

BOERNE COMMONS, LTD.
c/o Lukers, Inc.
1010 W. Martin Luther King Jr., Blvd.
Austin, Texas 78701

August 9, 2018

City of Boerne
402 E. Blanco
Boerne, TX 78006
Attn: _____

Re: That certain Development Agreement dated effective March 9, 2009 (the "**Development Agreement**") by and between the City of Boerne, a Texas home-rule municipality (the "**City**"), and the Estate of Judy Leftwich Calder, Howard C. Calder, Executor ("**Calder**"), with respect to the development of certain real property in the City of Boerne, Kendall County, Texas, as more particularly described in the Development Agreement (the "**Project Property**")

Ladies and Gentlemen:

We are writing to confirm our mutual understanding regarding the City's contribution with respect to the design and construction of the drainage improvements described in the Development Agreement.

As you are aware, BOERNE COMMONS, LTD., a Texas limited partnership ("**BCL**"), J-B BOERNE REALTY, LP, a Texas limited partnership ("**Javelin**"), and MENDER DEVELOPMENT, LLC, a Texas limited liability company ("**Menger**") (Menger, BCL, and Javelin are each a "**Drainage Property Owner**" and collectively, the "**Drainage Property Owners**", and the Drainage Property Owners and the City are sometimes hereinafter collectively referred to as the "**Parties**"), are each successors-in-interest to Calder with respect to certain portions of the Project Property (such portions, collectively, the "**Drainage Property**"), which Drainage Property is subject to the drainage system improvements contemplated in Sections 6 and 7 of the Development Agreement (the "**Drainage Improvements**").

Pursuant to Section 7 of the Development Agreement, in lieu of the City constructing the Drainage Improvements, the Drainage Property Owners will cause the construction of the Drainage Improvements pursuant to a separate agreement among the Drainage Property Owners, which Drainage Improvements will be constructed in accordance with plans approved by the City. This letter supplements the Development Agreement and confirms the Parties agreement with respect to the following matters and any conflict in the term of this letter agreement with the Development Agreement shall be resolved by the terms of the Development Agreement:

1. The Drainage Property Owners agree to commence, or cause to be commenced, construction of the Drainage Improvements no later than one (1) year after the date of this agreement, and to thereafter diligently pursue, or cause to be diligently pursued, the completion thereof.

2. The City agrees to contribute Forty Eight Percent (48%) towards the cost of designing and constructing the Drainage Improvements (hereinafter referred to as "City Contribution") not to exceed Three Hundred Forty Seven Thousand Eighty Dollars (\$347,080.00). The City's Contribution is a fixed contribution and the City will not be responsible for funding any additional costs to design and construct the Drainage Improvements. The Drainage Property Owners will be responsible for all other costs associated with designing and constructing the Drainage Improvements.

3. No later than twenty (20) days after the Drainage Property Owners give the City written notice by overnight courier at the City's address above that a construction contract for the Drainage Improvements has been entered into by one or more of the Drainage Property Owners together with confirmation that construction of the Drainage Improvements will commence within thirty (30) days of the execution thereof, the City agrees to deposit the City Contribution into an account designated by the Drainage Property Owners for use by the Drainage Property Owners to construct the Drainage Improvements. The Drainage Property Owners will use the City's contribution for costs associated with the design and construction of the Drainage Improvements, and for no other purposes.

4. The Drainage Property Owners shall permit the City or its authorized representative access to the site to review any work required by this letter agreement.

5. The City may conduct an audit or investigation of any entity receiving funds from the City directly or indirectly under this letter agreement. Acceptance of funds directly under this letter agreement or indirectly through a subcontract under this letter agreement acts as acceptance of the authority of the City to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the City with access to any information the City considers relevant to the investigation or audit.

6. The Drainage Property Owners are required to make any information created or exchanged with the City pursuant to this letter agreement, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the City.

If the City is in agreement with this letter, please have an authorized person sign in the space provided below and return a copy of the letter to Boerne Commons Ltd., c/o Walters Southwest, 1010 W. Martin Luther King Jr. Blvd., Austin, Texas 78701, email: bwalters@waltersw.com.

[SIGNATURE PAGE TO LETTER AGREEMENT]

Sincerely,

BOERNE COMMONS, LTD.,
a Texas limited partnership

By: Lukers, Inc.,
a Texas corporation,
its general partner

By: _____
William S. Walters, III, President

MENGER DEVELOPMENT, LLC,
a Texas limited liability company

By: _____
Name: _____
Title: _____

J-B BOERNE REALTY, LP,
a Texas limited partnership

By: Javelin Group GenPar I, LLC,
a Texas limited liability company,
its General Partner

By: _____
Name: _____
Title: _____

ACCEPTANCE BY THE CITY:

This Agreement is accepted and agreed to by the City of Boerne on this ____day of _____, 2018.

CITY OF BOERNE

By: _____
Name: _____
Title: _____