FIRST AMENDMENT TO DEVELOPMENT FINANCING AGREEMENT BY AND AMONG THE CITY OF PFLUGERVILLE, TEXAS, REINVESTMENT ZONE NUMBER ONE, CITY OF PFLUGERVILLE, TEXAS, AND TERRABROOK FALCON POINTE, LLC.

This **FIRST AMENDMENT TO DEVELOPMENT FINANCING AGREEMENT** (this "First Amendment"), effective as of September 10, 2013, is made by and among the **CITY OF PFLUGERVILLE, TEXAS,** a municipal corporation and a home rule city in the State of Texas (the "City"); **REINVESTMENT ZONE NUMBER ONE, CITY OF PFLUGERVILLE, TEXAS,** a reinvestment zone created by the City pursuant to Chapter 311, Texas Tax Code (the "Zone"); and **TERRABROOK FALCON POINTE, LLC,** a Delaware limited partnership (the "Developer").

RECITALS

WHEREAS, the City created the Zone pursuant to Chapter 311, Texas Tax Code, and the TIRZ Plan was approved by both the Zone Board and the City; and

WHEREAS, the City, the Zone and the Developer entered into that certain Development Financing Agreement By And Among The City Of Pflugerville, Texas, Reinvestment Zone Number One, City Of Pflugerville, Texas, And Terrabrook Falcon Pointe, LLC Board of Directors of the Zone (the "Agreement"), providing for the financing and construction of certain Projects by the Developer and the City; and

WHEREAS, the Parties have agreed that the East Pflugerville Parkway Project should be financed and constructed by the Developer, and that such Project should be added to the eligible Project Costs to be reimbursed to the Developer in accordance with the terms of the Agreement; and

WHEREAS, the TIRZ Plan contemplated improvements to East Pflugerville Parkway, and has been amended to assign responsibility for such Project to the Developer, and to add the estimated Project Costs attributable thereto; and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, the City, the Zone, and the Developer agree to amend the Agreement as follows:

1. **Definitions.** Capitalized terms used in this Amendment shall have the meanings provided for them in the Agreement, unless otherwise defined or the context clearly requires otherwise.

2. **Amendments.** The Agreement is amended as provided in this Section.

a. **Exhibit A** is amended to read in its entirety as provided in **Exhibit A** attached to this First Amendment.

b. **Article II, Section I.** A new Section I is added to Article II, to read as follows:

"**I. East Pflugerville Parkway Project.** The Developer's agreement to include the East Pflugerville Parkway Project in the list of Developer Projects shall be considered by the Parties to satisfy the Developer's obligations with respect to East Pflugerville Parkway and the SH130 intersection as determined by the "Falcon Pointe Traffic Impact Analysis (TIA Update) prepared by Alliance Transportation Group, or any subsequent analysis relating to the subject matter thereof."

3. **Agreement in effect.** Except as specifically amended hereby, the Agreement remains in full force and effect as of its original Effective Date.

[EXECUTION PAGES FOLLOW]

IN TESTIMONY OF WHICH this instrument has been executed in multiple counterparts, each of equal dignity and effect, on behalf of the City, the Zone, and the Developer effective as of the date first above written.

CITY OF PFLUGERVILLE

Jeff Coleman, Mayor

ATTEST/SEAL:

Karen Thompson, City Secretary

REINVESTMENT ZONE NUMBER ONE, CITY OF PFLUGERVILLE, TEXAS

Mike Marsh, Chairman, Board of Directors

ATTEST:

Karen Thompson, City Secretary

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TERRABROOK FALCON POINTE, LLC,
a Delaware limited liability company

By: _____
Name: E. WILLIAM MEYER
Title: VICE PRESIDENT

Exhibit A

Developer Projects:

Project	Estimated Cost	Commencement Date
Colorado Sand Road Segment "A" Phase One	$2,100,000	Date #1
Colorado Sand Road Segment "A" Phase Two	$1,100,000	Date #2
South Tract Regional Pond	$675,000	Date #1
South Tract Lift Station	$850,000	Date #1
Lonestar Ranch Boulevard	$900,000	Date #1
Economic Development Land Cost	$4,500,000	Not Applicable
East Pflugerville Parkway, widen to 4 lanes[i]	$1,200,000 (plus right of way costs)	Date #3

Date #1: Commencement Date to be no later than 180 days after the Effective Date.

Date #2: Although Colorado Sand Road Segment "A" Phase Two is intended to be constructed on or about the same time of Colorado Sand Road Segment "A" Phase One, in an effort to expedite construction of Colorado Sand Road Segment "A" Phase One, the Commencement Date for Colorado Sand Road Segment "A" Phase Two shall be no later than one year following the completion of Phase One.

Date #3: Commencement Date to be no later than 180 days after the effective date of the First Amendment.

For purposes of this Exhibit, "Commencement Date" shall mean the date on which design professionals have been engaged (executed contract) for related project engineering with regard to the applicable Project.

City Projects:

Project	Estimated Cost
Colorado Sand Road Segment "B" Phase One	$1,575,000
Colorado Sand Road Segment "B" Phase Two	$800,000
Colorado Sand Road Segment "B" Right of way acquisition	To Be Determined

The Projects listed above are defined as shown in the TIRZ Plan, as such may be amended from time to time and agreed to by the Developer and the City.

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[i] Widen to 4 lanes from State Highway 130 (northbound frontage road) to eastern boundary of the Zone (as further described in the related Amended Project Plan and Reinvestment Zone Financing Plan and also depicted in Exhibit "A" of the said Amended Project Plan).