

FIRST AMENDMENT TO
RAVENEUX REDEVELOPMENT AGREEMENT
BETWEEN
CYPRESS FOREST PUBLIC UTILITY DISTRICT
AND
JP RAVENEUX PARTNERS LP AND KERA DEVELOPMENT, L.P.

THIS FIRST AMENDMENT (the "First Amendment") to the RAVENEUX REDEVELOPMENT AGREEMENT BETWEEN CYPRESS FOREST PUBLIC UTILITY DISTRICT AND JP RAVENEUX PARTNERS LP AND KERA DEVELOPMENT, L.P. (the "Agreement") is entered into as of the 14th day of April, 2009, by and between Cypress Forest Public Utility District, a political subdivision of the State of Texas, organized pursuant to the provisions of Article XVI, Section 59 of the Texas Constitution and Chapters 49 and 54 of the Texas Water Code, as amended ("District") and JP Raveneaux Partners LP, a Texas limited partnership, and Kera Development, L.P., a Texas limited partnership, including any successors or assigns (collectively, the "Developer").

RECITALS

WHEREAS, the District and the Developer have previously entered into the Agreement; and

WHEREAS, on October 16, 2008, Kleinwood Municipal Utility District ("Kleinwood") filed a lawsuit in federal district court in Houston, Texas alleging various claims under federal constitutional and statutory law and state constitutional, statutory and common law; and

WHEREAS, on March 30, 2009, the federal district court dismissed Kleinwood's federal law claims with prejudice and state law claims without prejudice; and

WHEREAS, on April 3, 2009, Kleinwood re-filed their state law claims in a Harris County state district court; and

WHEREAS, Section 5.07 of the Agreement provides that either the District or the Developer can terminate the Agreement within six months of a legal action seeking damages by virtue of the Agreement; and

WHEREAS, given the second filing of the state law claims in a state district court, the District and the Developer seek to extend the time for termination of the Agreement to allow for disposition of the suit by the state district court.

NOW, THEREFORE, THE DISTRICT AND THE DEVELOPER CONTRACT AND AGREE AS FOLLOWS:

Section 1. Section 5.07 of the Agreement is modified and supplemented to allow the District or the Developer to terminate the Agreement by July 2, 2009 due to the lawsuit filed by Kleinwood in state district court. The termination right shall expire upon the earlier of (i) 6:00 p.m. CDT on July 2, 2009 or (ii) thirty (30) days after disposition of the Kleinwood lawsuit by the state court.

Section 2. The Developer agrees to work diligently to obtain the necessary lienholder consents and approvals for the annexation of the Annexation Tract (as defined in the Agreement) into the District as contemplated by Section 1.01 of the Agreement. The District and the Developer agree upon receiving the necessary lienholders consents to file the necessary documents with the City of Houston for consent to the annexation of the Annexation Tract. The District and the Developer agree that if the lienholder consents are obtained then the actual petition for annexation will be held in escrow by Allen Boone Humphries Robinson LLP pursuant to instructions mutually agreeable to the District and the Developer and that the District will not act to finally annex the Annexation Tract until the earlier of (i) 6:00 p.m. CDT on July 2, 2009 or (ii) thirty (30) days after disposition of the Kleinwood lawsuit by the state court; provided, however, that if either party timely terminates the Agreement the petition for annexation and all related documents shall be returned to Developer without action thereon by the District.

Section 3. The District and the Developer agree that the approval of this First Amendment shall not constitute a waiver of any rights or remedies for any default or defaults by either party to date under the Agreement.

Section 4. Except as modified by this First Amendment, the terms and conditions of the Agreement shall remain in full force and effect.

Section 5. This First Amendment may be executed in multiple counterparts that, when assembled, shall form one fully enforceable document, and signatures executed by facsimile shall have the same force and effect as originals.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of equal dignity, as of the date and year set forth on the first page hereof.

CYPRESS FOREST PUBLIC UTILITY DISTRICT

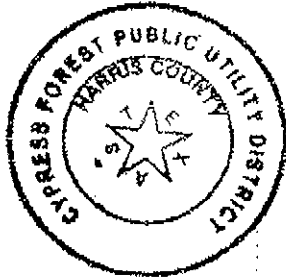
By: *Thomas J. Petrick*
Name: Thomas J. Petrick
Title: President, Board of Directors

ATTEST:

By: *Fred P. Jones*
Name: Fred P. Jones
Title: Secretary, Board of Directors

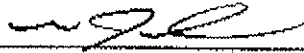
Date: 4/14/09

(SEAL)




JP Raveneaux Partners LP,
a Texas limited partnership

By: Raveneaux Management, Inc., its general partner

By: 
Name: Mark Jordan
Title: President

Kera Development, L.P.,
a Texas limited partnership

By: Verren II-GP, LLC, its general partner

By: 
Name: Mark Jordan
Title: President

Date: 4/15/09