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

THIS NINTH AMENDMENT (this "Amendment") to the RAVENEAUX REDEVELOPMENT AGREEMENT BETWEEN CYPRESS FOREST PUBLIC UTILITY DISTRICT AND JP/RAVENEAUX PARTNERS LP AND KERA DEVELOPENT, L.P. dated September 2, 2008 (the "Agreement") is entered into effective as of the 15th day of March, 2010, 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 and assigns (collectively, the "Developer").

RECITALS

WHEREAS, the District and the Developer have previously entered into the Agreement, a First Amendment to the Agreement dated April 14, 2009 (the "First Amendment"), a Second Amendment to the Agreement dated July 1, 2009 (the "Second Amendment"), a Third Amendment to the Agreement dated October 30, 2009 (the "Third Amendment"), a Fourth Amendment to the Agreement dated November 17, 2009 (the "Fourth Amendment"), a Fifth Amendment to the Agreement dated November 1, 2009 (the "Fifth Amendment"), a Sixth Amendment to the Agreement dated January 14, 2010 (the "Sixth Amendment"), a Seventh Amendment to the Agreement dated February 1, 2010 (the "Seventh Amendment") and an Eighth Amendment to the Agreement dated February 15, 2010 (the "Eighth Amendment") (collectively, the "Prior Amendments"); and

WHEREAS, the District and the Developer desire to modify the Agreement as modified by the Prior Amendments as set forth herein.

NOW, THEREFORE, FOR A GOOD AND VALUABLE CONSIDERATION RECEIVED BY EACH OF THE DISTRICT AND THE DEVELOPER, THE RECEIPT AND ADEQUACY OF WHICH IS HEREBY ACKNOWLEDGED, THE DISTRICT AND THE DEVELOPER CONTRACT AND AGREE AS FOLLOWS:

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Section 1. Definitions. All capitalized terms not defined herein shall have the meaning given such terms in the Agreement, as amended.

Section 2. Right to Terminate. The second sentence in Section 5.07 of the Agreement, as amended, is hereby deleted and neither the District nor the Developer shall have any right to terminate the Agreement due to the existence of any litigation regarding the Agreement.

Section 3. 15 Acre Provision. Section 3.07 of the Agreement is hereby deleted and shall not be considered to have any effect under the Agreement.

Section 4. Trail Property. Section 3.01 of the Agreement is amended to read as follows:

> Section 3.01. Trail Property. The Parties agree that property shall be conveyed by the Developer to the District that would allow for a walking trail generally along the south side of the Cypresswood Drive right of way and generally along the northern boundary of the Developer's property. The Parties agree that the description of such property shall be as provided under Exhibit "H" attached hereto (the "Trail Property"). The Parties agree that the Trail Property shall be conveyed to the District in fee simple title free and clear of any mortgage lien, provided that the area within the 27 Acres shall be conveyed to the District as an easement in the form attached hereto as Exhibit "I". Within the easement area on the 27 Acres, no streets or roads will be permitted except for three perpendicular crossings that may either be driveways or public streets. No buildings, structures, parking lots or signs other than traffic and pedestrian control signs or street lights, will be permitted to be installed by the Developer within the easement. The deed conveying the Trail Property in fee shall contain the same use restrictions as provided in the easement.
>
> For the portion of the Tract south of the Mormon church property and north of Cypress Creek, the Developer and the District agree that the Trail Property is intended to be located as shown on Exhibit "H-1". To the extent that the Developer needs to utilize such area for excavation as described in Section 5.02(c) of the Lease (as described below), the District and Developer agree to relocate the Trail Property on the Lease Tract to a mutually agreeable location to allow such excavation and to allow the District to maintain the trail in an area not covered by a lake.

The form of trail easement attached to the Agreement as Exhibit "I" is hereby modified to (i) delete the last paragraph in Section 1; (ii) delete subsection (c) in Section 2; (iii) delete Section 17 and all references to Section 17 in the easement are deleted; and (iv) modify subsection (a) to allow pedestrian golfer crossing and golf cart crossing on the existing golf cart path to the west of Champions Drive to the extent the existing golf cart path may meander into and out of the Easement Property; provided, however, that at such time as the District constructs a trail to the west of Champions Drive any existing golf cart paths shall be relocated to allow for a continuous trail within the Easement Property.

Section 5. Closing on Land Purchase. On or before August 1, 2010, the District and the Developer enter into a mutually agreeable escrow agreement to provide in escrow all documentation necessary for the District's purchase of the Park Property free and clear of all liens. The District and the Developer agree that at the Closing of the purchase of the Park Property (the "Closing") shall be at the office of Chicago Title Insurance Company, ~~5400 LBJ Freeway, Suite 1450~~, 14801 Quorum Dr. Suite 100 Dallas, Texas ~~75240~~ 75254 Attn: ~~John K. Pettiette~~ Tim Richards (the "Escrow Agent"). The Developer and the District shall deliver to the Escrow Agent in escrow, all documents required to be signed and delivered by the Developer and the District at Closing, together with the agreement of the Developer's Lender or any other lienholder to sign any required lien releases at Closing, all fully executed and where required, notarized. To the extent that Developer's Lender requires Developer to deposit funds in excess of the funds to be paid by the District at Closing for required lien release(s), Developer agrees to deposit such funds into escrow. The escrow agreement shall provide that the only action necessary for the release of all documents from escrow and the closing on the purchase of the Park Property shall be the District's funding of its $5,500,000 for the purchase of the Park Property. The Developer and the District agree that the District's funding of the purchase price and the Closing shall be on or before December 1, 2010. The District shall not be required to proceed with the sale of its bonds until such time as the Developer has satisfied all of the requirements to provide for the release of all mortgage liens. In the event that the Developer or the District fails to comply with the requirements of this Section, the Agreement shall be automatically terminated. The Developer shall be required to have paid all outstanding ad valorem taxes on the Tract to all taxing jurisdictions at or before Closing.

The Developer agrees to provide annexation documents in a form satisfactory to the District and the City of Houston for the annexation of the Annexation Tract by August 1, 2010. The District agrees to promptly submit such documents to the City of Houston and to use its best efforts to secure the City of Houston's consent to annexation. Upon submission of such documents to the City of Houston, the District agrees to approve a conditional order adding land to annex the Annexation Tract in escrow, with the sole condition on such

escrow being the City of Houston's approval of an ordinance consenting to the annexation of the Annexation Tract. In the event that the City of Houston has not consented to the District's annexation of the Annexation Tract on or before Closing, the District and the Developer agree to enter into a written agreement reasonably acceptable to the Developer and the District at Closing providing that until the City of Houston consents to annexation and the annexation occurs:

a. The District will provide the utility service described in the Agreement to the Tract as if it was entirely within the boundaries of the District, subject to the terms and conditions of the Agreement;

b. The District will reimburse the Developer for the design and construction of water, sewer and drainage facilities under Article II of the Agreement in the same amounts and under the same conditions the District would otherwise do so but for the fact that the Annexation Tract has not been annexed into the District and may not be annexed at the time or times when the District would otherwise be obligated to so reimburse the Developer; and

c. The Developer shall make an annual payment to the District in an amount equal to what its tax liability would have been if the Annexation Tract was in the District on January 1 of such year, commencing with the calendar year 2011.

At the Closing, the District and the Developer shall perform the following actions:

a. The Developer shall deed the Park Property to the District;

b. The District shall pay the Developer the $5,500,000 purchase price for the Park Property;

c. The District and the Developer will sign the Lease of the Lease Tract, amended as provided herein;

d. The Developer shall deed the 31 Acre Tract to the District;

e. The Developer shall sign and record the Land Use Restriction Agreement applicable to the 27 Acres; and

f. The Developer will deliver the signed, notarized Trail Easement to the District.

Section 6. Environmental Study. The Developer shall allow the District to have access to the Park Property to conduct a Phase I Environmental

Study for the purchase of the Park Property; provided, however, that the Phase I Environmental Study shall be conducted only by Environmental Advisors and Engineers, Inc. at the District's sole cost and expense. To the extent that the Phase I Environmental Study shall contain conclusions that the Park Property contains environmental liabilities, the District shall be allowed to terminate the escrow agreement without penalty within twenty (20) days after receipt of such study.

Section 7. Lease Amendment. The Lease is hereby modified as follows:

a. Section 4.06 of the Lease is hereby revised in its entirety to read as follows:

> "**Section 4.06. Utilities**. Tenant shall pay all charges for gas, electricity, light, heat, air conditioning, power, telephone and other communication services, and all other utilities and similar services rendered or supplied to the Premises, and all water rents, sewer service charges, or other similar charges levied or charged against, or in connection with, the Premises. Tenant may install any facilities needed for utilities servicing the Permitted Uses, as defined in Section 6.01(a) across the Premises and across those two (2) certain tracts of land containing approximately 32.66 acres to the East of the Premises (which are owned by Landlord and which were acquired by deed from Tenant at the same time Tenant conveyed the Premises to Landlord) and Landlord agrees, upon Tenant's request, to grant easements to the providers of such utilities, with the location, configuration, size, form, and substance thereof to be reasonably satisfactory to Landlord."

b. Section 5.02(a) of the Lease is hereby revised in its entirety to read as follows:

> "(a) As used in this Lease, the term "Improvements" shall mean any buildings, structures, parking facilities, or other improvements located at any time upon the Land. Tenant shall not install any Improvements on the Land except for those used directly in connection with the use of the Premises for a Permitted Use, such as maintenance, golf teaching facilities, sheds and golf huts; provided, however, Improvements shall not include any

buildings, structures or parking facilities that would be associated with a spa/wellness facility."

c. Section 5.02(c) of the Lease shall be amended to add the following language at the end of such section:

"In connection with said work, Tenant may perform earth removal work in accordance with the Construction Standards, and may dispose of said soil on property owned by Tenant or an affiliate of Tenant adjacent to or nearby the Leased Premises for use as fill dirt. Without limiting the generality of the foregoing, Landlord consents to Tenant removing soil from the Premises in connection with the proposed relocation of the driving range and placing all or part of the soil as described in a "Drainage Impact Study and Floodway Revision HCFC Unit K100-00-00 (Cypress Creek) prepared by Brown & Gay Engineers, Inc. dated October, 2006"; provided, however, the Tenant agrees to consult with the Landlord regarding the location of such excavation and that the excavation shall be done in such a manner as to minimize the loss of trees from the Premises, if economically feasible for Tenant in its sole and absolute discretion.

d. Section 6.01(a) of the Lease is hereby revised in its entirety to read as follows:

"(a) Tenant shall use the Premises solely as one or more golf courses, and other facilities commonly associated with a golf course, including without limitation, tennis courts, swimming pools, parking facilities, and/or a spa/wellness facility (the "Permitted Uses"). Tenant shall actively operate at least one eighteen hole golf course, with practice range and green, on the Premises throughout the Term. The golf course(s) shall be professionally managed and operated by Tenant or an operator approved by Landlord, which approval shall not be unreasonably withheld. To the extent that a Permitted Use includes a spa/wellness facility, such use of the Premises shall be limited to walking trails and nature gardens and shall not include any buildings or structures."

(e) Section 15.15 of the Lease is hereby revised in its entirety to read as follows:

Section 15.15. Transfer of Landlord's Interest. Except as provided herein, Landlord may not transfer and/or mortgage its interest in the Premises and under this Lease without the prior written consent of Tenant, which may be withheld in Tenant's sole and absolute discretion. Landlord may transfer or assign its interest in the Premises to any political subdivision of the State of Texas without the consent of Tenant. Any such transfer or mortgage shall be expressly made subject to the terms, provisions, and conditions of this Lease and the transferee or mortgagee shall agree to be bound by the provisions hereof (in the case of a mortgagee, such agreement being contingent upon the mortgagee actually succeeding to the Landlord's interest in the Premises and hereunder by virtue of a foreclosure or conveyance in lieu thereof). Any transfer or assignment made without Tenant's prior written consent other than to a political subdivision of the State of Texas shall be void.

Section 8. Land Use Restriction Agreement. Section 1.03 of the Agreement is amended to read as follows:

Section 1.03. Land Use Restrictions. As consideration for the District's agreement to annex the Annexation Tract, to provide utility service to the 27 Acres and to provide reimbursements as provided in Article II herein, the Developer agrees that the 27 Acres will only be developed in accordance with this Section and except as provided in the Lease, no other portion of the Tract may be developed with vertical improvements, unless approved in writing by the District. The 27 Acres shall only be developed and utilized in a manner than would cause the 27 Acres to be taxable by the District under the Texas Property Tax Code. The Developer agrees that, except upon prior written approval of the District, the 27 Acres may only contain condominiums as part of high-rise or mid-rise buildings, two-, three- or four-story townhouses, single-family residential dwellings, reconstruction of the country club clubhouse including hotel space and a spa and limited retail commercial property as provided herein. For the purposes of this Section, any type of building constructed must have an average construction cost of no less than $85 per square foot (the "Per Square Foot Price"). The Per Square Foot Price shall be increased annually, on each anniversary of the Closing date, in proportion to the cumulative increase, if any, in the Consumer Price Index for All Urban Consumers as published by the U.S. Bureau of Labor Statistics ("CPI") from the most recent CPI published prior to the

Closing date, to the most recent CPI published prior to the applicable anniversary date; provided, however, that following the adjustment made on the date ten (10) years after the Closing date, the Per Square Foot Price shall cease to increase and it shall be fixed. The Developer and District agree that any type of for-rent apartment development or multi-family project or any sexually-oriented commercial development is expressly prohibited within the 27 Acres. To the extent residential condominiums are built on the 27 Acres, individual residential condominium owners will be allowed to rent their units but there shall be no centralized rental office or system for rental of condominium units. Except upon prior written approval of the District, the total amount of commercial retail space within the 27 Acres shall not exceed 50,000 square feet of retail space and there shall be no commercial retail building fronting on Cypresswood Drive without approval of the District. Units within a condominium building shall be a minimum of 900 square feet. At least fifty percent of the units in any one building must be at least 1,200 square feet and at least ten percent of the units in any one building must be at least 2,000 square feet. The Developer shall not allow any use of the 27 Acres that would require the owner or operator to obtain any license or permit under the Title IV, Subtitle B of the Texas Health & Safety Code (or any successor code or statute) except for Ambulatory Surgical Centers authorized under Chapter 243, Texas Health and Safety Code and for Freestanding Emergency Medical Care Facilities authorized under Chapter 254, Texas Health and Safety Code. The Developer shall not enter into any construction contract (or change order that would affect the construction cost) for the construction of any building or vertical improvement on the 27 Acres unless the District shall have been given a copy of such contract (or change order) including all plans and specifications for such building or improvement to verify compliance with this Section. The land use restrictions contain in this subsection shall be filed as a deed restriction on the 27 Acres and recorded in the property records of Harris County in substantially the form attached hereto as Exhibit "E" at such time as earlier of the Park Property is purchased or the Annexation Tract is annexed into the District.

The Land Use Restriction Agreement attached as Exhibit "E" to the Agreement shall be modified to reflect the changes in the land use restrictions provided in this Section, including without limitation the adaptation of the Land Use Restriction Agreement to the tract described above.

Section 9. Service Units. Section 1.02 of the Agreement is hereby amended to provide that the total number of equivalent single family connections ("ESFCs") available for the 27 Acres is 425 ESFCs of water supply and wastewater treatment capacity. Except for the modification of total ESFCs available for the 27 Acres, the provisions and requirements of Section 1.02 of the Agreement continue to apply.

Section 10. Counterparts. This 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.

Section 11. Ratification. Except as provided herein, the Agreement shall remain in full force and effect. The District and the Developer hereby ratify and affirm (and to the extent necessary, reinstate) the Agreement as modified by the Prior Amendments and by this Amendment. The District and the Developer agree that any prior termination or expiration of the Agreement (whether made by the action or inaction of any party, or by the expiration of time) as amended by the Prior Amendments is waived and shall not be effective.

Section 12. Purchase Contract. The purchase contract, a form of which is attached as Exhibit "K" to the Agreement, will not be signed by the District and the Developer.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment 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: Fred P. Jones

Name: Fred P. Jones

Title: President, Board of Directors

ATTEST:

By: Thomas J. Petrick

Name: Thomas J. Petrick

Title: Asst. Secretary, Board of Directors

Date: June 30, 2010

(SEAL)

CYPRESS FOREST PUBLIC UTILITY DISTRICT HARRIS COUNTY TEXAS

JP/RAVENEAUX PARTNERS LP,
a Texas limited partnership

By: JP-GP Raveneaux LLC,
a Texas limited liability company,
its general partner

By:_____
Mark D. Jordan, Manager

KERA DEVELOPMENT, L.P.,
a Texas limited partnership

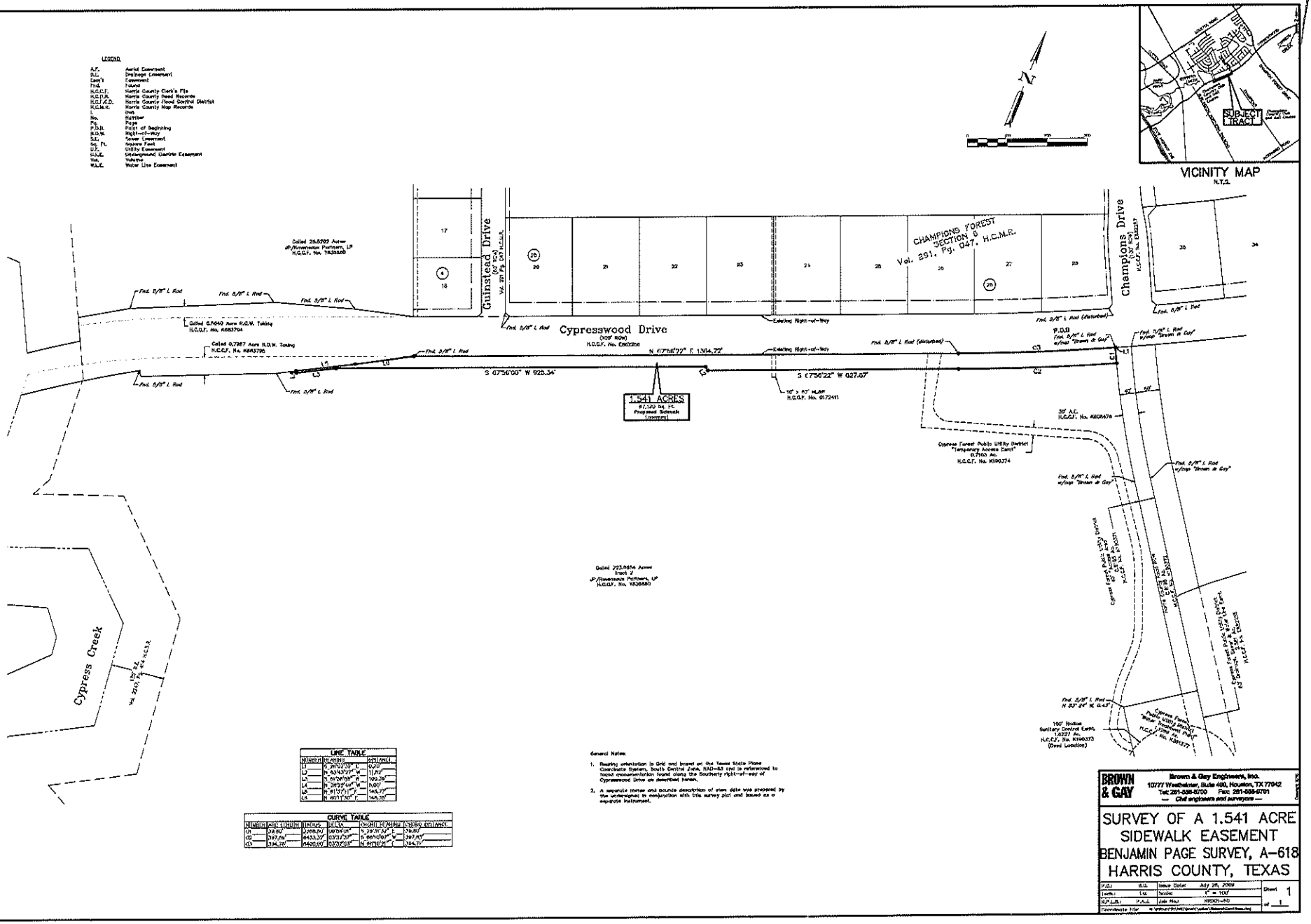
By: Verren II-GP, LLC,
its general partner

By:_____
Mark D. Jordan, Manager

Date: 7/9/2010

EXHIBIT "H" and "H-1"

(Description of Trail Property follows this page)


LEGEND
A.E. Aerial Easement
D.E. Drainage Easement
Esmt Easement
Fnd. Found
H.C.C.F. Harris County Clerk's File
H.C.D.R. Harris County Deed Records
H.C.F.C.D. Harris County Flood Control District
H.C.M.R. Harris County Map Records
I. Iron
No. Number
Pg. Page
P.O.B. Point of Beginning
R.O.W. Right-of-Way
S.E. Sewer Easement
Sq. Ft. Square Feet
U.E. Utility Easement
U.G.E. Underground Electric Easement
Vol. Volume
W.L.E. Water Line Easement
VICINITY MAP
N.T.S.
SUBJECT TRACT
Champions Forest Section G
Vol. 291, Pg. 047, H.C.M.R.
Guinstead Drive
(60' R/W)
Champions Drive
(100' R/W)
Cypresswood Drive
(100' R/W)
H.C.C.F. No. E902206
Called 28.5702 Acres
JP/Rivercreek Partners, LP
H.C.C.F. No. Y630688
Called 0.7040 Acre R.O.W. Taking
H.C.C.F. No. K883794
Called 0.7087 Acre R.O.W. Taking
H.C.C.F. No. K883795
Called 223.8654 Acres
Tract 1
JP/Rivercreek Partners, LP
H.C.C.F. No. Y630680
N 67°56'22" E 1354.22'
S 67°56'00" W 925.34'
S 67°56'22" W 627.07'
1.541 ACRES
67,120 Sq. Ft.
Proposed Sidewalk
Easement
10' x 57' M.&P.
H.C.C.F. No. G172411
P.O.B.
Fnd. 5/8" I. Rod
w/cap "Brown & Gay"
30' A.E.
H.C.C.F. No. K803478
Cypress Forest Public Utility District
"Temporary Access Easement"
0.7163 Ac.
H.C.C.F. No. K896374
Cypress Forest Public Utility District
"Temporary Access Easement"
0.6227 Ac.
H.C.C.F. No. K896373
(Deed Location)
Cypress Creek
Vol. 2370, Pg. 94, H.C.D.R.
Fnd. 5/8" I. Rod
N 23° 24' W 0.43'
Fnd. 5/8" I. Rod (Disturbed)
Existing Right-of-Way
LINE TABLE
NUMBER BEARING DISTANCE
L1 N 26°10'39" E 10.00'
L2 N 63°49'21" W 11.00'
L3 S 26°10'39" W 100.26'
L4 N 09°25'46" W 5.00'
L5 N 81°37'11" E 146.79'
L6 N 80°17'50" E 146.78'
CURVE TABLE
NUMBER ARC LENGTH RADIUS DELTA CHORD BEARING CHORD DISTANCE
C1 28.82' 2058.00' 00°08'01" S 79°31'32" E 28.82'
C2 347.84' 6433.33' 03°05'59" N 66°09'09" E 347.83'
C3 334.28' 6400.00' 03°00'05" N 66°10'21" E 334.21'
General Notes
1. Bearing orientation is Grid and based on the Texas State Plane Coordinate System, South Central Zone, NAD-83 and is referenced to found monumentation found along the Southerly right-of-way of Cypresswood Drive as described hereon.
2. A separate metes and bounds description of even date was prepared by the undersigned in conjunction with this survey plat and issued as a separate instrument.
BROWN & GAY
Brown & Gay Engineers, Inc.
10777 Westheimer, Suite 400, Houston, TX 77042
Tel: 281-558-8700 Fax: 281-558-8701
— Civil engineers and surveyors —
SURVEY OF A 1.541 ACRE
SIDEWALK EASEMENT
BENJAMIN PAGE SURVEY, A-618
HARRIS COUNTY, TEXAS
P.C.I. R.S. Issue Date: July 28, 2009
Tech.: T.S. Scale: 1" = 100'
R.P.L.S.: P.A.S. Job No.: K8061-80
Sheet 1 of 1