

**FIRST AMENDMENT
TO DEVELOPMENT AGREEMENT
FOR PENLEY PARK**

WHEREAS, This First Amendment To Development Agreement (“First Amendment”) is made and entered into by and between the **CITY OF PFLUGERVILLE, TEXAS**, a Texas municipal corporation (“City”), and **PENLEY PARK DEVELOPMENT COMPANY, INC.**, a Texas corporation, by and through its President Frank Severino, successor in interest to **SEVERINO HOMES AND COMMUNITIES**, a New Jersey limited liability corporation (“Developer”), hereafter collectively referred to as the “Parties” and agrees that all development of the project as defined below shall be in accordance with this First Amendment.

INTRODUCTION

A. Developer is the current owner thereof (the “Current Owner”) of approximately 48.83 acres of land located south and southeast of the Gattis School Road and Links Land intersection in Travis County, described on the attached Exhibit A (the Land). The Land is now entirely located in the corporate limits of the City. The Developer intends to develop the Land as single-family residential project (the “Project”).

B. The City has annexed the Land into the City on the belief that it would contribute to the economic development of the City by generating property tax, and would also provide a mechanism for ensuring the quality and consistency of development standards on property not fully subject to the City’s development regulations.

C. Developer agreed to the annexation of the land into the City after acquisition of the Land by Developer, at an earlier date than would otherwise be possible under the relevant portions of the Texas Local Government Code in exchange for certainty regarding development standards and for utility service commitments that will be applicable to the Land.

D. Developer and the City desire to work together in good faith to enhance and preserve the general area of the Project for the benefit of the citizens of the City and surrounding areas.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the Parties agree to enter into this Development Agreement as authorized by Chapter 212, Subchapter G, Local Government Code to hereinafter provide as follows:

ARTICLE I
PERMITTING

Section 1.01 Subdivision Plat. The City and Developer previously agreed that a Preliminary Plan should be required before Developer submitted an application for a Final Plat for the Project. The Parties also agree that the Conceptual Plan approved by the City of Pflugerville Planning and Zoning Committee on November 6, 2006 will remain sufficient throughout the life of the entitlement process for this Project.

Section 1.02 TIA. A letter from the City of Pflugerville, dated June 3, 2004, details the City's determination that access to the Land from Dark Tree Lane and Peach Vista Drive satisfies the requirement for two permanent access points per Sections 156.413 (Z) and (AA) of the City's Subdivision Code. This letter also defines the City's position that the construction of the proposed Links Lane collector-level roadway to connect the subdivision to Gattis School Road is not required; however, the Parties agree to the construction of a collector-level roadway through the main portion of the subdivision. Additionally, the Parties agree that the street and other appurtenances including street lights and drainage within the Community Road Easement from Gattis School Road to the boundary of the final plat of Penley Park Phase I shall be maintained by the Penley Park Subdivision Homeowners Association, Inc., a Texas non-profit corporation. The portion of Peach Vista Drive which will be dedicated to the public over and across the Community Road Easement in Penley Park Subdivision Phase II shall be maintained by the City of Pflugerville in accordance with the map exhibit attached hereto and incorporated herein as Exhibit "A-1". Developer shall not be required to submit a traffic impact analysis in connection with any application to the City for any approval required for development of the Project.

Section 1.03 Review/Submittal Fees. Developer shall pay the City's standard application, review, and development fees that are applicable to all other development applications.

Section 1.04 Building Code Compliance. If the Land is located within the City's full purpose jurisdiction limits at the time that a building permit is required, permanent structures constructed on the Land shall comply with the then current building code adopted by the City. Such code as it applies to the Land shall be limited to health and safety issues and shall apply uniformly to all other property within the corporate limits of the City. The City shall provide timely inspections and shall provide adequate staff and resources so as not to unreasonably delay any construction activities on the Land.

ARTICLE II
DEVELOPMENT STANDARDS

Section 2.01 Development Standards. Notwithstanding any provisions in the City's

ordinances, rules, and regulations to the contrary and except as may be specifically provided otherwise in this Agreement, Developer agrees to comply with, and the regulations that shall be applied by the City to development of the Project shall be the Unified Development Code (“UDC”), as amended or supplemented by this Agreement. Notwithstanding the forgoing, Developer, in its sole discretion, may choose to comply with any or all City rules promulgated under the current version of the UDC. Both Parties agree that the single family attached product and the townhome and garden home product proposed for Phase III may require “SF-MU” zone district zoning or such other site specific design standards as the parties might mutually agree to include in an amendment to this First Amendment consistent with the approved preliminary plan and proposed final plat design for Phase III. The City agrees to establish an administrative process for minor amendments to this Agreement in the sole discretion of the City Manager to address minor setback encroachments for overhangs on unusually shaped lots or to accommodate architectural features that enhance the Project even where actual physical hardship to the Developer may not be demonstrated; provided however such adjustments shall not include adjustments to streets density or other major adjustments that would require a revision of the approved preliminary plan.

Section 2.02 Site Development. Notwithstanding the provisions of the Unified Development Code, the Project shall be permitted (i) street yard setbacks of 20 feet for the Project Townhome lots and 20 feet for the Project Garden Home lots; (ii) interior and exterior side yard setbacks of 0 feet for the Project Townhome lots, 3 feet for the Project Garden Home lots, and 5 feet for the Project Standard lots; (iii) corner lot setbacks of 5 feet for Project Townhome lots; and (iv) rear yard setbacks of 10 feet for certain Standard lots when the proposed house product to be placed on such lot has a first floor footprint equal to or greater than 2500 square feet.

ARTICLE III
DESIGN STANDARDS

Section 3.01 Subdivision Design Standards. Notwithstanding any provisions in the City’s ordinances, rules, and regulations to the contrary and except as may be specifically provided otherwise in this Agreement, Developer agrees to comply with, and the regulations that shall be applied by the City to development of the Project shall be, the Subdivision Code of the City that was in force and effect as of June 2006 (the “Subdivision Code”), as amended or supplemented by this Agreement. Notwithstanding the forgoing, Developer, in its sole discretion, may choose to comply with any or all City rules promulgated after the date of the Subdivision Code.

Section 3.02 Lots. Notwithstanding any provision to the contrary in the Subdivision Code, the Project as a whole shall permit lot dimensions consistent with the approved Preliminary Plan for Penley

Park Subdivision Phases I, II, and III and the Final Plat of Penley Park Phase I.

Section 3.03 Blocks. Developer shall comply with the block requirements of the Subdivision Code, except that Developer shall be permitted when necessary to construct blocks to a distance of 3,100 feet between intersections along a roadway on the same side of the street. The Parties agree that such an allowance will maximize traffic circulation and access to and within the Project, and will enhance synchronicity and connectivity with adjacent properties.

Section 3.04 Streets and Drive Alleys. Notwithstanding any provision of the Subdivision Code to the contrary, the drive alleys and access regulations applicable to the Project shall be as follows:

(i) Developer may construct 20-foot private drive alleys to promote access to residential rear-entry garages. The City shall support, at no cost to the City, the maintenance of these private alleys by the Penley Park Home Owners Association.

(ii) Commensurate with the City's recommendation, the Developer is permitted to construct a private street, drainage facilities and street lights within the 50-foot Community Road Easement connecting Gattis School Road to the portion of Links Lane within the Final Plat of Penley Park Phase I. Developer agrees that the Links Lane Community Road Easement outside of the Penley Park Phase I Final Plat shall be maintained by the Penley Park Subdivision Home Owners Association, Inc. The City agrees that the portion of Links Lane in the Final Plat of Penley Park Phase I shall be dedicated to the public and maintained by the City. The City also agrees that the portion of Peach Vista Drive in proposed Penley Park Phase II that overlaps the Community Road Easement shall be dedicated to the public and maintained by the City.

(iii). The City further agrees that it will enter into a license agreement with Developer to license a portion of the right-of-way on the northwest corner of the dedicated, but unaccepted right-of-way for Links Lane at the intersection with Gattis School Road for the construction of a landscaped entry monument for the Penley Park Subdivision, provided said entry monument and landscaping is constructed and maintained at Developers sole cost and expense and that Developer, his successors and assigns indemnify and hold the City of Pflugerville harmless for any claims and causes of action which may be asserted against the City resulting from the use said right-of-way for the Penley Park Subdivision entry monumentation.

(iv). The Parties agree that Developer shall build the private street portion of Links Lane, drainage, street lights and other appurtenances in the Community Road Easement at its sole cost and expense and provide for its maintenance by the Penley Park Subdivision Home Owners Association, Inc.

ARTICLE IV
ANNEXATION AND ZONING

Section 4.01 Consent to Annexation. Developer consents to annexation of the Land and agrees to file contemporaneous with the execution of this Development Agreement by the City a voluntary petition for annexation of land signed by the current owner of the property. Simultaneous with such annexation and pursuant to the authority of the Planning and Zoning Commission and the City Council, the City agrees zone the Land to the “RS1 – Single-Family Residential District”, or equivalent zoning that will permit the use and development of the land consistent with the uses as designated on the proposed Preliminary Plan, more particularly described in Exhibit B, attached hereto and incorporated herein by reference.

Contemporaneous with the submission of this Development Agreement to the City, Developer has submitted a voluntary petition for annexation in compliance with Texas Local Government Code Section 43.028(c). Developer will execute and deliver any other form of petition required in order for the Land to be annexed into the City. The City represents and warrants that it will take such actions in accordance with Texas law as may be required and necessary to adopt such ordinances, as may be necessary to annex the Land and to zone and classify the Land so that it can be developed and used in the manner described in this agreement. If for any reason the annexation or zoning is ruled invalid, in whole or in part, the City shall expeditiously take such actions, including the giving of such notices, the holding of public hearings, and the adoption of such ordinances and resolutions as may be necessary to give effect to the spirit of this Agreement. It is acknowledged and agreed that the approval of this Agreement evidence this City’s agreement to zone the land in such a manner as will permit the use and development of the land consistent with Preliminary Plan attached hereto as Exhibit B.

Notwithstanding any other provision of this Agreement to the contrary, all those provisions relating to site development standards and utility service commitments not inconsistent with this Agreement shall apply to the development of the Property.

Section 4.02 Zoning Classification. The City agrees to zone the Property in accordance with the development’s use upon full purpose annexation.

ARTICLE V
UTILITY SERVICE COMMITMENTS

The Parties hereby agree that, as of the date of this Agreement, wastewater service and capacity to the Project from the relevant existing treatment plant will be coordinated directly between the Developer and the Windermere Utility Company, Inc. Contemporaneously with the execution of this Agreement, the Developer will secure a utility commitment letter in the form attached hereto as Exhibit C-1.

The Parties also hereby agree that, as of the date of this Agreement, water service to the Project will be coordinated directly between the Developer and the Manville Water Supply Corporation. Contemporaneously with the execution of this Agreement, the Developer will secure a utility commitment letter in the form attached hereto as Exhibit C-2.

ARTICLE VI EXCEPTIONS

In connection with and as part of this Agreement, Developer has applied for, and the City hereby approves, the exceptions, waivers, variances, and credits to the development regulations otherwise applicable pursuant to the Site Development and Subdivision Codes as such exceptions, waivers, variances, and credits are set out herein.

ARTICLE VII INTENT AND VESTING OF RIGHTS

Section 7.01 Intent. The Parties intend that this Agreement authorize certain land uses and development of the Land; provide for the uniform review and approval of plats and development plans for the Land; provide exceptions to certain ordinances; and provide other terms and consideration, including the continuation of agreed upon land uses and zoning after annexation of the Land. It is the intent of the City and Developer that these vested development rights include the character of land uses and the development of the Land in accordance with the standards and criteria set forth in this Agreement and the Site Development and Subdivision Codes, as modified in accordance with the exceptions set forth in this agreement.

Section 7.02 Vesting Rights. For the term of this Agreement, each application for a City permit (as hereinafter defined), including a Site Plan, that may be filed with the City for the development, construction or operation of the Project shall only be required to comply with, and shall be reviewed, processed, and approved, only in accordance with the terms hereof, subject to the exceptions set forth below. For the purposes of this Agreement, “City Permit” means a preliminary plat, final plat, site plan or other form of authorization required by a City ordinance, regulation, or rule in order to develop, construct, and operate the Project. The Provisions of this Section 7.02 shall not apply to the following types of City ordinances, rules, and regulations:

- (1) Uniform building, fire, electrical, plumbing or mechanical codes of the type typically found in the City Code;
- (2) Ordinances and regulations for utility connections; and
- (3) Ordinances and regulations to prevent the imminent destruction of property or injury to persons.

However, Developer, at its option, shall have the right to have the applicable submission for a permit or approval approved or disapproved in accordance with the requirements of a subsequent City ordinance, regulation, or rule.

Section 7.03 Landowner's Right to Continue Development. In consideration of Developer's agreements hereunder, the City agrees that it will not, during the term of this Agreement, impose or attempt to impose: (a) any moratorium on building or development within the Project or (b) any land use or development regulation that limits the rate or timing of land use approvals, whether affecting preliminary plats, final plats, site plans, building permits, certificates of occupancy or other necessary approvals, within the Project. The preceding sentence does not apply to moratorium uniformly imposed throughout the City due to an emergency constituting imminent threat to the public health or safety, provided that such moratorium will continue only during the duration of the emergency.

ARTICLE VIII

TERM, ASSIGNMENT, AND AMENDMENT

Section 8.01 Term. The term of this Agreement will commence on the Effective Date (as defined below) and continue for ten (10) years, unless terminated on an earlier date under the provisions of this Agreement or by written agreement of the City and Developer. The Effective Date of this Agreement shall be the date of full execution by the Parties. If less than all of the Land is purchased at any given time by Developer, this Agreement shall apply only to such portions of the Land owned by the Developer at the time this Development Agreement is executed. Developer will notify the City at such time(s) as Developer acquires any portion of the Land. This agreement shall run with the land, and shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns, notwithstanding the fact it may actually be the successors or assigns of Developer that construct the improvements on the Land contemplated hereunder.

Section 8.02 Amendment by Agreement. This Agreement may be amended as to all or part of the Land at any time by mutual written consent of the City and all owners of the Land at the time of such amendment.

Section 8.03 Assignment.

(1) This Agreement, and the rights of Developer, in whole or in part, may be assigned to any subsequent Developer or owner of all or a portion of the Land, upon thirty (30) days prior written notice to the City and with the express written permission of the City. Any assignment shall be in writing, shall specifically set forth the assigned rights and obligation and shall be executed by the proposed assignee.

As used herein, the term “Developer” shall be deemed to include the Developer defined above, its affiliates and all other successors and assigns of Developer.

(2) If Developer assigns its rights and obligations as to a portion of the Land, then the rights and obligations of any assignee and Developer will be severable, and Developer will not be liable for the nonperformance of the assignee and vice versa. In the case of nonperformance by one Developer, the City may pursue all remedies against the nonperforming Developer, but will not impede development activities of any performing Developer as a result of that nonperformance unless and to the limited extent that such nonperformance pertains to a City requirement that also is necessary for the performing Developer’s project, which performing Developer may also pursue remedies against the nonperforming Developer.

Section 8.04 Cooperation.

(1) The City and Developer shall cooperate with each other as reasonable and necessary to carry out the intent of this Agreement, including but not limited to the execution of such further documents as may be reasonably required.

(2) The City agrees to cooperate with Developer at Developer’s expense, in connection with any waivers, permits or approvals Developer may need or desire from Travis and/or Williamson Counties, the Manville Water Supply Corporation, Windermere Utility Company, Inc., Texas Department of Transportation, or any other regulatory authority in order to develop the Project in accordance herewith.

(3) In the event of any third party lawsuit or other claim relating to the validity of this Agreement or any actions taken hereunder, Developer and the City agree to cooperate in the defense of such suit or claim, and to use their respective best efforts to resolve the suit or claim without diminution of their respective rights and obligations under this Agreement. Each party agrees to pay its own legal fees in connection with any such third party claim.

Section 8.05 Waiver of Right to Petition for Disannexation. The Developer agrees that under no circumstance may the Developer, or his heirs, assigns or successors petition the City for disannexation and the Developer waives his rights under Chapter 43 of the Texas Local Government Code to seek disannexation. The Developer shall retain all other remedies at law and equity for the enforcement of this Agreement.

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 9.01 Notice. Any notice given under this Agreement must be in writing and may be given: (i) by depositing it in the United States mail, certified, with return receipt requested, addressed to

the party to be notified and with all charges prepaid; (ii) by depositing it with Federal Express or another service guaranteeing “next day delivery”, addressed to the party to be notified and with all charges prepaid; (iii) by personally delivering it to the party, or any agent of the party listed in this Agreement; or (iv) by facsimile with confirming copy sent by one of the other described methods of notice set forth. Notice by United States mail will be effective on the earlier of the date of receipt or three (3) days after the date of mailing. Notice given in any other manner will be effective only when received. For purposes of notice, the addresses of the parties will, until changed as provided below, be as follows:

City: City of Pflugerville
100 East Main Street
Pflugerville, Texas 78660
Attn: Brandon Wade, City Manager
citymanager@pflugervilletx.gov

City of Pflugerville
Denton, Navarro Rocha Bernal Hyde & Zech, P.C.
2500 W. William Cannon, Suite 609
Austin, Texas 78745
Attn: George E. Hyde, City Attorney
george.hyde@rampage-aus.com

With Required Copy to: Terrence Irion
Attorney at Law
1250 S. Capital of Texas Hwy.
3 Cielo Center, Suite 601
Austin, Texas 78746
tirion@tirionlaw.com

Developer: Penley Park Development Company, Inc.
6 Deannas Way
Tinton Falls, NJ 07724

With Required Copies to: Doucet & Associates, Inc.
7401 B Highway 71 West, Suite 160
Austin, Texas 78735
Attn: Davood Salek, P.E.

eTexas Realty
7000 North Mopac Expressway
Austin, Texas 78731
Attn: David Cavalier

The parties may change their respective addresses to any other address within the United States of America by giving at least five (5) days’ written notice to the other party. Developer may, by giving at

least five (5) days' written notice to the City, designate additional parties to receive copies of notices under this Agreement.

Section 9.02 Severability; Waiver. If any provision of this agreement is illegal, invalid, or unenforceable, under present or future laws, it is the intention of the parties that the remainder of this Agreement not be affected, and, in lieu of each illegal, invalid, or unenforceable provision, that a provision be added to this Agreement which is legal, valid, and enforceable and is similar in terms to the illegal, invalid, or enforceable provision as is possible. Each of the rights and obligations of the parties hereto are separate covenants. Any failure by a party to insist upon strict performance by the other party of any provision of this Agreement will not be deemed a waiver of such provision or any other provision, and such party may at any time thereafter insist upon strict performance of any and all of the provisions of this Agreement.

Section 9.03 Applicable Law and Venue. The interpretation, performance, enforcement, and validity of this Agreement is governed by the laws of the State of Texas. Venue will be in a court of appropriate jurisdiction in Travis County, Texas.

Section 9.04 Entire Agreement. With the exception of the permits and approvals to be issued in connection with this Agreement, this Agreement contains the entire agreement of the Parties and there are no other agreements or promises, oral or written between the Parties regarding the subject matter of this Agreement. This Agreement can be amended only by written agreement signed by the Parties. This Agreement supersedes all other agreements between the Parties concerning the subject matter hereof.

Section 9.05 Exhibits, Hearings, Construction, and Counterparts. All schedules and exhibits referred to in or attached to this Agreement are incorporated into and made a part of this Agreement for all purposes. The section headings contained in this Agreement are for convenience only and do not enlarge or limit the scope or meaning of the sections. The Parties acknowledge that each of them have been actively and equally involved in the negotiation of this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting party will not be employed in interpreting this Agreement or any exhibits hereto. If there is any conflict or inconsistency between the provisions of this Agreement and otherwise applicable City ordinances, the terms of this Agreement will control. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which will together constitute the same instrument. This Agreement will become effective only when one or more counterparts bear the signatures of all the parties.

Section 9.06 Time. Time is of the essence of this Agreement. In computing the number of

days for purposes of this Agreement, all days will be counted, including Saturdays, Sundays, and legal holidays; however, if the final day of any time period falls on a Saturday, Sunday, or legal holiday, then the final day will be deemed to be the next day that is not a Saturday, Sunday, or legal holiday.

Section 9.07 Authority for Execution. The City certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted in conformity with City ordinances. Developer hereby certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted in conformity with the articles of incorporation and bylaws or partnership agreement of each entity executing on behalf of Developer.

Section 9.08 Exhibits. The following exhibits are attached to this Agreement, and made a part hereof for all purposes:

Section 9.09 Representations and Warranties Developer. If Developer is a corporation or a limited liability company, Developer warrants, represents, covenants, and agrees that it is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization and is duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary power and has received all necessary approvals to execute and deliver the Agreement, and the individual executing the Agreement on behalf of Developer has been duly authorized to act for and bind Developer.

Section 9.10 Franchise Tax Certification. A corporate or limited liability company Developer certifies that it is not currently delinquent in the payment of any Franchise Taxes due under Chapter 171 of the Texas Tax Code, or that the corporation or limited liability company is exempt from the payment of such taxes, or that the corporation or limited liability company is an out-of-state corporation or limited liability company that is not subject to the Texas Franchise Tax, whichever is applicable.

Section 9.11 Licenses and Maintenance Agreements. Developer and/or Penley Park Subdivision Home Owners Association, Inc., or its successors and assigns agree to maintain the detention pond on Lot 32, Block I, Penley Park Phase I. Developer and/or Penley Park Subdivision Home Owners Association, Inc., or its successors and assigns may enter into a License Agreement with the City to maintain the dedicated parkland where additional private improvements may be proposed by Developer or the Association.

This Agreement, together with any exhibits attached hereto, constitutes the entire agreement between Parties hereto, and may not be amended except by a writing signed by all Parties and dated subsequent to the date hereof.

EXECUTED to be effective in multiple originals as of the _____ day of _____, 2014.

CITY OF PFLUGERVILLE
a Texas municipal corporation

By: _____
Brandon Wade, City Manager

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

BEFORE ME, a Notary Public, on this day personally appeared Brandon Wade, City Manager of the City of Pflugerville, Texas, and known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed on behalf of the said municipality.

GIVEN UNDER MY HAND AND SEAL of office this ___ day of _____, 2014.

Notary Public in and for the State of Texas

PENLEY PARK DEVELOPMENT, INC., a Texas Corporation

By: _____
Frank Severino, President

STATE OF _____ §
 §
COUNTY OF _____ §

BEFORE ME, a Notary Public, on this day personally appeared Frank Severino, President of Penley Park Development, Inc., a Texas corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed on behalf of said entity.

GIVEN UNDER MY HAND AND SEAL of office this ___ day of _____, 2014.

Notary Public in and for the
State of New Jersey

EXHIBIT A
PROPERTY DESCRIPTION

48.8313 Acres
Legal Description
Travis County, Texas

FN No. 07-0015
February 28, 2007
D&A Job No. 972-001

DESCRIPTION OF A TRACT OF LAND CONTAINING 48.8313 ACRES (2,127,090 SQ. FT.) BEING OUT OF THE PETER CONRAD SURVEY NUMBER 71, AND THE J.W. MAXEY SURVEY NUMBER 1, SITUATED IN TRAVIS COUNTY, TEXAS, BEING ALL OF THAT 24.69 ACRES, 21.63 ACRES, AND A 50 FOOT WIDE COMMUNITY EASEMENT CONVEYED TO SREI PENLEY FARMS LLC, A COLORADO LIMITED LIABILITY COMPANY RECORDED IN DOCUMENT NUMBER 2005091293 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS (O.P.R.T.C.T.), SAID 48.8313 ACRES OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, (ALL BEARINGS ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, GRID NORTH, CENTRAL ZONE (4203), ALL DISTANCES WERE ADJUSTED TO SURFACE USING A COMBINED SCALE FACTOR OF 1.00011142):

BEGINNING at a 1/2-inch iron pipe found in the south line of a 23.81 acre tract conveyed to Patricia A. Bowman in Document Number 2000100697 (O.P.R.T.C.T.), same being the northwest corner of Lot 1, Block "A" of Shallow Creek subdivision recorded in Volume 85, Page 8C of the Plat Records of Travis County, Texas (P.R.T.C.T.), and being the northeast corner and **POINT OF BEGINNING** hereof, from which a 1/2-inch iron found for the northeast corner of said Lot 1, Block "A", bears N87°05'19"E, a distance of 203.16 feet,

THENCE, leaving said south line of the 23.81 acre Bowman tract, with the west line of said Shallow Creek subdivision, S09°12'50"W, a distance of 946.89 feet to a 1/2"inch iron pipe found for an angle point hereof, same being an angle point in the west line of Lot 7, Block "G" of said Shallow Creek subdivision,

THENCE, continuing with said west line of Shallow Creek subdivision, S08°54'27"W, a distance of 415.38 feet to a 1-inch bolt found for an angle point hereof, same being an angle point in the west line of Lot 11, Block "G" of said Shallow Creek subdivision,

THENCE, continuing with said west line of Shallow Creek subdivision, S09°01'29"W, a distance of 987.34 feet to a 1/2-inch iron rod found for the southeast corner hereof, same being the southwest corner of Lot 20, Block "G" of said Shallow Creek subdivision, also being a point in the north line of a 136.8692 acre tract conveyed to Timmerman Hagn, LTD. in Document Number 2003161500 (O.P.R.T.C.T.),

THENCE, leaving said west line of Shallow Creek subdivision, in part with, the north line of said Timmerman Hagn, LTD. tract, and in part with the north line of a 73.914 acre tract conveyed to Gerald Wilke in Volume 11649, Page 567 of the Real Property Records of Travis County, Texas, N68°56'20"W, passing at a distance of 526.37 feet a 1/2-inch iron pipe found for the northwest corner of said Timmerman Hagn, LTD. tract, same being the

northeast corner of said Gerald Wilke, continuing for a total distance of 772.52 feet to a 3/8-inch iron rod found for the southwest corner hereof, same being an angle point in said north line of the Gerald Wilke tract, also being the southeast corner of a 186.4791 acre tract conveyed to Parmer Ridge, LTD. in Document Number 1999055180 (O.P.R.T.C.T.),

THENCE, leaving said north line of the Gerald Wilke tract, with east line of said Parmer Ridge, LTD. tract, $N02^{\circ}38'23''W$, a distance of 1098.95 feet to a 1/2-inch iron rod found for an angle point hereof, same being an angle point for said Parmer Ridge, LTD. tract,

THENCE, continuing with said east line of the Parmer Ridge, LTD. tract, $N02^{\circ}32'05''W$, a distance of 829.26 feet to a 1/2-inch iron rod with "Doucet & Assoc." cap set for an angle point hereof, same being the southeast corner of the Right-of-Way of Dark Tree Lane as dedicated by Greenridge Phase 3 subdivision recorded in Document Number 200200339 (O.P.R.T.C.T.),

THENCE, in part with, the east line of said Greenridge Phase 3, and in part with the east line of Lot 90, Block "B" of Greenridge Phase 1 subdivision recorded in Document Number 200100235 (O.P.R.T.C.T.), $N02^{\circ}44'37''W$, passing at a distance of 683.21 feet a 1/2-inch iron rod with cap found for the northeast corner of said Greenridge Phase 3 subdivision, same being the southeast corner of said Lot 90, Block "B", continuing for a total distance of 1342.90 feet to a 1/2-inch iron rod with "Doucet & Assoc." cap set for the northwest corner hereof, same being a point in the south Right-of-way (R.O.W.) line of Gattis School Road,

THENCE, with the said south R.O.W. line of Gattis School Road $N88^{\circ}01'08''E$, a distance of 50.00 feet to a 1/2-inch iron rod with "Doucet & Assoc." cap set for a northeast corner hereof, same being the northwest corner of a 18.18 acre tract conveyed to Patricia A. Bowman in Document Number 2000100697 (O.P.R.T.C.T.),

THENCE, with the west line of said 18.18 acre Bowman tract, $S02^{\circ}44'50''E$, a distance of 1281.58 feet to 1/2-inch iron rod with "Doucet & Assoc." cap set for an interior ell corner hereof, same being the southwest corner of the said 18.18 acre Bowman tract,

THENCE, in part with, the south line of said 18.18 acre Bowman tract, and in part with the south line of said 23.81 acre Bowman tract $N87^{\circ}18'07''E$, a distance of 1133.14 feet to the POINT OF BEGINNING, and containing 48.8318 acres (2,127,090 sq. ft.) of land more or less

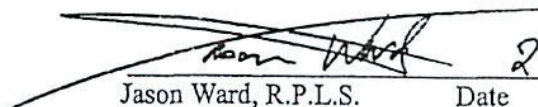
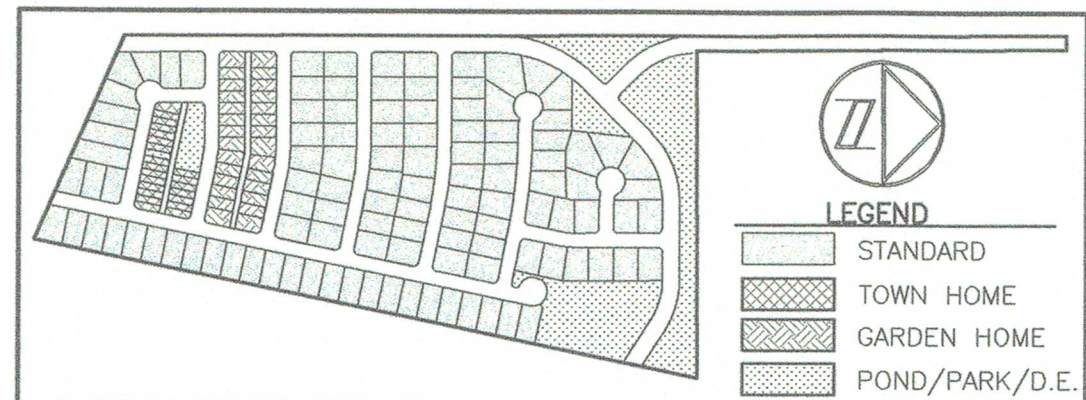
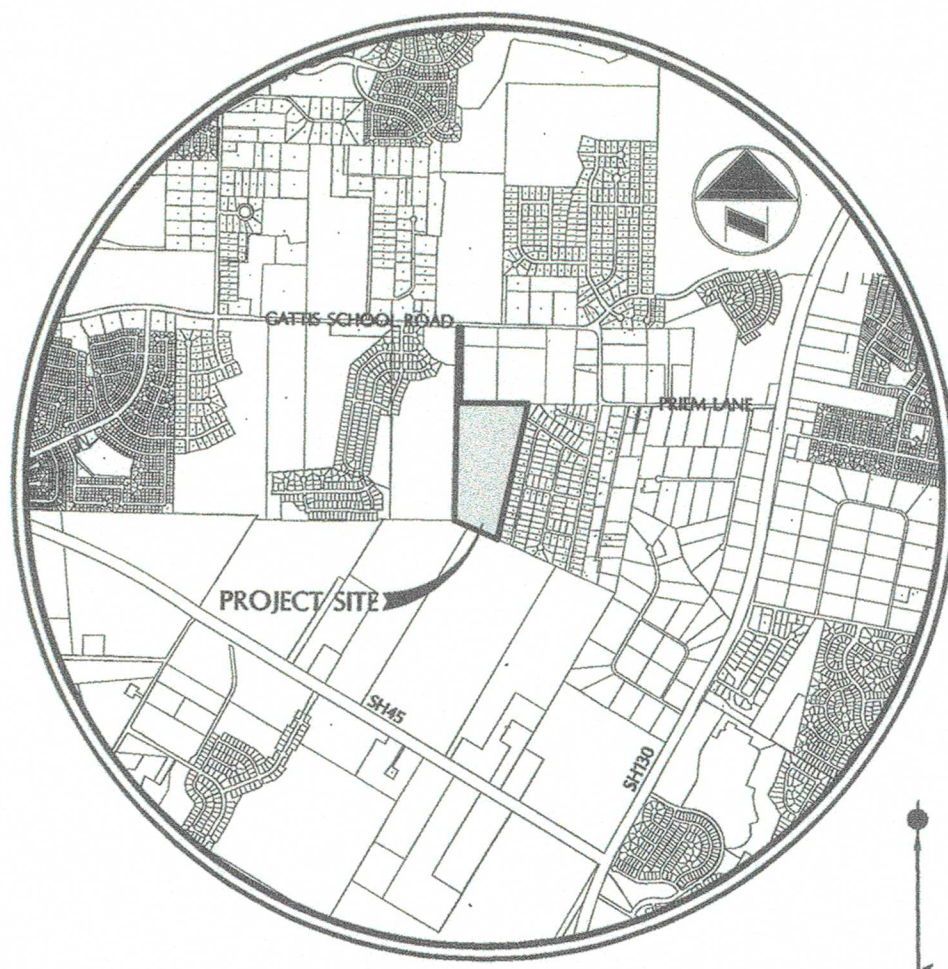

Jason Ward, R.P.L.S. Date 2-28-07
Texas Registration No. 5811
Doucet & Associates, Inc.
7401 B Highway 71 West, Suite 160
Austin, Texas 78735
512.583.2600



EXHIBIT A-1
SITE PLAN

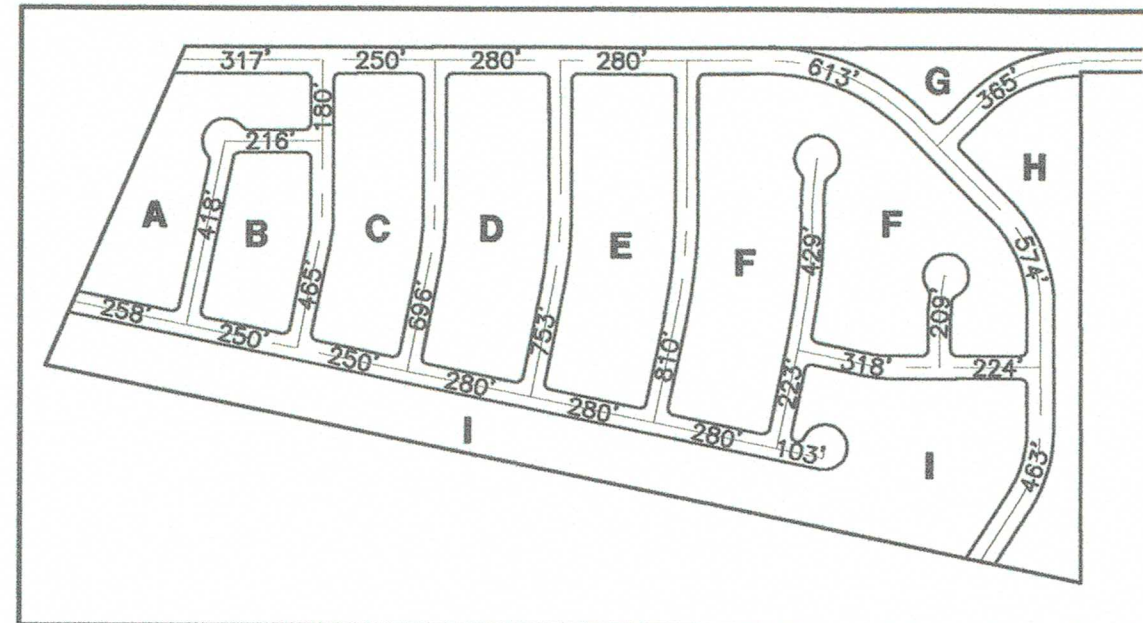
EXHIBIT B
PRELIMINARY PLAN

PRELIMINARY PLAN ONLY - NOT FOR RECORDATION



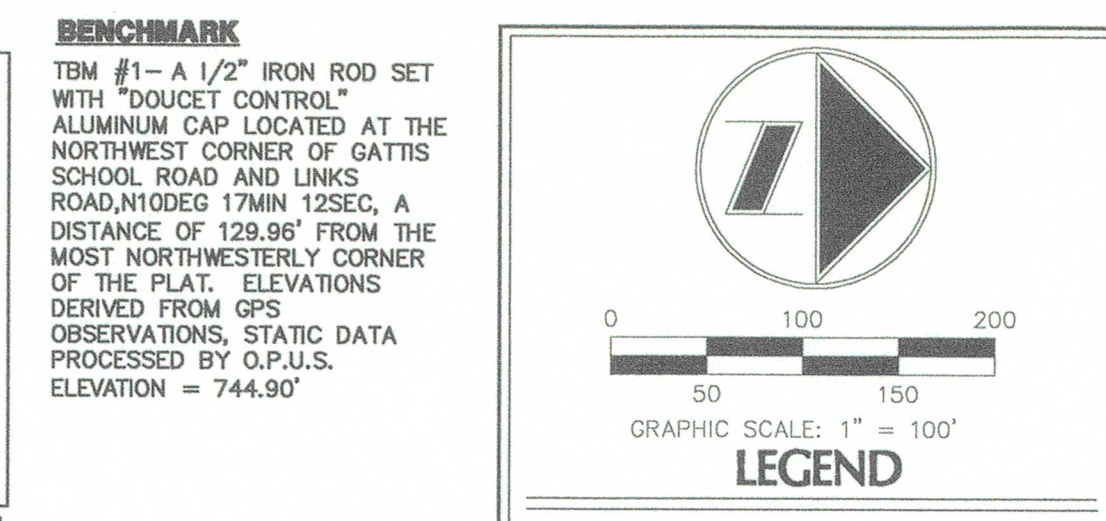
PARKLAND CALCULATIONS

TOTAL # OF RESIDENTIAL UNITS	161
TOTAL AMOUNT OF PARK LAND REQUIRED:	3.22 ACRES
TOTAL AMOUNT OF PARK LAND PROPOSED:	4.72 ACRES
TOTAL AMOUNT OF PARK LAND IN 100 YEAR FLOOD PLAIN EL.	0
TOTAL AMOUNT OF PARK LAND IN 25 YEAR FLOOD PLAIN EL.	0
AMOUNT OF CREDITABLE LAND	4.72 ACRES



LAND USE SUMMARY

LOT TYPE	ACREAGE	NO. LOTS
STANDARD LOTS (70'x115')	24.31	111
CORNER LOTS (85'x115')	2.54	28
GARDEN HOME (40'x90')	1.08	22
TOWNHOUSES (23'x90')	4.72	5
CORNER LOTS (43'x90')	2.26	1
PARKLAND	0.46	2
DRAINAGE EASEMENT	13.46	N/A
ACCESS EASEMENT		
RIGHT OF WAY		
TOTAL:	48.83	169



PHASING TABLE

PHASES	STANDARD LOTS	GARDEN HOME LOTS	TOWNHOME LOTS	TOTAL LOTS
PHASE 1	36	0	0	36
PHASE 2	43	0	0	43
PHASE 3	32	28	22	82
TOTAL:	111	28	22	161

BLOCK LENGTHS

BLOCK NO.	LENGTH	BLOCK NO.	LENGTH
A	1389'	E	2123'
B	1349'	F	3251'
C	1841'	G	794'
D	2009'	H	1402'
		I	2929'

SETBACKS:

TOWN HOMES:	GARDEN HOMES:	STANDARD LOTS:
FRONT YARD: 20'	FRONT YARD: 20'	FRONT YARD: 25'
COMMON LOT LINE: 3'	COMMON LOT LINE: 3'	COMMON LOT LINE: 5' & 7'
CORNER SIDE YARD: 5'	CORNER SIDE YARD: 15'	CORNER SIDE YARD: 15'
REAR YARD: 10'	REAR YARD: 10'	REAR YARD: 20'

VICINITY MAP
SCALE: N.T.S.

PETER CONRAD SURVEY NO. 71 ABSTRACT NO. 200

GERALD WILKE
CALLED 73.91 ACRES
VOL. 11649, PG. 563
R.P.R.T.C.T.X.

C14 ZONING
USE: VACANT

TIMMERMAN HAGEN LTD.
CALLED 136.8692 ACRES
SAVE AND EXCEPT A CALLED 8.142 ACRES.
SAVE AND EXCEPT A CALLED 5.134 ACRES.
D.O.C. NO. 2003161500
O.P.R.T.C.T.X.

C14 ZONING
USE: VACANT

640± FEET TO THE SE CORNER OF SAM JENKINS SURVEY IN A WEST LINE OF PETER CONRAD SURVEY

CITY OF PFLUGERVILLE CITY LIMITS (S00°05'00"W 1099.00') (S00°18'32"E 1098.98')

PARMER RIDGE, LTD. TRACT 1 DOC. NO. 1999055180 T.C.O.P.R.

GREENRIDGE SUBDIVISION (SINGLE FAMILY SUBDIVISION)

DARK TREE COVE

80244'50"E 1281.58'
PETER CONRAD SURVEY NO. 71 ABSTRACT NO. 200

OWNER
FRANK SEVERINO
SEVERINO HOMES AND COMMUNITIES
40 AVENUE AT THE COMMON, SUITE 201
SPRINGSBURY, NJ 07702

SUBDIVIDER
FRANK SEVERINO
SEVERINO HOMES AND COMMUNITIES
40 AVENUE AT THE COMMON, SUITE 201
SPRINGSBURY, NJ 07702

ENGINEER
DOUCET & ASSOCIATES, INC.
7401 B. HIGHWAY 71 WEST
SUITE 160
AUSTIN, TEXAS 78735

SURVEYOR
DOUCET & ASSOCIATES, INC.
7401 B. HIGHWAY 71 WEST
SUITE 160
AUSTIN, TEXAS 78735

ACREAGE
48.83 ACRES

NUMBER OF BLOCKS
9

NUMBER OF LOTS
169

LINEAR FEET OF NEW STREETS
11,139.46LF

DATE
AUGUST 3, 2011

LEGAL DESCRIPTION
48.8306 ACRES (2,127,060 SQUARE FEET) PARTIALLY OUT OF THE PETER CONRAD SURVEY NO. 71 AND THE J.W. MAXEY SURVEY NO. 1 SITUATED IN TRAVIS COUNTY, TEXAS.

- NOTES**
- ALL PROPOSED COLLECTOR AND LOCAL STREETS WITHIN THIS SUBDIVISION SHALL HAVE A MIN. 4' WIDE CONCRETE SIDEWALK ALONG BOTH SIDES OF THE STREET.
 - DETAILS FOR PAVEMENT TRANSITION ALONG PEACH VISTA DRIVE FROM CURB AND GUTTER TO DRIVE WITH ROADSIDE SWALES WILL BE PROVIDED WITH CONSTRUCTION PLANS. DRAINAGE DETAILS WILL BE PROVIDED TO CONVEY CURBS AND GUTTER DRAINAGE TO ROADSIDE SWALES. ROADSIDE SWALES WILL ONLY BE ALLOWED TO CONVEY DRAINAGE FOR LINKS LANE.
 - OWNERSHIP AND MAINTENANCE OF ALL NON-SINGLE FAMILY LOTS AND DRAINAGE EASEMENTS (EXCLUDING PUBLIC PARKLANDS) WILL BE THE RESPONSIBILITY OF THE HOME OWNERS ASSOCIATION.
 - LINKS DRIVE SHALL BE A COLLECTOR STREET WITH A 30' WIDE PAVEMENT WIDTH MEASURED EDGE OF PAVEMENT TO EDGE OF PAVEMENT TO THE POINT AT WHICH THE ROW CHANGES FROM 50' TO 60'. WHERE THE ROW IS 60' WIDE AND 40' OF PAVEMENT MEASURED F.O.C. TO F.O.C. WILL BE PROVIDED PER THE CITY OF PFLUGERVILLE MASTER PLAN. PEACH VISTA SHALL BE A COLLECTOR STREET WITH 40' PAVEMENT WIDTH (F.O.C. TO F.O.C.). ALL OTHER STREETS ARE LOCAL STREETS WITH 30' PAVEMENT WIDTH (F.O.C. TO F.O.C.).
 - THIS PROJECT IS LOCATED WITHIN WILMBERG CREEK WATERSHED. NO PORTION OF THIS TRACT IS WITHIN THE BOUNDARIES OF THE FEMA 100-YEAR FLOODPLAIN PANEL NO. 484530075 E. 100 YEAR FLOODPLAIN SHOWN ARE FROM O&A STUDY.
 - UTILITIES WILL BE PROVIDED BY THE FOLLOWING:
WATER - MANVILLE WATER SUPPLY
WASTEWATER - WINDERMERE UTILITY COMPANY
ELECTRICITY - ONORC ELECTRIC
 - FINAL DETERMINATION OF NEED FOR EASEMENTS TO BE DETERMINED WITH FINAL PLAN AND CONSTRUCTION PLANS.
 - LOT 25, 26, 27 & LOT 28, 29, 30 ARE ACCESS EASEMENTS AND SHALL BE MAINTAINED AND OWNED BY THE HOA.
 - ALL EXISTING BUILDINGS, DRIVEWAYS, ROADS, ETC. WILL BE REMOVED.
 - NO PARKING SHALL BE ALLOWED IN ALLEYS.
 - PROPOSED PARKS ARE TO BE PUBLIC.
 - STORM WATER SHALL BE CONVEYED VIA DRAINAGE EASEMENTS.
 - NO PARKING SHALL BE ALLOWED IN ALLEYS.
 - WATERLINE SHALL CONNECT TO EXIST. WATER MAIN @ PEACH VISTA DR.
 - DEVELOPMENT DESIGN STANDARDS PER DEVELOPMENT AGREEMENT A 10'-FT. PUBLIC UTILITY EASEMENT ADJACENT TO ALL PUBLIC STREETS IS HEREBY DEDICATED.
 - THIS SUBDIVISION IS SUBJECT TO ALL CITY OF PFLUGERVILLE ORDINANCES RELATED TO TREE PRESERVATION INCLUDING BUT NOT LIMITED TO SUBCHAPTER 12 OF THE UNIFIED DEVELOPMENT CODE AND THE TREE TECHNICAL MANUAL, AS AMENDED.
 - NO OBJECTS INCLUDING BUT NOT LIMITED TO BUILDINGS, FENCES, OR LANDSCAPING SHALL BE ALLOWED IN A DRAINAGE EASEMENT.
 - THE PROPERTY OWNER SHALL PROVIDE ACCESS TO DRAINAGE AND UTILITY EASEMENTS AS MAY BE NECESSARY AND SHALL NOT PROHIBIT ACCESS FOR INSPECTION, OPERATION, AND MAINTENANCE.
 - ALL DRAINAGE EASEMENTS ON PRIVATE PROPERTY SHALL BE MAINTAINED BY THE PROPERTY OWNER OR HIS/HER ASSIGNS.
 - ALL (NEW) TELEPHONE AND CABLE TELEVISION UTILITY LINES AND ALL ELECTRIC UTILITY LATERAL AND SERVICE LINES AND WIRES SHALL BE PLACED UNDERGROUND, EXCEPT AS OTHERWISE HEREIN PROVIDED.
 - WHERE EXISTING OVERHEAD ELECTRICAL SERVICE EXISTS, ELECTRIC UTILITY SERVICE LINES FOR STREET OR SITE LIGHTING SHALL BE PLACED UNDERGROUND.
 - ALL ELECTRICAL, CABLE TELEVISION, AND TELEPHONE SUPPORT EQUIPMENT (TRANSFORMERS, AMPLIFIERS, SWITCHING DEVICES, ETC.) NECESSARY FOR UNDERGROUND INSTALLATIONS IN SUBDIVISIONS SHALL BE PAD MOUNTED OR PLACED UNDERGROUND IN A PUBLIC UTILITY EASEMENT RATHER THAN A RIGHT-OF-WAY.

PATRICIA A. BOWMAN
TRACT NO. 2
CALLED 23.81 ACRES
DOC. NO. 200100697
O.P.R.T.C.T.X.

P.O.B.
EL. 729.52

Parcel Line Table

Line #	Length	Line #	Length	Line #	Length	Line #	Length	Line #	Length
L1	6.23	L12	23.00	L22	23.00	L32	23.01	L42	23.01
L3	12.00	L13	23.00	L23	23.00	L33	23.00	L43	24.00
L4	23.00	L14	22.99	L24	23.00	L34	23.00	L44	11.00
L5	23.00	L15	23.01	L25	23.00	L35	26.00	L45	23.00
L6	23.00	L16	23.00	L26	23.00	L36	20.00	L46	23.00
L7	23.00	L17	23.00	L27	23.00	L37	26.01	L47	23.00
L8	23.00	L18	11.01	L28	23.00	L38	23.00	L48	23.00
L9	23.00	L19	20.42	L29	23.00	L39	23.00	L49	23.00
L10	22.99	L20	42.80	L30	23.00	L40	23.00	L50	24.00
L11	23.00	L21	23.00	L31	22.99	L41	23.00	L51	20.00
L12	23.00	L22	23.00	L32	23.01	L42	23.01	L52	15.68
L13	23.00	L23	23.00	L33	23.00	L43	24.00	L53	3.21
L14	22.99	L24	23.00	L34	23.00	L44	11.00	L54	20.00
L15	23.00	L25	23.00	L35	26.00	L45	23.00	L55	5.58
L16	23.00	L26	23.00	L36	20.00	L46	23.00	L56	6.81
L17	23.00	L27	23.00	L37	26.01	L47	23.00	L57	3.21
L18	23.00	L28	23.00	L38	23.00	L48	23.00	L58	9.13
L19	20.42	L29	23.00	L39	23.00	L49	23.00	L59	13.53
L20	42.80	L30	23.00	L40	23.00	L50	24.00	L60	7.96
L21	23.00	L31	22.99	L41	23.00	L51	20.00	L61	2.32

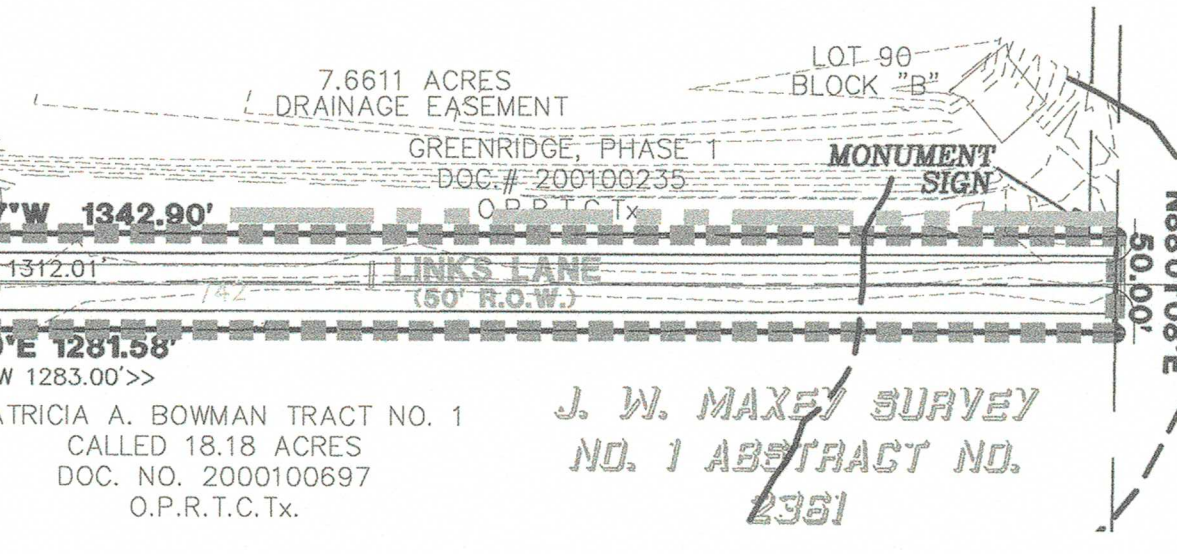
Parcel Line Table

Line #	Length	Line #	Length	Line #	Length	Line #	Length
L62	9.80	L72	10.38				
L63	11.92	L73	10.38				
L64	16.47						
L65	19.30						
L66	11.12						
L67	12.43						
L68	11.74						
L69	14.69						
L70	5.00						
L71	6.83						
L72	10.38						
L73	10.38						

STATE OF TEXAS & COUNTY OF TRAVIS &
 KNOW ALL MEN BY THESE PRESETS:

I, SYDNEY SMITH XINOS, DO HEREBY CERTIFY THAT I PREPARED THIS PLAN FROM AN ACCURATE AND ACCURATE ON-THE-GROUND SURVEY OF THE LAND, AND THAT THE CORNER MONUMENTS SHOWN THEREON MARKING THE BOUNDARY OF THE PROPOSED SUBDIVISION, BUT NOT INTERIOR LOT LINES, WERE PROPERLY PLACED UNDER MY PERSONAL SUPERVISION, IN ACCORDANCE WITH THE SUBDIVISION CODE OF THE CITY OF PFLUGERVILLE, TEXAS AND THAT ALL KNOWN EASEMENTS WITHIN THE BOUNDARY ON THE PLAN ARE SHOWN HEREON.

SYDNEY SMITH XINOS, R.P.L.S.
DOUCET & ASSOCIATES, INC.
7401B HWY 71 WEST, STE. 160
AUSTIN, TEXAS 78735
512-383-2800



KPKM II VENTURES, LTD.
REMAINDER OF A CALLED 62.877 ACRES
DOC. NO. 1999155154
O.P.R.C.T.X.

TBM #1
ELEV. = 744.90'
LINKS LANE

KPKM II VENTURES, LTD.
REMAINDER OF A CALLED 62.877 ACRES
DOC. NO. 1999155154
O.P.R.C.T.X.

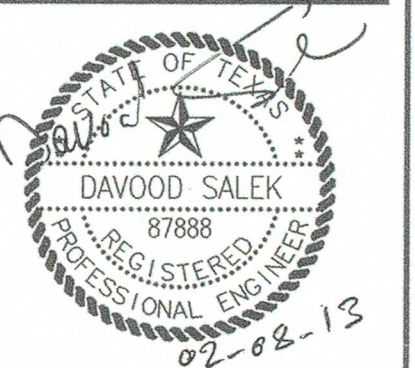
REVISIONS:

NO.	DESCRIPTION	REVISE (R)/ADD (A) SHEET NO'S	TOTAL SHEET IN PLAN SET	NET CHANGE IMP. COVER	TOTAL SITE IMP. COVER	R SITE IMP. COVER	APPROVED DATE

DA DBPE # 3937
 Doucet & Associates, Inc.
 7401 B Hwy. 71 West, Suite 160 Austin, TX 78735
 Phone: (512) 383-2600 Fax: (512) 383-2401
 AUSTIN, TEXAS - DARTMOUTH, MASSACHUSETTS - ROSELAND, CALIFORNIA
 www.doucetandassociates.com

PRELIMINARY PLAN

REVISED PRELIMINARY PLAN
PENLEY PARK SUBDIVISION
 PFLUGERVILLE, TEXAS



Scale: AS SHOWN
 Designed by: DS
 Drawn by: BC
 Reviewed by: DS
 Date: 10/20/2011

SHEET
 1
 OF 6

Project No: 972-001

EXHIBIT C-1
UTILITY COMMITMENT LETTER

Manville Water Supply Corporation

P. O. Box 248
Coupland, TX 78615

(512) 272-4044 (512) 365-7696
(512) 856-2488 (Fax) 856-2029

MEMORANDUM

Date: November 30, 2006

To: Whom it May Concern

From: LaVerne Rohlack
Manville Water Supply Corp.

Re: Penley Farm Subdivision

Manville Water Supply Corporation received a check for \$257,400 on September 6, 2002 for 130 LUE's.

EXHIBIT C-2
AGREEMENT TO PROVIDE WASTEWATER SERVICE

Agreement to Provide Wastewater Service

STATE OF TEXAS §
 COUNTY OF TRAVIS §

This Agreement is by and between WINDERMERE UTILITY COMPANY, INC. ("Utility"), a Texas corporation, and Robert W. Penley and wife, Sandra R. Penley (collectively "Penley Farms"), and is as follows:

1.

WASTEWATER SERVICE

1.1 Reservation of Capacity and Agreement to Provide Service: Utility reserves and agrees to provide service to Penley Farms of One Hundred Forty-Five (145) Living Unit Equivalents (LUE's) of wastewater capacity as defined in Exhibit "A" attached hereto.

This Wastewater Service Commitment shall be limited to the proposed buildings and structures to be located on that approximate 46 acre tract of land situated, lying and being in the State of Texas, County of Travis, located in the Peter Conrad Survey Abstract No. 71, being a portion of said 46.00 acre tract or parcel of land being more particularly described by metas and bound in Exhibit B, known as Penley Farms, in the Pflugerville, ETJ, in Travis County, Texas (the "Land") and the building and structures contained on the plans that have been submitted to Utility to review prior to entering this Agreement.

1.2 It is expressly agreed that this Agreement extends only to the wastewater service and the treatment of any domestic and commercial sewage originating from the Land. Domestic sewage means wastewater, when analyzed, indicates that the concentration of Biochemical Oxygen Demand (BOD₅) does not exceed 200 milligram per liter (mg/L), Total Suspended Solids (TSS) not exceed 200 mg/L and Chemical Oxygen Demand (COD₅) does not exceed 450 mg/L. Commercial/Industrial sewage means waste which, when analyzed, exceeds the concentrations of BOD₅, TSS and COD₅ as stated in the prior paragraph. Any sewage other than domestic sewage will require pretreatment which may be waived, such waiver or non/waiver will be determined by the Utility at its sole discretion.

Pretreatment means the processes and actions taken that result in the reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of the properties of pollutants in the sewage prior to introducing such pollutants into the Utility's sewage system and also include the application and disclosure process of the applicant preparing the wastewater Questionnaire supplied by the Utility. This process shall be at the sole cost and expense of the Penley Farms. Sole costs and expenses are to be paid by Penley Farms for any pretreatment facilities and/or processes. The pretreatment requirements shall be such requirements that may be required by the Rules for Commercial Wastewater Pretreatment as promulgated by the TNRCC, the City of Austin, City of Pflugerville, and any State and Federal laws, rules or regulations that may be adopted from time to time by the Utility. Penley Farms agrees to be responsible and liable for and agrees to pay for any costs of operation, maintenance, repair, compliance and fines and penalties that result from any misuse and/or any failure of any pretreatment facilities on any pretreatment facilities installed by Penley Farms and/or installed upon the Land. Penley Farms agrees to acknowledge receipt of the documentation for all pretreatment requirements. When used in this Agreement, the terms sewage and wastewater have the same meaning.

1.3 This Agreement is in all respects subject to and limited by all federal, state, and local statutes, rules, permits, and approvals in determining treatment, sites, and all other related considerations.

1.4 Penley Farms warrants, represents, and promises that the demand for wastewater service to the Land will not exceed the One Hundred Forty-Five (145) LUEs reserved in this Agreement. In the event the Utility determines that the demand for wastewater treatment capacity to any buildings and/or

other uses on the Land will cause the demand for wastewater treatment within or from the Land to exceed the number of LUE's reserved in this Agreement, Utility may refuse to allow the building and/or other uses to be connected to the wastewater collection system. In such event, Penley Farms will indemnify Utility, its successors and assigns, and hold Utility free and harmless from and against any and all claims, demands, and causes of action which may be asserted by anyone on account of such refusal, including all attorneys' fees and other expenses which may be incurred by Utility in connection with such claims, demands, and causes of action. Penley Farms's obligations pursuant to the foregoing sentence shall survive any transfer of LUE's reserved in this Agreement.

1.5 Utility and Penley Farms acknowledge that the buildings to be constructed upon the Land may be utilized for activities that produce wastewater that will require pretreatment. Penley Farms on behalf of itself, its successors and assigns acknowledges that it will be responsible for any pretreatment of the wastewater to bring the quality of wastewater up to the quality of domestic wastewater. Therefore, the parties hereto agree that Penley Farms, its successors and assigns will be liable for (1) the cost of reasonable testing of such wastewater (such tests may be made and taken at Utility's sole and absolute discretion as to the frequency and test content and testing facility utilized; this discretion shall be determined in light of all statutory and regulatory requirements); (2) the engineering cost (planning, design, and inspection of construction) of any pretreatment facilities; (3) construction cost of such pretreatment facilities; (4) the cost of record keeping, monitoring, repair, and maintenance of such pretreatment facility; and (5) any costs of operation, maintenance, repair, compliance, and fines and penalties that result from any misuse and/or failure of any pretreatment facilities installed. The testing will be conducted as reasonably necessary as determined by the Utility, and the extent possible, it is to be done outside the physical buildings whenever possible and in a manner which will be of the least inconvenience to Penley Farms. Penley Farms agrees that it will construct the wastewater lines upon its property in such a manner that testing ports will be provided in those wastewater lines. In the event Penley Farms' use, or its successor's and assigns' uses, changes such that the wastewater being produced from the Land contains qualities other than domestic wastewater qualities, and/or the statutes, rules and regulations change such that pretreatment is required for any currently anticipated use, then Penley Farms or its successor and assigns (as the case may be) shall be responsible for the pretreatment cost and expenses as required and as set forth above. Penley Farms acknowledges that Penley Farms shall and will follow such rules and regulations that are adopted for such pretreatment.

2.

PENLEY FARMS SCHEDULE

2.1 Penley Farms represents that the design of the lines necessary to connect the wastewater service to the Land has not as yet been completed and Penley Farms, along with others, is commencing or will commence construction of the wastewater collection lines necessary to serve the Land. Upon completion of the design and the lines to connect the Land, Penley Farms represents that it will connect to the facilities. Penley Farms acknowledges that it will, if necessary to serve the Land, build a lift station within an easement granted to the Utility, or a parcel which is to be deeded to the Utility and Penley Farms will convey said lift station along with the connecting infrastructure to the Utility prior to connecting to the Utility providing service.

3.

PROVISION OF FACILITIES BY UTILITY

3.1 Utility agrees to provide Penley Farms with One Hundred Forty-Five (145) LUEs of wastewater capacity. Utility agrees to expand its wastewater treatment and collection facilities, if necessary, in a reasonable and orderly manner to provide the LUE capacity reserved in this Agreement except for the lines and lift station addressed otherwise herein. Utility represents that, as of the date of this Agreement, Utility has existing capacity to meet the requirements of Penley Farms' reservation and Utility's obligation to provide the wastewater capacity set forth in this Agreement.

CONDITIONS PRECEDENT TO SERVICE

4.1 Wastewater service will not be provided to the Land until:

- (a) the installation, inspection, and acceptance of the wastewater lines, the wastewater interceptors, and until Utility obtains title to the wastewater collection facilities necessary, if any, to serve the Land as provided in Article 5 of this Agreement; and
- (b) all tap fees and post-connection fees and charges pursuant to Utility's wastewater tariffs as approved by the TNRCC, or any other governing body having jurisdiction, as applied to commercial customers, are paid; and
- (c) Penley Farms has engineered and Utility has accepted any pretreatment and facilities, pretreatment plan, and record-keeping plan for such pretreatment facilities; and
- (d) the plans and specifications for the construction and facilities shall have been reviewed, commented upon, and accepted by the Travis County Emergency Services District #2.
- (e) Penley Farms has constructed the lift station, if necessary, with such lift station constructed in accordance with Plans and Specifications approved by the Utility's engineers and the conveyance of the lift station to Utility along with any lines constructed by Penley Farms from the lift station to the Utility's lines currently in place and/or to the lines and/or force main to be constructed and conveyed by Penley Farms.
- (f) The construction by Penley Farms and conveyance by Penley Farms to the Utility of the force main, line, lines and/or other infrastructure that connects the lift station to the remainder of the Utility's wastewater collectors and/or force mains currently in existence.
- (g) Penley Farms conveyance of and/or providing to Utility any and all easements for the lift station from the lift station to the edge of Penley Farms' property to allow utilization of the lift station by other Utility customers and/or prospective customers.

CONSTRUCTION OF FACILITIES AND PHASING OF SERVICE

5.1 Penley Farms shall be solely responsible for designing and constructing the wastewater collection system that will connect to Utility's existing systems at the point or points to be designated by Utility. Penley Farms shall be solely responsible for designing and constructing all lines necessary to connect the wastewater collection system to Utility's existing systems at a point or points to be designated by Utility. Prior to construction, the plans and specifications for the wastewater collection system must be approved by Utility and any other regulatory authorities that have jurisdiction over the project. Construction of the wastewater collection system shall be subject to inspection by Utility and approval by the appropriate and applicable regulatory authorities. Penley Farms shall be responsible for paying all fees to all governmental or regulatory authorities having jurisdiction in connection with the approval of the plans, specifications, and construction of the wastewater collection system.

5.2 Penley Farms shall provide to Utility all necessary easements and other interests in and on the Land for the wastewater collection system, if any, and any easements and other interests in Land

necessary to transport wastewater from the Land to Utility's treatment plant, and to transport effluent from the treatment plant to the point of discharge.

6.3 The wastewater collection system shall not be connected to Utility's system until the following have occurred:

- (a) all the consideration provided in paragraph 7 has been paid in full;
- (b) the system has been approved by Utility and all onsite and offsite improvements have been connected to the Utility's wastewater collection system;
- (c) the system has been accepted by and conveyed to Utility as set forth in the following paragraph and the conditions precedent as set forth in Article 4 above have been met; and

6.

ALLOCATION AND TRANSFER OF LUE'S

6.1 This Agreement extends and applies only to the provision of wastewater service to Land in LUE units as described on Exhibit "A" hereto. Penley Farms warrants that the legal description in paragraph 1.1 is accurate, and that it is the only owner of the Land. This Agreement or any part thereof may only be transferred, pursuant to the provisions of paragraph 6.2 below, when the Land or any part of it is transferred by deed, duly recorded in the Travis County Deed Records, to a new owner.

6.2 The LUE's reserved and committed in this Agreement do not run with the Land. Penley Farms may transfer or assign this Agreement subject to Paragraph 6.1 of this Agreement and subject to prior written approval by Utility, which approval shall not be unreasonably withheld or delayed. Penley Farms and the transferee will return this Agreement to Utility, and Utility will issue a replacement agreement to the transferee. The provisions of the replacement agreement will be substantially identical to this Agreement. After any transfer, Utility shall have no further liability to Penley Farms unless the transfer is a partial transfer. No transfer will be made until all Penley Farms's obligations to Utility are satisfied. No transfer will be made until Penley Farms has reimbursed the Utility for all reasonable legal and engineering expenses incurred by Utility in connection with the transfer, and Penley Farms' transferee has affirmatively accepted all responsibilities under the Agreement and Utility has in its sole discretion qualified the transferee.

7.

CONSIDERATION AND ALLOCATION OF LUE'S

7.1 The charge for each LUE of wastewater reserved in this Agreement is One Thousand, Three Hundred Seventy-Three dollars (\$1,373.00), the total charge for One Hundred Forty-Five (145) LUEs of wastewater being One Hundred Ninety-Nine Thousand, Eighty-Five Dollars (\$199,085.00), which is a contribution in aid of construction in an amount sufficient to furnish the development with all facilities compliant with the TNRCC minimum design criteria for production, storage, treatment, or transmission facilities necessary for a wastewater system which Penley Farms is paying on behalf of the Developer.

7.2 The payment of the One Hundred Ninety-Nine Thousand, Eighty-Five Dollars (\$199,085.00) shall be payable as follows:

- (a) One-Third (1/3) of the \$199,085.00 or \$66,361.66 shall be payable at the execution of this Agreement to Provide Wastewater Service.
- (b) The next one-third (1/3) of the \$199,085.00 or \$66,361.66 shall be payable upon receipt by Penley Farms of the final plat approval for the project contemplated in the plans that have been submitted to Utility for review.

(c) The final payment of the one-third of the \$199,085.00 or \$66,361.66 shall be payable upon the first connection of any part of wastewater facilities located on the Land to the Utility's wastewater system.

7.3 An inspection fee may be charged to Penley Farms prior to acceptance of the facilities constructed by Penley Farms. This inspection will be to insure that such facilities meet with all applicable standards. This fee to Penley Farms shall be at Utility's cost.

7.4 The fulfillment of all the conditions precedent set forth in 4.1 above and fulfillment of the commitment made in 5 above.

8.

NOTICES

8.1 Any notice to be given hereunder by either party to the other party shall be in writing and may be effected by personal delivery in writing or by registered or certified mail, return receipt requested. Notice shall be effective upon personal delivery or upon the expiration of three (3) days after it has been deposited in the United States mail, properly addressed, postage prepaid. Notice to the parties shall be sufficient if made or addressed as follows:

"Utility"
Windermere Utility Company, Inc.
c/o ECO Resources, Inc.
9511 Ranch Road, 620 North
Austin, Texas 78726-2908

with copies to: Latus R. Prikryl
Phillips & Prikryl, L.L.P.
518 Congress Avenue, Suite 2600
Austin, Texas 78701-3503

Penley Farms
c/o Robert W. Penley and wife, Sandra B. Penley
4135 Gattis School Road
Austin, Texas 78729

512/ 261-4342

with copies to: _____

9.

DEFAULT

9.1 In the event of default by a party with respect to this Agreement, or any other agreement between the parties to this Agreement, the other party not being in default, the party not in default shall give to the defaulting party written notice of such default specifying the failure or default relied upon. If the defaulting party fails to fully cure the default specified in such notice within thirty (30) days after receipt of such notice or if such default cannot reasonably be cured within such thirty (30) day period and the defaulting party has failed to use reasonable efforts to attempt to cure such default, the party not in default shall have the right to:

- (a) terminate this Agreement in full without liability of any kind to the defaulting party; or
- (b) pursue specific performance of this Agreement.

The party not in default may employ attorneys to pursue its legal rights and, if the party not in default prevails before any court or agency of competent jurisdiction, the defaulting party shall be obligated to pay all expenses incurred by the party not in default, including reasonable attorneys' fees.

The parties recognize that each of their undertakings in this Agreement is an obligation which, if not performed, could not adequately be compensated by money damages. The parties have therefore negotiated this Agreement without allowance for any potential damages either may suffer as a result of the failure of the other to perform its obligations hereunder. Accordingly, Utility and Penley Farms agree that, in the event of any failure to perform any covenants, conditions, or obligations of this Agreement on the part of either party, the remedies of the parties are limited to those set forth above, i.e., the right to terminate this Agreement or to pursue specific performance.

In the event of default by Penley Farms, no money paid by Penley Farms under this Agreement is refundable for any reason. All sums paid will be retained by Utility as just compensation for processing, system planning, withholding wastewater treatment capacity to others, and for other costs and expenses experienced by Utility.

10. GENERAL

10.1 This Agreement to Provide Wastewater Service shall be governed by and be construed in accordance with the laws of the State of Texas.

10.2 If any provision of this Agreement to Provide Wastewater Service shall be held by a court of competent jurisdiction to be contrary to law or public policy or otherwise unenforceable, the remaining provisions shall remain in full force and effect, and the parties shall negotiate, in good faith, a substitute, valid, and enforceable provision which most nearly reflects the parties' stated intention as set forth in such affected provision.

10.3 It is understood and agreed that no brokers are involved in the negotiation and consummation of this Agreement, and each of the parties represents to the other that it has not incurred and will not incur any liability for brokerage fee or agent commissions in connection with this Agreement.

10.4 If, after five (5) years from the date of execution of this Agreement, Penley Farms has not connected all of the Land to Utility's wastewater systems, any wastewater LUE's not used by that date shall no longer be committed to the Land and shall expire. No refunds will be made of any amounts paid by Penley Farms.

10.5 Time is of the essence with respect to all matters covered by this Agreement.

10.6 This Agreement shall bind the parties to this Agreement, their affiliates, successors, and assigns. No other persons or entities may enforce this Agreement or claim any benefits under this Agreement.

10.7 If any party is rendered unable, wholly or in part, by Force Majeure to carry out any of its obligations under this Agreement other than an obligation to pay or provide money, then such obligations of that party, to the extent affected by such Force Majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period, provided that immediate notice is given to each of the affected parties. Such cause, as far as possible, shall be remedied with all reasonable diligence.

10.8 There are no oral agreements between the parties hereto with respect to the subject matter hereof. This Agreement shall be subject to change or modification only with the mutual written consent of Utility and Penley Farms.

10.9 This Agreement to Provide Wastewater Service is an offer to Penley Farms by Utility to provide wastewater service on the terms set forth herein. In the event Penley Farms has not accepted the offer by execution and payment of funds as set forth herein within fourteen days of its transmittal (such date is set forth in the transmittal that accompanies this document), the Utility's offer will be null and void. The acceptance is only binding if the Agreement to Provide Wastewater is executed and delivered along with payment to Utility's counsel within the fourteen days as set forth above.

11.

COUNTERPARTS AND FACSIMILE COPIES

11.1 The parties agree that this Agreement to Provide Wastewater Service may be executed in multiple counterparts which, taken together, shall form the contractual agreement of the parties.

11.2 For purposes of negotiating and finalizing this Agreement or any of the agreements that are contemplated herein, this documents and such documents may be transmitted by facsimile machine ("fax") and such faxed copies shall be treated for all purposes as original documents. Additionally, the signature of any party on a document transmitted by fax shall be considered for all purposes as an original signature. All such faxed documents shall be considered to have the binding legal effect as an original document. Each party hereto agrees that any document so faxed shall upon request of any party be executed by each signatory party in an original form.

12.

AUTHORITY FOR SIGNATURE AND EFFECTIVE DATE

12.1 The person signing this Agreement to Provide Wastewater Service warrants that he is authorized to sign this Agreement on behalf of Penley Farms. This Agreement to Provide Wastewater Service is effective and begins on _____, 2002.

"UTILITY"
WINDERMERE UTILITY COMPANY, INC.

By: _____
_____, President

"PENLEY FARMS"

Robert W. Penley

Sandra R. Penley

Exhibit "A"

LUE Criteria

A. A living unit equivalent (LUE) is defined as the typical flow that would be produced by a single-family residence (SFR) located in a typical subdivision. For water this includes consumptive uses such as lawn watering and evaporative coolers. The wastewater system does not receive all of these flows, so the flows expected differ between water and wastewater. The number of LUE's for a project are constant; only the water and wastewater flows are different.

One (1) LUE produces: 2.2 GPM (Peak Hour) of water flow
 1.3 GPM (Peak Day) of water flow
 350 GPD (0.243 G.P.M.) average dry weather flow

B. Peak Flow Factor Formula

$$PFF = \frac{18 + [0.0144 (F)]^{0.5}}{4 + [0.0144 (F)]^{0.5}}$$

F = AVERAGE FLOW (GPM)

RESIDENTIAL

One (1) Single Family Residence
 Modular Home; Mobile Home
 One (1) Duplex
 One (1) Triplex; Fourplex; Condo Unit
 P.U.D. unit (6+ Units/Acre to
 24 Units/Acre)
 One (1) Apartment Unit
 (24 + Units/Acre)
 One (1) Hotel or Motel Room

LUE CONVERSION

1 LUE
 2 LUE's

 0.7 LUE/Unit
 0.5 LUE/Unit
 0.5 LUE/Room

COMMERCIAL

Office
 Office Warehouse
 Retail; Shopping Center
 Restaurant; Cafeteria
 Hospital
 Rest Home
 Church (Worship Services Only)
 School (Includes Gym and Cafeteria)

LUE CONVERSION

1 LUE/3000 Square Feet of Floor
 1 LUE/4000 Square Feet of Floor
 1 LUE/1660 Square Feet of Floor
 1 LUE/200 Square Feet of Floor
 1 LUE/Bed
 1 LUE/2 Beds
 1 LUE/70 Seats
 1 LUE/13 Students

The LUE conversions to uses not described above will be determined by Windermere Utility Company, Inc.

Exhibit "A"
to
Agreement to Provide Wastewater Service

Legal Description:

BEING 24.69 acres of the Peter Conrad Survey #71 in Travis County, Texas, part of a tract described in a deed from J.E. Jackson to Raymond S. Kaufman of record in Vol. 1966, Page 249, Deed Records of Travis County, Texas. Survey on the ground by W.F. Forest in May, 1988.

BEGINNING at a fence corner post at the SW corner of said Kaufman tract,

THENCE N 0 deg. 05' E 1099 feet to set an iron stake at the SW corner of a 50 foot wide Community Road,

THENCE S 87 deg. 36' E at 50 feet an iron stake at the SE corner of said Community Road, in all 991.7 feet to set an iron pin.

THENCE S 11 deg. 45' W 1402.5 feet to a fence corner post at the SE corner of the Kaufman tract.

THENCE N 66 deg. 05' W 773 feet to the point of beginning.

Together with the free and uninterrupted use, liberty, privilege, and easement, together with all other persons having a like right, of passing in and along a certain way across a certain tract of land situated in said County of Travis, adjoining the premises hereinbefore described; said easement area being described by metes and bounds as follows:

BEGINNING at the northwest corner of the afore described 24.69 acre tract of land thence north 0 deg. 05 min. east a distance of 890 feet to a point;

THENCE north 0 deg. 05 min. west a distance of 1283 feet to a point in the south line of Priem Lane;

THENCE south 89 deg. 19 min. east a distance of 50 feet to a point in the south line of Priem Lane;

THENCE south 0 deg. 05 min. east a distance of 1283 feet to a point;

THENCE south 0 deg. 05 min. west a distance of 890 feet to a point in the north line of said 24.69 acre tract;

THENCE north 87 deg. 36 min. west with the north line of said 24.69 acre tract 50 feet to the point of beginning.

Together with free ingress, egress and regress to and for the said Grantees herein, their heirs and assigns, in common with us, the said Grantors herein, our heirs and assigns, and all persons having a like right or to whom we may grant a like right.

Exhibit "B"
to
Agreement to Provide Wastewater Service

Legal Description:

21.83 acres of the Peter Conrad Survey #71 in Travis County, Texas, part of a tract described in a deed from J.E. Jackson to Raymond S. Kaufman of record in Vol. 1986, Page 249, Deed Records of Travis County, Texas, more particularly described by metes and bounds as follows:

BEGINNING at a fence corner post at the SW corner of said Kaufman tract,

THENCE N 0 deg. 05' E 1089 feet to an iron stake at the SW corner of a 50 foot wide community road, and S 87 deg. 36' E 50 feet to the place of **BEGINNING** of the tract herein described and conveyed;

THENCE N 0 deg. 05' E 890 feet to a point for the NW corner of the tract herein described;

THENCE N 89 deg. 55' E 1132.8 feet to a point for the NE corner of the tract herein described;

THENCE S 11 deg. 45' W 947.5 feet to a point for the SE corner of the tract herein described;

THENCE N 87 deg. 36' W 941.7 feet to the place of **BEGINNING**

Together with the free and uninterrupted use, liberty, privilege, and easement, together with all other persons having a like right, of passing in and along a certain way across a certain tract of land situated in said County of Travis, adjoining the premises hereinbefore described; said easement area being described by metes and bounds as follows:

BEGINNING at the northwest corner of a 24.69 acre tract of land conveyed to Robert W. Penley and wife, Sandra R. Penley;

THENCE North 0 deg. 05' East a distance of 890 feet to a point;

THENCE North 0 deg. 05' west a distance of 1283 feet to a point in the south line of Priem Lane;

THENCE South 89 deg. 19' East a distance of 50 feet to a point in the south line of Priem Lane;

THENCE South 0 deg. 05' East a distance of 1283 feet to a point;

THENCE South 0 deg. 05' West a distance of 890 feet to a point in the north line of said 24.69 acre tract;

THENCE North 87 deg. 36' West with the north line of said 24.69 acre tract 50 feet to the point of beginning.

Please return original document following recording to:

City of Pflugerville

Jessica Chavez

PO Box 589

Pflugerville TX 78691

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

2007 Aug 24 10:19 AM 2007158442

BARTHOD \$148.00

DANA DEBEAUVOIR COUNTY CLERK

TRAVIS COUNTY TEXAS

Recorders Memorandum-At the time of recordation this instrument was found to be inadequate for the best reproduction, because of illegibility, carbon or photocopy, discolored paper, etc. All blockouts, additions and changes were present at the time the instrument was filed and recorded.

JOC. NO.

00093063

RIGHT OF WAY EASEMENT
(General Type Easement)

MRS. SANDRA R. PENLEY

KNOW ALL MEN BY THESE PRESENTS, that Robert W. Penley (hereinafter called "Grantors"), in consideration of one dollar (\$1.00) and other good and valuable consideration paid by Manville Water Supply Corp. (hereinafter called "Grantee"), the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, and convey to said Grantee, its successors, and assigns, a perpetual easement with the right to erect, construct, install and lay and thereafter use, operate, inspect, repair, maintain, replace, and remove water distribution lines and appurtenances over and across 50' right of way acres of land, more particularly described in instrument recorded in Vol. 7922, Page 27, Deed Records, Travis County, Texas, together with the right of ingress and egress over Grantors' adjacent lands for the purpose for which the above mentioned rights are granted. The easement hereby granted shall not exceed 15' in width, and Grantee is hereby authorized to designate the course of the easement herein conveyed except that when the pipe line(s) is installed, the easement herein granted shall be limited to a strip of land 15' in width the center line thereof being the pipe line as installed.

2:23 PM 6903

5.00 INDX
3 3 10/06/88
50-58-CHK#:
231-43-DOC#

The consideration recited herein shall constitute payment in full for all damages sustained by Grantors by reason of the installation of the structures referred to herein and the Grantee will maintain such easement in a state of good repair and efficiency so that no unreasonable damages will result from its use to Grantors' premises. This Agreement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee, its successors, and assigns. The Grantors covenant that they are the owners of the above described lands and that said lands are free and clear of all encumbrances and liens except the following:

The easement conveyed herein was obtained or improved through Federal financial assistance. This easement is subject to the provisions of Title VI of the Civil Rights Act of 1964 and the regulations issued pursuant thereto for so long as the easement continues to be used for the same or similar purpose for which financial assistance extended or for so long as the Grantee owns it, whichever is longer.

IN WITNESS WHEREOF the said Grantors have executed this instrument this 22nd day of July, 19 88.

Robert W. Penley
Mrs. Sandra R. Penley
ROBERT W. PENLEY
MRS. SANDRA R. PENLEY

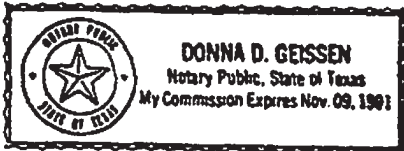
ACKNOWLEDGMENT

STATE OF TEXAS
COUNTY OF TRAVIS

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Robert W. Penley & Mrs. Sandra R. Penley known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument, and acknowledged to me that he (she) (they) executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS THE July 22nd day of July, 19 88.

(Seal)



Donna D. Geissen
Notary Public in and for
Travis County, Texas

10790 0810

REAL PROPERTY RECORD
TRAVIS COUNTY TEXAS

Return To

VERNON PFLUGER
Attorney At Law
103 12TH STREET, SUITE 205
PFLUGERVILLE, TEXAS 78660

STATE OF TEXAS COUNTY OF TRAVIS
I hereby certify that this instrument was FILED on
the date and at the time stamped herein by me, and
was duly RECORDED, in the Volume and Page of the
named RECORDS of Travis County, Texas, on

OCT 6 1988



Wanda Bebeauvoir
COUNTY CLERK
TRAVIS COUNTY, TEXAS

FILED

88 OCT 5 PM 2:21

WANDA BEBEUVOIR
COUNTY CLERK
TRAVIS COUNTY, TEXAS

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

10790 0811

