

**FIRST AMENDMENT TO CONSENT AGREEMENT
OF SOUTHEAST TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 2**

**THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §**

KNOWN BY ALL THESE PRESENTS:

THIS FIRST AMENDMENT TO CONSENT AGREEMENT (“Amendment”) is entered into between the City of Austin, Texas, a home rule municipality (the **“City”**), acting by and through its City Manager, Southeast Travis County Municipal Utility District No. 2 (the **“District”**), a political subdivision of the State of Texas created under Chapter 8383, Subtitle F, Title 6, Texas Special District Local Laws Code and Chapters 49 and 54 of the Texas Water Code, acting by and through its Board of Directors, and QUALICO CR, LP, a Texas limited partnership (the **“Developer”**). The City, the District, and the Developer are sometimes referred to in this Amendment collectively as the **“Parties.”**

RECITALS

By adoption of Ordinance No. 20120322-37 the City Council consented to the creation of the District subject to certain conditions as more particularly stated therein and authorized the execution of that certain Consent Agreement (**“Consent Agreement”**) by and among the City, the District, and the Developer. The Consent Agreement was executed by the City on or about April 14, 2012.

The City, the District, and the Developer desire to amend the Consent Agreement to set forth in writing the agreed amendments to the Consent Agreement.

NOW, THEREFORE, for and in consideration of the mutual agreement of the parties contained in the Consent Agreement and this Amendment, and other good and valuable consideration, the City, the District, and the Developer agree as follows, and all other terms and conditions remain as stated in the Consent Agreement:

AMENDMENTS TO CONSENT AGREEMENT

1. Amendment to Section 10.04. Section 10.04 of the Consent Agreement, “Maximum Amount of New Money Bonds”, is amended to read as follows:

“Section 10.04 Maximum Amount of New Money Bonds.

The District agrees that the total principal amount of new money Bonds that may be issued by the District for capital improvements may not exceed \$46,522,294 without City Council approval. This maximum will be exclusive of the principal amount of any refunding Bonds.”

2. Amendment to Section 10.05. Section 10.05 of the Consent Agreement, “Timing of Issuance; Amortization Period; Maturities”, is amended to read as follows:

“Section 10.05 Timing of Issuance; Amortization Period; Maturities.

In order to provide the City with some assurance as to the timing of the District’s issuance and retirement issuance and retirement of its debt, the District will use good faith efforts, subject to market conditions and sufficient tax base existing, to sell its last issue of Bonds on or before December 30, 2037. If the District fails or is unable to do so, the City will have the authority to revoke District’s authority to issue its remaining authorized but unissued Bonds and to proceed with annexation of the District for full purposes. All Bonds must be amortized over a period that does not exceed 25 years from the date of issuance, each issue of Bonds must be structured so that substantially level debt service requirements will be maintained throughout the amortization period of the issue, and each Bond issue must include an optional redemption date no later than 10 years after the date of issuance. These requirements may only be modified if the modification is approved in writing by the Finance Director following receipt of a written application from the District, setting forth the justification for the requested modification. The Finance Director will have no obligation to approve such application.”

3. Amendment to Section 12.10. “**List of Exhibits**” is amended to delete Exhibit O from the List of Exhibits.
4. Amendment to Exhibit K. **Exhibit K** attached to the Consent Agreement is deleted in its entirety and replace with **Exhibit K** attached to this Amendment.
5. Amendment to Exhibit O. **Exhibit O** attached to the Consent Agreement is deleted in its entirety.
6. Effect of Amendment. Except as specifically provided in this Amendment, the terms of the Consent Agreement continue to govern the rights and obligations of the Parties, and all terms of the Consent Agreement remain in full force and effect. If there is any conflict or inconsistency between this Amendment and the Consent Agreement, this Amendment will control and modify the Consent Agreement.
7. Execution. This Amendment may be executed in any number of counterparts, and it will not be necessary that the signatures of all Parties be contained on any one counterpart. Additionally, for purposes of facilitating execution of this Amendment, the signature pages from separate, executed counterparts of this Amendment may be combined to form multiple fully executed counterparts and a facsimile signature will be deemed to be an original signature for all purposes. All executed counterparts of this Amendment will be deemed to be originals.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the authorized representative of each party has signed this Amendment as of the date(s) indicated below.

CITY OF AUSTIN, TEXAS:

By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

By: _____

Name:

Title: Assistant City Attorney

Date: _____

SOUTHEAST TRAVIS COUNTY MUNICIPAL UTILITY
DISTRICT NO. 2

By: _____

Name: _____

Title: President, Board of Directors

Date: _____

ATTEST:

By: _____

Name: _____

Title: Secretary, Board of Directors

Date: _____

DEVELOPER:

QUALICO CR, LP, a Texas Limited Partnership

By: Qualico CR Management, LLC a Texas limited liability company, its general partner

By: _____

Name: Brian Higgins

Title: Vice President

By: _____

Name: Vera Massaro

Title: Assistant Secretary