

EXHIBIT E

AGREEMENT REGARDING CONVEYANCE OF RIGHT OF REDEMPTION AND WAIVER OF AGRICULTURAL VALUATION—ESTANCIA HILL COUNTRY PID IMPROVEMENT AREA #2

THIS AGREEMENT REGARDING CONVEYANCE OF RIGHT OF REDEMPTION AND WAIVER OF AGRICULTURAL VALUATION—ESTANCIA HILL COUNTRY PID IMPROVEMENT AREA #2 (“Agreement”), dated as of December 13, 2018 (the “Effective Date”), by and among SLF III – Onion Creek, L.P., a Texas limited partnership (“Landowner”), the CITY OF AUSTIN, TEXAS (the “City”), a municipal corporation, acting by and through its duly authorized representative, and U.S. Bank National Association and any successor thereto (“Escrow Agent”). The City, the Escrow Agent, and Landowner are sometimes referred to herein individually as “Party”, and together as the “Parties.”

RECITALS

A. WHEREAS, upon the petition of the certain petitioners, on June 6, 2013 the City authorized the formation of the Estancia Hill Country Public Improvement District (the “District”) on the District Property (defined below) and in accordance with Chapter 372 of the Texas Local Government Code, as amended. For purposes herein, the “District Property” shall mean that certain approximately 600 acres of land located in Travis County, Texas and more particularly described on **Exhibit “A”** attached hereto;

B. WHEREAS, Landowner owns approximately 131 acres of land located within the District in Travis County, Texas as described in the attached **Exhibit “B”** (the “Property” or “Improvement Area #2”), and the City Council has approved the limited purpose annexation of the Property;

C. WHEREAS, the Property constitutes a portion of the District Property;

D. WHEREAS, it is intended that the Property will be developed as a mixed use development which may include single family and multifamily residential, office, retail and other uses (the “Project”);

E. WHEREAS, Landowner proposes to construct certain Public Improvements (as defined in the Financing Agreement) to serve the Property and transfer certain of those improvements to the City in accordance with the terms and provisions of the Estancia Hill Country Public Improvement District Financing Agreement, dated as of June 20, 2013, as amended between the Landowner and the City (the “Financing Agreement”) and the Annexation and Development Agreement, dated as of July 1, 2013, as amended, between the Landowner and the City;

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F. WHEREAS, the City intends to (upon satisfaction of the conditions and in accordance with the terms set forth in the Financing Agreement), at the request, and with the consent, approval and agreement of the Landowner, adopt an assessment ordinance (the “Assessment Ordinance”) and approve the Estancia Hill Country Public Improvement District 2018 Amended and Restated Service and Assessment Plan (the “Assessment Plan”) that provides for the construction and financing of certain Public Improvements (the “Improvement Area #2 Improvements”) for the benefit of the Improvement Area #2 Assessed Property (as herein defined), payable in whole or in part, by and from assessments levied against Improvement Area #2 Assessed Property, as more specifically provided for in the Assessment Plan;

G. WHEREAS, the City intends to (upon satisfaction of the conditions and in accordance with the terms set forth in the Financing Agreement) levy assessments on all or a portion of the Property (the “Improvement Area #2 Assessed Property”) and issue, in one or more series, bonds for payment of costs associated with construction and/or acquisition of the Improvement Area #2 Improvements included in the Assessment Plan, as such plan may be amended from time to time;

H. WHEREAS, pursuant to the Assessment Plan, the City will maintain Assessment Rolls (as defined in the Assessment Plan) that identify all parcels within the District that are Improvement Area #2 Assessed Property and all parcels that are not subject to an assessment;

I. WHEREAS, from the proceeds of the bonds the City issues in connection with the Improvement Area #2 Improvements, the City, County, or other applicable governmental entity, will, upon satisfaction of the conditions and in accordance with the terms set forth in the Financing Agreement, acquire and accept those certain Improvement Area #2 Improvements provided for in the Financing Agreement and the Landowner (as provided in the Financing Agreement) will be paid or reimbursed for all or a portion of the costs of acquisition, construction, and improvement of the Improvement Area #2 Improvements;

J. WHEREAS, as a condition precedent to the City’s performance of its obligations under the Financing Agreement, Landowner has agreed to (a) convey all rights to redeem any portion of the Property which is Improvement Area #2 Assessed Property and that has an agricultural use valuation following a tax sale, and (b) execute and deliver into escrow with the Escrow Agent waivers of agricultural use valuation in the form attached as “**Exhibit C**” hereto; and

NOW, THEREFORE, in consideration of the premises set forth above, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS

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- (a) “Assessment” means an assessment levied against a portion of the Property pursuant to an assessment ordinance.
- (b) “Exempt Property” shall include any portion of the Property that is designated for agricultural use (which shall include, but not be limited to, any of the uses described in Section 23.51 of the Texas Tax Code, as amended) or is otherwise claimed for agricultural use by the owner thereof for ad valorem tax purposes pursuant to Section 23.41 of the Texas Tax Code or any other applicable statute, law or right.
- (c) “Lender” means a lender or mortgagee that holds a lien or security interest in all or a portion of the Improvement Area #2 Assessed Property.
- (d) “Non-Redeemable Property” shall be those portions of the Property that are Improvement Area #2 Assessed Property and have an Exempt Property status at the time either the applicable ad valorem taxes become past due or at the time that the annual payment on the Assessment levied against the property becomes past due.

SECTION 2. CONVEYANCE OF RIGHT OF REDEMPTION

Landowner has GRANTED, BARGAINED, SOLD, and CONVEYED, and by these presents does hereby GRANT, BARGAIN, SELL, and CONVEY, without warranty, unto the Escrow Agent all rights that Landowner and its successors and assigns now have or in the future may have in equity, or under common law, statutory law, the Constitution of the State of Texas or otherwise to redeem, repurchase or reacquire Non-Redeemable Property following a foreclosure of a tax lien or sale, transfer or conveyance in connection with a tax sale, including, without limitation, any and all rights arising under Section 34.21 of the Texas Tax Code, as amended (“Tax Redemption Rights”).

TO HAVE AND TO HOLD the Tax Redemption Rights in the Non-Redeemable Property belonging in any way to Landowner, unto the Escrow Agent, its successors and assigns, forever, subject to the Restrictions and Reservations set forth herein, so that neither Landowner nor Landowner’s successors and assigns, nor any other person claiming by, through or under Landowner, shall at any time hereafter have, claim or demand any right, title, or interest in and to the Tax Redemption Rights in the Non-Redeemable Property or any part thereof, except as expressly provided in this Agreement, subject to the Restrictions and Reservations set forth in this Agreement.

Restrictions and Reservations

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IT IS EXPRESSLY UNDERSTOOD AND AGREED that if all or a portion of the Non-Redeemable Property ceases to be Improvement Area #2 Assessed Property, as shown on the Assessment Rolls, then the owner of such land shall have the right to assume ownership of Tax Redemption Rights for said portion of the Non-Redeemable Property. Upon written request by an owner of land located within the Property that is Non-Redeemable Property that has ceased to be Improvement Area #2 Assessed Property, the City and the Escrow Agent shall execute a Release from this Agreement in the form attached hereto as **Exhibit “D”**.

SECTION 3. RESTRICTION AGAINST REDEMPTION OF NON-REDEEMABLE PROPERTY

In the event that a court of competent jurisdiction enters a final judgment that the foregoing conveyance of Tax Redemption Rights is not effective, Landowner hereby absolutely, unconditionally and irrevocably waives, releases, relinquishes and surrenders forever, on behalf of itself and its respective successors and assigns, and agrees not to assert or exercise any and all Tax Redemption Rights it now has or in the future may have in equity, pursuant to statute, the Constitution of the State of Texas or otherwise to redeem, repurchase or reacquire any portion of the Property that is Non-Redeemable Property following a foreclosure of a tax lien or sale, transfer or conveyance in connection with a tax sale, including, without limitation, any and all rights arising under Section 34.21 of the Texas Tax Code, as amended.

SECTION 4. DEPOSIT OF FUNDS WITH ESCROW AGENT AND WAIVER OF AGRICULTURAL USE VALUATION

(a) Concurrently with the closing of the Improvement Area #2 Bonds (as defined in the Assessment Plan), the Landowner will deposit \$____ with the Escrow Agent (“Landowner Property Tax Account”) which is estimated to be two years of ad valorem taxes levied by all taxing units on the Property subject to agricultural valuation for the calendar years 2018 and 2019. Escrow Agent is instructed to hold the Landowner Property Tax Account in cash. The Landowner will file a written certificate with Escrow Agent by each March 1st detailing the tax parcels within the Property subject to agricultural use valuation for the appropriate calendar year(s) and certifying, to the best of its knowledge based solely upon a tax certificate issued by a standard commercial tax reporting service, that all of the ad valorem taxes on such tax parcels have been paid. In the event that Landowner does not timely provide such written certificate to the Escrow Agent, the Escrow Agent will notify Landowner and Subsequent Owners and Lender (if applicable) and is hereby directed to take action pursuant to Section 4(c) below.

(b) Delivery of Agricultural Use Waiver Into Escrow. Concurrently with the execution and delivery of this Agreement, Landowner has executed and has delivered or will promptly deliver to the Escrow Agent to be held in escrow ten (10) originals of the form attached hereto as **Exhibit “C”** (each an, “Agricultural Use Waiver”) waiving any agricultural use valuation and any right to special appraisal arising based on agricultural use with respect to Non-

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Redeemable Property. The Agricultural Use Waiver shall be held in escrow, and shall only be released from escrow in accordance with the provisions of this Section 4.

(c) Authorization to File Agricultural Use Waiver.

(i) Prior to the Escrow Agent taking any action described in subsection 4(c)(ii) below, the Escrow Agent is directed to deliver to the Travis County Tax Assessor/Collector or its successors (the "County") an amount equal to past due or delinquent taxes using funds in the Landowner Property Tax Account. If the funds in the Landowner Property Tax Account are not sufficient to pay all such past due ad valorem taxes, including any accrued interest and penalties, then the Escrow Agent shall notify Landowner of such deficiency and Landowner shall deliver to the Escrow Agent within thirty (30) days the requisite amount of funds to transfer to the County an amount equal to all past due taxes and the amount necessary to restore the applicable Landowner Property Tax Account to the level required by this Agreement.

(ii) In the event that the Landowner or any Subsequent Owner (defined herein) has not provided to the Escrow Agent proof of payment of any taxes secured by a lien against any portion of the Non-Redeemable Property by March 1st following the year for which such taxes are levied, the Escrow Agent shall provide the applicable Landowner and/or Subsequent Owner and Lender (if applicable) notice of the deficiency and provide ten (10) days to cure said deficiency. If none of the Landowner, Subsequent Owner or Lender provide such proof of payment by March 11th, Escrow Agent shall (unless otherwise instructed by holders of not less than twenty percent (20%) of the Improvement Area #2 Bonds, secured by the applicable Indenture then outstanding) and Landowner and Subsequent Owners hereby irrevocably authorize the Escrow Agent to, release the Agricultural Use Waiver from escrow and file same in the Official Public Records of Travis County (the "Records") against the portion of the Non-Redeemable Property as to which proof of payment of taxes was not provided. The Escrow Agent shall, and Landowner or any Subsequent Owner, as applicable, further authorize the Escrow Agent to, attach to the Agricultural Use Waiver a description of that portion of the Non-Redeemable Property for which taxes are delinquent; provided, however, that the Escrow Agent shall verify with the City in writing the descriptions of the Non-Redeemable Property to be attached to such waiver. In the event that the Escrow Agent receives notice that delinquent taxes and all penalties and interest have been paid prior to Escrow Agent's transmittal of the Agricultural Use Waiver to the County, then Escrow Agent shall not file the Waiver of Agricultural Use in the Records and such waiver shall be returned to escrow. In the event that the number of Agricultural Use Waivers held by Escrow Agent is less than three (3) and some portion of the Property is Non-Redeemable Property, the Landowner agrees to promptly execute and deliver to the Escrow Agent, to be held in and released from escrow as provided herein, another Agricultural Use Waiver for use with any remaining Non-Redeemable Property owned by Landowner; provided, however, the Escrow Agent shall deliver to the County an Agricultural Use Waiver with respect to the remaining Non-Redeemable Property owned by a Landowner that has not paid taxes as required by this section, if said Landowner does not execute and deliver

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to the Escrow Agent such additional Agricultural Waivers within thirty (30) days of a written request by the Escrow Agent. Notwithstanding anything to the contrary contained herein, Lender is under no obligation to cure any deficiency.

(iii) Except as provided in Section 4(c)(iv), in the event that the Landowner or any Subsequent Owner has not provided to the Escrow Agent proof of payment of any assessments levied on parcels within Improvement Area #2 (“Improvement Area #2 Assessments”) levied by the City pursuant to the Assessment Ordinance that are secured by a lien against any portion of the Non-Redeemable Property by March 1st following the year for which such Improvement Area #2 Assessments are levied (or ten (10) days before such assessments become delinquent, if earlier), the Escrow Agent shall provide the applicable Landowner and/or Subsequent Owner and Lender notice of the failure to pay Improvement Area #2 Assessments. If none of Landowner, Subsequent Owner or Lender provide such proof of payment by March 11th, then Escrow Agent shall (unless otherwise instructed by holders of not less than twenty percent (20%) of the Bonds secured by the Indenture) and Landowner and any Subsequent Owner hereby irrevocably authorize the Escrow Agent to release the Agricultural Use Waiver from escrow and file same in the Records against the portion of the Non-Redeemable Property as to which proof of payment of taxes was not provided. The Escrow Agent shall, and Landowner further authorizes the Escrow Agent to, attach to the Agricultural Use Waiver a description of that portion of the Non-Redeemable Property for which Special Assessments are delinquent. In the event that the number of Agricultural Use Waivers held by Escrow Agent is less than three (3) and some portion of the Property is Non-Redeemable, the Landowner and/or Subsequent Owner, as applicable, agrees to promptly execute and deliver to the Escrow Agent, to be held in and released from escrow as provided herein, another Agricultural Use Waiver for use with any remaining Non-Redeemable Property owned by Landowner; provided, however, the Escrow Agent shall deliver to the County an Agricultural Use Waiver with respect to the remaining Non-Redeemable Property owned by Landowner that has not paid the Improvement Area #2 Assessments as required by this section, if Landowner does not execute and deliver to the Escrow Agent such additional Agricultural Waivers within thirty (30) days of a written request by the Escrow Agent. Notwithstanding anything to the contrary contained herein, Lender is under no obligation to cure the failure to pay.

(iv) If, by case law, statute or an opinion of the Attorney General of the State of Texas it is determined that Tax Redemption Rights do not apply to the Improvement Area #2 Assessments levied on behalf of the District, then Section 4(c)(iii) shall immediately become non-operative and non-effective upon Escrow Agent’s receipt of written notice of such decision, statute or opinion from Landowner, the City, the County or any representatives of the foregoing entities.

SECTION 5. REPRESENTATIONS AND WARRANTIES

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The Landowner hereby represents and warrants to the City as follows:

(a) Landowner represents and warrants that it is a limited partnership duly organized and validly existing under the laws of the State of Texas, is qualified to do business in and is in good standing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets and to carry on its own business as now being conducted and as now contemplated.

(b) Landowner represents and warrants that it has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of such Landowner.

SECTION 6. DEFAULT AND REMEDIES

In the event that Landowner or any Subsequent Owner shall violate, or indicate that such Landowner or any Subsequent Owner intends to violate, any of the terms and provisions set forth in this Agreement, in addition to any other remedies available at law or in equity, the Escrow Agent shall have the right, but shall not be obligated, to sue such Landowner or Subsequent Owner, as applicable (the obligations of Landowner and each Subsequent Owner under this Agreement being several, not joint) for and obtain a prohibitive or mandatory injunction or any other equitable remedy to prevent the breach of, or to enforce the observance of, the terms of this Agreement. The foregoing remedies shall be cumulative with, in addition to, and non-exclusive of one another, and the exercise of any one remedy shall not bar the exercise of any other remedy. In the event of any legal action commenced by the Escrow Agent to enforce the obligations of Landowner or any Subsequent Owner hereunder, the Escrow Agent shall be entitled to recover its reasonable attorney's fees and costs from such Landowner or Subsequent Owner, as applicable. Escrow Agent shall provide ten (10) days' notice to Lender prior to taking any enforcement action. Notwithstanding anything to the contrary set forth in this Agreement, the obligations of Landowner under this Agreement shall be several, not joint.

SECTION 7. REGARDING THE ESCROW AGENT

(a) The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement, and the Escrow Agent shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement and no implied obligations or duties are to be imposed upon Escrow Agent. The Escrow Agent shall not be responsible for the enforceability of the transfer rights provided in Section 2 or the terms of this Agreement.

(b) The Escrow Agent shall not be liable for any action taken or omitted by it in the performance of its duties under this Agreement, except for its own gross negligence or willful misconduct.

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(c) Any action against the Escrow Agent under this Agreement shall be limited to specific performance.

SECTION 8. MISCELLANEOUS.

(a) Term of Agreement. This Agreement shall continue in full force and effect so long as any obligations remain outstanding under the Indenture of Trust dated as of December 1, 2018 between the City and Escrow Agent in its capacity as trustee (the “Indenture”). In the event the Escrow Agent ceases serving as trustee under the Indenture, the Escrow Agent’s obligations under this Agreement shall terminate provided that the Escrow Agent has delivered to a successor Escrow Agent under this Agreement the Agricultural Use Waivers held in escrow.

(b) Headings Descriptive. The headings of the several Sections and subsections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

(c) Interpretation. The singular number includes the plural and the masculine gender includes the feminine and neuter.

(d) Covenants Run with the Land; Transfers of the Property. This Agreement shall run with the land and the ownership of any Non-Redeemable Property and will act as an appurtenant burden on the Non-Redeemable Property and shall be binding upon the Non-Redeemable Property and all owners, tenants, subtenants, licensees, assignees and occupants thereof and any other party having any interest therein. Upon the acquisition by any party of any interest in the Non-Redeemable Property, such party shall automatically and without further action by such party or any other party be deemed to have assumed and agreed to be bound by this Agreement. Without limiting the foregoing any person who acquires a fee interest in any portion of the Non-Redeemable Property (“Subsequent Owner”) shall, and hereby shall be deemed to have agreed to, (i) execute and record in the Real Property Records of Travis County, Texas promptly following the recording of the conveyance instrument, an agreement in form attached hereto as **Exhibit “E”** (the “Acknowledgment and Agreement”) to acknowledge that such person is subject to the terms of this Agreement, expressly agreeing to comply with the terms and provisions of this Agreement applicable to the portion of the Non-Redeemable Property acquired by such person, and waiving such person’s right to redeem such portion of the Non-Redeemable Property, and (ii) execute and deliver to the Escrow Agent, concurrently with the recording of the Acknowledgment and Agreement, four (4) Waiver of Special Appraisal Agricultural Use Waivers in the form attached hereto as **Exhibit “C”** for that portion of the Non-Redeemable Property acquired by such person. In the event that the number of Agricultural Use Waivers signed by a Subsequent Owner that are held by Escrow Agent is less than two (2) and some portion of the Property owned by Subsequent Owner is Non-Redeemable Property such Subsequent Owner agrees to promptly execute and deliver to the Escrow Agent, to be held in and released from escrow as provided herein, another Agricultural Use Waiver for use with any

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remaining Non-Redeemable Property owned by such Subsequent Owner; provided, however, the Escrow Agent shall deliver to the County an Agricultural Use Waiver with respect to the remaining Non-Redeemable Property owned by a Subsequent Owner that has not paid taxes or Improvement Area #2 Assessments as required by this Agreement, if said Subsequent Owner does not execute and deliver to the Escrow Agent such additional Agricultural Waivers within thirty (30) days of a written notice by Escrow Agent.

(e) **INDEMNIFICATION. LANDOWNER AND SUBSEQUENT OWNERS, SEVERALLY SHALL TO THE FULLEST EXTENT PERMITTED BY LAW, DEFEND, INDEMNIFY AND HOLD HARMLESS ESCROW AGENT AND EACH DIRECTOR, OFFICER, EMPLOYEE, ATTORNEY, AGENT AND AFFILIATE OF ESCROW AGENT (COLLECTIVELY, THE “INDEMNIFIED PARTIES”) AGAINST ANY AND ALL ACTIONS, CLAIMS (WHETHER OR NOT VALID), LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES OF ANY KIND OR NATURE WHATSOEVER (INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEYS’ FEES, COSTS AND EXPENSES) INCURRED BY OR ASSERTED AGAINST ANY OF THE INDEMNIFIED PARTIES AS A RESULT OF OR ARISING FROM OR IN ANY WAY RELATING TO ANY CLAIM, DEMAND, SUIT, ACTION OR PROCEEDING BY ANY PERSON, INCLUDING WITHOUT LIMITATION SUCH LANDOWNER, ASSERTING A CLAIM FOR ANY LEGAL OR EQUITABLE REMEDY AGAINST ANY PERSON ARISING FROM OR IN CONNECTION WITH THE NEGOTIATING, EXECUTION, PERFORMANCE OR FAILURE OF PERFORMANCE OF THIS AGREEMENT BY LANDOWNER OR SUCH SUBSEQUENT OWNER, AS APPLICABLE, WHETHER OR NOT ANY SUCH INDEMNIFIED PARTY IS A PARTY TO ANY SUCH SUIT, ACTION OR PROCEEDING; PROVIDED, HOWEVER, THAT NO INDEMNIFIED PARTY SHALL HAVE THE RIGHT TO BE INDEMNIFIED HEREUNDER FOR ANY LIABILITY FINALLY DETERMINED BY A COURT OF COMPETENT JURISDICTION, SUBJECT TO NO FURTHER APPEAL, TO HAVE RESULTED SOLELY FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNIFIED PARTY. IT BEING THE EXPRESSED INTENTION OF THE PARTIES THAT THE INDEMNIFIED PARTIES ARE TO BE HELD HARMLESS AND INDEMNIFIED FOR THEIR OWN NEGLIGENCE.**

Escrow Agent may consult legal counsel selected by it in the event of any dispute or question as to the construction of any of the provisions hereof or of its duties hereunder, or relating to any dispute involving any party hereto, and shall incur no liability and shall be fully indemnified from any liability whatsoever in acting in accordance with the opinion or instruction of such counsel. The Landowner or such Subsequent Owner, as applicable shall promptly pay, upon demand, the fees and expenses of any such counsel.

(f) **Escrow Agent’s Fees.** The Landowner agrees to pay (or cause the payment to) the Escrow Agent for the performance of services hereunder an annual fee of \$_____ payable in

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advance of each year and, except for reimbursement of costs and expenses incurred by the Escrow Agent in its performance of its duties and obligations under this Agreement, the Escrow Agent hereby agrees said amount is full and complete payment for the administration of this Agreement.

(g) Material Agreement. Landowner acknowledges that the agreements and obligations of the Parties set forth herein are a material inducement to the City's entering into the Financing Agreement, that Landowner is represented by counsel of their own choice with respect to this Agreement, and that Landowner is entering into this Agreement freely and voluntarily and not acting under coercion or duress.

(h) Binding Effect. This Agreement shall be binding upon the Landowner and its successors, receivers, trustees, and assigns and shall inure to the benefit of the City, the Escrow Agent and the successors and assigns of the City and Escrow Agent.

(i) Amendments. This Agreement may be modified or amended only by a written agreement executed by the Escrow Agent, the City, and each owner of that portion of the Property to be affected by such amendment and recorded in the Real Property Records of Travis County, Texas.

(j) Severability; No Waiver. If any provision of this Agreement is held invalid or unenforceable, no other provision of this Agreement will be affected by such holding and all other provisions of this Agreement will continue in full force and effect. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement will not be deemed a waiver of such requirement or of any other provision, and such Party may at any time thereafter insist upon strict performance of any and all of the provisions of this Agreement.

(k) Notices. Any notice, communication or disbursement required to be given or made hereunder shall be in writing and shall be given or made by facsimile, hand delivery, overnight courier, or by United States mail, certified or registered mail, return receipt requested, postage prepaid, at the address set forth below or at such other address as may be specified in writing by any Party hereto to the other parties hereto. Each notice which shall be mailed or delivered in the manner described above shall be deemed sufficiently given, served, sent and received for all purpose at such time as it is received by the addressee (with return receipt, the delivery receipt or the affidavit of messenger being deemed conclusive evidence of such receipt) at the following addresses.

If to City: City of Austin
 P.O. Box 2106
 Austin, Texas 78768
 Attn: City Treasurer
 Facsimile: 512.370.3838

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If to Landowner: SLF III – ONION CREEK, L.P
c/o Stratford Land
Attn: Asset Manager
5949 Sherry Lane, Suite 800
Dallas, Texas 75225

With a copy to: Metcalfe Wolff Stuart & Williams, LLP
Attn: Steven C. Metcalfe
221 W. 6th Street, Suite 1300
Austin, Texas 78701
Facsimile: 512.404.2245

(l) Third Party Beneficiaries. The provisions of this Agreement are and will be for the benefit of the Parties, the Escrow Agent and the holders of the Bonds only and are not for the benefit of any other third party and, accordingly, no other third party shall have the right to enforce the provisions of this Agreement

(m) Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

(n) Further Assurances. The applicable Parties agree to take all further action and execute and deliver to the City such additional documents as may be necessary or as the City may reasonably request to carry out the purposes of this Agreement.

(o) Governing Law. This Agreement and the rights and obligations of the Parties hereunder shall be governed by, and construed in accordance with the laws of the State of Texas (without giving effect to the principles thereof relating to conflicts of law).

(p) Exhibits. The following exhibits are attached to and incorporated into this Agreement for all purposes:

Exhibit “A”- Description of the District Property

Exhibit “B”- Description of the Property

Exhibit “C”- Form of Agricultural Use Waiver

Exhibit “D”- Form of Release From Agreement

Exhibit “E”- Acknowledgement of Assumption of Waiver of Right of Redemption

[Signature page follows]

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IN WITNESS WHEREOF, the Parties to this Agreement have caused this Agreement to be executed by their duly authorized representatives on dates set forth in the acknowledgements below, to be effective as of the day and year first above written.

CITY OF AUSTIN

By: _____
Name: _____
Title: _____

ATTEST

City Clerk

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on _____, 20___, by _____, _____, on behalf of said City.

Notary Public, State of Texas

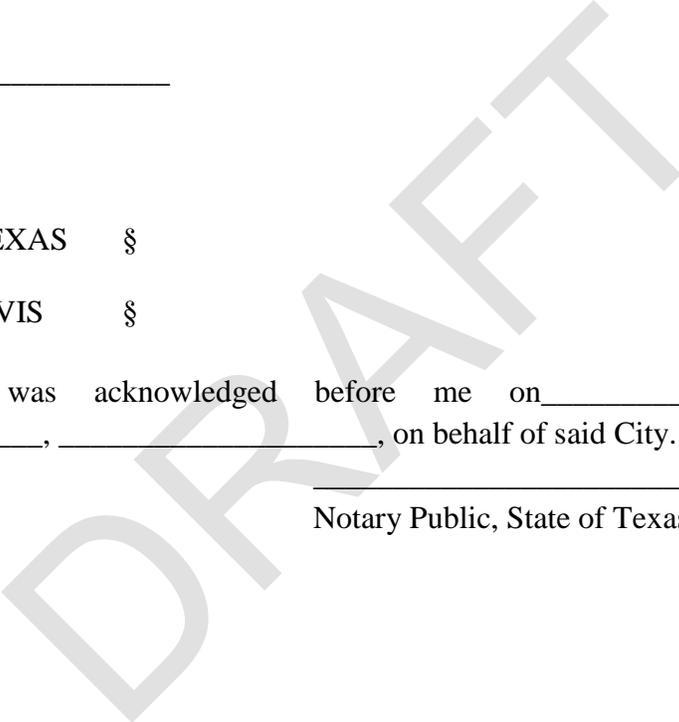


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U.S. BANK NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2018, by _____, _____, on behalf of U.S. Bank National Association

[SEAL]

Notary Public, State of Texas

DRAFT

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LANDOWNER:

SLF III – ONION CREEK, L.P.,
a Texas limited partnership

By: SLF III Property GP, LLC,
a Texas limited liability company,
its General Partner

By: Stratford Land Fund III, L.P.,
a Delaware limited partnership,
its Sole and Managing Member

By: Stratford Fund III GP, LLC,
a Texas limited liability company, its
General Partner

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS §

COUNTY OF DALLAS §

THIS INSTRUMENT is acknowledged before me on this ___ day of _____, 2018, by _____, as _____ of Stratford Fund III GP, LLC, general partner of Stratford Land Fund III, L.P., sole and managing member of SLF III Property GP, LLC, general partner of SLF III – Onion Creek, L.P.

[SEAL]

Notary Public, State of Texas

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Exhibit "A"

Description of District Property

TRACT 1: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 418.601 ACRES OF LAND, SITUATED IN THE S.F. SLAUGHTER SURVEY NO. 1, THE SANTIAGO DEL VALLE GRANT AND THE TRINIDAD VARCINAS SURVEY NO. 535, SITUATED IN TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2007226648 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, SAVE AND EXCEPT THAT CERTAIN 5.367 ACRE TRACT CONVEYED TO THE CITY OF AUSTIN RECORDED IN DOCUMENT NO. 2009190064 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 2: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.007 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078591 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 3: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.004 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078592 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 4: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.003 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078593 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 5: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.001 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS

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DESCRIBED IN DOCUMENT NO. 2009078594 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 6: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.003 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078595 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 7: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.003 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, AND THE S.V.R. EGGLESTON LEAGUE NO. 3, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078596, AS CORRECTED IN DOCUMENT NO. 2009093810 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 8: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.505 ACRES OF LAND, MORE OR LESS, SITUATED IN THE S.V.R. EGGLESTON LEAGUE NO. 3, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078597, AS CORRECTED IN DOCUMENT NO. 2009093811 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 9: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.005 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, AND IN THE S.V.R. EGGLESTON LEAGUE NO. 3, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078598, AS CORRECTED IN DOCUMENT NO. 2009093812 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 10: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.002 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078599 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

EXHIBIT E

TRACT 11: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.002 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078600 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 12: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.001 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078601 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 13: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.003 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078602 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 14: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.002 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078603 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 15: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.004 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078604 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 16: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.001 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS

EXHIBIT E

DESCRIBED IN DOCUMENT NO. 2009078605 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 17: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.004 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078606 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 18: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.004 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078607 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

TRACT 19: BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 10.003 ACRES OF LAND, MORE OR LESS, SITUATED IN THE J.S. IRVINE SURVEY NO. 4, OF TRAVIS COUNTY, TEXAS, BEING THE SAME TRACT AS DESCRIBED IN DOCUMENT NO. 2009078608 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

EXHIBIT E

Exhibit "B"

Description of Property

OVERALL AREA - 130.964 ACRES
ESTANCIA HILL COUNTRY
IMPROVEMENT AREA NO. 2

FN. NO. 18-193(ABB)
JULY 16, 2018
JOB NO. 222010574

DESCRIPTION

A 130.964 ACRE TRACT OF LAND OUT OF THE TRINIDAD VARCINAS SURVEY NO. 535, SITUATED IN TRAVIS COUNTY, TEXAS BEING A PORTION OF THAT CERTAIN 418.601 TRACT OF LAND CONVEYED TO SLF III - ONION CREEK, L.P. BY DEED OF RECORD IN 2007226648 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS; SAID 130.964 ACRES ALSO BEING A PORTION OF LOT 4, BLOCK E ESTANCIA HILL COUNTRY SUBDIVISION PHASE 4 OF RECORD IN DOCUMENT NO. 201700072 OF SAID OFFICIAL PUBLIC RECORDS; ALSO BEING A PORTION OF LOT 4, BLOCK D ESTANCIA HILL COUNTRY PHASE 1 OF RECORD IN DOCUMENT NO. 201300225 OF SAID OFFICIAL PUBLIC RECORDS; SAID 130.964 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING, at a concrete monument found at the intersection of the westerly right-of-way line of Interstate Highway 35 (R.O.W. varies) and the northerly right-of-way line of Puryear Road (R.O.W. varies), being the southeasterly corner of said 418.601 acre tract and hereof;

THENCE, leaving the westerly right-of-way line of Interstate Highway 35, along the northerly right-of-way line of Puryear Road, being the southerly line of said 418.601 acre tract and hereof, the following four (4) courses and distances:

- 1) S59°49'40"W, a distance of 168.99 feet to a concrete monument found;
- 2) S89°15'05"W, a distance of 451.16 feet to a concrete monument found;
- 3) S74°58'58"W, a distance of 95.27 feet to a 1/2 inch iron rod with "BURY" cap found;
- 4) S87°43'31"W, a distance of 397.04 feet to a 1/2 inch iron rod with "BURY" cap found at the intersection of the easterly right-of-way line of Old San Antonio Road (R.O.W. varies) and the northerly right-of-way line of Puryear Road, for the southwesterly corner hereof;

THENCE, leaving the northerly right-of-way line of Puryear Road, along the easterly right-of-way line of Old San Antonio Road,

EXHIBIT E

FN NO. 18-193(ABB)
JULY 16, 2018
PAGE 2 OF 5

for the westerly line hereof, the following three (3) courses and distances:

- 1) N02°19'59"W, a distance of 1290.68 feet to a 1/2 inch iron rod with "BURY" cap found;
- 2) N02°38'02"W, a distance of 2174.01 feet to a 1/2 inch iron rod with "BURY" cap found;
- 3) N02°17'20"W, a distance of 247.81 feet to the northwesterly corner hereof;

THENCE, leaving the easterly right-of-way line of Old San Antonio Road, over and across said Lot 4 Block "D", for a portion of the northerly line hereof, the following ten (10) courses and distances:

- 1) N87°18'00"E, a distance of 86.70 feet to an angle point;
- 2) S40°44'52"E, a distance of 14.63 feet to an angle point;
- 3) S53°45'02"E, a distance of 46.40 feet to an angle point;
- 4) S55°43'12"E, a distance of 28.36 feet to an angle point;
- 5) S57°37'31"E, a distance of 49.74 feet to an angle point;
- 6) S62°47'37"E, a distance of 79.53 feet to an angle point;
- 7) S63°35'53"E, a distance of 210.84 feet to an angle point;
- 8) S43°21'49"E, a distance of 120.84 feet to an angle point;
- 9) S49°33'34"E, a distance of 84.26 feet to an angle point;
- 10) S50°36'26"E, a distance of 118.68 feet to a point in the westerly right-of-way line of Future Estancia Parkway, not yet of record, being the easterly line of said Lot 4 Block "D" for an angle point;

THENCE, along the westerly right-of-way line of Future Estancia Parkway, in part being the easterly line of said Lot 4 Block "D", in part, being the southerly line of Lot 5 of said Block "D" Estancia Hill Country Phase 1, for a portion of the northerly line hereof, the following three (3) courses and distances:

EXHIBIT E

FN NO. 18-193(ABB)
JULY 16, 2018
PAGE 3 OF 5

- 1) Along a non-tangent curve to the right, having a radius of 515.00 feet, a central angle of $59^{\circ}16'57''$, an arc length of 532.86 feet, and a chord which bears, $N41^{\circ}53'52''E$, a distance of 509.41 feet to a 1/2 inch iron rod with "BURY" cap found;
- 2) $N71^{\circ}32'20''E$, a distance of 164.77 feet to a 1/2 inch iron rod with "BURY" cap found, for the point of curvature of a non-tangent curve to the left;
- 3) Along said non-tangent curve to the left, having a radius of 425.00 feet, a central angle of $10^{\circ}53'44''$, an arc length of 80.82 feet, and a chord which bears, $N66^{\circ}25'12''E$, a distance of 80.70 feet to a 1/2 inch iron rod with "BURY" cap found at the southwesterly corner of the southerly terminus of Estancia Parkway (90' R.O.W.);

THENCE, leaving the easterly line of Lot 5, along the southerly terminus of Estancia Parkway, for a portion of the northerly line hereof, the following three (3) courses and distances:

- 1) $S29^{\circ}01'40''E$, a distance of 70.00 feet to a 1/2 inch iron rod with "BURY" cap found, for the point of curvature of a non-tangent curve to the right;
- 2) Along said non-tangent curve to the right, having a radius of 495.00 feet, a central angle of $6^{\circ}29'49''$, an arc length of 56.13 feet, and a chord which bears, $S64^{\circ}13'15''W$, a distance of 56.10 feet to a 1/2 inch iron rod with "STANTEC" cap set;
- 3) $S23^{\circ}58'47''E$, a distance of 20.00 feet to a 1/2 inch iron rod with "STANTEC" cap set at the southeasterly corner of the southerly terminus of Estancia Parkway, being in the westerly line of Lot 4 Block "E" for an angle point;

THENCE, leaving the easterly right-of-way of Estancia Parkway, along the westerly line of said Lot 4 Block "E", along a non-tangent curve to the left, having a radius of 515.00 feet, a central angle of $2^{\circ}13'31''$, an arc length of 20.00 feet, and a chord which bears, $N66^{\circ}18'27''E$, a distance of 20.00 feet to a 1/2 inch iron rod with "STANTEC" cap set at the common northerly corner of said Lot 4, Block "E" and Lot 6, Block "E" Estancia Hill Country Subdivision Phase 3 of record in Document No. 201600249 of said Official Public Records;

EXHIBIT E

FN NO. 18-193(ABB)
JULY 16, 2018
PAGE 4 OF 5

THENCE, along the easterly line of said Lot 4 Block "E", being the westerly line of said Lot 6, for a portion of the northerly line hereof, the following two (2) courses and distances:

- 1) S23°58'40"E, a distance of 409.11 feet to a 1/2 inch iron rod with "STANTEC" cap set, for the point of curvature of a non-tangent curve to the right;
- 2) Along said non-tangent curve to the right, having a radius of 423.47 feet, a central angle of 81°44'37", an arc length of 604.16 feet, and a chord which bears, S28°54'57"E, a distance of 554.21 feet to a 1/2 inch iron rod with "STANTEC" cap set at the southeasterly corner of said Lot 4 Block "E";

THENCE, leaving the southeasterly corner of said Lot 4, Block "E", along the westerly line of said Lot 6, for a portion of the northerly line hereof, the following three (3) courses and distances:

- 1) S26°25'26"E, a distance of 171.95 feet to a 1/2 inch iron rod with "BURY" cap found;
- 2) S71°25'26"E, a distance of 312.31 feet to a 1/2 inch iron rod with "BURY" cap found;
- 3) S72°00'31"E, a distance of 90.27 feet to a 1/2 inch iron rod with "BURY" cap found in the westerly right-of-way line of Interstate Highway 35, being the easterly line of said 418.601 acre tract, also being the southeasterly corner of said Lot 6, for the northeasterly corner hereof;

THENCE, leaving the southeasterly corner of said Lot 6, along the westerly right-of-way line of Interstate Highway 35, being the easterly line of said 418.601 acre tract, for the easterly line hereof, the following three (3) courses and distances:

- 1) S17°59'29"W, a distance of 1408.54 feet to a 1/2 inch iron rod with "BURY" cap found;
- 2) S26°44'35"W, a distance of 857.58 feet to a concrete monument found;

EXHIBIT E

Exhibit "C"

WAIVER OF SPECIAL APPRAISAL

THE STATE OF TEXAS §
 § KNOW EVERYONE BY THESE PRESENTS:
COUNTY OF TRAVIS §

THAT this Waiver of Special Appraisal (this "Waiver") is made and entered into as of the _____ date of _____, 20____, for the benefit of the City of Austin, Texas (the "City") and the Escrow Agent (as defined below), by _____ ("Landowner," whether one or more), owner of the property described on Schedule 1 hereto (the "Property"), which Property is located within the Estancia Hill Country Public Improvement District (the "District"), a public improvement district of the City, pursuant to Texas Tax Code Ann. §23.20.

RECITALS

A. The City has the right to levy special assessments on land located within the District pursuant to a separate ordinance enacted by the City Council of the City, which assessments are intended to provide for the financing of certain improvements for the benefit of the District.

B. The purpose of the City in selling its special assessments revenue bonds is to provide, among other things, financing for certain improvements to serve the District (the "Facilities").

C. Escrow Agent is the Trustee described in that certain Estancia Hill Country Public Improvement District Financing Agreement having an effective date of June 20, 2013 as the same may be amended from time to time by and between SLF III – ONION CREEK, L.P. and the City.

D. In furtherance of this purpose, the City has agreed to reimburse Landowner or has reimbursed Landowner's predecessor in interest for payments made for certain Improvement Area #2 Improvements pursuant to that certain Indenture of Trust dated as of December 1, 2018 between the City and the Escrow Agent.

E. Landowner acknowledges that the election by Landowner to claim agricultural use exemptions or valuations arising under Section 34.21 of the Texas Tax Code, as amended (collectively, the "Exemptions"), but not including any residential homestead exemption, for the

EXHIBIT E

Property would be detrimental to the property valuation base and may significantly impair the ability of the City to meet its debt obligations for its special assessments revenue bonds.

WAIVER

Section 1. Waiver of Exemptions. Landowner, on behalf of itself, its successors and assigns, (i) irrevocably waives its right to claim any of the Exemptions with respect to the Property for a period of fifteen (15) years beginning on the date of this Waiver is received by the Travis County Tax Assessor/Collector; (ii) authorizes the City and/or the Escrow Agent to file this Waiver with the Chief Appraiser of the Travis County Appraisal District, or its successors, in accordance with the terms of the Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation-Estancia Hill Country PID Improvement Area #2 having an effective date of December 13, 2018; and (iii) covenants that it will not make any claim for a special appraisal except on written authorization of the Escrow Agent. Landowner acknowledges that it may have the right under Article 8 of the Texas Constitution to assert some or all of the Exemptions which it is waiving herein, and agrees that it shall be estopped from claiming such Exemptions for so long as this Waiver shall remain in effect, provided, however, it is expressly acknowledged and agreed by Landowner that mechanisms for single family residences now available or to be made available by any change in Texas laws for the reduction of ad valorem tax liability or of valuation for the purposes of ad valorem taxes or other assessments with respect to real property, such as exemptions for homesteads, disabled veterans, and elderly homesteads, are not included in the definition of Exemptions and are expressly allowed, to the extent such exemptions would be otherwise available, with respect to the Property.

Section 2. Disclosures of Lienholders. Bank OZK (formerly known as Bank of the Ozarks) currently claims a lien to secure a loan in the original principal amount of \$40,000,000.00 (the "Loan"), secured by in part Improvement Area #2. Bank OZK has executed a certificate acknowledging the Loan is subordinate to the liens, claims, or charges of the City related to the Public Improvements.

Section 3. Intentionally Omitted.

Section 4. Covenants to Run with Land. The terms and provisions hereof shall be deemed to be restrictive covenants encumbering and running with the Property and shall be binding upon the Landowner and its successors and assigns. In particular, each successive purchaser of the Property shall, upon purchase thereof (or such portion thereof) be deemed to have waived its right to claims of the Exemptions with respect to the Property (or such portions thereof) for so long as this Waiver shall remain in effect.

EXHIBIT E

Section 5. Enforceability. The covenants and restrictions binding the Property hereunder shall be enforceable only by the City, the Escrow Agent and their respective successors and assigns. This Waiver is for the sole benefit of the parties hereto, and of the Escrow Agent, and no other third party is intended to be a beneficiary of this Waiver.

Section 6. Termination. This Waiver shall continue in full force and effect until the earlier to occur of the following: (i) fifteen (15) years; or (ii) such time as the Escrow Agent approves a revocation in writing.

Section 7. Severability. Every provision of this Waiver is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable to the maximum extent permitted by law, it being the intent of the parties hereto to give full force and effect to the agreements made hereunder to the maximum extent permitted by law.

Section 8. Headings. The Section headings are included in this Waiver for convenience and reference only, and shall not be deemed to affect the substantive provisions of this Waiver.

Section 9. Remedies. If Landowner breaches its obligations hereunder, the Escrow Agent or the City (on behalf of the Escrow Agent), in addition to all other remedies set forth herein or otherwise available at law or in equity, shall be entitled to recover from Landowner the amount of assessments that would have been due to the City had Landowner complied with this Waiver. Such payment will be due and payable, and will incur penalties and charges under the same terms as if the payment had been an assessment obligation of Landowner to City.

[EXECUTION PAGES FOLLOW]

EXHIBIT E

IN WITNESS WHEREOF, the Parties to this Agreement have caused this Agreement to be executed by their duly authorized representatives on the dates set forth in the acknowledgements below, to be effective as of the day and year first above written.

CITY OF AUSTIN

By: _____
Name: _____
Title: _____

ATTEST

City Secretary

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on _____, 20____, by _____, _____, on behalf of said City.

Notary Public, State of Texas

EXHIBIT E

LANDOWNER:

SLF III – ONION CREEK, L.P.,
a Texas limited partnership

By: SLF III Property GP, LLC,
a Texas limited liability company,
its General Partner

By: Stratford Land Fund III, L.P.,
a Delaware limited partnership,
its Sole and Managing Member

By: Stratford Fund III GP, LLC,
a Texas limited liability company, its
General Partner

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS
COUNTY OF DALLAS

THIS INSTRUMENT is acknowledged before me on this ___ day of _____, 2018, by _____, as _____ of Stratford Fund III GP, LLC, general partner of Stratford Land Fund III, L.P., sole and managing member of SLF III Property GP, LLC, general partner of SLF III – Onion Creek, L.P.

[SEAL]

Notary Public, State of Texas

EXHIBIT E

Exhibit "D"

RELEASE OF REDEMPTION AGREEMENT

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TRAVIS §

WHEREAS, the land described in the attached Exhibit "A" ("Property") is located within the Estancia Hill Country Public Improvement District ("District");

WHEREAS, _____ is the owner of the Property ("Owner");

WHEREAS, the Property is subject to the terms of the Agreement Regarding Conveyance of Right of Redemption And Waiver of Agricultural Valuation-Estancia Hill Country PID Improvement Area #2 with an effective date of December 13, 2018 and recorded in Document No. _____, Official Public Records of Travis County, Texas ("Redemption Agreement");

WHEREAS, the City of Austin and the Escrow Agent are parties to the Redemption Agreement;

WHEREAS, pursuant to the Redemption Agreement certain rights to redeem the Property under the Texas Tax Code (as described in the Redemption Agreement) were conveyed to the Escrow Agent (defined below);

WHEREAS, U.S. Bank National Association is the Escrow Agent, as defined in the Redemption Agreement;

WHEREAS, pursuant to Section 4 of the Redemption Agreement, the Escrow Agent is authorized to deliver a Waiver of Agricultural Use to the appropriate Tax Assessor/Collector office in the event that delinquent taxes or Improvement Area #2 Assessments are owed on the Property;

WHEREAS, pursuant to Section 2 of the Redemption Agreement, the City and the Escrow Agent are authorized to release property from the terms of the Redemption Agreement; and

WHEREAS, the City and the Escrow Agent have determined that the Property should be released from the terms of the Redemption Agreement

NOW, THEREFORE, for and in consideration of the above stated premises, and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged by the City of Austin and the Escrow Agent, the City of Austin and the Escrow Agent do hereby forever release and discharge the Property from all terms, restrictions, covenants and conditions of the Redemption Agreement in its entirety, and release any and all rights that the City of Austin and the

EXHIBIT E

Escrow Agent had, have or may have by virtue of the Redemption Agreement. In no event shall this release have any impact on land within the District other than the Property described in the attached Exhibit "A".

Escrow Agent has GRANTED, BARGAINED, SOLD, and CONVEYED, and by these presents does hereby GRANT, BARGAIN, SELL, and CONVEY, unto Owner all rights that Escrow Agent and its successors and assigns received from Owner or its predecessors pursuant to the Redemption Agreement and, to the extent applicable, the Acknowledgment of Assumption and Conveyance of Right of Redemption.

TO HAVE AND TO HOLD the Tax Redemption Rights in the Property, described in the attached Exhibit "A", belonging in any way to Escrow Agent, unto the Owner, its successors and assigns, forever without warranty.

[SIGNATURE PAGE FOLLOWS]

DRAFT

EXHIBIT E

WITNESS THE EXECUTION HEREOF this the _ day of _____, 20_.

City of Austin

By: _____

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on _____, 20_, by _____, the _____ of the City of Austin, Texas, a home rule city and Texas municipal corporation, on behalf of said city and municipal corporation.

Notary Public, State of
Texas

DRAFT

EXHIBIT E

WITNESS THE EXECUTION HEREOF this the __ day of _____, 20__.

Escrow Agent

By: _____

THE STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 20__, by _____ the _____, on behalf of said entity.

Notary Public, State of _____

* Attached description of the Land as **Exhibit A** prior to recording.

After Recording Mail to:

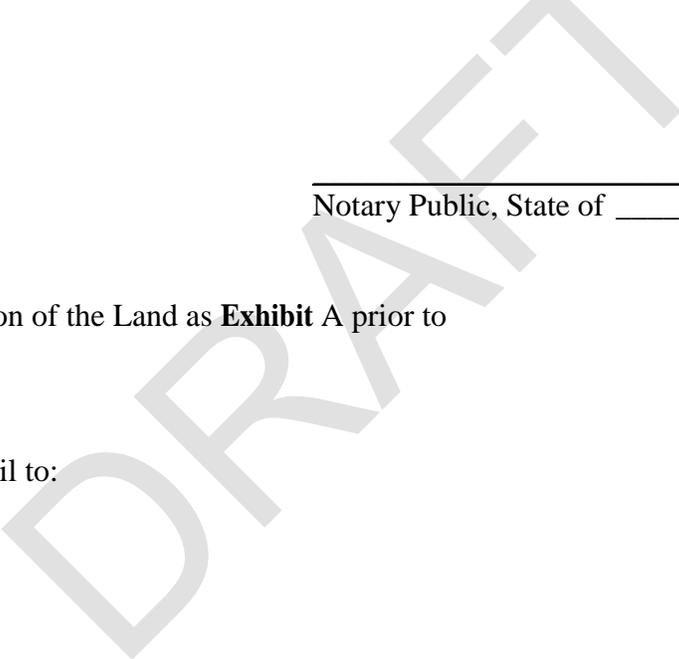


EXHIBIT E

EXHIBIT "E"

ACKNOWLEDGMENT OF ASSUMPTION AND CONVEYANCE OF RIGHT OF REDEMPTION

This Acknowledgment of Assumption and Conveyance of Right of Redemption (this "Acknowledgment and Agreement") is entered into effective _____, 20_ by _____, a (whether one or more, the "Buyer") in favor of the City of Austin, Texas (the "City") and the Escrow Agent, as such term is defined in the Redemption Agreement (defined below).

RECITALS

A. WHEREAS, Buyer has purchased and acquired certain land described on Exhibit A attached hereto (the "Land"); and

B. WHEREAS, the Land is subject to that certain Agreement Regarding Conveyance of Right of Redemption And Waiver of Agricultural Valuation-Estancia Hill Country PID Improvement Area #2, dated on or about _____ (the "Redemption Agreement"); and

C. WHEREAS, pursuant to the requirements of the Redemption Agreement, it is a condition to the acquisition of the Land that the Buyer execute this Acknowledgment and Agreement and record same in the Real Property Records of Travis County, Texas; and

D. WHEREAS, the purchase price paid by Buyer for the Property was calculated and determined, in part, based upon the benefits and restrictions applicable to the Land and arising in connection with the Redemption Agreement and the other agreements executed in connection therewith and the requirement that Buyer execute this Acknowledgment and Agreement.

NOW, THEREFORE, in consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Buyer hereby represents, warrants and agrees as follows:

1. Buyer acknowledges that the Redemption Agreement continues to affect the Land, and that Buyer has assumed, and Buyer hereby does assume and agree to perform, the obligations of the Landowners (as such term is defined in the Redemption Agreement) under the Redemption Agreement with respect to the Land.

2. Buyer hereby grants, sells, conveys and assigns to the Escrow Agent all rights Buyer and its successors and assigns now have or in the future may have in equity, pursuant to statute, the Constitution of the State of Texas or otherwise to redeem, repurchase or reacquire, following any foreclosure of a tax lien or sale, transfer or conveyance in connection with a tax sale, any portion of the Land that constitutes Exempt Property (as defined in the Redemption Agreement), including, without limitation, any and all rights arising under Section 34.21 of the Texas Tax Code, as amended but excluding any redemption rights arising out of the homestead status of the Property. In the event that the foregoing conveyance is not effective, Buyer hereby absolutely, unconditionally and irrevocably waives, releases, relinquishes and surrenders forever, on behalf of itself and its successors and assigns, and agrees not to assert or exercise any

EXHIBIT E

and all rights it now has or in the future may have in equity, pursuant to statute, the Constitution of the State of Texas or otherwise to redeem, repurchase or reacquire, following any foreclosure of a tax lien or sale, transfer or conveyance in connection with a tax sale, any portion of the Land that constitutes Exempt Property, including, without limitation, any and all rights arising under Section 34.21 of the Texas Tax Code, as amended.

3. Concurrently with the execution and delivery of this Acknowledgment and Agreement, Buyer has executed and has delivered (or will promptly deliver) to the Escrow Agent to be held in escrow a Waiver of Special Appraisal in the form attached as **Exhibit C** to the Redemption Agreement waiving any agricultural use valuation and any right to special appraisal arising based on agricultural use with respect to the Land. Such agreement shall be held in, and released from, escrow in accordance with the provisions of Section 4 of the Redemption Agreement.

EXECUTED to be effective as of the date first above written.

[SIGNATURE PAGES FOLLOW]

DRAFT

EXHIBIT E

BUYER:

THE STATE OF TEXAS §

COUNTY OF §

This document was acknowledged before me on _____, 20 __, by _____, the _____ of _____, a _____, on behalf of said entity.

Notary Public in and for the State of TEXAS

* Attached description of the Land as **Exhibit A** prior to recording.