

**FIRST AMENDMENT TO
DEVELOPMENT AGREEMENT
SOMERSET HILLS ROAD DISTRICT NO. 3 AND 4**

This FIRST AMENDED DEVELOPMENT AGREEMENT ("**Amendment**") is by and between the undersigned Somerset Hills, Ltd. ("**Developer**") and Williamson County ("**County**") on this the _____ date of _____, 2009.

RECITALS:

WHEREAS, Developer, and the County have previously entered into a Development Agreement (the "**Agreement**"), dated May 7th, 2008, wherein the parties agreed to cooperate in the construction of Reagan Boulevard from FM 2338 to SH 195 ("**Reagan**"), and

WHEREAS, the County now desires to fund the construction of Reagan as soon as possible, and

WHEREAS, the Parties desire to amend the Agreement to allow the County to receive the initial reimbursements from debt issuance by the Districts, and

NOW, THEREFORE, in consideration of the initial covenants and conditions herein contained, and other good and valuable consideration, and in consideration of the creation of the Districts by the County, the Developer and the County covenant and agree as follows:

1. The parties hereby agree that the County shall proceed with the construction of two lanes of Reagan as soon as possible.
2. District debt shall be issued pursuant to the terms and conditions as stated in the Agreement, except that the County shall be entitled to be reimbursed for all costs expended by the County to construct Reagan, including right-of-way acquisition costs (the "**County Reimbursements**") on a pro-rata basis with Developer (the "**Developer Reagan Reimbursements**"). The Developer Reagan Reimbursements shall include all costs incurred by Developer related to the design of Reagan, including all engineering fees, but not right-of-way costs.
3. After all County Reimbursements and Developer Reagan Reimbursements have been paid, Developer shall be entitled to all other reimbursements due to Developer under the Agreement.
4. Unless stated otherwise in this Amendment, the Agreement shall remain in full force and effect in accordance with its original terms and provisions, which shall be deemed to be confirmed, ratified and approved.

IN WITNESS WHEREOF, DEVELOPER AND THE CITY have executed duplicate counterparts to effectuate this Agreement.

SOMERSET HILLS, LTD.

A Texas Limited Partnership

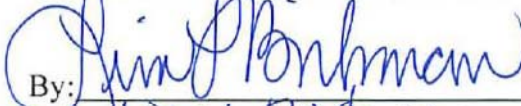
By: Somerset Hills Management, L.L.C.

A Texas Limited Liability Company

By: _____

Robert D. Wunsch, President

WILLIAMSON COUNTY, TEXAS

By: 

Name: Lisa L. Birlman

Title: Co. Commissioner, Pct. 1