

DEVELOPMENT AND PURCHASE AND SALE AGREEMENT

THIS DEVELOPMENT AND PURCHASE AND SALE AGREEMENT (this "Agreement") is made and entered into as of this 1st day of July, 2012, (the "Effective Date") and is made by and among TERRELL TIMMERMANN, an individual ("Timmermann"), and ARISTA DATA CENTERS, LLC, a Texas limited liability company ("Arista")

RECITALS

A. Timmermann currently owns the real property depicted on Exhibit "A" and Exhibit "B", which comprises two separate parcels. The approximately 15 acre tract of land depicted on Exhibit A is referred to as the "Initial Land" and the approximately 23.35 acre tract of land depicted on Exhibit B is referred to as the "Option Land" (collectively "Land") located in the City of Pflugerville ("City") and the County of Travis ("County") Texas.

B. Timmermann has executed an economic development agreement with the City in which the City has agreed to provide economic incentives relating to increases in the taxable value of the Land.

C. Upon execution of this Agreement between the parties, Arista shall use reasonable commercial efforts to obtain a Data Center User for the Initial Land.

D. Upon the satisfaction of conditions stated in this Agreement, Timmermann agrees to sell and convey to Arista or its assigns the Initial Land.

E. Timmermann has agreed to grant to Arista an option on the Option Land. Arista's option to purchase the Option Land is subject to the terms and provisions set forth below.

F. Arista and Timmermann recognize that it is in their mutual interest and benefit to cooperate in the economic development of the Land.

G. A Data Center User shall meet the criteria of a data center as established by the Telecommunications Industry Association in the TIA-942: Data Center Standards Overview.

NOW, THEREFORE, in consideration of the mutual covenants and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Timmermann and Arista agree as follows:

1. **Feasibility Period.** For a period of one hundred eighty (180) days ("Feasibility Period") after the Effective Date of this Agreement ("Feasibility Period") Arista shall use commercially reasonable efforts to seek to identify and secure a potential data center user for the Initial Land ("Data Center User").

(a) Arista shall send written notification to Timmermann upon executing a Data Center Agreement together with a copy of the executed agreement. For purposes of this Agreement, a "Data Center Agreement" means an agreement with a third party ("Third Party") such as an assignment of this Agreement or an agreement to purchase or lease all or a portion of the Initial Land which contains specific obligations on the Third Party to construct a data center for a Data Center User of the size, type and taxable value contemplated by the Economic Development Agreement between Arista and the City of Pflugerville (the "City") approved by the City on June 18, 2012 ("Economic Development Agreement").

(b) This Agreement shall automatically terminate if Arista (i) sends written notice of termination on or before the last day of the Feasibility Period or (ii) fails to send Timmermann notice that it has entered into a Data Center Agreement on or before the last day of the Feasibility Period. In the event of such automatic termination, the parties shall have no further obligation or liability whatsoever to each other.

(c) Timmermann, upon Arista's request, shall provide copies of the following information in his possession regarding the Initial Land including: (i) all tax bills and notices of appraised value relating to the Land, including without limitation, real property, personal property, and special assessment notices and property valuation statements for the current year and three (3) prior years, (ii) all prior environmental, engineering, feasibility or other studies conducted on the Land which is in Timmermann's possession, (iii) any notice or correspondence from any governmental agency with respect to the Land or its use, and (iv) any other documentation, records, or information requested by Arista which is reasonably related to the transaction subject to the Data Center Agreement.

(d) If Arista executes a Data Center Agreement prior to the expiration of the Feasibility Period, Arista, the Third Party, the Data Center User, or their assigns shall have any remaining time under the Feasibility Period and an additional one hundred fifty (150) days after the expiration of the Feasibility Period to obtain applicable permits and entitlement approvals for constructing a data center ("**Permitting Period**").

(e) If required by Arista, the Third Party, or their assigns, Timmermann will negotiate, in good faith, an agreement with respect to that portion of the Land subject to the Data Center Agreement concerning inspections, studies, due diligence, customary representations and warranties, and similar or other matters necessary for Arista to execute the Data Center Agreement with the Third Party.

(f) Timmerman agrees from the date this Agreement is signed, during the Feasibility Period and after the Data Center Agreement is executed by the Third Party, not to offer or attempt to offer for transfer, assignment, conveyance, sale, lease or license of the Land or solicit or attempt to solicit offers for the transfer, assignment, conveyance, purchase, lease or license of the Land.

2. **Permitting.** Arista, as specified below, shall perform, or cause to be performed, the work set forth herein below (the "**Permitting**"), as follows:

(a) During the Permitting Period, Arista, the Third Party or their assigns shall use commercially reasonable efforts to pursue the necessary governmental approvals from the City and County, as applicable, to allow the use of the Initial Land for the Data Center User (the "**Required Permits and Approvals**"). The Required Permits and Approvals shall include compliance with all governmental requirements, including but not limited to the following: site development permits, subdivision, site plan and building permits. Arista is aware the Property currently does not abut a street. Timmermann shall donate sufficient and appropriate right-of-way area on or adjacent to the Land to allow for the construction and dedication of a public street not to exceed 70 feet in width.

(b) Timmermann shall use commercially reasonable efforts to cooperate with Arista, the Third Party, the Data Center User, or their assigns in the process of obtaining the Required Permits and Approvals including but not limited to Timmermann's completion and submission of any required applications for the Required Permits and Approvals so long as such applications do not have a material adverse effect on other land owned by Timmermann taking into consideration Timmermann's plans for the development of such land.

(c) This Agreement shall terminate upon Timmermann's prior written notice, if Arista, the Third Party or their assigns are unable to secure the Required Permits and Approvals on or before the expiration of the Permitting Period. If Arista, the Third Party, or their assigns are unable to obtain the Required Permits and Approvals prior to the expiration of the Permitting Period, Timmermann may at Timmermann's sole discretion extend the Permitting Period. If Timmermann does not extend the Permitting Period, this Agreement shall terminate and the parties shall have no further obligation or liability whatsoever to each other.

3. Closing.

(a) The closing shall occur at the offices of Heritage Title Company (the "Title Company"), 401 Congress Avenue, Austin, TX 78701, in accordance with the provisions of this Section 3.

(b) The closing shall occur within thirty (30) days after Arista, the Third Party, or their assigns obtain the Required Permits and Approvals; provided, however, if Arista provides Timmermann a written request from the Third Party to close prior to obtaining the Required Permits and Approvals, then Timmermann and Arista agree to negotiate the terms and conditions of such closing as requested by the Third Party.

(c) At closing and subject to Section 3(d) below, Timmermann will transfer, assign and convey the Initial Land to Arista the Third Party, or their assigns at no cost, subject to any items of record but free and clear of any liens except those securing taxes.

(d) If the closing occurs before the Required Permits and Approvals are obtained, then such transfer, assignment and conveyance shall include a reverter in the deed requiring grantee to: (i) obtain or cause to be obtained all Required Permits and Approvals. The reverter will expire and be of no further force or effect upon the earlier to occur of (i) the City's completion of the infrastructure referenced in the Addendum (defined below), (ii) Arista, the Third Party, or their assigns completing the infrastructure referenced in the Addendum; or (iii) Timmermann's commencement to draw upon the Letter of Credit to complete such infrastructure as set forth below. Timmermann will execute any documents, agreements, consents or acknowledgments reasonably requested by Arista, the Third Party, the Data Center User or their assigns in connection with and to evidence the expiration of the reverter. Such reverter will require that no liens be allowed at the time of reversion.

(e) If the City or Arista, the Third Party or their assigns fails to perform its obligations to construct the infrastructure required in the Addendum to the Economic Development Agreement ultimately executed between Timmermann and the City of Pflugerville (the "Addendum"), a copy of which is attached in its current proposed form as Exhibit D on or before 180 days prior to the expiration of the Letter of Credit, and the Letter of Credit has not been fully drawn upon, then Timmermann may draw upon the Letter of Credit. If Timmermann chooses to draw upon the Letter of Credit, Timmermann shall use such funds to reasonably construct the infrastructure described in the Addendum only to the extent such funds are sufficient to construct the infrastructure.

(f) Ad valorem taxes and assessments shall be prorated for the year of closing. If tax or assessment information for the latest year is not available, the proration shall be based on the latest available information and after such information is known an adjustment, if necessary, shall be made between Timmermann and Arista, the Data Center User, Third Party, or their assigns. Any ad valorem taxes attributable to prior years arising out of a change in usage or ownership of the Initial Land shall be paid or caused to be paid by Arista, the Data Center User, the Third Party, or their assigns when due.

(g) Arista, the Third Party, or their assigns shall pay the recording fee for the Deed, and each party shall pay its own attorney's fees in connection with the preparation of documents, agreements, instruments necessary to close. Arista will pay the cost of an owner's title policy and Arista, the Data Center User, Third Party, or their assigns shall pay the cost of a mortgagee's title policy, if required. All other costs or expenses not specifically provided for in this Agreement shall be the responsibility of the party incurring such costs.

(h) At closing, a restrictive covenant shall be recorded in the deed records restricting the use of Initial Land to a data center and related uses.

4. **Letter of Credit.** Arista, the Third Party, the Data Center User, or their assigns shall deliver a letter of credit in a form and drawn upon a financial institution, approved by the City and Timmermann, in their sole discretion, in the amount of Three Million and No/100 Dollars (\$3,000,000) as required by and for the purposes stated in the Economic Development Agreement. The issuance and delivery of such Letter of Credit is a necessary condition to the closing of the Initial Land.

5. **Option Land.** So long as Arista is not in default under this Agreement, from the date of this Agreement through for a period of up to six (6) months following the closing described in Section 3 above ("**Option Land Period**"), but no later than December 31, 2013, Arista shall have the exclusive option to purchase the Option Land at the price listed below ("**Option**"), but exercisable only after the City has approved the Addendum. If however, Arista is under a signed agreement to sell the Option Land prior to the expiration of the Option Land Period and the closing is set within 15 days after the Option Land Period expires, then the Option Land Period shall be extended to accommodate such closing date. In the event Arista elects to purchase the Option Land, Arista shall notify Timmermann in writing of Arista's election to purchase the Option Land prior to the expiration of the Option Land Period. The price of the Option Land will be \$1.20 per square foot as determined by a survey provided at the expense of Arista, by a qualified surveyor chosen in Arista's sole discretion. Arista may sell, transfer, convey and/or assign the Option to any third party prior to exercising the Option, subject to the expiration date of the Option and the condition precedent to exercise that Arista is not in default under this Agreement. Arista or its agents or assigns will be entitled to conduct reasonable due diligence on the Option Land and Timmerman agrees to comply with Section 1(c) and Section 1(e) with respect to the Option Land. Closing of the Option Land shall take place within ninety (90) days following Arista's written notice to Timmermann of Arista's election to purchase the Option Land. The closing on the Option Land shall be subject to the provisions of Section 3(a) and Section 3(e), (f), (g) and (h) as though such provisions were incorporated into this Section 5 and references to Initial Land shall be deemed to be references to the Option Land. For purposes of clarity, the provisions related to the Letter of Credit and the Required Permits and Approvals in Section 3 shall not apply to the closing for the purchase of the Option Land. In exchange for the consideration paid for the Option Land, Timmermann agrees as follows: (i) to allow Arista, the Third Party, or their assigns ingress and egress on land adjacent to the Initial Land and Option Land for purposes of performing engineering studies and analysis for any CLOMR process initiated on the Initial Land or Option Land and any subsequent and related drainage construction; (ii) to allow concentrated flows of surface water resulting from the drainage construction as set forth in engineering plans pursuant to the CLOMR process to flow onto the land adjacent to the Initial Land or Option Land; (iii) to cooperate with Arista, the Third Party or their assigns with respect to the CLOMR process, including but not limited to providing any acknowledgement or letter of consent required or requested as an adjacent land owner or other interested party affected by the drainage plans, construction, or concentrated flows of surface water; and (iv) allow the transition from concentrated flows of surface water back to natural flows of surface water to occur on the land adjacent to the Initial Land or Option Land.

6. **Post Closing.** If the closing on the Initial Land occurs prior to obtaining the Required Permits and Approvals, then from the closing until the Required Permits and Approvals are obtained, Arista, the Third Party, the Data Center User, or their assigns will not allow any liens, claims, or encumbrances to be placed upon the Initial Land or any part thereof without Timmermann's prior written consent, which may be withheld in Timmermann's sole and absolute discretion. Arista agrees to indemnify, defend and hold Timmermann harmless from and against any and all such liens, claims or encumbrances placed upon the Initial Land by, through or under Arista during this period. If the deed for the Initial Land shall revert to Timmermann due to the failure to obtain the Required Permits and Approvals, then Arista shall remain responsible to satisfy any outstanding lien or encumbrance placed on the Initial Land.

7. **Default & Remedies.** In the event that either party defaults (the "**Defaulting Party**") in the performance of any of its obligations under this Agreement, the non-defaulting party (the "**Non-Defaulting Party**") shall have the right to enforce the terms of this Agreement in a suit at law or in equity and, subject to the provisions below and elsewhere contained in this Agreement, shall be entitled to recover actual damages together with reasonable attorneys fees and costs incurred in connection with the enforcement of this Agreement. So long as Arista has fulfilled its obligations hereunder, if Timmerman fails to assign, transfer and convey the Initial Land and/or the Option Land, then the parties acknowledge and agree that the

performance obligations to assign, transfer and convey the Initial Land and/or the Option Land may be enforced by specific performance ordered by a court of competent jurisdiction. NOTWITHSTANDING ANYTHING CONTAINED IN THIS AGREEMENT TO THE CONTRARY, TO THE MAXIMUM EXTENT PROVIDED BY LAW NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY MONETARY DAMAGES WHICH ARE INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, OR EXEMPLARY DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS OR DIMINUTION IN VALUE, EVEN IF THE OTHER PARTY IS ADVISED OF THE LIKELIHOOD OF SUCH DAMAGES. THE PARTIES AGREE THIS PROVISION CONTAINS A FAIR ALLOCATION OF RISK AND WAS INTEGRAL TO THE PARTIES AGREEING TO THE TERMS OF THIS AGREEMENT.

8. **Mutual Representation.** Timmermann and Arista acknowledge this Agreement has been facilitated by the PCDC and therefore PCDC is required to acknowledge this Agreement by signing below. Such acknowledgement does not confer a benefit upon PCDC hereunder unless otherwise expressly stated. Both parties are aware the PCDC possesses the power of condemnation.

9. **Right to Modify.** This Agreement may be terminated, extended, modified or amended only by a written document signed by all of the parties hereto.

10. **No Partnership.** Nothing contained in this Agreement nor any acts of the parties shall be construed to make the parties hereto partners or joint venturers, to create the relationship of principal and agent or any other association between the parties, or to render any of said parties liable for the debts or obligations of the other, except as expressly provided in this Agreement.

11. **Partial Invalidity.** If any term, provision, condition or covenant contained in this Agreement shall, to any extent, be held to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement (or the application of such term, provision or condition to persons or circumstances other than those in respect of which it is held invalid or unenforceable) shall not be affected thereby, and each and every other term, provision and condition of this Agreement shall, nevertheless, remain in full force and effect.

12. **Captions.** The captions of the sections and paragraphs of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation or condition.

13. **Notice.** Notwithstanding any notice provision contained in this Agreement to the contrary, the following notice provisions shall apply to all notices or communications required or permitted to be given under or pursuant to this Agreement ("**Notices**"). Notices shall be in writing, addressed to the parties at their respective addresses provided below, and will be delivered in person, or by nationally recognized overnight courier service, or sent by United States certified or registered mail, postage prepaid, return receipt requested. If sent by overnight courier service, the Notice shall be deemed to have been received the next business day after depositing the Notice with the overnight courier and, if mailed, the Notice shall be deemed to have been received two (2) business days after the date of mailing. Until further notice sent in accordance with these notice provisions, the addresses of the parties to which such Notices are to be addressed are as follows:

Timmermann:

Terrell Timmermann
PO Box 4784
Austin, TX 78765
Telephone: (512) 453-1327

With copy to:

Barth Timmermann
Greenview Development

606 West 12th Street
Austin, TX 78701
Telephone: (512) 366-6680
Fax: (512) 366-6682

with copy to:

Armbrust & Brown PLLC
David Armbrust
100 Congress Avenue, Suite 1300
Austin, Texas 78701
Telephone: (512) 435-2301
Fax: (512) 435-2360

Arista:

Arista Data Centers LLC
Angelos Angelou
8121 Bee Cave Road, Suite 200
Austin, Texas 78746
Telephone: (512) 366-6680
Fax: (512) 366-6682

with copy to:

Bissex & Watson, P.C.
Mike Watson
1250 Capital of Texas Highway, South
Building III, Suite 400
Austin, Texas 78746
Telephone: (512) 329-2010
Fax: (512) 329-2011

The parties can change the address upon giving notice of the change required hereunder.

14. **Attorneys' Fees.** In the event that at any time during the term of this Agreement any party hereto shall institute any action or proceeding against the other or others relating to the provisions of this Agreement, or any default hereunder, then, in that event, the non-prevailing party therein shall pay to the prevailing party the reasonable attorneys' fees and costs and expenses of litigation (including those pertaining to the appeal from any final and appealable court order) incurred therein by the prevailing party.

15. **Governing Law.** This Agreement shall be construed under and in accordance with the laws of the State of Texas.

16. **Time of Essence.** The parties agree that time is of the essence.

17. **Binding on Successors.** This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. In addition to other provisions contained herein expressly allowing for an assignment by Arista to a third party, this Agreement may be assigned by Arista to the Third Party as contemplated in the definition of the Data Center Agreement in Section 1(a) above without the prior consent of Timmermann.

18. **Counterpart Execution.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall be one and the same document.

19. **Termination Option.** In the event the Addendum is not approved by the City in a form satisfactory to Timmermann within one hundred twenty (120) days of the date of this Agreement, then Timmermann may terminate this Agreement in its entirety (including the effectiveness of Sections 1(f), 5 and 7-19) upon prior written notice to Arista.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned have caused their respective authorized signatures to be affixed as of the dates written adjacent to such signatures.

TIMMERMANN:

TERRELL TIMMERMANN, an individual

Date: 7-2-2012

Terrell Timmermann

ARISTA:

ARISTA DATA CENTERS LLC, a Texas limited liability company

Date: July 1, 2012

By: Angelos Angelou
Name: Angelos Angelou
Its: President

ACKNOWLEDGED BY:

PCDC:

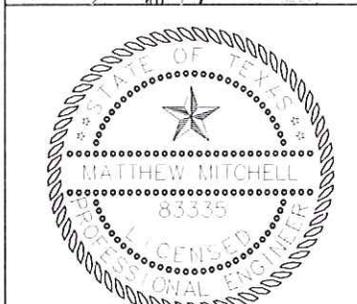
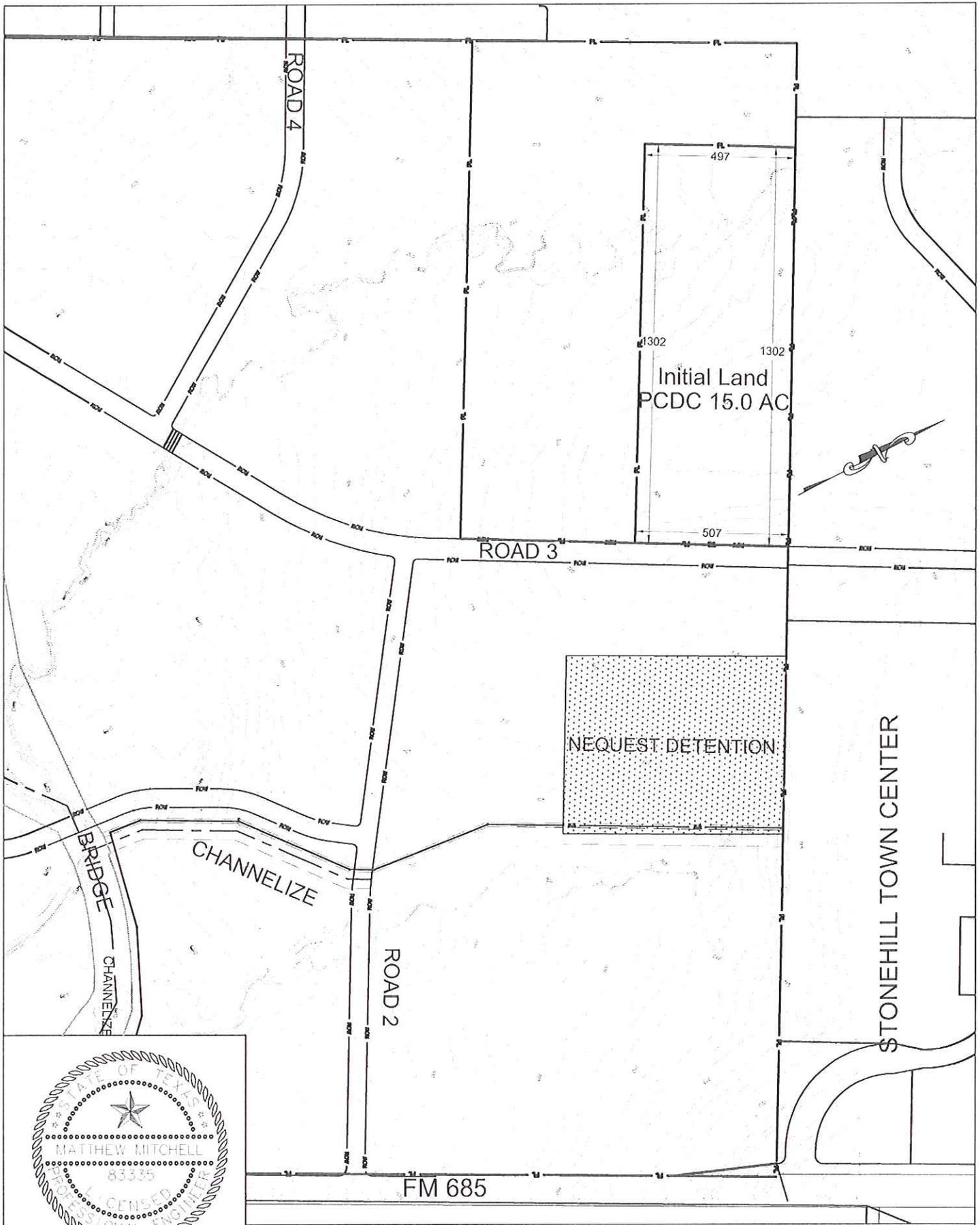
PFLUGERVILLE COMMUNITY DEVELOPMENT CORPORATION, a Texas economic development corporation

Date:

By: [Signature]
Name: Floyd Pkari
Its: Executive Director

EXHIBIT "A"

Depiction of the Initial Land Attached



The seal appearing on this document was authorized by Matthew Mitchell, P.E. 83335
 5/31/2012

ALM ENGINEERING, INC. F-3565
 CONSULTING ENGINEERS
 2525 Wallingwood Drive, Bldg Six, Suite 600,
 Austin, Texas 78746
 office (512)457-0344 fax (512)457-0355

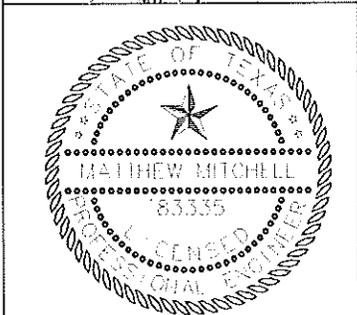
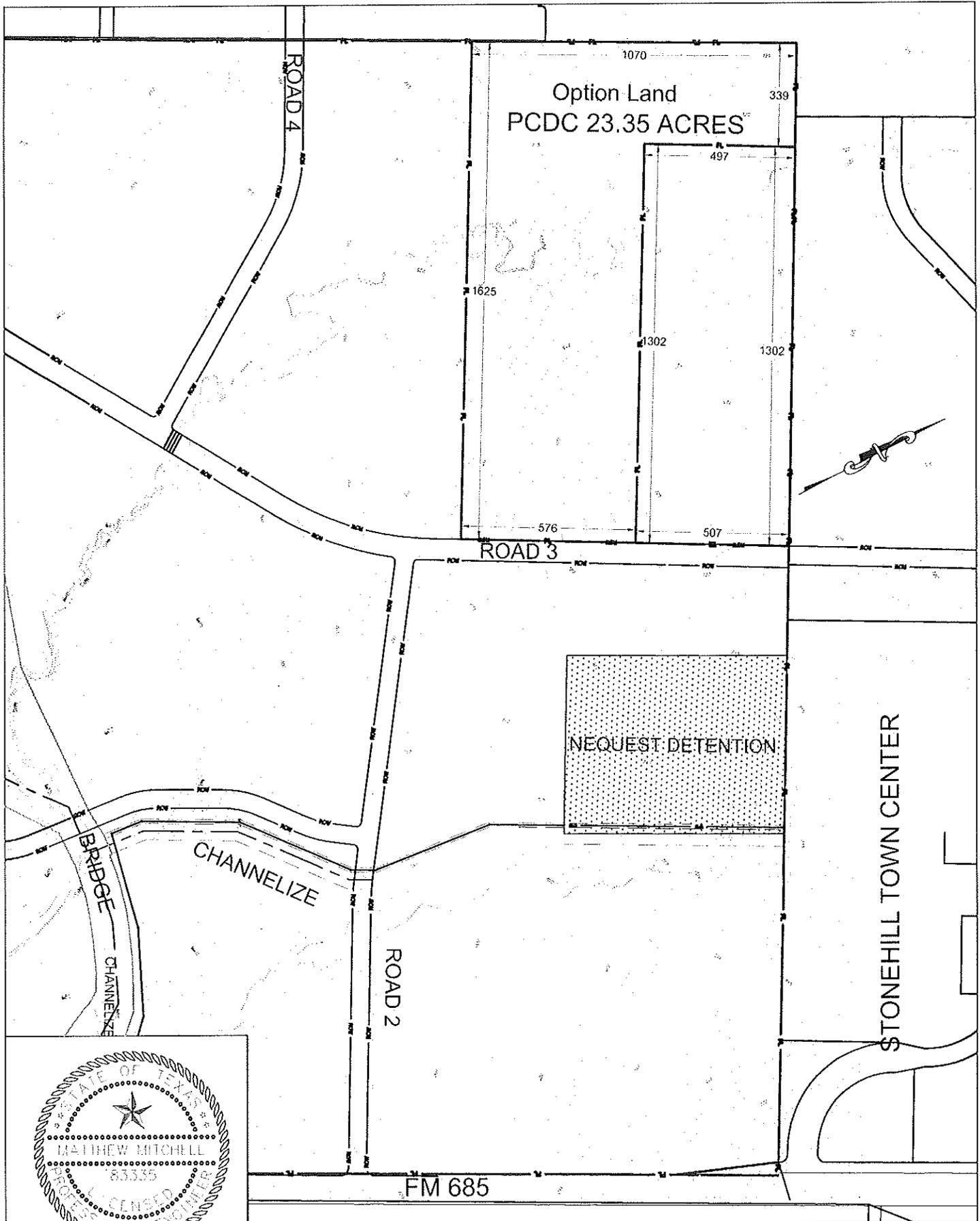
1.1

INITIAL LAND EXHIBIT "A"

AA

EXHIBIT "B"

Depiction of the Option Land Attached



The seal appearing on this document was authorized by Matthew Mitchell, P.E. 83335
5/31/2012

ALM ENGINEERING, INC.
CONSULTING ENGINEERS F-3565
2525 Wallingwood Dr., Bldg Six, Suite 600,
Austin, Texas, 78746
Office (512)457-0344 Fax (512)457-0355

OPTION LAND
EXHIBIT "B"
11

EXHIBIT "C"

Intentionally omitted.

EXHIBIT "D"

Current Version of the Proposed Addendum Attached

FIRST ADDENDUM

TO

ECONOMIC DEVELOPMENT AGREEMENT

TERRELL TIMMERMANN AND

CITY OF PFLUGERVILLE, TEXAS

THIS addendum by and between the City of Pflugerville, Texas, a home rule municipal corporation (City) and Terrell Timmermann ("Timmermann"), is entered into on this _____ day of _____, 2012.

Whereas, Timmermann and City entered into an Economic Development Agreement ("Economic Development Agreement") dated October 29, 2010 and the City and Timmermann hereby desire to modify such agreement with this First Addendum to Economic Development Agreement.

The following terms and conditions are incorporated into and form a part of the agreement to which they are attached (the "Agreement") for all purposes. "City" means The City of Pflugerville and "Timmermann" means Terrell Timmermann.

City and Timmermann recognize that Arista Data Centers L.L.C. (Arista) may construct one or more Data Centers on the "Property" further described on the attached Exhibit A. If Arista provides City with an Irrevocable Letter of Credit for at least \$3,000,000 on or before December 31, 2012 in a form reasonably satisfactory to City and Timmermann to secure its performance to construct one or more data centers, City and Timmermann agree as follows:

City shall within four (4) years of the execution of this Addendum:

1. Construct Phase 1 of Pfluger Farm Road from its intersection with Pflugerville Parkway to the point shown on Exhibit A. Such roadway shall be at least three lanes wide and conform to the roadway cross section depicted on Exhibit B.
2. Construct all related curbs, sidewalks and drainage associated with Pfluger Farm Road.
3. Construct water and wastewater lines along Pfluger Farm Road. All water, wastewater and drainage shall be appropriately sized to accommodate the full development potential of all remaining land presently owned by Timmermann in the surrounding area and shown on the map attached as Exhibit D. (All of the above improvements are collectively known as "Phase 1 of Pfluger Farm Road").

City shall within ten (10) years of the execution of this Addendum:

Construct Phase 2 of Pfluger Farm Road from the end of Phase 1 of Pfluger Farm Road (Exhibit A) to Stone Hill Town Center Drive (as shown on Exhibit C) along with water, wastewater, curbs, sidewalks and drainage. All such infrastructure shall be appropriately sized for the full development of the remainder of Timmermann's property. All such improvements referred to as "Phase 2 of Pfluger Farm Road". Phase 2 of Pfluger Farm Road is to be at least 3 lanes and conform to the cross section as shown on Exhibit B.

Timmermann shall (provided the City is not in default):

1. Dedicate the minimum right of way reasonably necessary to construct the planned roadways, sidewalks, water lines, sewer lines and electrical power including redundant power to the Arista site. The deed shall contain a provision that any unused right of way shall revert back to Timmermann if the roadways are not completed in their entirety within 12 years from the date of such dedication.
2. Forgo and release City from the fourth grant (as specified in Section II paragraphs 8 and 9 of the Economic Development Agreement) upon completion of Phase 1 of Pfluger Farm Road.
3. So long as Phase 1 of Pfluger Farm Road has been completed, forgo and release the City of the second and third grant (as specified in Section II paragraphs 4, 5, 6, and 7 of the Economic Development Agreement) upon completion of Phase 2 of Pfluger Farm Road.

Applicable Land

Upon completion of Phase 1 of Pfluger Farm Road, Timmermann and City agree that the land deeded to Arista will be withdrawn from the Economic Development Agreement and the Economic Development Agreement will apply only to the remainder of Timmermann's land. Upon such withdrawal, Section II paragraph 2 and Section III paragraph 1 of the Economic Development Agreement shall read \$30,000,000.00 instead of \$35,000,000 to account for removal of the Arista land and the area of the New Quest Detention pond from the Agreement and Base Year Valuation in (Exhibit B of the Original Agreement) shall mean \$5,000,000.00.

Tolling of Dates

All dates under the Economic Development Agreement are hereby tolled from the execution date of this Addendum to the earlier of the date Arista purchases the land from Timmermann or December 31, 2012. All dates in the Economic Development Agreement will be extended by the "Tolling Amount". The Tolling Amount will be the number of days from execution of this Agreement to the earlier or the date that Arista closes on the land or December 31, 2012, rounded to the next highest year. (e.g. if Arista closes on the land in 100 days, then the Tolling amount will be one year. If Arista closes on the land 400 days from the execution of this Agreement, then the tolling amount will be 2 years.)

Modification of First Grant

Upon completion of Phase 1 of Pfluger Farm Road, the last sentence in Section II paragraph 3 of the Economic Development Agreement shall be deleted and replaced with the following: "The total amount paid to Timmermann by the City under this subsection shall not exceed two million dollars (\$2,000,000.00)." In addition, upon completion of Phase 1 of Pfluger Farm Road the following requirement will be added to the first grant only: at least \$12,500,000 of the ad valorem value must come from "Sales Tax Value". Sales Tax Value shall include only businesses that produce some sort of sales tax ("Sales Tax Generators"). Sales Tax Value will include the ad valorem value of all

land and improvements for Sales Tax Generators as well as all contiguous platted land that is part of the same subdivision and that is being marketed to businesses that would typify Sales Tax Generators.

Extended Completion Date/Penalty

If City has not met all of the infrastructure requirements for Phase 1 of Pfluger Farm Road by the 3rd year after the date of the Addendum, but at least 2/3rds of the estimated costs of the infrastructure have been expended by such date, City shall be entitled to an additional 2 years to complete Phase 1 of Pfluger Farm Road ("Extended Completion Date"). If Phase 1 of Pfluger Farm Road is not completed within 4 years of the date of this Addendum or by the Extended Completion Date if applicable, Timmermann shall be paid an amount of money equal to the amount necessary to complete such infrastructure improvements by the City as determined by a registered professional engineer designated by Timmermann., and shall be entitled to offset any fees, taxes or other amounts owing to City for any purpose against such unpaid amount.

If City has not met all of the infrastructure requirements for Phase 2 of Pfluger Farm Road by the 10th year after the date of the Addendum, Timmermann shall be paid an amount of money equal to the amount necessary to complete such infrastructure improvements by the City as determined by a registered professional engineer designated by Timmermann., and shall be entitled to offset any fees, taxes or other amounts owing to City for any purpose against such unpaid amount.

Payment of Debt or Delinquency to the State or Political Subdivision of the State. Pursuant to Chapter 38, City of Pflugerville Code of Ordinances, Timmermann agrees that any payments owing to TIMMERMANN under the Agreement may be applied directly toward any debt or delinquency that TIMMERMANN owes the City of Pflugerville, State of Texas or any political subdivision of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.

Texas Family Code Child Support Certification. Timmermann certifies that no partner or officer of the corporation is delinquent in child support obligations and therefore Timmermann is not ineligible to receive the award of or payments under the Agreement and acknowledges that the Agreement may be terminated and payment may be withheld if this certification is inaccurate.

Governing Law. This Agreement shall be governed, construed, applied, and enforced in accordance with the laws of the State of Texas, and shall be performable with venue in Travis County, Texas.

TIMMERMANN:

City of Pflugerville:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

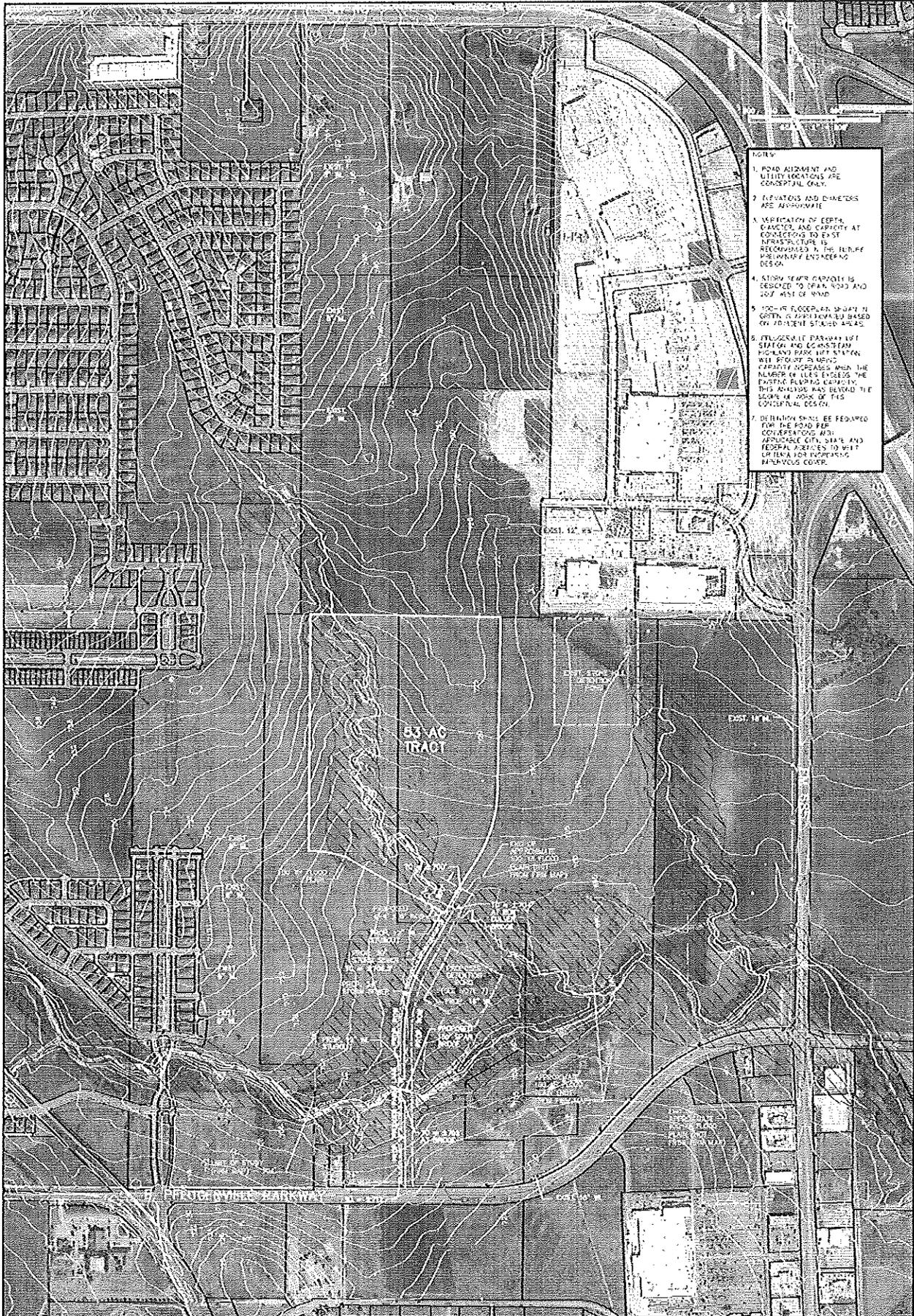
Date: _____

Date: _____

Attest: _____
Corporate Secretary

EXHIBIT "A"

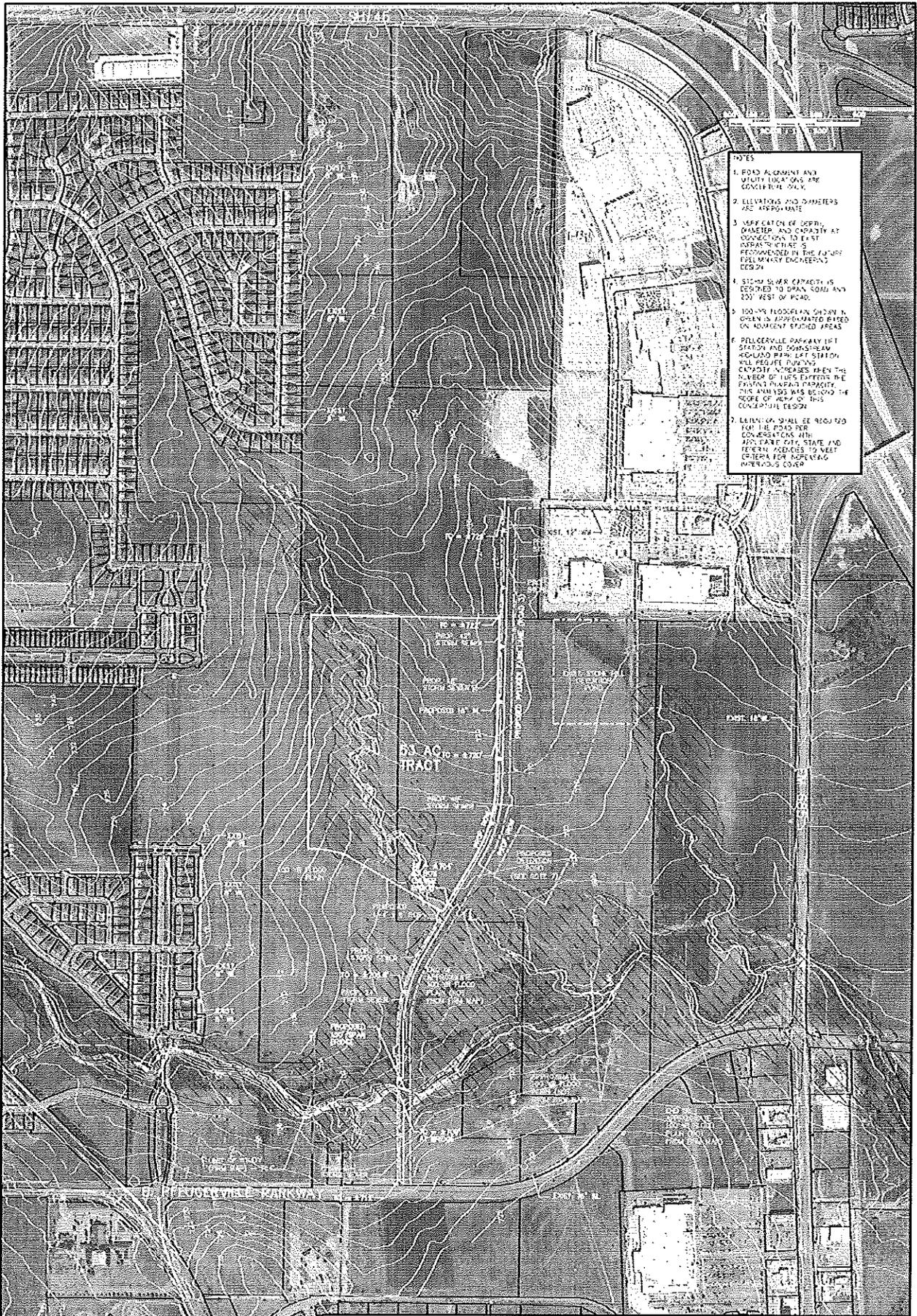
PHASE 1 AND PHASE 2



- NOTES
1. ROAD ALIGNMENT AND UTILITY LOCATIONS ARE CONCEPTUAL ONLY.
 2. ELEVATIONS AND DIMENSIONS ARE APPROXIMATE.
 3. VERIFICATION OF DEPTH, CHARACTER, AND CAPACITY AT CONNECTIONS TO EXISTING INFRASTRUCTURE IS RECOMMENDED BY THE FUTURE INFRASTRUCTURE ENGINEERING DESIGN.
 4. STORM WATER CAPACITY IS DESIGNED TO DRAIN ROADS AND 200' WEST OF ROAD.
 5. 100-YR FLOODPLAIN IS SHOWN IN GREEN ON APPROXIMATELY BASED ON AVAILABLE DATA AS SHOWN.
 6. PFLUGER FARM LANE AND EAST PFLUGERVILLE PARKWAY LIFT STATION WILL PROVIDE A MINIMUM CAPACITY INCREASES WHEN THE NUMBER OF LINES EXCEEDS THE EXISTING FLOODPLAIN CAPACITY. THIS ANALYSIS WAS BEYOND THE SCOPE OF WORK OF THIS CONCEPTUAL DESIGN.
 7. DEDICATION SHOULD BE SECURED FOR THE ROAD PER CORRESPONDING WITH APPLICABLE CITY, STATE, AND FEDERAL AGENCIES TO MEET CRITERIA FOR IMPROVING FLOODPLAIN COVER.

OPTION NO. 4 - PFLUGER FARM LANE
 EAST PFLUGERVILLE PARKWAY TO
 200' NORTH OF 53 AC'S SOUTHERN
 MOST PROPERTY LINE
 MAY 17, 2012

DCS
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 T.R.P.F. FF4 NO. F-13162



- NOTES**
1. ROAD ALIGNMENT AND UTILITY LOCATIONS ARE GENERAL IN NATURE.
 2. ELEVATIONS AND DIMENSIONS ARE APPROXIMATE.
 3. DETERMINATION OF DEPTH, CHARACTER, AND QUANTITY AT CONNECTION TO EXISTING PIPES TO BE RECOMMENDED IN THE FUTURE BY PROFESSIONAL ENGINEERING DESIGN.
 4. 8100-YD-SWIR CAPACITY IS REQUIRED TO SPAN OVER ANY EXISTING WEST OF ROAD.
 5. 100-YD-RIDGEWAY SHOULDER WIDTH IS APPROXIMATED BASED ON ADJACENT SPACED AREAS.
 6. PFLUGERVILLE PARKWAY LIFT STATION AND OVERSTREAM HOUSING PARK LIFT STATION WILL REQUIRE PURCHASED CAPACITY INCREASES WHEN THE NUMBER OF LOTS EXCEEDS THE EXISTING PROPOSED CAPACITY. THIS ANALYSIS HAS BEYOND THE SCOPE OF THIS CONCEPTUAL DESIGN.
 7. ELEVATION SHALL BE REQUIRED FOR THE ROAD FOR CONNECTIONS WITH ADJACENT CITY, STATE AND FEDERAL AGENCIES TO MEET CRITERIA FOR ADJACENT INTERFERING COVER.

OPTION NO. 5 - PFLUGER FARM LANE
 EAST PFLUGERVILLE PARKWAY TO
 TOWN CENTER DRIVE
 MAY 17, 2012



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