVINGS (2011-2021)	\$258,493.18
NET PRESENT VALUE SAVINGS	10.573%
TIC OF REFUNDING BONDS	2.7352735%

\$20,780,000

Fort Bend County, Texas
Unlimited Tax Road Refunding Bonds, Series 2009

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
09/30/2010	775,955.56	731,755.56	731,755.56	-
09/30/2011	2,863,600.00	2,863,600.00	3,120,100.00	256,500.00
09/30/2012	2,758,425.00	2,758,425.00	3,017,600.00	259,175.00
09/30/2013	2,654,650.00	2,654,650.00	2,915,100.00	260,450.00
09/30/2014	2,552,150.00	2,552,150.00	2,812,600.00	260,450.00
09/30/2015	2,455,550.00	2,455,550.00	2,712,150.00	256,600.00
09/30/2016	2,354,850.00	2,354,850.00	2,612,725.00	257,875.00
09/30/2017	2,250,250.00	2,250,250.00	2,511,250.00	261,000.00
09/30/2018	2,152,375.00	2,152,375.00	2,408,750.00	256,375.00
09/30/2019	2,046,000.00	2,046,000.00	2,306,250.00	260,250.00
09/30/2020	1,945,250.00	1,945,250.00	2,203,750.00	258,500.00
09/30/2021	1,845,000.00	1,845,000.00	2,101,250.00	256,250.00
Total	\$26,654,055.56	\$26,609,855.56	\$29,453,280.56	\$2,843,425.00

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	2,726,176.54
Net PV Cashflow Savings @ 2.818%(AIC)	2,726,176.54
Accrued Interest Credit to Debt Service Fund	44,200.00
Transfers from Prior Issue Debt Service Fund	(389,594.44)
Contingency or Rounding Amount	3,461.33
Net Present Value Benefit	\$2,384,243.43
Net PV Benefit / \$22,550,000 Refunded Principal	10.573%

Refunding Bond Information

Refunding Dated Date	10/15/2009
Refunding Delivery Date	11/03/2009

\$20,780,000

Fort Bend County, Texas
Unlimited Tax Road Refunding Bonds, Series 2009

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
03/01/2011	Serial Coupon	4.000%	0.850%	2,020,000.00	104.149%	2,103,809.80
03/01/2012	Serial Coupon	3.000%	1.170%	1,985,000.00	104.189%	2,068,151.65
03/01/2013	Serial Coupon	4.000%	1.490%	1,950,000.00	108.117%	2,108,281.50
03/01/2014	Serial Coupon	4.000%	1.790%	1,925,000.00	109.161%	2,101,349.25
03/01/2015	Serial Coupon	4.000%	2.050%	1,905,000.00	109.792%	2,091,537.60
03/01/2016	Serial Coupon	4.000%	2.280%	1,880,000.00	110.079%	2,069,485.20
03/01/2017	Serial Coupon	4.000%	2.490%	1,850,000.00	110.054%	2,035,999.00
03/01/2018	Serial Coupon	5.000%	2.700%	1,835,000.00	117.047%	2,147,812.45
03/01/2019	Serial Coupon	5.000%	2.870%	1,820,000.00	115.674%	c 2,105,266.80
03/01/2020	Serial Coupon	5.000%	3.020%	1,810,000.00	114.478%	c 2,072,051.80
03/01/2021	Serial Coupon	5.000%	3.120%	1,800,000.00	113.689%	c 2,046,402.00
Total	-	-	-	\$20,780,000.00	-	\$22,950,147.05

Bid Information

Par Amount of Bonds	\$20,780,000.00
Reoffering Premium or (Discount)	2,170,147.05
Gross Production	\$22,950,147.05
Total Underwriter's Discount (0.570%)	\$(118,380.76)
Bid (109.874%)	22,831,766.29
Accrued Interest from 10/15/2009 to 11/03/2009	44,200.00
Total Purchase Price	\$22,875,966.29
Bond Year Dollars	\$130,105.22
Average Life	6.261 Years
Average Coupon	4.5148499%
Net Interest Cost (NIC)	2.9378446%
True Interest Cost (TIC)	2.7352735%

\$20,780,000

Fort Bend County, Texas
Unlimited Tax Road Refunding Bonds, Series 2009

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/03/2009	-	-	-	-	-
03/01/2010	-	-	333,955.56	333,955.56	-
09/01/2010	-	-	442,000.00	442,000.00	-
09/30/2010	-	-	-	-	775,955.56
03/01/2011	2,020,000.00	4.000%	442,000.00	2,462,000.00	-
09/01/2011	-	-	401,600.00	401,600.00	-
09/30/2011	-	-	-	-	2,863,600.00
03/01/2012	1,985,000.00	3.000%	401,600.00	2,386,600.00	-
09/01/2012	-	-	371,825.00	371,825.00	-
09/30/2012	-	-	-	-	2,758,425.00
03/01/2013	1,950,000.00	4.000%	371,825.00	2,321,825.00	-
09/01/2013	-	-	332,825.00	332,825.00	-
09/30/2013	-	-	-	-	2,654,650.00
03/01/2014	1,925,000.00	4.000%	332,825.00	2,257,825.00	-
09/01/2014	-	-	294,325.00	294,325.00	-
09/30/2014	-	-	-	-	2,552,150.00
03/01/2015	1,905,000.00	4.000%	294,325.00	2,199,325.00	-
09/01/2015	-	-	256,225.00	256,225.00	-
09/30/2015	-	-	-	-	2,455,550.00
03/01/2016	1,880,000.00	4.000%	256,225.00	2,136,225.00	-
09/01/2016	-	-	218,625.00	218,625.00	-
09/30/2016	-	-	-	-	2,354,850.00
03/01/2017	1,850,000.00	4.000%	218,625.00	2,068,625.00	-
09/01/2017	-	-	181,625.00	181,625.00	-
09/30/2017	-	-	-	-	2,250,250.00
03/01/2018	1,835,000.00	5.000%	181,625.00	2,016,625.00	-
09/01/2018	-	-	135,750.00	135,750.00	-
09/30/2018	-	-	-	-	2,152,375.00
03/01/2019	1,820,000.00	5.000%	135,750.00	1,955,750.00	-
09/01/2019	-	-	90,250.00	90,250.00	-
09/30/2019	-	-	-	-	2,046,000.00
03/01/2020	1,810,000.00	5.000%	90,250.00	1,900,250.00	-
09/01/2020	-	-	45,000.00	45,000.00	-
09/30/2020	-	-	-	-	1,945,250.00
03/01/2021	1,800,000.00	5.000%	45,000.00	1,845,000.00	-
09/30/2021	-	-	-	-	1,845,000.00
Total	\$20,780,000.00	-	\$5,874,055.56	\$26,654,055.56	-

Yield Statistics

Accrued Interest from 10/15/2009 to 11/03/2009	44,200.00
Bond Year Dollars	\$130,105.22
Average Life	6.261 Years
Average Coupon	4.5148499%
Net Interest Cost (NIC)	2.9378446%
True Interest Cost (TIC)	2.7352735%
Bond Yield for Arbitrage Purposes	2.4576095%
All Inclusive Cost (AIC)	2.8178304%

IRS Form 8038

Net Interest Cost	2.5044567%
Weighted Average Maturity	6.367 Years

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\$29,000,000

Fort Bend County, Texas
Unlimited Tax Road Bonds, Series 2001

Debt Service To Maturity And To Call

Date	Refunded Bonds	Interest to Call	D/S To Call	Principal	Coupon	Interest	Refunded D/S
09/30/2010	22,550,000.00	560,675.00	23,110,675.00	-	-	1,121,350.00	1,121,350.00
09/30/2011	-	-	-	2,050,000.00	-	1,070,100.00	3,120,100.00
09/30/2012	-	-	-	2,050,000.00	-	967,600.00	3,017,600.00
09/30/2013	-	-	-	2,050,000.00	-	865,100.00	2,915,100.00
09/30/2014	-	-	-	2,050,000.00	-	762,600.00	2,812,600.00
09/30/2015	-	-	-	2,050,000.00	-	662,150.00	2,712,150.00
09/30/2016	-	-	-	2,050,000.00	-	562,725.00	2,612,725.00
09/30/2017	-	-	-	2,050,000.00	-	461,250.00	2,511,250.00
09/30/2018	-	-	-	2,050,000.00	-	358,750.00	2,408,750.00
09/30/2019	-	-	-	2,050,000.00	-	256,250.00	2,306,250.00
09/30/2020	-	-	-	2,050,000.00	-	153,750.00	2,203,750.00
09/30/2021	-	-	-	2,050,000.00	5.000%	51,250.00	2,101,250.00
Total	\$22,550,000.00	\$560,675.00	\$23,110,675.00	\$22,550,000.00	-	\$7,292,875.00	\$29,842,875.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	10/15/2009
Average Life	6.378 Years
Average Coupon	5.0708742%
Weighted Average Maturity (Par Basis)	6.328 Years

Refunding Bond Information

Refunding Dated Date	10/15/2009
Refunding Delivery Date	11/03/2009