

ORDINANCE NO.

AN ORDINANCE AUTHORIZING THE CREATION OF CASCADES MUNICIPAL UTILITY DISTRICT NO. 1, THE FINALIZATION AND EXECUTION OF A CONSENT AGREEMENT, THE INITIATION OF A STRATEGIC PARTNERSHIP PLANNING PROCESS, AND THE NEGOTIATION OF A STRATEGIC PARTNERSHIP AGREEMENT, AND CONTAINING CERTAIN OTHER PROVISIONS RELATING TO THE CREATION OF SUCH DISTRICT.

WHEREAS, the City of Austin, Texas, has received a Petition for Consent to the Creation of a municipal utility district to be known as Cascades Municipal Utility District No. 1 (the “District”), covering 223.68 acres of land located in the City limits and the City’s extraterritorial jurisdiction, a copy of which petition is attached as Exhibit 1;

WHEREAS, the request was subsequently amended by notice, attached as Exhibit 2, to cover only the 135.8 acres within the extraterritorial jurisdiction, which property is described in Exhibit 3; and

WHEREAS, the creation of the District has previously been authorized by Chapter 8477, Subtitle F, Title 6, Texas Special District Local Laws (the “Enabling Legislation”); and

WHEREAS, in accordance with Section 54.016 of the Texas Water Code and Section 42.042 of the Local Government Code, land within the City’s extraterritorial jurisdiction may not be included within a district without the City’s written consent;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. The City Council consents to and authorizes the creation of Cascades Municipal Utility District No. 1 (the “District”) over the 135.8 acre tract of land described in Exhibit 3 and incorporated as a part of this ordinance, in accordance with the Enabling Legislation and on substantially the terms and conditions set out in the Consent Agreement between the City, Onion Associates, Ltd., and Cascades Municipal Utility District No. 1 attached as Exhibit 4 and incorporated as part of this ordinance.

PART 2. The District boundary cannot be expanded by the District or by any agreement except with approval of the City Council.

PART 3. Bonds issued by the District may mature no later than 15 years after issuance.

PART 4. The City Council approves, and the City Manager is authorized to finalize and execute, the Consent Agreement.

PART 5. The City Manager is authorized to initiate a strategic partnership planning process with Cascades Municipal Utility District No. 1 and to negotiate a Strategic Partnership Agreement, containing substantially the terms and conditions set out in the Strategic Partnership Agreement attached as Exhibit 5 and incorporated as part of this ordinance.

PART 6. The City Council waives the provisions of City Code Section 25-9-159 (*Initial Action by City Council*) requiring the Council to act by resolution and to instruct the City Attorney to prepare and provide the related documents.

PART 7. The City Council approves the cost participations, waivers and reimbursements set forth in the attached Consent Agreement.

PART 8. This ordinance takes effect on _____, 2013.

PASSED AND APPROVED

_____, 2013 §
 §
 §

Lee Leffingwell
Mayor

APPROVED: _____
Karen M. Kennard
City Attorney

ATTEST: _____
Jannette S. Goodall
City Clerk

EXHIBIT 1 – Petition

DRAFT

**PETITION FOR CONSENT TO THE CREATION
OF MUNICIPAL UTILITY DISTRICT**

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF AUSTIN, TEXAS:

The undersigned ("Petitioner"), acting pursuant to the provisions of Chapters 49 and 54, Texas Water Code, respectfully petitions the City Council of the City of Austin, Texas (the "City"), for its written consent to the creation of a municipal utility district over the land described by metes and bounds on **Exhibit "A"**, which is attached hereto and incorporated herein for all purposes (the "Land"), and, in support thereof, would show the following:

I.

The name of the proposed district is CASCADES MUNICIPAL UTILITY DISTRICT NO.1 (the "District").

II.

The District is proposed to be created and organized under the terms and provisions of Article XVI, Section 59 and Article III, Section 52 of the Texas Constitution and Chapters 49 and 54 of the Texas Water Code.

III.

The District will contain approximately 223.68 acres of land, more or less, situated in Travis County, Texas. Approximately 135.8 acres of the land proposed to be included in the District are located within the extraterritorial jurisdiction of the City and approximately 87.88 acres of land proposed to be included in the District are located within the incorporated City limits. The Petitioner requests that the City exclude such 87.88 acres of land from the City limits in order that, upon final creation of the District, all of the Land will be located in the City's extraterritorial jurisdiction. All of the Land proposed to be included may properly be included in the District.

IV.

Petitioner holds title to and is the owner of a majority in value of the holders of title to the Land as indicated by the tax rolls of the Central Appraisal District of Travis County, Texas. The only lienholders on the Land, Southside Bank, Ken and Nathalie Hardy, 2011 Diebold Trust, and Juan Diego Missionary Society, Inc. have consented to the creation of the District as evidenced by the Lienholder's Consents attached as **Exhibit "B", "C", "D" and "E"**, respectively, and incorporated herein.

V.

The general nature of the work to be done by the District at the present time is the design, construction, acquisition, maintenance and operation of a waterworks and sanitary sewer system for domestic and commercial purposes; the construction, acquisition, improvement, extension, maintenance and operation of works, improvements, facilities, plants, equipment and appliances helpful or necessary to provide more adequate drainage for the District and to control, abate and amend local storm waters or other harmful excesses of waters; the design, acquisition, construction, financing, issuance of bonds for and conveyance of roads and improvements in aid of roads; the provision of and construction, acquisition, maintenance and operation of parks and recreational facilities and the construction, acquisition, improvement, maintenance and operation of such other

and additional facilities, systems, plants and enterprises as may be consonant with any or all of the purposes for which the District is created.

VI.

There is a necessity for the above-described work, because there is not now available within the area, which will be developed for single family residential and commercial uses, an adequate waterworks system, sanitary sewer system, drainage and storm sewer system, roadway system or parks and recreational facilities. The health and welfare of the present and future inhabitants of the area and adjacent areas require the purchase, design, construction, acquisition, ownership, operation, repair, improvement and extension of an adequate waterworks system, sanitary sewer system, drainage and storm sewer system, roadway system, parks and recreational facilities and other facilities and systems. A public necessity, therefore, exists for the creation of the District in order to provide for the purchase, design, construction, acquisition, ownership, operation, repair, improvement and extension of a waterworks system, sanitary sewer system, drainage and storm sewer system, roadway system, parks and recreational facilities and other systems to promote the purity and sanitary condition of the State's waters and the public health and welfare of the community.

VII.

A preliminary investigation has been made to determine the cost of the proposed District's project, and it is now estimated by Petitioner, from such information as it has available at this time, that such cost will be approximately \$51,500,000.

VIII.

Petitioner, by submission of this petition, requests the City's consent to the creation of the District and to the inclusion of the Land within the District.

WHEREFORE, Petitioner prays that this petition be heard and that your Honorable Body duly pass and approve an ordinance or resolution granting consent to the creation of the District and authorizing the inclusion of the Land within the District.

EXECUTED to be effective as of October 30, 2012.

ONION ASSOCIATES, LTD., a Texas limited partnership

By: Onion ASGP, Inc., a Texas corporation, its General Partner

(signature)

T. Marc Knutsen, President

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 31st day of December, 2012, by T. Marc Knutsen, President of Onion ASGP, Inc., a Texas corporation, General Partner of Onion Associates, Ltd., a Texas limited partnership, on behalf of said corporation and limited partnership.

(Notary signature and seal)

EXHIBIT A

Landesign Services, Inc.

555 Round Rock West Drive
Bldg. D, Suite 170
Round Rock, Texas 78681
512-238-7901 office
512-238-7902 fax

EXHIBIT “__” METES AND BOUNDS DESCRIPTION

BEING 223.68 ACRES OF LAND, AS SURVEYED BY LANDESIGN SERVICES, INC., OUT OF THE SANTIAGO DEL VALLE GRANT IN TRAVIS COUNTY, TEXAS, AND BEING ALL OF A CALLED 117.188 ACRE TRACT, ALL OF A CALLED 2.273 ACRE TRACT, ALL OF A CALLED 87.884 ACRE TRACT, ALL OF CALLED 8.17 ACRE TRACT ALL DESCRIBED IN CORRECTION JOINT PARTNERSHIP CONTRIBUTION GENERAL WARRANTY DEED TO ONION ASSOCIATES, LTD RECORDED IN DOCUMENT NO. 2006236625, ALL OF A CALLED 1.9965 ACRE TRACT DESCRIBED IN DOC. NO. 2006146663 ALL OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS (O.P.R.T.C.T.) AND 6.038 ACRE TRACT OUT OF LOT 1, ST. ALBIN'S ADDITION A SUBDIVISION OF RECORD IN CABINET 86, SLIDE 88C OF THE PLAT RECORD OF TRAVIS COUNTY; AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2" iron rod with cap marked "LANDESIGN" set in the existing east right-of-way line of Interstate Highway 35 (IH 35) (400' right-of-way width), in the west line of said Lot 1 and in the east line of a called 14.771 acre tract described in deed to the State of Texas for right-of-way recorded in Volume 1608, Page 170 of the D.R.T.C.T.;

THENCE North 17°32'12" East 1714.84 feet with the west line of said Lot 1, the west line of said 1.9965 acres and the east line of said 87.884 acres and the existing east right-of-way line of IH 35 to a calculated point in the center of Onion Creek at the northwest corner of the 87.884 acres and the southwest corner of Lot A, Onion Creek Section 1-B, a subdivision of record in Book 79, Page 313 of the Plat Records of Travis County, Texas;

THENCE South 75°57'21" East 450.62 feet with the centerline of Onion Creek, the north line of the 87.884 acres, the south line of said Lot A, and the south line of Lot B, Onion Creek Section 1-C, a subdivision of record in Book 79, Page 311 of the Plat Records of Travis County, Texas to a calculated point;

THENCE South 77°12'21" East 334.57 feet with the centerline of Onion Creek, the north line of the 87.884 acres, the south line of said Lot B, the south line of Lot C, Onion Creek Section 1-D, a subdivision of record in Book 79, Page 309 of the Plat Records of Travis County, Texas, and the south line of a remainder of a called 960 acre tract described in deed to Onion Creek Development Company recorded in Volume 9111, Page 262 of the D.R.T.C.T. to a calculated point;

THENCE with the centerline of Onion Creek, the north line of the 87.884 acres, and the south line of said remainder of 960 acres the following eight (8) courses:

1 South 59°56'55" East 220.25 feet to a calculated point;

- 2 South 75°15'28" East 402.24 feet to a calculated point;
- 3 South 79°40'28" East 357.17 feet to a calculated point;
- 4 South 42°47'28" East 114.70 feet to a calculated point;
- 5 South 60°30'58" East 308.12 feet to a calculated point;
- 6 South 03°38'28" East 131.00 feet to a calculated point;
- 7 South 27°58'28" East 206.00 feet to a calculated point;
- 8 South 56°44'22" East 249.40 feet to a calculated point at the northeast corner of the 87.884 acres and the northwest corner of said 117.188 acres;

THENCE with the centerline of Onion Creek, the north line of the 117.188 acres, and the south line of said remainder of 960 acres the following four (4) courses:

- 1 South 61°45'03" East 450.70 feet to a calculated point;
- 2 South 53°04'03" East 251.84 feet to a calculated point;
- 3 South 45°15'03" East 186.54 feet to a calculated point;
- 4 South 65°01'55" East 50.33 feet to a calculated point at the northeast corner of the 117.188 acres and the northwest corner of a called 64 acre tract described as First Tract in deed to Richard D. Spillman recorded in Volume 6287, Page 218 of the D.R.T.C.T.;

THENCE South 27°48'54" West, passing a capped iron rod stamped "RPLS 4091" at 58.94 feet and continuing a total distance of 838.63 feet with the east line of the 117.188 acres and the west line of the 64 acres to a 1/2" iron rod found;

THENCE South 27°33'39" West 498.18 feet continuing with the east line of the 117.188 acres and the west line of the 64 acres to a 7/8" iron rod found at the southwest corner of the 64 acres;

THENCE South 74°32'31" East 1128.82 feet with the north line of the 117.188 acres and the south line of the 64 acres to a 5/8" iron rod found at the northwest corner of a called 24.60 acre tract described in said deed to Richard D. Spillman recorded in Volume 6287, Page 218 of the D.R.T.C.T.;

THENCE South 27°34'11" West 2048.99 feet with the east line of the 117.188 acres and the west line of the 24.60 acres to a 1/2" iron rod found at the southeast corner of the 117.188 acres, the southwest corner of the 24.60 acres, and in the north line of a called 30 acre tract described as part of the Fifth Tract in said deed to Richard D. Spillman recorded in Volume 6287, Page 218 of the D.R.T.C.T.;

THENCE North 62°29'14" West 1103.84 feet with the south line of the 117.188 acres and the north line of the 30 acres to a 1/2" iron rod found at the northwest corner of the 30 acres and the northeast corner of a called 30.5 acre tract described as part of the Fifth Tract in said deed to Richard D. Spillman recorded in Volume 6287, Page 218 of the D.R.T.C.T.;

THENCE North 65°21'21" West 458.13 feet with the south line of the 117.188 acres and the north line of the 30.5 acres to a 1/2" iron rod found;

THENCE North 65°40'34" West 449.66 feet continuing with the south line of the 117.188 acres and the north line of the 30.5 acres to a 1 1/2" iron rod with cap stamped "LANDESIGN" found at the southwest corner of the 117.188 acres and the southeast corner of a called 27 acre tract described as part of the Fifth Tract in said deed to Richard D. Spillman recorded in Volume 6287, Page 218 of the D.R.T.C.T.;

THENCE North 27°19'41" East 1665.86 feet with the west line of the 117.188 acres and the east line of the 27 acres to a 60-d found in a hackberry tree;

THENCE North 27°22'02" East 188.61 feet with the west line of the 117.188 acres and the east line of the 27 acres to a 1/2" iron rod found;

THENCE North 25°45'46" East 233.22 feet continuing with the west line of the 117.188 acres and the east line of the 27 acres to a 1/2" iron rod found at the southwest corner of the 87.884 acres and the northeast corner of a the 27 acres;

THENCE North 74°02'03" West 712.31 feet with the south line of the 87.884 acres and the north line of the 27 acres to a 1/2" iron rod with cap stamped "LANDESIGN" set;

THENCE North 73°53'51" West 10.10 feet with the south line of the 87.884 acres and the north line of the 27 acres to a 1/2" iron rod with cap stamped "LANDESIGN" set at the northwest corner of the 27 acres and the northeast corner of the said 2.273 acres;

THENCE with the east line of the 2.273 acres and the west line of the 27 acres the following three (3) courses:

- 1 South 41°45'45" West 8.27 feet to a 1/2" iron rod with cap marked "LANDESIGN" set;
- 2 South 81°26'45" West 95.67 feet to a 1/2" iron rod with cap marked "LANDESIGN" set;
- 3 South 02°46'45" West 125.27 feet to a 1/2" iron rod found at the southeast corner of the 2.273 acres and the northeast corner of a called 8.17 acre tract described in deed to Onion Associates, LTD recorded in Document No. 2006236625 of the O.P.R.T.C.T.;

THENCE with the east line of said 8.17 acre tract, the west line of said 27 acres and with the center of ravine the following seven (7) courses:

- 1 South 02°45'21" West a distance of 183.65 feet to a 1/2 inch iron rebar with cap marked "LANDESIGN" set;
- 2 South 30°23'21" West a distance of 196.83 feet to a 1/2 inch iron rebar with cap marked "LANDESIGN" set;
- 3 South 54°24'14" West a distance of 69.90 feet to a 1/2 inch iron rebar with cap marked "LANDESIGN" set;
- 4 South 19°24'02" West a distance of 23.32 feet to a 1/2 inch iron rebar with cap marked "LANDESIGN" set;
- 5 South 38°57'02" East a distance of 47.93 feet to a 1/2 inch iron rebar with cap marked "LANDESIGN" set;
- 6 South 16°41'39" West a distance of 57.49 feet to a 1/2 inch iron rebar with cap marked "LANDESIGN" set;
- 7 South 35°10'00" West a distance of 61.07 feet to a 1/2 inch iron rebar found for the southeast corner of said 8.17 acre tract and the northeast corner of a called 58.3885 acre tract described as Tract 1 conveyed to South IH 35 Investors, L.P. of record in Document No. 2006214573 of the Official Public Records of Travis County Texas;

THENCE North 66°56'45" West with the south line of said 8.17 acre tract and the north line of said Tract 1 passing the southeast corner of said Tract 1 and the southwest corner of said Lot 1 at 580.62 feet a continuing a total distance of 866.80 feet to a 1/2" iron rod with cap marked "LANDESIGN" set;

THENCE crossing through said Lot 1 the following two (2) courses:

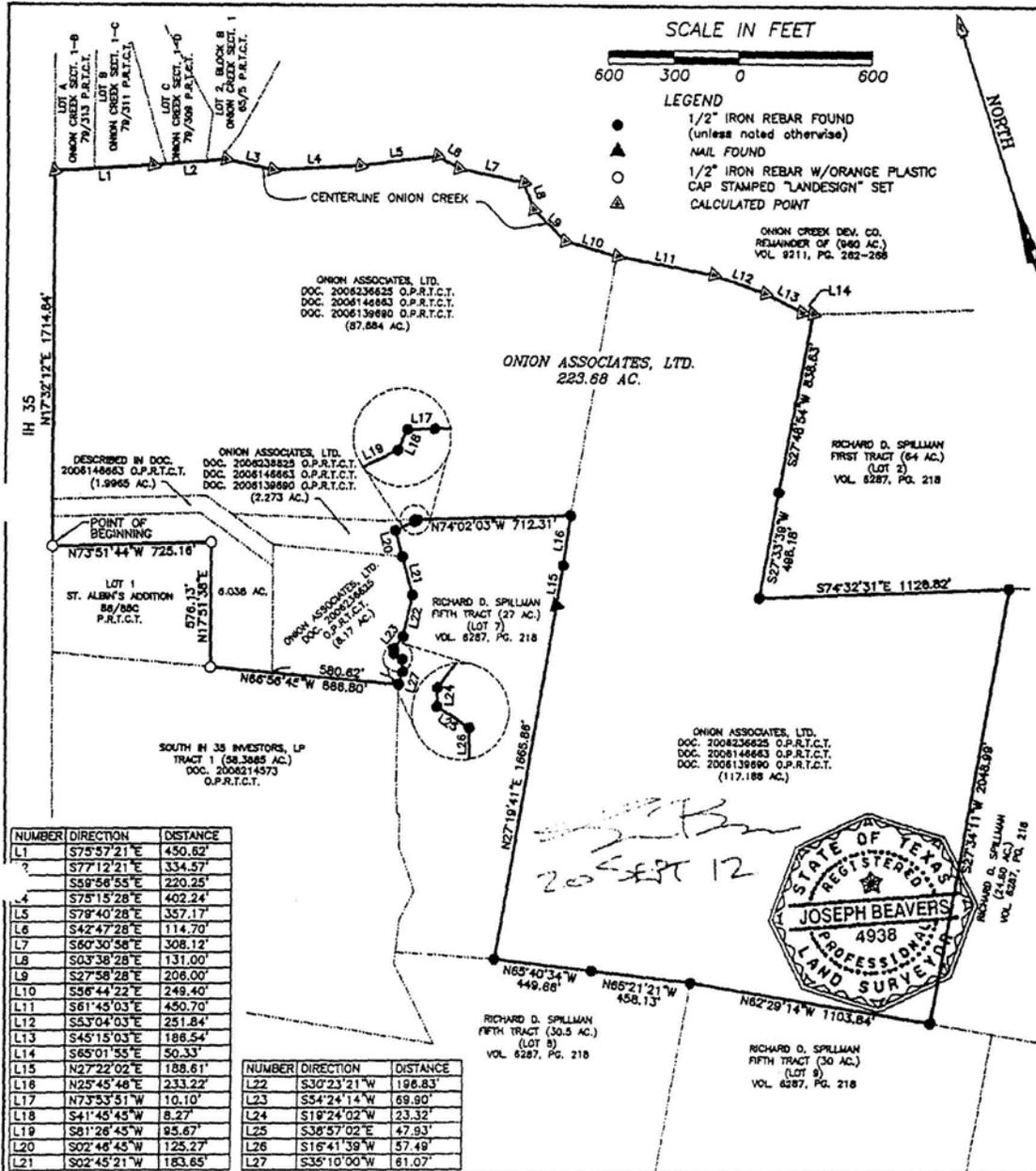
- 1 North 17°51'38" East a distance of 576.13 feet to a 1/2" iron rod with cap marked

- 2 "LANDESIGN" set;
North 73°51'44" West a distance of 725.16 feet to the POINT OF BEGINNING.

This parcel contains 223.68 acres of land, more or less, out of the Santiago Del Valle Grant in Travis County, Texas. Description prepared from an on-the-ground survey under my direction and supervision. All bearings are based on Grid North of the Texas State Plane Coordinate System, Central Zone.

(signature)
Joseph Beavers
Registered Professional Land Surveyor
State of Texas No. 4938

DRAFT



NUMBER	DIRECTION	DISTANCE
L1	S75°57'21"E	450.82'
?	S77°12'21"E	334.57'
	S59°56'55"E	220.25'
4	S75°15'28"E	402.24'
L5	S79°40'28"E	357.17'
L6	S42°47'28"E	114.70'
L7	S60°30'58"E	308.12'
L8	S03°38'28"E	131.00'
L9	S27°58'28"E	206.00'
L10	S56°44'22"E	249.40'
L11	S61°45'03"E	450.70'
L12	S53°04'03"E	251.84'
L13	S45°15'03"E	186.54'
L14	S65°01'55"E	50.33'
L15	N27°22'02"E	188.61'
L16	N25°45'48"E	233.22'
L17	N73°53'51"W	10.10'
L18	S41°45'45"W	8.27'
L19	S81°26'45"W	95.67'
L20	S02°46'45"W	125.27'
L21	S02°45'21"W	183.65'

NUMBER	DIRECTION	DISTANCE
L22	S30°23'21"W	196.83'
L23	S54°24'14"W	69.90'
L24	S19°24'02"W	23.32'
L25	S36°57'02"E	47.93'
L26	S16°41'39"W	57.49'
L27	S35°10'00"W	81.07'

JOB NUMBER: 206-08-02 DATE: 09/19/2012
 PROJECT NAME: M06148FOXHILL
 DRAWING NAME: CASCADE OVERALL BNDY.DWG
 DRAWING FILE PATH:
 L:\McAngus\M06148FFOXHILL\DWG
 FIELDNOTE FILE PATH:
 L:\McAngus\M06148FFOXHILL\FNOTES
 RPLS: JB TECH: HAS PARTYCHIEF: CHK BY: JB
 SHEET 1 of 1 FIELDBOOKS: SCALE: 1" = 600'



LANDESIGN SERVICES, INC.
 512-238-7901
 555 ROUND ROCK WEST DR.
 BUILDING D, SUITE 170
 ROUND ROCK, TEXAS 78681



EXHIBIT "C"

CERTIFICATE OF LIENHOLDER'S CONSENT

THE STATE OF VA §
 §
COUNTY OF FAIRFAX §

The undersigned, being the holder of a lien on a portion of the land which is proposed to be included in Cascades Municipal Utility District NO.1 (the "District") as described in the Petition for Consent to the Creation of a Municipal Utility District signed by Onion Associates, Ltd. (the "Petition") to which this Certificate is attached, hereby consents to the Petition and the creation of the District over such land.

WITNESS MY HAND this 13th day of November, 2012, to be effective October 30, 2012.

(signature)
Ken Hardie

(signature)
Nathalie Hardie

THE STATE OF VA §
 §
COUNTY OF FAIRFAX §

Sworn to and subscribed before me on the 13th day of November, 2012, by Ken Hardie.

(Notary signature)

THE STATE OF VA §
 §
COUNTY OF FAIRFAX §

Sworn to and subscribed before me on the 13th day of November, 2012, by Nathalie Hardie.

(Notary signature)

EXHIBIT D

CERTIFICATE OF LIENHOLDER'S CONSENT

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

The undersigned, on behalf of **2011 DIEBOLD TRUST**, being the holder of a lien on a portion of the land which is proposed to be included in Cascades Municipal Utility District No.1 (the "District") as described in the Petition for Consent to the Creation of a Municipal Utility District signed by Onion Associates, Ltd. (the "Petition") to which this Certificate is attached, hereby consents to the Petition and the creation of the District over such land.

WITNESS MY HAND this 7th day of November, 2012, to be effective October 30, 2012.

2011 DIEBOLD TRUST

By: (signature)
Carolyn Beckett, Trustee

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

Sworn to and subscribed before me on the 7th day of November, 2012 by Carolyn Beckett, Trustee of 2011 Diebold Trust, on behalf of said trust.

(notary signature)

EXHIBIT 2 – Notice of Amended Application

ARMBRUST & BROWN, PLLC

ATTORNEYS AND COUNSELORS

100 CONGRESS AVENUE, SUITE 1300
AUSTIN, TEXAS 78701-2744
512-435-2300
FACSIMILE 512-435-2360

SUE BROOKS LITTLEFIELD
(512) 435-2307
slittlefield@abaustin.com

February 14, 2013

VIA HAND DELIVERY

Mr. Marc A. Ott, City Manager
City of Austin
301 West 2nd Street, 3rd Floor
Austin, Texas 78701

Re: Cascades Municipal Utility District No.1 (“*Cascades MUD*”)

Dear Mr. Ott:

Please accept this letter as confirmation that, as discussed with City staff, our client, Onion Development, Ltd., will amend its application for the City's consent to the creation of Cascades MUD filed with the City on January 3, 2013, in order to delete the portion of the land that is currently located within the City's full purpose boundaries and add additional acreage that is located within the City's extraterritorial jurisdiction. As we also agreed with City staff, our client's engineers are updating the application report to reflect the modified boundaries and to correspond to the items contained in the Staffs “Basis of Recommendation” worksheet. We understand that, when the amended application is submitted, our client will be required to pay the difference between the filing fee covering the initially proposed acreage and the application covering the amended acreage.

If you have any questions, please contact either Richard Suttle or me.

Sincerely,

ARMBRUST & BROWN, PLLC

By: (signature)
Sue Brooks Littlefield

ARMBRUST & BROWN, PLLC

Page 2

cc: Sue Edwards, City of Austin
Bart Jennings, City of Austin
Sharon Smith, City of Austin
John Hrcir, City of Austin
Virginia Collier, City of Austin
Marc Knutsen, Onion Associates, Ltd
Rick Vaughn, Vaughn & Associates
Tom Winkley, Winkley Engineering
Richard Suttle, Firm

DRAFT

EXHIBIT 3 – Property Description

135.796 ACRES, OUT OF THE SANTIAGO DEL VALLE GRANT IN TRAVIS COUNTY, TEXAS BEING ALL OF THAT 223.68 ACRES OUT OF THE SANTIAGO DEL VALLE GRANT IN TRAVIS COUNTY, TEXAS AND BEING ALL OF A CALLED 117.188 ACRE TRACT, ALL OF A CALLED 2.273 ACRE TRACT, ALL OF A CALLED 87.884 ACRE TRACT, ALL A OF CALLED 8.17 ACRE TRACT ALL DESCRIBED IN CORRECTION JOINT PARTNERSHIP CONTRIBUTION GENERAL WARRANTY DEED TO ONION ASSOCIATES, LTD RECORDED IN DOCUMENT NO. 2006236625, ALL OF A CALLED 1.9965 ACRE TRACT DESCRIBED IN DOC. NO. 2006146663 ALL OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS (O.P.R.T.C.T.) AND 6.038 ACRE TRACT OUT OF LOT 1, ST. ALBIN'S ADDITION A SUBDIVISION OF RECORD IN CABINET 86, SLIDE 88C OF THE PLAT RECORD OF TRAVIS COUNTY; AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2" iron rod with cap marked "LANDESIGN" set in the existing east right-of-way line of Interstate Highway 35 (IH 35) (400' right-of-way width), in the west line of said Lot 1 and in the east line of a called 14.771 acre tract described in deed to the State of Texas for right-of-way recorded in Volume 1608, Page 170 of the D.R.T.C.T.;

THENCE North $17^{\circ}32'12''$ East 1714.84 feet with the west line of said Lot 1, the west line of said 1.9965 acres and the east line of said 87.884 acres and the existing east right-of-way line of IH 35 to a calculated point in the center of Onion Creek at the northwest corner of the 87.884 acres and the southwest corner of Lot A, Onion Creek Section 1-B, a subdivision of record in Book 79, Page 313 of the Plat Records of Travis County, Texas;

THENCE South $75^{\circ}57'21''$ East 450.62 feet with the centerline of Onion Creek, the north line of the 87.884 acres, the south line of said Lot A, and the south line of Lot B, Onion Creek Section 1-C, a subdivision of record in Book 79, Page 311 of the Plat Records of Travis County, Texas to a calculated point;

THENCE South $77^{\circ}12'21''$ East 334.57 feet with the centerline of Onion Creek, the north line of the 87.884 acres, the south line of said Lot B, the south line of Lot C, Onion Creek Section 1-D, a subdivision of record in Book 79, Page 309 of the Plat Records of Travis County, Texas, and the south line of a remainder of a called 960 acre tract described in deed to Onion Creek Development Company recorded in Volume 9111, Page 262 of the D.R.T.C.T. to a calculated point;

THENCE with the centerline of Onion Creek, the north line of the 87.884 acres, and the south line of said remainder of 960 acres the following eight (8) courses:

1. South $59^{\circ}56'55''$ East 220.25 feet to a calculated point;
2. South $75^{\circ}15'28''$ East 402.24 feet to a calculated point;
3. South $79^{\circ}40'28''$ East 357.17 feet to a calculated point;
4. South $42^{\circ}47'28''$ East 114.70 feet to a calculated point;
5. South $60^{\circ}30'58''$ East 308.12 feet to a calculated point;
6. South $03^{\circ}38'28''$ East 131.00 feet to a calculated point;

7. South 27°58'28" East 206.00 feet to a calculated point;
8. South 56°44'22" East 249.40 feet to a calculated point at the northeast corner of the 87.884 acres and the northwest corner of said 117.188 acres;

THENCE with the centerline of Onion Creek, the north line of the 117.188 acres, and the south line of said remainder of 960 acres the following four (4) courses:

1. South 61°45'03" East 450.70 feet to a calculated point;
2. South 53°04'03" East 251.84 feet to a calculated point;
3. South 45°15'03" East 186.54 feet to a calculated point;
4. South 65°01'55 East 50.33 feet to a calculated point at the northeast corner of the 117.188 acres and the northwest corner of a called 64 acre tract described as First Tract in deed to Richard D. Spillman recorded in Volume 6287, Page 218 of the D.R.T.C.T.;

THENCE South 27°48'54" West, passing a capped iron rod stamped "RPLS 4091" at 58.94 feet and continuing a total distance of 838.63 feet with the east line of the 117.188 acres and the west line of the 64 acres to a to a 1/2" iron rod found;

THENCE South 27°33'39" West 498.18 feet continuing with the east line of the 117.188 acres and the west line of the 64 acres to a 7/8" iron rod found at the southwest corner of the 64 acres;

THENCE South 74°32'31" East 1128.82 feet with the north line of the 117.188 acres and the south line of the 64 acres to a 5/8" iron rod found at the northwest corner of a called 24.60 acre tract described in said deed to Richard D. Spillman recorded in Volume 6287, Page 218 of the D.R.T.C.T.;

THENCE South 27°34'11" West 2048.99 feet with the east line of the 117.188 acres and the west line of the 24.60 acres to a 1/2" iron rod found at the southeast corner of the 117.188 acres, the southwest corner of the 24.60 acres, and in the north line of a called 30 acre tract described as part of the Fifth Tract in said deed to Richard D. Spillman recorded in Volume 6287, Page 218 of the D.R.T.C.T.;

THENCE North 62°29'14" West 1103.84 feet with the south line of the 117.188 acres and the north line of the 30 acres to a 1/2" iron rod found at the northwest corner of the 30 acres and the northeast corner of a called 30.5 acre tract described as part of the Fifth Tract in said deed to Richard D. Spillman recorded in Volume 6287, Page 218 of the D.R.T.C.T.;

THENCE North 65°21'21" West 458.13 feet with the south line of the 117.188 acres and the north line of the 30.5 acres to a 1/2" iron rod found;

THENCE North 65°40'34" West 449.66 feet continuing with the south line of the 117.188 acres and the north line of the 30.5 acres to a 1/2" iron rod with cap stamped "LANDESIGN" found at the southwest corner of the 117.188 acres and the southeast corner of a called 27 acre tract described as part of the Fifth Tract in said deed to Richard D. Spillman recorded in Volume 6287, Page 218 of the D.R.T.C.T.;

THENCE North 27°19'41" East 1665.86 feet with the west line of the 117.188 acres and the east line of the 27 acres to a 60-d found in a hackberry tree;

THENCE North 27°22'02" East 188.61 feet with the west line of the 117.188 acres and the east line of the 27 acres to a 1/2" iron rod found;

THENCE North 25°45'46" East 233.22 feet continuing with the west line of the 117.188 acres and the east line of the 27 acres to a 1/2" iron rod found at the southwest corner of the 87.884 acres and the northeast corner of a the 27 acres;

THENCE North 74°02'03" West 712.31 feet with the south line of the 87.884 acres and the north line of the 27 acres to a 1/2" iron rod with cap stamped "LANDESIGN" set;

THENCE North 73°53'51" West 10.10 feet with the south line of the 87.884 acres and the north line of the 27 acres to a 1/2" iron rod with cap stamped "LANDESIGN" set at the northwest corner of the 27 acres and the northeast corner of the said 2.273 acres;

THENCE with the east line of the 2.273 acres and the west line of the 27 acres the following three (3) courses:

1. South 41°45'45" West 8.27 feet to a 1/2" iron rod with cap marked "LANDESIGN" set;

2. South 81°26'45" West 95.67 feet to a 1/2" iron rod with cap marked "LANDESIGN" set;

3. South 02°46'45" West 125.27 feet to a 1/2" iron rod found at the southeast corner of the 2.273 acres and the northeast corner of a called 8.17 acre tract described in deed to Onion Associates, LTD recorded in Document No. 2006236625 of the O.P.R.T.C.T.;

THENCE with the east line of said 8.17 acre tract, the west line of said 27 acres and with the center of ravine the following seven (7) courses:

1. South 02°45'21" West a distance of 183.65 feet to a 1/2 inch iron rebar with cap marked "LANDESIGN" set;

2. South 30°23'21" West a distance of 196.83 feet to a 1/2 inch iron rebar with cap marked "LANDESIGN" set;

3. South 54°24'14" West a distance of 69.90 feet to a 1/2 inch iron rebar with cap marked "LANDESIGN" set;

4. South 19°24'02" West a distance of 23.32 feet to a 1/2 inch iron rebar with cap marked "LANDESIGN" set;

5. South 38°57'02" East a distance of 47.93 feet to a 1/2 inch iron rebar with cap marked "LANDESIGN" set;

6. South 16°41'39" West a distance of 57.49 feet to a 1/2 inch iron rebar with cap marked "LANDESIGN" set;

7. South 35°10'00" West a distance of 61.07 feet to a 1/2 inch iron rebar found for the southeast corner of said 8.17 acre tract and the northeast corner of a called 58.3885 acre tract described as Tract 1 conveyed to South IH 35 Investors, LP. of record in Document No. 2006214573 of the Official Public Records of Travis County Texas;

THENCE North 66°56'45" West with the south line of said 8.17 acre tract and the north line of said Tract 1 passing the southeast corner of said Tract 1 and the southwest corner of said Lot 1 at 580.62 feet a continuing a total distance of 866.80 feet to a 1/2" iron rod with cap marked "LANDESIGN" set;

THENCE crossing through said Lot 1 the following two (2) courses:

1. North 17°51'38" East a distance of 576.13 feet to a 1/2" iron rod with cap marked "LANDESIGN" set;

2. North 73°51'44" West a distance of 725.16 feet to the POINT OF BEGINNING.

SAVE LESS AND EXCEPT THE 87.884 ACRE TRACT OR PARCEL THEREOF DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2" iron pin found at the Southeast corner of said 26.00 acre tract, being in the West line of that certain 117.20 acre tract of land described in Volume 12150, Page 1255 of the Real Property Records of Travis County, Texas, for the Southeast corner and PLACE OF BEGINNING hereof;

THENCE along the South line of said 26.00 acre tract, N 71°11'45" W for a distance of 712.31 feet to a 1/2 inch capped iron pin set at the Northeast corner of that certain 2.2272 acre tract of land described in Volume 9261, Page 714 of the Real Property Records of Travis County, Texas;

THENCE along the North line of said 2.2272 acre tract, N 71°03'33" W for a distance of 173.66 feet to a 1/2 inch iron pin found and N 67°01'32" W for a distance of 678.95 feet to a 1/2 inch iron pin found at the Northwest corner of said 2.2272 acre tract, being in the South line of said 63.45 acre tract;

THENCE along the South line of said 63.45 acre tract, N 33°32'38" W for a distance of 145.29 feet to a 1/2 inch iron pin found at N 71°03'16" W for a distance of 698.93 feet to a 1/2 inch capped iron pin set at the Southwest corner of said 63.45 acre tract, being on the East r.o.w line of Interstate Hwy. No. 35, for the Southwest corner hereof;

THENCE along the West line of said 63.45 acre tract, being along the East r.o.w. line of Interstate Hwy. No. 35, N 20°25'54" E for a distance of 1499.77 to an "X" found cut in rock in the approximate centerline of Onion Creek, being at the Northwest corner of said 63.45 acre tract, being at the Southwest corner of Onion Creek Section 1-B, a subdivision recorded in Plat Book 79, Page 313 of the Plat Records of Travis County, Texas, for the Northwest corner hereof;

THENCE along the North lines of said 63.45 acre tract and 26.00 acre tract, being along the approximate centerline of Onion Creek for the following courses:

1. S 73°04'00" E for a distance of 450.65 feet to an angle point
2. S 74°19'00" E for a distance of 334.57 feet to an angle point
3. S 57°11'00" E for a distance of 216.95 feet to an angle point
4. S 72°26'00" E for a distance of 402.24 feet to an angle point
5. S 76°51'00" E for a distance of 357.17 feet to an angle point
6. S 39°52'00" E for a distance of 114.70 feet to an angle point
7. S 57°41'30" E for a distance of 308.12 feet to an angle point
8. S 00°49'00" E for a distance of 131.00 feet to an angle point
9. S 25°09'00" E for a distance of 206.00 feet to an angle point
10. S 53°57'45" E for a distance of 249.20 feet to the Northeast corner of said 26.00 acre tract, being at the Northwest corner of said 117.20 acre tract, for the Northeast corner hereof;

THENCE along the East line of said 26.00 acre tract, being along the West line of said 117.20 acre tract for the following courses:

1. S 35°25'22" W for a distance of 55.37 feet to a 1/2 inch iron pin found
2. S 29°42'53" W for a distance of 874.40 feet to a 1/2 inch iron pin found

3. S 30°58'12" W for a distance of 281.26 feet to the PLACE OF BEGINNING and containing 87.884 acres of land, more or less.

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EXHIBIT 4 – Consent Agreement

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EXHIBIT 5 – Strategic Partnership Agreement

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