

**FOURTH AMENDMENT TO DEVELOPMENT AGREEMENT AND
DISTRICT CONSENT AGREEMENT**

THE STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF KENDALL §

This Fourth Amendment to Development Agreement(the “Fourth Amendment”) modifies amends and ratifies the February 12, 2008 Agreement (as hereinafter defined) as amended by the first Modification, Ratification and Extension Of Development Agreement and District Consent Agreement, dated to be effective on February 5, 2014 (the “First Amendment”), and the Second Amendment to Development Agreement and District Consent Agreement (the “Second Amendment”), dated to be effective on September 17, 2014, and the Third Amendment to Development Agreement and District Consent Agreement (the “Third Amendment”), dated to be effective on January 27, 2016, in accordance with the terms hereof, is executed by and between LOOKOUT BOERNE HOLDINGS, LP, a Texas limited partnership and LOOKOUT DEVELOPMENT GROUP, L.P., a Texas limited partnership (collectively “Owner”), on behalf of itself and its successors, transferees, and assigns, KENDALL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 (“District No. 2”), KENDALL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2A (“District No. 2A”) and the CITY OF BOERNE, TEXAS (the “City”) to be effective on the date defined herein (the “Effective Date”).

ARTICLE I
RECITALS

WHEREAS, the City is a home rule municipal corporation of the State of Texas; and

WHEREAS, Owner is a Texas limited partnership; and

WHEREAS District No. 2 and District No. 2A, together with any subsequently created sub-districts permitted pursuant to their enabling legislation (sometimes referred to collectively as the “Districts”) are legislatively created governmental entities created under the authority of Article XVI, Section 59 and Article III, Section 52 of the Texas Constitution, Chapters 49 and 51 of the Texas Water Code, and the District Legislation; and

WHEREAS, Owner, the Districts and the City are sometimes individually referred to as a “Party” and collectively as the “Parties”; and

WHEREAS, Owner is the owner of tracts of real property located in Kendall County, Texas subject to the jurisdiction of the Districts and depicted on attached **Exhibit A** and described by metes and bounds on attached **Exhibit B** (collectively, the “Property”); and

WHEREAS, the Property is located wholly within the extraterritorial jurisdiction (“ETJ”) of the City and not within the ETJ or corporate limits of any other town or city; and

WHEREAS, the City and the prior owner of the Property, MA Boerne Partners, LP ("MA Boerne") entered into a Development Agreement with an Effective Date of February 12, 2008, (the "2008 Agreement") regarding the Property, which 2008 Agreement is evidenced in the real property records of Kendall County, Texas by a Memorandum of Development Agreement recorded as Document No. 00274382 in Volume 1361, Page 834 in the real property records of Kendall County, Texas; and

WHEREAS, The City, MA Boerne and District No. 2 entered into a certain Interlocal Agreement Concerning Creation and Operation of District No. 2 regarding the creation and operation of the Districts (the "Consent Agreement"); and

WHEREAS, The City and District No. 2 entered into a certain Strategic Partnership Agreement regarding the annexation of certain commercial use areas of the Property for the sole and exclusive purpose of imposing and collecting sales and use taxes (the "SPA"); and

WHEREAS, The Parties entered into a first Modification, Ratification and Extension of Development Agreement dated to be effective as of February 5, 2014, being the date on which all of the parties to the First Modification had executed that agreement and the Boerne Independent School District had entered into a School Tract Donation Agreement with the Owner; and

WHEREAS, the Parties, entered into a Second Amendment to the 2008 Agreement, dated to be effective as of September 17, 2014, the date of its adoption by each of the parties;

WHEREAS, the Parties, entered into a Third Amendment to the 2008 Agreement, dated to be effective as of January 27, 2016, the date of its adoption by each of the parties; and

WHEREAS, the Parties express their desire to further modify, amend, ratify, renew and extend the various obligations contained in the 2008 Agreement, as amended, in order to obtain mutual benefits.

NOW THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Fourth Amendment, and for other good and valuable consideration the receipt and adequacy of which are acknowledged and agreed by the Parties, the Parties agree to modify, ratify, extend and amend the 2008 Agreement, and be bound by both, as follows:

ARTICLE II

AMENDMENTS TO THE DEVELOPMENT AGREEMENT

1. **Exhibits D-2A and D-2B** are deleted and replaced with **Exhibits D-2A and D-2B** attached to this Fourth Amendment. All references to **Exhibit D-2A and D-2B** throughout the 2008 Agreement, the First Amendment, the Second Amendment, the Third Amendment and this Fourth Amendment refer to the **Exhibit D-2A and Exhibit D-2B** dated May 30, 2017.

ARTICLE III
AMENDMENTS TO THE INTERLOCAL AGREEMENT CONCERNING THE
CREATION AND OPERATION OF KENDALL COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NO. 2

1. The dollar amount expressed in Section 5.04 (h) shall be deleted and replaced with the sum of \$250,000,000.00.

ARTICLE IV
GENERAL PROVISIONS

1. Recitals and Exhibits. The recitals and exhibits are incorporated into this Amendment as fully as matters of contract and not mere recitals or references.
2. Ratification. This Fourth Amendment of Development Agreement shall continue in effect until further amended by a similar agreement executed by the Parties, and recorded in the Official Records of Kendall County, Texas. All terms and conditions contained in the 2008 Agreement, the Strategic Partnership Agreement and the Consent Agreement not amended herein, the First Amendment, the Second Amendment or the Third Amendment remain in full force and effect. For the same considerations stated herein, each of the parties hereby ratifies and confirms the validity of the 2008 Agreement, the Strategic Partnership Agreement and the Consent Agreement, the First Amendment, the Second Amendment, the Third Amendment and together with the changes made by this Fourth Amendment, and agrees on behalf of the applicable party hereto and their successors and assigns, that the remaining terms and conditions contained in the 2008 Agreement, the Consent Agreement and the SPA are binding, subsisting and in full effect.
3. Recording. This Fourth Amendment shall be recorded in full in the real property records of Kendall County, Texas.
4. Effective Date. This Fourth Amendment shall be effective as of the date that it is approved and executed by all of the parties.

This Fourth Amendment is signed by each Party as of the date of acknowledgment of that Party's signature below, but is effective for all purposes as of the Effective Date stated above.

[Signature Pages Follow]

ATTEST:

CITY OF BOERNE

City Secretary

By: _____

Name: _____

Its: _____

Date: _____

STATE OF TEXAS §

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COUNTY OF _____ §

This instrument was acknowledged before me, on the ____ day of _____, 2017,
by _____, _____ of the City of Boerne, Texas on behalf of said city.

[SEAL]

Notary Public, State of Texas

Printed Name: _____

My Commission Expires: _____

LOOKOUT BOERNE HOLDINGS, LP,
a Texas limited partnership

By: Morningside Land & Cattle Company, LLC,
a Texas limited liability company, its General Partner

By: _____
William R. Hinckley
Operating Manager

THE STATE OF TEXAS §
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COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2017, by **WILLIAM R. HINCKLEY**, Operating Manager of **MORNINGSIDE LAND & CATTLE CO., LLC**, a Texas limited liability company, General Partner of **LOOKOUT BOERNE HOLDINGS, LP**, a Texas limited partnership, in the capacity herein stated.

Notary Public, State of Texas

Name Printed or Typed
My Commission Expires: _____

LOOKOUT DEVELOPMENT GROUP, L.P.,
a Texas limited partnership

By: **THE LOOKOUT GROUP, INC.,**
a Texas corporation, its General Partner

By: _____
William R. Hinckley
President

THE STATE OF TEXAS §
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COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2017, by **WILLIAM R. HINCKLEY**, President of **THE LOOKOUT GROUP, INC.**, a Texas corporation, General Partner of **LOOKOUT DEVELOPMENT GROUP, L.P.**, a Texas limited partnership, in the capacity herein stated.

(Seal)

Notary Public, State of Texas

Name Printed or Typed
My Commission Expires: _____

**KENDALL COUNTY WATER CONTROL
AND IMPROVEMENT DISTRICT NO. 2**

By: _____

Its: President, Board of Directors

Date: _____

STATE OF _____ §

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COUNTY OF _____ §

This instrument was acknowledged before me, on the ____ day of _____, 2017,
by _____, President of the Board of Directors of the Kendall County Water Control
and Improvement District No. 2, on behalf of said entity.

[SEAL]

Notary Public, State of Texas

Printed Name: _____

My Commission Expires: _____

**KENDALL COUNTY WATER CONTROL
AND IMPROVEMENT DISTRICT NO. 2-A**

By: _____

Its: President, Board of Directors

Date: _____

STATE OF _____ §

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COUNTY OF _____ §

This instrument was acknowledged before me, on the ____ day of _____, 2017,
by _____, President of the Board of Directors of the Kendall County Water Control
and Improvement District No. 2-A, on behalf of said entity.

[SEAL]

Notary Public, State of Texas

Printed Name: _____

My Commission Expires: _____

Exhibit A

Exhibit B

Exhibit C
(Not Used)

Exhibit D-2A

Exhibit D-2B