

**SECOND AMENDMENT TO ROADWAY DEVELOPMENT AGREEMENT  
(AVALON)**

This Second Amendment to Roadway Development Agreement (Avalon) (this "Second Amendment") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, between the **City of Pflugerville, Texas** (the "City"), a home-rule city located in Travis County, Texas, and **KM Avalon, Ltd.** (the "Developer"), a Texas limited partnership.

RECITALS

A. The Developer and the City previously entered into "Roadway Development Agreement Avalon" (the "Original Agreement") dated August 23, 2005, under which the City and the Developer agreed to certain terms and conditions relating to the Developer's construction of certain roadways in the Avalon subdivision located in the extraterritorial jurisdiction of the City, and the Developer's participation in the payment of certain costs for roadway improvements outside of the Avalon subdivision.

B. The Original Agreement was subsequently amended by "First Amendment to Roadway Development Agreement (Avalon)" dated May 10, 2006 (the "First Amendment").

C. The City and the Developer have agreed to certain modifications of the Original Agreement (as amended by the First Amendment, the "Agreement") and desire to set forth those agreements in this Second Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer agree as follows:

1. Defined Terms. All terms delineated with initial capital letters in this Second Amendment that are defined in the Agreement have the same meanings in this Second Amendment as in the Agreement. Other terms have the meanings commonly ascribed to them.

2. Amendments to Sections 2, 3, 6 and 7 of the First Amendment. Sections 2, 3, 6 and 7 of the First Amendment are hereby deleted in their entirety.

3. Amendment to Section 4 of the First Amendment. Section 4 of the First Amendment is deleted in its entirety and replaced with the following:

The Developer External Improvements Cost will be equal to the lesser of the following: (i) the sum of (a) 32% of the cost of the External Improvements located west of Arterial A (Jakes Hill Road), plus (b) 23% of the cost of the External Improvements located east of Arterial A; or (ii) \$541,662.

4. Effect of Amendment. Except as specifically provided in this Second Amendment, the terms of the Agreement continue to govern the rights and obligations of the parties, and all terms of the Agreement remain in full force and effect. If there is any conflict or inconsistency between this Second Amendment and the Agreement, this Second Amendment will control and modify the Agreement.

IN WITNESS WHEREOF, the undersigned parties have executed this Second Amendment on the dates indicated below, to be effective as of the Effective Date.

[SIGNATURE PAGES FOLLOW]

[SIGNATURE PAGE TO SECOND AMENDMENT TO ROADWAY DEVELOPMENT  
AGREEMENT (AVALON)]

CITY OF PFLUGERVILLE, TEXAS

By: \_\_\_\_\_  
Brandon Wade, City Manager

Date: \_\_\_\_\_

[SIGNATURE PAGE TO SECOND AMENDMENT TO ROADWAY DEVELOPMENT  
AGREEMENT (AVALON)]

KM AVALON, LTD., a Texas limited  
partnership

By: KM Avalon GP, Inc., a Texas  
corporation, its General Partner

By: \_\_\_\_\_  
Blake J. Magee, President

Date: \_\_\_\_\_