

FIRST SUPPLEMENT AND ADDENDUM
TO THE ECONOMIC DEVELOPMENT AGREEMENT
FOR STONE HILL TOWN CENTER IN PFLUGERVILLE, TEXAS

On December 12, 2006, the City of Pflugerville, Texas, a Texas Home-Rule Municipal Corporation (the "City") and A-S 93 SH 130-SH 45, L.P., a Texas Limited Partnership (the "Developer") entered into an Economic Development Agreement involving the Stone Hill Town Center in Pflugerville, Texas (the "Original Agreement"). This is a Supplement and Addendum to the Original Agreement, and to the extent that it in any way conflicts with the Original Agreement, the terms and conditions in this Addendum and Supplement shall control.

In addition to the provisions contained in the Original Agreement, the following provisions, terms, and conditions shall govern and control the parties to the Original Agreement and constitute additional consideration as part of the Original Agreement of which this shall be a part upon approval and execution by the City and the Developer:

1. Upon approval of this Amendment by the City and receipt of signed easement agreements from the owner of the property adjoining Developer's Property and, further, dedication by the adjoining owner of the property needed for the regional detention facility planned to serve the Developer's Property, providing for all of the off-site detention needs of the Developer as herein provided (referred to collectively as the "Adjoining Dedicated Property"), the Developer shall dedicate a ⁷60-foot wide strip of land solely for use as a public road or street, and specifically to be maintained and used by the City for a north-south collector street through the Property, as depicted on Exhibit "A" attached hereto. The parties agree that the alignment of this road right-of-way may be altered, by mutual agreement between the City and the Developer, ~~from the point of intersection with the east-west street running through the~~



~~Developer's Property, and continuing in a northerly direction to the boundary of the Developer's Property. Further, the City agrees that if there is a change in the alignment of the road right-of-way, that any property dedicated for the original roadway alignment shall be abandoned and returned to the Developer in consideration of and in exchange for the Developer's dedication of right-of-way for the newly aligned segment of the road. The City agrees that it shall construct and maintain the public road or street at the City's sole cost, and that such road or street shall be open for vehicular traffic on or before September 1, 2011.~~

2. Upon approval of this Amendment by the City and receipt of the written documents conveying to the City the Adjoining Dedicated Property referred to hereinabove, the Developer shall dedicate a 60-foot wide strip of land solely for the use as a public road or street right-of-way between Town Center Drive and the southern property line of the Developer's Property, as depicted more specifically on Exhibit "B" attached hereto. The City agrees that this dedicated area will not be used for road or street purposes without the consent of the Developer at any time before September 1, 2011. The City agrees that it shall construct and maintain the public road or street within the dedicated area.

3. Article II of the Original Agreement, addressing "Economic Incentives" for the Original Agreement, is amended to now provide that once the threshold requirements are reached for the first payment of the Reimbursement Amount as provided in Article II of the Original Agreement, the unpaid balance of eligible reimbursements as provided in Article II shall be paid by the City in the fifth (5th) year of the Original Agreement regardless of whether the Project has satisfied the threshold requirements for the subsequent years after the first payment of the Reimbursement Amount is made. However, if any of the threshold requirements are met before the fifth (5th) year, the City shall pay the Developer the

Reimbursement Amount(s) in accordance with the provisions in Article II of the Original Agreement.

4. The City agrees that all detention that is required for this site for the area depicted by the cross-hatching on Exhibit "C" will be provided in a timely manner by the City's off-site regional detention facility on the Adjoining Dedicated Property so as not to delay or impede the development of the Developer's Property, and thereby relieving the Developer of any on-site detention/retention requirements on its Property depicted by the cross-hatched area on Exhibit "C", but not otherwise. The City acknowledges that all required fees due from the Developer for the off-site regional detention for the area indicated as "Area A" on Exhibit "C" have been fully paid by the Developer. "Area A" is included in the approved construction plans entitled "Public Roads, Storm Sewer, Sanitary Sewer and Water Utilities to Serve Stone Hill Town Center". Fees for the area indicated as "Area B", which is not included in the aforementioned construction plans, have not been paid and, therefore, must be paid upon the construction plan application for "Area B", or as may otherwise be agreed to in writing between the City and the Developer.

5. Notices. Except as otherwise provided in this Section, all notices, consents, approvals, demands, requests or other communications provided for or permitted to be given under any of the provisions of this Agreement shall be in writing and shall be deemed to have been duly given or served when delivered by hand delivery or when deposited in the U.S. Mail by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to City: City of Pflugerville
 City Attorney's Office
 1611 E. Pfennig
 P.O. Box 679

Pflugerville, Texas 78691-0679
Attention: Mr. Floyd Akers

With copy to: Pflugerville Community Development Corporation
203 West Main Street, Suite C
Pflugerville, Texas 78691-0679
Attention: Mr. Charles Simon

If to Developer: Steven D. Alvis
NewQuest Properties
8807 W. Sam Houston Parkway, Suite 200
Houston, Texas 77040

With copy to: Kimberly Olsen Butler, P.E.
Executive Development Coordinator
NewQuest Properties
8807 W. Sam Houston Parkway, Suite 200
Houston, Texas 77040

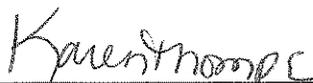
or to such other person or address as may be given in writing by either party to the other in accordance with the aforesaid.

6. Travis County, Texas, shall be the proper place of venue for suit on or in respect to this Agreement. The terms and conditions of this Agreement and all of the rights and obligations of the parties hereto shall be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of Texas.

7. To the extent that the provisions, terms, and conditions in the Original Agreement do not conflict with the provisions, terms, and conditions in this Addendum and Supplement, they shall control; otherwise, the provisions, terms, and conditions in this Addendum and Supplement shall forever govern and control the parties to the Original Agreement as supplemented and amended in part by this Agreement.

ATTEST:

**City of Pflugerville, a Texas Home-Rule
Municipal Corporation**

By: 
**Karen Thompson,
City Secretary**

By: 
Katherine Callen, Mayor
Jeff Coleman

**A-S 93 SH 130-SH 45, L.P., a Texas Limited
Partnership**

By: **A-S 93, L.C., a Texas Limited Liability
Company**

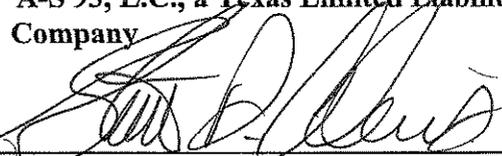
By: 
Steven D. Alvis, Manager

EXHIBIT "A"

TO BE DEDICATED
IN THE CITY
APPROVED TO BE
DULLES'S AGREED
TO REVIEWER'S OFFICE
AND 2-5-07
SH 130-SH 45 L.A.

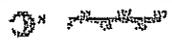
TIMMERMAN TRACT

TO BE DEDICATED TO CITY

FM 685

EXHIBIT "A"
STONE HILL TOWN CENTER

08-23-07



08-27

S.H. 45 & S.H. 130
PFLUGERVILLE, TEXAS

NewQuest
PROPERTIES
2110 COLLETT ROAD
PFLUGERVILLE, TEXAS 78066
TEL: 817-291-1111
WWW.NEQUESTPROPERTIES.COM

EXHIBIT "B"

TIMMERMAN TRACT

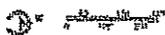
TO BE DEDICATED TO CITY

TO BE DEDICATED TO CITY

FM 685

EXHIBIT W
STONE HILL TOWN CENTER

00-28-07

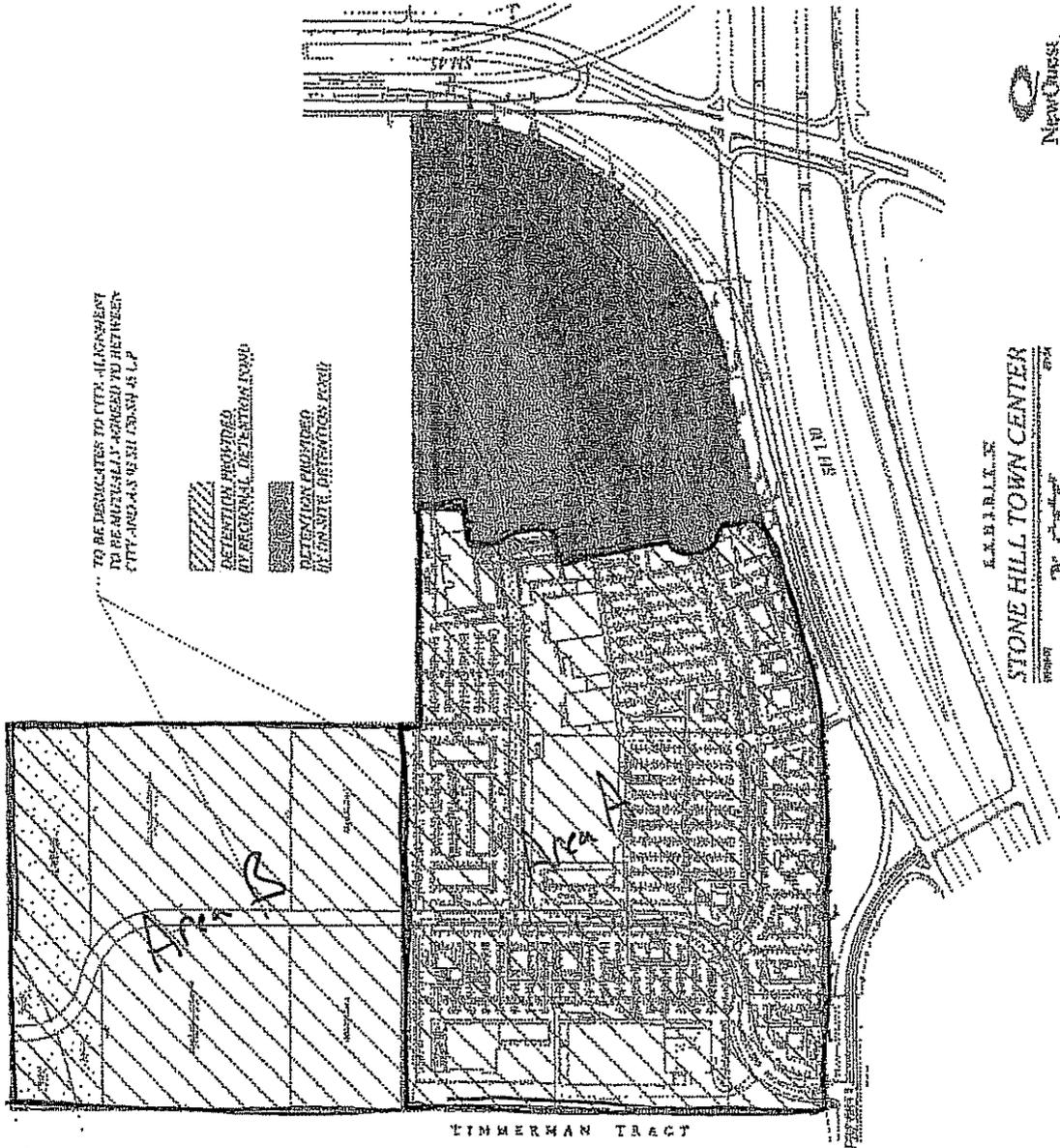


SP-27

S.H. 45 & S.H. 130
PFLUGERVILLE, TEXAS

NewQuest
PROPERTIES
OF TEXAS
2200 W. WINDYBROOK DRIVE
DALLAS, TEXAS 75244

EXHIBIT "C"



TO BE DEDICATED TO CITY ALIGNMENT
 TO BE MUTUALLY AGREED TO BETWEEN
 CITY AND ASH & SH LBNW AS LP

-  DETENTION PROVIDED
BY REGIONAL DETENTION BASIN
-  DETENTION PROVIDED
BY SOUTH DISTRICTS CANAL

TIMMERMAN TRACT



EXHIBIT C
STONE HILL TOWN CENTER
 S.H. 45 & S.H. 130
 FFLUGERVILLE, TEXAS

Handwritten signature