EXHIBIT D

LANDOWNER AGREEMENT

INDIAN HILLS PUBLIC IMPROVEMENT DISTRICT

LANDOWNER AGREEMENT

among

THE CITY OF AUSTIN, TEXAS

and

CLUB DEAL 116 INDIAN HILLS TX, LIMITED PARTNERSHIP

Dated as of:

November 1, 2011

LANDOWNER AGREEMENT

This **LANDOWNER AGREEMENT** (the or this "Agreement") is entered into among the CITY OF AUSTIN, TEXAS, a municipal corporation of the State of Texas (the "City"), and CLUB DEAL 116 INDIAN HILLS TX, LIMITED PARTNERSHIP, a Delaware limited partnership "Landowner" (individually "Party" or collectively "Parties"). This Agreement shall be effective on the latest date it is executed by all the Parties (the "Effective Date").

RECITALS

WHEREAS, the Landowner owns all of the "Assessed Parcels" described on **Exhibit A** attached hereto;

WHEREAS, Club Deal 116 Indian Hills TX, Limited Partnership, in addition to being the Landowner, is the developer (the "Developer") of the Development Land;

WHEREAS, the Assessed Parcels described on **Exhibit A** attached hereto are collectively referred to as the "Development Land";

WHEREAS, the Development Land constitutes taxable, privately-owned land located within the Indian Hills Public Improvement District (the "District") created pursuant to the authority of Chapter 372, Texas Local Government Code (the "PID Act");

WHEREAS, Landowner and the City have entered into that certain Indian Hills Public Improvement District Financing Agreement (as such agreement may be restated and amended by the City and Developer from time to time, the "PID Finance Agreement"), providing, among other matters, for the levy of assessments on the Development Land, the issuance of revenue bonds secured by such assessments, and the construction of the "Public Improvements" as defined therein;

WHEREAS, the City Council of the City (the "City Council") has adopted an assessment ordinance (Ordinance No. _____) (including all exhibits, the "Assessment Ordinance") that levied an assessment (each, an "Assessment") on each Assessed Parcel, which Assessments will be pledged as security for the payment of bonds issued by the City (the "Bonds") to pay for, among other things, the costs of constructing the Public Improvements that will confer a special benefit on the Development Land;

WHEREAS, a copy of the Assessment Ordinance is attached hereto as **Exhibit B**;

WHEREAS, the Assessment Ordinance includes a "Service and Assessment Plan";

WHEREAS, the Service and Assessment Plan includes an "Assessment Roll" setting forth the amount of the Assessment for each Assessed Parcel, including the amount of the "Annual Installment" for each Assessment paid in installments; and

WHEREAS, attached hereto as **Exhibit C** is a Declaration of Covenants, Conditions, and Restrictions (the "Declarations") that will be recorded against, and that will run with, the Development Land including, but not limited to, the statutory notice of the District required by Section 5.014 of the Texas Property Code to be provided by each seller to each purchaser of residential property located within the District.

NOW THEREFORE, for and in consideration of the mutual promises, covenants, obligations, and benefits hereinafter set forth, the Parties agree as follows:

ARTICLE I
DEFINITIONS; APPROVAL OF AGREEMENTS

Definitions. Capitalized terms used but not defined in this Agreement (including the exhibits hereto) shall have the meanings given to them in the Assessment Ordinance, Service and Assessment Plan and PID Finance Agreement.

Affirmation of Recitals. The matters set forth in the Recitals of this Agreement are true and correct and are incorporated in this Agreement as official findings of the City Council.

ARTICLE II
AGREEMENT OF LANDOWNER

A. Landowner ratifies, confirms, accepts, agrees to, and approves:

(i) the creation of the District, the boundaries of the District, and the boundaries of the Assessed Parcels;

(ii) the location and construction of the Public Improvements; and

(iii) the determinations and findings of special benefit to the Assessed Parcels made by the City Council in the Assessment Ordinance and Service and Assessment Plan; and

(iv) the Assessment Ordinance and the Service and Assessment Plan.

B. Landowner consents, acknowledges, accepts, and agrees:

(i) to the Assessments levied against the Assessed Parcels as shown on the Assessment Roll;

(ii) that the Public Improvements confer a special benefit on the Assessed Parcels in an amount that exceeds the Assessments against the Assessed Parcels as shown on the Assessment Roll;

(iii) that the Assessments against the Assessed Parcels are final, conclusive, and binding upon the Landowner and its successors and assigns;

(iv) to pay the Assessments against the Assessed Parcels when due and in the amounts stated in the Assessment Ordinance, Service and Assessment Plan, and Assessment Roll;

(v) that each Assessment or reassessment against the Assessed Parcels, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the Assessed Parcels, superior to all other liens and monetary claims except liens or monetary claims for state, county, school district, or municipal ad valorem taxes, and is a personal liability of and charge against the owner of the Assessed Parcels regardless of whether the owner is named;

(vi) that the Assessment liens on the Assessed Parcels are liens and covenants that run with the land and are effective from the date of the Assessment Ordinance and continue until the Assessments are paid in full and may be enforced by the governing body of the City in the same manner that ad valorem tax liens against real property may be enforced;

(vii) that delinquent installments of Assessments against the Assessed Parcels shall incur and accrue interest, penalties, and attorney's fees as provided in the PID Act;

(viii) that the owner of an Assessed Parcel may pay at any time the entire Assessment against the Assessed Parcel, with interest that has accrued on the Assessment to the date of such payment;

(ix) that Annual Installments may be adjusted, decreased, and extended and that owners of the Assessed Parcels shall be obligated to pay such Annual Installments as adjusted, decreased, or extended, when due and without the necessity of further action, assessments, or reassessments by the City Council;

(x) that the Landowner has received, or hereby waives, all notices required by State law (including, but not limited to the PID Act) in connection with the creation of the District and the adoption and approval by the City Council of the Assessment Ordinance, the Service and Assessment Plan, and the Assessment Roll; and

(xi) after the initial Bonds are paid, additional Assessments may be placed on the Development Land.

C. Landowner further agrees:

(i) that the Declarations shall be recorded by the Landowner in the real property records of Travis County, Texas and shall run with and be binding upon the Landowner's Assessed Parcels;

(ii) the City may record in the real property records of Travis County a "Notice of Creation of Special Assessment District" and "Imposition of Special Assessment" (the contents of which shall be consistent with the Assessment Ordinance, the Service and Assessment Plan, and this Agreement as reasonably determined by the

City) that evidence the lien and encumbrance created upon the Landowner's Assessed Parcels by the Assessment Ordinance; and

(iii) that in the event of any subdivision, sale, or transfer of any interest in the Assessed Parcels, the Assessed Parcels shall continue to be bound by the Declarations, and any purchaser, transferee, or subsequent owner shall take the Assessed Parcels subject to the Declarations.

D. The Declarations may be recorded with other written restrictions applicable to the Assessed Parcels.

ARTICLE III
OWNERSHIP OF PUBLIC IMPROVEMENTS

Landowner acknowledges that the Public Improvements, together with the land, easements, or other rights-of-way needed for the Public Improvements, shall be dedicated to and owned by the City or County (as applicable). Landowner will execute such conveyances and/or dedications as may be reasonably required to evidence such ownership, and will grant such easements or licenses as may be required or appropriate to store materials or to stage the construction of the Public Improvements until such time as the Public Improvements have been completed and accepted.

ARTICLE IV
MISCELLANEOUS

A. Notices. Any notice or other communication (a "Notice") required or contemplated by this Agreement shall be given at the addresses set forth below. Notices as to one or more Assessed Parcels shall only be given to the Landowner that owns the parcels. Notices as to all of the Development Land shall be given to all Landowners. Notices shall be in writing and shall be deemed given: (i) five business days after being deposited in the United States Mail, Registered or Certified Mail, Return Receipt Requested; or (ii) when sent by electronic or facsimile transmission simultaneously confirmed by United States Mail; or (iii) when delivered by a nationally recognized private delivery service (e.g., FedEx or UPS) with evidence of delivery signed by any person at the delivery address. Each Party may change its address by written notice to the other Parties in accordance with this section.

CLUB DEAL 116 INDIAN HILLS TX, LIMITED PARTNERSHIP
c/o Taurus Investment Holdings LLC
Attn: Douglas Gilliland
9285 Huntington Square
North Richland Hills, TX 76180

CITY OF AUSTIN, TEXAS
Attn: City Treasurer

PO Box 1088
Austin, Texas 78767

B. Parties in Interest. This Agreement is solely for the benefit of the Parties and is not assignable except by a Landowner in connection with the sale or transfer of an Assessed Parcel, in which case the purchaser or transferee shall assume the obligations of the Landowner with respect to such Assessed Parcel, and the seller or transferor shall be released with respect to such Assessed Parcel. Notwithstanding the foregoing, the holders of Bonds are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the Parties.

C. Amendments. This Agreement may be amended only by a written instrument executed by all the Parties.

D. Estoppels. Within 10 days after written request from any Party, the other Parties shall provide a written certification indicating whether this Agreement remains in effect as to an Assessed Parcel and whether any Party is then in default hereunder.

E. Termination. This Agreement shall terminate as to each Assessed Parcel upon payment in full of the Assessment against the Assessed Parcel.

[SIGNATURE PAGE TO FOLLOW]

EXECUTED by the Parties on the dates stated below.

THE CITY OF AUSTIN, TEXAS

By: _____
Rudy Garza, Assistant City Manager

LANDOWNERS

CLUB DEAL 116 INDIAN HILLS TX, LIMITED PARTNERSHIP, a Delaware limited partnership qualified to do business in Texas

By: CD116 Indian Hills TX, LLC, a Delaware limited liability company
Its: General Partner

By: _____
Douglas H. Gilliland, Manager

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, a Notary Public, on this day personally appeared Douglas H. Gilliland, Manager of CD116 Indian Hills TX, LLC, a Delaware limited liability company, general partner of CLUB DEAL 116 INDIAN HILLS TX, LIMITED PARTNERSHIP, a Delaware limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed on behalf of said entity.

GIVEN UNDER MY HAND AND SEAL of office this ____ day of _____, 2011.

_____
Notary Public, in and for the State of Texas

EXHIBIT A to LANDOWNER AGREEMENT
Assessed Parcels Owned by All Landowners

PARCEL DESCRIPTIONS	TAX ACCOUNT NUMBER	ASSESSMENT PER LOT/PARCEL
	201773	$

EXHIBIT B to LANDOWNER AGREEMENT
Assessment Ordinance

ORDINANCE NO. 20111103-____

AN ORDINANCE ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR THE CITY OF AUSTIN, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SENIOR SERIES 2011 (INDIAN HILLS PUBLIC IMPROVEMENT DISTRICT) and CITY OF AUSTIN, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SUBORDINATE SERIES 2011 (INDIAN HILLS PUBLIC IMPROVEMENT DISTRICT); MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR PAYMENT OF THE ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE ASSESSMENTS, PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS, PROVIDING FOR SEVERABILITY, AND DECLARING AN EMERGENCY

WHEREAS, a petition was submitted and filed with the City Clerk (the "City Clerk") of the City of Austin, Texas (the "City") pursuant to the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "PID Act"), requesting the creation of a public improvement district over a portion of the area of the City to be known as Indian Hills Public Improvement District (the "District"); and

WHEREAS, the petition contained the signatures of the owners of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the District, as determined by the then current ad valorem tax rolls of the Travis Central Appraisal District and the signatures of property owners who own taxable real property that constitutes more than fifty percent of the area of all taxable property that are liable for assessment by the District; and

WHEREAS, on August 5, 2010, after due notice, the City Council of the City (the "City Council") held the public hearing in the manner required by law on the advisability of the public improvements and services described in the petition as required by Sec. 372.009 of the PID Act and made the findings required by Sec.

372.009(b) of the PID Act and, on August 26, 2010, by Resolution No. 20100826-026, authorized the District in accordance with its finding as to the advisability of the public improvement and services; and

WHEREAS, on September 7, 2010, the City published notice of its authorization of the District in the Austin American-Statesman, a newspaper of general circulation in the City; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City Clerk within 20 days after September 7, 2010; and

WHEREAS, the City Council, pursuant to Section 372.016(b) of the PID Act, published notice on July 23, 2011 in the Austin American-Statesman of a public hearing in a newspaper of general circulation in the City and the extraterritorial jurisdiction of the City to consider the proposed "Assessment Roll" and the "Service and Assessment Plan" and the levy of the "Assessments" on property in the District; and

WHEREAS, the City Council, pursuant to Section 372.016(c) of the PID Act, by causing the mailing of the notice of the public hearing to consider the proposed Assessment Roll and the Service and Assessment Plan and the levy of Assessments on property in the District to the last known address of the owners of the property liable for the Assessments; and

WHEREAS, the City Council convened the hearing at 4:00 p.m. on August 4, 2011, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Plan, the Assessment roll, and each proposed assessment, and to offer testimony pertinent to any issue presented on the amount of the Assessment, the allocation of Costs, the purposes of the Assessment, the special benefits of the Assessment, and the penalties and interest on annual installments and on delinquent annual installments of the Assessment; and

WHEREAS, the City Council finds and determines that the Assessment Roll and the Service and Assessment Plan should be approved and that the Assessments (as defined in the Service and Assessment Plan) should be levied as provided in this Ordinance and the Service and Assessment Plan and Assessment Roll; and

WHEREAS, the City Council further finds that there were no written objections or evidence submitted to the City Clerk in opposition to the Service and

Assessment Plan, the allocation of Costs, the Assessment Roll, and the levy of Assessments; and

WHEREAS, prior to the issuance of bonds secured by the Assessments, the owners (the "Landowners" or the "Assessed Parties") of 100% of the privately-owned and taxable property located within the District, and who are the persons to be assessed pursuant to this Ordinance, will have executed and presented to the City Council for approval and acceptance a Landowner Agreement (the "Landowner Agreement") in the form and substance acceptable to the City, in which the Assessed Parties approve and accept the Service and Assessment Plan, approve the Assessment Roll, approve this Ordinance and approve the levy of the Assessments against their property located within the District, and agree to pay the Assessments when due and payable subject to the credits provided for herein and in the Service and Assessment Plan; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, determined to proceed with the adoption of this Ordinance in conformity with the requirements of the PID Act.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN, TEXAS, THAT:

Section 1. Terms.

Terms not otherwise defined herein are defined in the Service and Assessment Plan substantially in the form attached hereto as Exhibit A (the "Service and Assessment Plan").

Section 2. Findings.

The findings and determinations set forth in the preambles are hereby incorporated by reference for all purposes. The City Council hereby finds, determines, and ordains, as follows:

(a) The apportionment of the Master PID Bond Authorized Improvements and the Annual Installment pursuant to the Service and Assessment Plan is fair and reasonable, reflects an accurate presentation of the special benefit each property will receive from the construction of the public improvements identified in the Service and Assessment Plan, and is hereby approved;

(b) The Service and Assessment Plan covers a period of at least five years and defines the annual indebtedness and projected costs for the Authorized Improvements;

(c) The Service and Assessment Plan apportions the cost of a public improvement to be assessed against property in the District and such apportionment is made on the basis of special benefits accruing to the property because of the improvement.

(d) All of the real property in the District which is being assessed in the amounts shown in the Assessment Roll will be benefited by the services and improvements proposed to be provided through the District in the Service and Assessment Plan, and each parcel of real property will receive special benefits in each year equal to or greater than each annual Assessment and will receive special benefits during the term of the Assessments equal to or greater than the total amount assessed;

(e) The method of apportionment of the Master PID Bond Authorized Improvements and Annual Installment associated with the Master PID Bonds set forth in the Service and Assessment Plan results in imposing equal shares of the Master PID Bond Authorized Improvements and Annual Installment associated with the Master PID Bonds on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the costs of the improvements;

(f) The Service and Assessment Plan should be approved as the service plan and assessment plan for the District as described in Sections 372.013 and 372.014 of the PID Act;

(g) The Assessment Roll in the form attached as Appendix A to the Service and Assessment Plan (the "Assessment Roll") should be approved as the assessment roll for the District;

(h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Assessments, interest on Annual Installments, interest and penalties on delinquent Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Assessments should be approved and will expedite collection of the Assessments in a timely manner in order to provide the services and improvements needed and required for the area within the District; and

(i) A written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered, and formally acted upon.

Section 3. Assessment Plan.

The Service and Assessment Plan substantially in the form attached to this Ordinance is hereby accepted and approved pursuant to the PID Act Sections 372.013 and 372.014 as the service plan and the assessment plan for the District.

Section 4. Assessment Roll.

The Assessment Roll is hereby accepted and approved pursuant to the PID Act Section 372.016 as the assessment roll of the District.

Section 5. Levy and Payment of Special Assessments for Costs of Improvement Project.

(a) The City Council hereby levies an assessment on each tract of property located within the District, as shown and described on the Service and Assessment Plan and the Assessment Roll, in the respective amounts shown on the Assessment Roll as a special assessment on the properties set forth in the Assessment Roll.

(b) The levy of the Assessments shall be effective on the date of execution of this Ordinance levying assessments and strictly in accordance with the terms of the Service and Assessment Plan.

(c) The collection of the Assessments shall be as described in the Service and Assessment Plan.

(d) Each Assessment may be paid in a lump sum or may be paid in Annual Installments pursuant to the terms of the Service and Assessment Plan.

(e) Each Assessment shall bear interest at the rate or rates specified in the Service and Assessment Plan.

(f) Each Annual Installment shall be collected each year in the manner set forth in the Service and Assessment Plan.

(g) The Annual Installments for Assessed Properties shall be calculated pursuant to the terms of the Service and Assessment Plan.

Section 6. Method of Assessment.

The method of apportioning the Actual Costs is as set forth in the Service and Assessment Plan.

Section 7. Penalties and Interest on Delinquent Assessments.

Delinquent Assessments shall be subject to the penalties, interest, procedures, and foreclosure sales set forth in the Service and Assessment Plan. The Assessments shall have lien priority as specified in the PID Act and the Service and Assessment Plan.

Section 8. Prepayments of Assessments.

As provided in subsection 372.018(f) of the PID Act and in Section VI G. of the Service and Assessment Plan, the owner (the "Owner") of any Assessed Property may prepay the Assessments levied by this Ordinance.

Section 9. Lien Priority.

As provided in the Landowner Agreement, the City Council and the Landowners intend for the obligations, covenants and burdens on the Landowners of Assessed Property, including without limitation such Landowners' obligations related to payment of the Assessments and the Annual Installments, to constitute a covenant running with the land. The Assessments and the Annual Installments levied hereby shall be binding upon the Assessed Parties, as the Landowners of Assessed Properties, and their respective transferees, legal representatives, heirs, devisees, successors and assigns in the same manner and for the same period as such parties would be personally liable for the payment of ad valorem taxes under applicable law. Assessments shall have lien priority as specified in the Service and Assessment Plan and the PID Act.

Section 10. Appointment of Administrator and Collector of Assessments.

(a) Appointment of Administrator.

The City Treasurer of the City or his designee is hereby appointed and designated as the initial Administrator of the Service and Assessment Plan and of the assessments levied by this Ordinance. The Administrator shall perform the duties of the Administrator described in the Service and Assessment Plan and in this Ordinance. The Administrator's fees, charges and expenses for providing such service shall constitute an Annual Installment.

(b) Appointment of Temporary Collector.

The City Treasurer of the City or his designee is hereby appointed as the temporary collector of the Assessments (the "Collector"). The Collector shall serve in such capacity until such time as the City shall arrange for the Collector's duties to be performed by any other qualified collection agent selected by the City.

Section 11. Applicability of Tax Code.

To the extent not inconsistent with this Ordinance, and not inconsistent with the PID Act or the other laws governing public improvement districts, the provisions of the Texas Tax Code shall be applicable to the imposition and collection of Assessments by the City.

Section 12. Severability.

If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portions of this Ordinance or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council that no portion hereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

Section 13. Effective Date/Emergency.

The Council finds that the adoption of this Ordinance to provide for special assessment pledged to the payment of the special assessment revenue bonds authorized at the meeting at which this Ordinance is considered constitutes an emergency. Because of this emergency, this Ordinance takes effect immediately on its passage for the immediate preservation of the public peace, health and safety.

[Remainder of page left blank intentionally]

PASSED AND APPROVED §
§
§

November 3, 2011

Lee Leffingwell
Mayor

APPROVED:

ATTEST:

Shirley A. Gentry
City Clerk

Karen M. Kennard
City Attorney

EXHIBIT C to LANDOWNER AGREEMENT

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

This **DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS** (as amended, this "Declaration") is made as of _____, 2011, by CLUB DEAL 116 INDIAN HILLS TX, LIMITED PARTNERSHIP (the "Landowner").

RECITALS:

A. The Landowner holds record title to the real property located in Travis County, Texas, and described on the attached Exhibit A (the "Assessed Parcels").

B. The City Council of the City of Austin, Texas (the "City Council"), upon the receipt of a petition by the Landowner requesting the establishment of a public improvement district to be known as Indian Hills Public Improvement District (the "District"), created the District in accordance with Chapter 372, Texas Local Government Code, as amended (the "PID Act").

C. The City Council, pursuant to the PID Act, adopted an "Assessment Ordinance" that included a "Service and Assessment Plan" and "Assessment Roll" and levied "Assessments" against private, taxable property within the District, including the Assessed Parcels.

D. The statutory notice required by Section 5.014 of the Texas Property Code to be given by sellers of residential property to purchasers of residential property within the District is incorporated as part of this Declaration.

DECLARATIONS:

NOW THEREFORE, Landowner, on its own behalf and on behalf of its successors and assigns hereby declares that the Assessed Parcels are, and shall be subject to and perpetually burdened by, the following covenants, conditions, and restrictions:

1. Acceptance and Approval of Assessments and Assessment Liens.

(a) Landowner accepts the Assessments levied against the Assessed Parcels.

(b) The Assessment against each Assessed Parcel (including any reassessment, the expense of collection, and reasonable attorney's fees, if incurred) is: (1) a first and prior lien (an "Assessment Lien") against the Assessed Parcel superior to all other liens or claims except liens or claims for State, county, school district, or municipal ad valorem property taxes whether now or hereafter payable; and (2) a personal liability of and charge against the owners of the Assessed Property regardless of whether the owners are named. The Assessment Lien against each Assessed Parcel is effective from the date of the Assessment Ordinance until the Assessment against the Assessed Parcel is paid and may be enforced by the City

of Austin, Texas (the "City") in the same manner as an ad valorem property tax levied against real property may be enforced by the City. The owner of each Assessed Parcel may pay, at any time, the entire Assessment levied against the Assessed Parcel. Additional Assessments may be placed on an Assessed Parcel after the initial Assessments are paid off. Foreclosure of an ad valorem property tax lien against an Assessed Parcel shall not extinguish the Assessment or any unpaid but not yet due annual installment of the Assessment and shall not accelerate the due date for any unpaid and not yet due annual installment of the Assessment.

(c) The obligations of each Landowner to pay the Assessments (including each annual installment thereof, as adjusted, decreased, or extended) levied against the Assessed Parcels (as set forth in the Assessment Ordinance, Service and Assessment Plan, and Assessment Roll, each as amended) are covenants that run with the Assessed Property and specifically bind Landowner and its successors and assigns.

(d) In the event of a delinquency in the payment of any annual installment of an Assessment for an Assessed Parcel, the City is empowered to institute an action in district court to foreclose the related Assessment Lien, to enforce personal liability against the owner of the Assessment Parcel for the Assessment, or both. In such action the Assessed Parcel subject to the delinquent Assessment may be sold at judicial foreclosure sale for the amount of such delinquent property taxes and Assessment, plus penalties, interest, and costs of collection.

2. **Waivers.** Landowner unconditionally waives:

(a) any and all defects, irregularities, illegalities or deficiencies in the proceedings establishing the District, defining the Assessed Parcels, adopting the Assessment Ordinance, Service and Assessment Plan, and Assessment Roll, levying of the Assessments, and determining the amount of the annual installments of the Assessments;

(b) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the approval of the Assessment Ordinance, Service and Assessment Plan, and Assessment Role and regarding the levying of the Assessments determining the amount of the annual installments of the Assessments;

(c) any and all actions and defenses against the adoption or amendment of the Assessment Ordinance, Service and Assessment Plan, and Assessment Roll;

(d) any and all actions and defenses against the City's finding of "special benefit" pursuant to the PID Act and as set forth in the Service and Assessment Plan and the levying of the Assessments and determining the amount of the annual installments of the Assessments; and

(e) any right to object to the legality of the Assessment Ordinance, Service and Assessment Plan, Assessment Roll, or Assessments or to any proceedings connected therewith.

3. **Amendments.** This Declaration may be terminated or amended only by a document duly executed and acknowledged by the City and by the then-current owners of all Assessed Parcels burdened by this Declaration. No termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the then-current owners and recorded in the Real Property Records of Travis County, Texas.

4. **Third Party Beneficiary:** The City is a third party beneficiary to this Declaration and may enforce its terms.

5. **Texas Property Code Section 5.014 Notice.**

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE CITY OF AUSTIN, TRAVIS COUNTY, TEXAS, CONCERNING ASSESSED PARCELS.

As the purchaser of a parcel of residential real property located in a public improvement district, you are obligated to pay an Assessment to the City of Austin, Texas, for improvement projects undertaken by the district under Chapter 372, Local Government Code. The amount of the Assessment against your parcel is based on [insert assessment methodology]. Information about the Assessment (such as its due date or how it is paid) may be obtained by contacting the City. The Assessment against your parcel will be determined as follows:

[Insert assessments]

The Assessment against your parcel may be paid in full at any time together with interest through the date of payment. If you do not elect to pay the Assessment in full, it will be due and payable in annual installments, including interest and collection costs. Your failure to pay the Assessment or any annual installment could result in a lien on and the foreclosure of your parcel.

_____ Date: _____
Purchaser

_____ Date: _____
Purchaser

6. **Release of Declaration**. Once Assessments are paid in full on an Assessed Parcel, this Declaration shall be released as to that Assessed Parcel. Upon the request of the owner of said Assessed Parcel, the City shall execute documentation evidencing such Assessed Parcel's release from the terms and conditions of this Declaration and such release shall be recorded (at the owner's expense) in the Official Public Records of Travis County, Texas.

EXECUTED by the undersigned on the dates set forth below to be effective as of the date first above written.

CLUB DEAL 116 INDIAN HILLS TX, LIMITED PARTNERSHIP, a Delaware limited partnership qualified to do business in Texas

By: CD116 Indian Hills TX, LLC, a Delaware limited liability company
Its: General Partner

By: _____
Douglas H. Gilliland, Manager

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, a Notary Public, on this day personally appeared Douglas H. Gilliland, Manager of CD116 Indian Hills TX, LLC, a Delaware limited liability company, general partner of CLUB DEAL 116 INDIAN HILLS TX, LIMITED PARTNERSHIP, a Delaware limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed on behalf of said entity.

GIVEN UNDER MY HAND AND SEAL of office this ____ day of _____, 2011.

_____
Notary Public, in and for the State of Texas

Exhibit A to
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
Description of the Assessed Parcels

PARCEL DESCRIPTIONS	TAX ACCOUNT NUMBER	ASSESSMENT PER LOT/PARCEL
	201773	$

EXHIBIT E

SECURITY, ASSIGNMENT AND PLEDGE AGREEMENT

SECURITY, ASSIGNMENT AND PLEDGE AGREEMENT

THIS SECURITY, ASSIGNMENT AND PLEDGE AGREEMENT, dated as of November 1, 2011, is entered into by and between the City of Austin, Texas (the "City"), a municipal corporation, acting by and through its duly authorized representative, Club Deal 120 Whisper Valley, Limited Partnership, a Delaware limited partnership (including its successors, assigns, or transferees, the "Whisper Valley Developer"), Club Deal 116 Indian Hills TX, Limited Partnership, a Delaware limited partnership (including its successors, assigns, or transferees, the "Indian Hills Developer" and, together with the Whisper Valley Developer, the "Developers"), and Deutsche Bank National Trust Company, as trustee and secured party (together with its successors, the "Trustee" or "Secured Party"). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Exhibit A.

WHEREAS, in connection with the acquisition, construction and improvement of certain Public Improvements (as defined herein) for the benefit of Whisper Valley Public Improvement District and Indian Hills Public Improvement District (collectively, the "Districts"), the City and the Developers have entered into the Development, Financing and Reimbursement Agreements (as defined herein); and

WHEREAS, pursuant to the Development, Financing and Reimbursement Agreements the Developers have agreed to acquire, construct and improve certain Public Improvements to serve property located in the Districts and, pursuant to the Reimbursement Agreements (as defined herein), the City has agreed to pay and/or reimburse the Developers for certain costs ("Costs") incurred or to be incurred in connection with the acquisition, construction and improvement of certain Public Improvements to serve property located in the Districts; and

WHEREAS, to provide financing for such Costs through the levy of assessments against property within the Districts, as more specifically provided for in the Assessment Plans (as defined herein), the City has adopted the Assessment Ordinances (as defined herein) and the Assessment Plans, and the City has levied assessments ("Special Assessments") on property located within the Districts pursuant to the Assessment Ordinances; and

WHEREAS, to obtain the necessary funds to pay Costs, the City has agreed to issue (i) Senior Bonds (as defined herein), which will be secured by and payable from revenues derived from the Special Assessments, and (ii) Reimbursement Bonds (as defined herein), which will be secured by and payable from revenues derived from the Special Assessments, subject to the use of such revenues to pay the Senior Bonds, and the Pledged Collateral (as defined herein); and

WHEREAS, in consideration of the City's agreement to issue the Senior Bonds and the Reimbursement Bonds, the Developers will assign and pledge the Pledged Collateral to secure payment of the Reimbursement Bonds; and

WHEREAS, the City desires (i) to consent and agree to the assignment and pledge of the Developers' Reimbursement Rights, as herein provided, and (ii) to subordinate any rights or interests that the City may have in respect of the Developers' Reimbursement Rights to the rights and interests of the owners of Reimbursement Bonds, as herein provided; and

WHEREAS, the Trustee has agreed to accept the assignment and pledge of the Developers' Reimbursement Rights, as herein provided;

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained herein, and other good and valuable consideration, the parties hereto agree as follows:

Section 1. Creation of Security Interest; Allocation of Revenues.

(a) In order to secure the prompt and unconditional payment of the Reimbursement Bonds and the performance of the obligations, covenants, agreements and undertakings of the Developers herein described, the Developers hereby grant to Secured Party a security interest in, and mortgage, assign, transfer, deliver, pledge, set over and confirm to Secured Party, the Collateral described in Section 3 of this Agreement.

(b) Amounts paid by the City to the Developers pursuant to the Reimbursement Agreements for Costs related to Covered Improvements shall be received and allocated by the Secured Party, as Trustee for each respective Trust Estate established to secure the Reimbursement Bonds, and deposited to the appropriate account(s) of each Trust Estate established to secure Reimbursement Bonds, in the following proportions:

(i) one hundred percent (100%) of each payment received from the City pursuant to the Wastewater Cost Reimbursement Agreement (as defined herein) shall be received by the Trustee for the Whisper Valley Reimbursement Bonds and deposited in such accounts as shall be established in accordance with the Whisper Valley Reimbursement Bond Indenture.

(ii) one hundred percent (100%) of each payment received from the City pursuant to the Water Cost Reimbursement Agreement (as defined herein) for Costs associated with Waterline 2 shall be received by the Trustee for the Whisper Valley Reimbursement Bonds and deposited in such accounts as shall be established in accordance with the Whisper Valley Reimbursement Bond Indenture.

(iii) seventy-five percent (75%) of each payment received from the City pursuant to the Water Cost Reimbursement Agreement for Costs associated with Waterline 1 shall be received by the Trustee for the Whisper Valley Reimbursement Bonds and deposited in such accounts as shall be established in accordance with the Whisper Valley Reimbursement Bond Indenture.

(iv) twenty-five percent (25%) of each payment received from the City pursuant to the Water Cost Reimbursement Agreement for Costs associated with Waterline 1 shall be received by the Trustee for the Indian Hills Reimbursement Bonds and deposited in such accounts as shall be established in accordance with the Indian Hills Reimbursement Bond Indenture.

(c) The parties acknowledge and agree that (i) only the portion of Reimbursement Revenues derived from Costs associated with the Covered Improvements are assigned

and pledged hereunder to secure the Reimbursement Bonds, (ii) a portion of the reimbursement payments (the "Unencumbered Portion") payable under the Water Cost Reimbursement Agreement for certain other Public Improvements will be paid to the Developers as reimbursement for Costs associated with such other Public Improvements contemplated by the Water Cost Reimbursement Agreement, (iii) the Unencumbered Portion is not subject to this Agreement and (iv) the Pledged Collateral consists of Reimbursement Revenues in the maximum amount of $11,500,000 pursuant to the Wastewater Cost Reimbursement Agreement, $10,527,765[1] pursuant to the Water Cost Reimbursement Agreement for Waterline 1 and $4,808,367[1] pursuant to the Water Cost Reimbursement Agreement for Waterline 2.

(d) With respect to Reimbursement Revenues payable and paid in respect of Costs associated with Waterline 1, the parties further acknowledge and agree that, based on the allocation of Reimbursement Revenues pursuant to clauses (iii) and (iv) of subsection (b), the portion of the Pledged Collateral securing the Whisper Valley Reimbursement Bonds for Costs associated with Waterline 1 shall consist of Reimbursement Revenues in the maximum amount of $7,895,823.75[1] (being 75% of the maximum amount of Reimbursement Revenues described in subsection (c) for Costs associated with Waterline 1) and the portion of the Pledged Collateral securing the Indian Hills Reimbursement Bonds for Costs associated with Waterline 1 shall consist of Reimbursement Revenues in the maximum amount of $2,631,941.25[1] (being 25% of the maximum amount of Reimbursement Revenues described in subsection (c) for Costs associated with Waterline 1).

(e) To facilitate the identification of the portions of Reimbursement Revenues that constitute Pledged Collateral hereunder, each Certificate for Payment shall contain (i) a notation identifying the amount of bond proceeds being requested to pay Costs of Covered Improvement(s), including the identity of each Covered Improvement and the amount requested therefor, and (ii) an acknowledgment of the City Representative to the effect that, upon the Trustee's disbursement of bond proceeds pursuant to such Certificate for Payment, Reimbursement Revenues in an amount equal to the amount described in clause (i) shall constitute Pledged Collateral (which shall be payable directly to the Trustee in accordance with Section 8 of this Agreement). In addition, the City shall maintain a record of all amounts paid and payable pursuant to the Reimbursement Agreements, including a record of amounts that constitute Pledged Collateral hereunder and the total amount of Costs paid in respect of each Covered Improvement.

Section 2. Secured Indebtedness. This Agreement is made to secure and enforce the payment and performance of all debts and all indebtedness now or hereafter existing and evidenced by the Reimbursement Bonds and all indebtedness and obligations of the City now or hereafter secured by or arising or existing pursuant to or under any Reimbursement Bond Indenture. All such indebtedness, together with any pecuniary obligations of the Developers hereunder, are hereinafter sometimes called the "secured indebtedness" or the "indebtedness secured hereby."

[1] Preliminary; subject to change.

Section 3. Collateral; Financing Statements.

(a) The Collateral of this Security Agreement (the "Collateral") consists of all of the Developers' rights, title and interests, now owned or hereafter acquired, in and to:

(i) the Pledged Collateral;

(ii) all liens, security interests, guaranties and assignments accruing or to accrue to the benefit of Developers in respect of the Developers' Reimbursement Rights;

(iii) all additions and accessions to the foregoing and all proceeds thereof. The inclusion of proceeds in this Agreement does not authorize the Developers to sell, dispose of or otherwise use the Collateral in any manner not specifically authorized by this Agreement.

(b) Contemporaneously with the execution and delivery hereof, the Developers have filed Uniform Commercial Code financing statements evidencing the rights and interests of Secured Party in the Collateral, including the assignment and pledge of the Collateral to the Secured Party to secure the Reimbursement Bonds.

Section 4. Payment Obligations of City and Developers.

(a) The City and the Developers shall pay to Secured Party immediately on demand all expenses and expenditures, including attorneys' fees and other legal expenses, incurred or paid by Secured Party in exercising or protecting its interests, rights and remedies under this Agreement.

(b) The obligations of the City under this Agreement shall constitute a current expense of the City payable solely from and to the extent of revenues of the City's water and wastewater system appropriated for such payment. The City's obligations hereunder shall not constitute a debt or general obligation of the City, and no obligation hereunder shall be payable from or secured by the levy of an ad valorem tax.

Section 5. Warranties and Representations of Developers. Developers warrant and represent that:

(a) The location of Developers are the addresses set forth in Exhibit B hereto.

(b) Developers have not executed any prior assignment with respect to the Collateral, nor have Developers performed any act or executed any other instrument which might prevent Secured Party from enjoying the benefits of this Agreement or which would limit Secured Party in such enjoyment.

(c) Neither the execution, delivery and performance of this Agreement nor the assignment and pledge of the Pledged Collateral does or will contravene or violate any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect and applicable to Developers or result in a

breach of or constitute a default (with or without the giving of notice or the lapse of time or both) under any indenture or any loan, credit or other agreement to which either Developer is a party or by which either Developer or any of Developers' property may be bound or affected.

Section 6. Covenants and Agreements of Developers. Developers covenant and agree that:

(a) Each Developer will notify Secured Party in writing thirty (30) days prior to any addition, change and/or discontinuance of (i) its address as shown in this Agreement; (ii) such Developer's location as set forth in this Agreement; (iii) Developers' name; or (iv) such Developer's corporate structure.

(b) The Collateral will not be sold, endorsed, transferred or disposed of by a Developer or be subject to any unpaid charge, including rent and taxes, or any subsequent interest of a third person, created or suffered by a Developer, voluntarily or involuntarily.

(c) Each Developer will:

(i) at such Developer's expense, give, execute, deliver, file and/or record and re-record (and pay the cost of filing, recording or re-recording in all public offices deemed necessary by Secured Party) any notice, statement, financing statement, continuation statement, instrument, document, agreement or other paper that may be necessary or desirable, or that Secured Party may reasonably request, in order to create, continue, preserve, perfect or validate the security interest created hereby (free and clear of all liens, claims and rights of third parties whatsoever) or to enable Secured Party to exercise and enforce its rights hereunder with respect to such security interest, or otherwise further to effect the purposes of this Agreement;

(ii) at such Developer's expense, do, make, procure, execute, endorse and deliver all acts, things, writings and assurances as Secured Party may at any time reasonably require to protect, assure or enforce its interests, rights and remedies created by, provided in or emanating from this Agreement;

(iii) keep and stamp or otherwise mark any and all instruments, documents and chattel paper and its individual books and records relating to any of the Collateral in such a manner as Secured Party may reasonably require;

(iv) keep, at its location set forth herein, all such Developer's books and records pertaining to the Collateral, which books and records will be of such character as will enable Secured Party or its representatives to determine at any time the status of the Collateral, and permit representatives of Secured Party at any time to inspect, audit and make abstracts from and copies of its books and records and all other papers in the possession of such Developer pertaining to any of the Collateral; and

(v) furnish to Secured Party such information concerning the Collateral as Secured Party may from time to time reasonably request.

(d) Each Developer will pay prior to delinquency all taxes, charges, liens and assessments against the Collateral, and upon such Developer's failure to do so, Secured Party at its option may pay any of them and shall be the sole judge of the legality or validity thereof and the amount necessary to discharge the same. Such payment shall become a part of the indebtedness secured hereby and shall be paid by such Developer to Secured Party immediately and without demand.

(e) Should a default or an event of default occur with respect to the Collateral (after expiration of any applicable notice and cure period), such Developer, at its sole expense, will promptly undertake to effect the collection thereof, either through legal proceedings or otherwise; but should such Developer fail, upon the occurrence of a default or an event of default with respect to such Collateral, to promptly undertake and effect collection thereof, as hereinabove provided, such failure shall, at the election of Secured Party, constitute an Event of Default hereunder, and Secured Party shall be authorized to proceed with enforcement hereof; or Secured Party may, at its election, bring and prosecute legal proceedings to enforce collection of such Collateral without first proceeding with the enforcement of this instrument, and any and all expenses incurred by Secured Party in connection with any of such legal proceedings shall become a part of the indebtedness secured hereby, and the affected Developer hereby agrees to repay same to Secured Party on demand.

(f) Each Developer will (except as Secured Party may otherwise consent in writing) forthwith upon receipt transmit and deliver to Secured Party, in the form received, all cash, checks, drafts, chattel paper and other instruments or writings for the payment of money (properly endorsed, where required, so that such items may be collected by Secured Party) which may be received by such Developer at any time as proceeds of the Pledged Collateral. Except as Secured Party may otherwise consent in writing, any such items which may be received by a Developer will not be commingled with any other of its funds or property, but will be held separate and apart from its own funds and property and upon express trust for Secured Party until delivery is made to Secured Party. Each Developer will comply with the terms and conditions of any consent given by Secured Party pursuant to the provisions of this paragraph.

(g) Each Developer will: (i) perform or cause to be performed all of the terms, covenants and conditions on its part to be performed under the Reimbursement Agreements and each Related Instrument; (ii) promptly notify Secured Party in writing of (x) the occurrence of any default or event of default (of which such Developer has knowledge) in the observance or performance of any of the terms, covenants and conditions to be performed under the Reimbursement Agreements, and (y) the giving of any notice of any such default or event of default; and (iii) whenever required by Secured Party, at the sole cost and expense of such Developer, take all such action as may be so requested to enforce or secure the performance of any term, covenant or condition of the Reimbursement Agreements and to exercise any right of such Developer under the Reimbursement Agreements.

(h) Without affirmation from the Rating Agency (taking into account the proposed modification or amendment of a Reimbursement Agreement or other change affecting the Pledged Collateral) that the then current rating assigned to the Bonds will not be lowered as a result of the proposed modification or amendment of a Reimbursement Agreement or other change affecting the Pledged Collateral, the Developers and the City will not:

(i) reduce any payment related to the Pledged Collateral required to be made to a Developer under a Reimbursement Agreement,

(ii) revise, alter, modify, amend or change a Reimbursement Agreement in any way, either orally or in writing, in a manner that affects the timing or amount of any payment of the Pledged Collateral, or

(iii) waive any condition in respect of, or release any person with respect to, a Reimbursement Agreement or the performance or observance of any obligation or condition thereunder related to the Pledged Collateral, or

(iv) except as provided by Section 13(a), release any of the Pledged Collateral.

(i) If Secured Party consents to any amendment, renewal or modification of a Reimbursement Agreement, each Developer that is a party to such Reimbursement Agreement shall immediately execute and deliver any instrument given in the amendment, renewal or modification of such Reimbursement Agreement and shall immediately provide such instrument to Secured Party.

Section 7. No Assumption by Secured Party. It is expressly agreed that, anything herein contained to the contrary notwithstanding, each Developer and the City shall remain liable under each Reimbursement Agreement to which it is a party to perform all of the obligations undertaken or assumed by it thereunder or in respect thereto, and Secured Party shall have no obligation or liability under a Reimbursement Agreement by reason of or arising out of this Agreement, nor shall Secured Party be required or obligated by reason of this Agreement in any manner to perform or fulfill any obligation of either Developer or the City under or pursuant to a Reimbursement Agreement or to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it to which it may be entitled at any time or times.

Section 8. Assignment of Payments; Disposition of Payments.

(a) Each Developer hereby specifically authorizes and directs the City and any other person obligated on a Reimbursement Agreement to make payment of all amounts due and to become due to such Developer in respect of the Pledged Collateral directly to Secured Party; and, the City agrees to pay all amounts constituting Pledged Collateral to Secured Party (as such payments become due and payable pursuant to the Reimbursement Agreements).

(b) Each payment of Pledged Collateral received pursuant to a Reimbursement Agreement shall be (i) allocated by the Secured Party to the Trust Estate for the Reimbursement Bonds to which such payment relates, as provided by Section 1(b) of this

Agreement, and (ii) deposited in the appropriate account(s) of the Trust Estate established to secure the Reimbursement Bonds to which such payment (or portion thereof) relates.

Section 9. Events of Default. A Developer shall be in default under this Agreement upon the happening of any of the following events or conditions (hereinafter called "Event of Default"):

(a) such Developer shall (i) interfere with or obstruct the City's or the Trustee's payment of any indebtedness secured hereby as and when due or (ii) claim, withhold or divert Reimbursement Revenues in a manner that interferes with or obstructs the Trustee's receipt of Pledged Collateral, as contemplated by this Agreement, and such activity shall continue for five (5) days after written notice thereof; or

(b) any representation or warranty made in or in connection with the execution and delivery of this Agreement, a Reimbursement Agreement to which it is a party or any other instrument now or hereafter securing any of the indebtedness secured hereby or in any certificate furnished in connection with such indebtedness shall prove to have been incorrect, false or misleading in any material respect on the date as of which made; or

(c) default shall occur in the punctual and complete performance of any covenant of such Developer or any other person contained in a Reimbursement Agreement to which it is a party or this Agreement and such default shall continue beyond any applicable notice and cure period applicable thereto.

Except as otherwise provided herein, a default by one Developer shall not constitute or create a default by the other Developer.

Section 10. Remedies. Upon the occurrence of an Event of Default and at any time thereafter:

(a) Secured Party may, without notice except as hereinafter provided, sell the Pledged Collateral or any part thereof at public or private sale for cash, upon credit, or for future delivery, and at such price or prices as Secured Party may deem best, and Secured Party may be the purchaser of any and all of the Pledged Collateral so sold and may apply upon the purchase price therefor any indebtedness secured hereby or any part thereof in such manner and order as Secured Party may in its sole discretion elect and thereafter hold the same absolutely free from any right or claim of whatsoever kind. Secured Party is authorized at any such sale, if Secured Party deems it advisable so to do, to restrict the prospective bidders or purchasers to persons who will represent and agree that they are purchasing the Pledged Collateral for their own account for investment and not with a view to the distribution or resale of any of the Pledged Collateral. Upon any such sale Secured Party shall have the right to deliver, assign and transfer to the purchaser thereof the Pledged Collateral so sold. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right of whatsoever kind, including any equity or right of redemption, stay or appraisal which the defaulting Developer has or may have under any rule of law or statute now existing or hereafter adopted. Secured Party shall give the defaulting Developer ten (10) days written notice mailed to the defaulting

Developer at the address set forth herein (which shall satisfy any requirement of notice or reasonable notice in any applicable statute) of Secured Party's intention to make any such public or private sale. Such notice, in case of public sale, shall state the time and place fixed for such sale. Any such public sale shall be held at such time or times, within the ordinary business hours and at such place or places, as Secured Party may fix in the notice of such sale. At any sale the Pledged Collateral may be sold in one lot as an entirety or in separate parcels or participating interests as Secured Party may determine. Secured Party shall not be obligated to make any sale pursuant to any such notice. Secured Party may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at any time and place fixed for the sale, and such sale may be made at any time or place to which the same may be so adjourned. In case of any sale of all or any part of the Pledged Collateral on credit or for future delivery, the Pledged Collateral so sold may be retained by Secured Party until the selling price is paid by the purchaser thereof, but Secured Party shall incur no liability in case of the failure of such purchaser to take up and pay for the Pledged Collateral so sold, and in case of any such failure, such Pledged Collateral may again be sold upon like notice. Each and every method of disposition described in this Section shall constitute disposition in a commercially reasonable manner.

(b) Secured Party shall have all rights of a secured party after default under the Texas Uniform Commercial Code, and in conjunction therewith, in addition to or in substitution for those rights and remedies and the rights and remedies provided for herein:

(i) written notice mailed to a Developer as provided herein ten (10) days prior to the date of public sale of the Pledged Collateral or prior to the date after which private sale of the Pledged Collateral will be made shall constitute reasonable notice; and

(ii) it shall not be necessary that the Pledged Collateral or any part thereof be present at the location of such sale; and

(iii) the proceeds of disposition of the Pledged Collateral shall be applied to the secured indebtedness (which shall include the reasonable expenses of retaking, holding, preparing for sale, selling, and the like and all attorneys' fees and legal expenses incurred by Secured Party), in whatever order of preference which Secured Party in its sole discretion may choose; and

(iv) the sale by Secured Party of less than the whole of the Pledged Collateral shall not exhaust the rights of Secured Party hereunder, and Secured Party is specifically empowered to make successive sale or sales hereunder until the whole of the Pledged Collateral shall be sold; and, if the proceeds of such sale of less than the whole of the Pledged Collateral shall be less than the aggregate of the indebtedness secured hereby, this Agreement and the security interest created hereby shall remain in full force and effect as to the unsold portion of the Pledged Collateral just as though no sale had been made; and

(v) in the event any sale hereunder is not completed or is defective in the opinion of Secured Party, such sale shall not exhaust the rights of Secured Party hereunder and Secured Party shall have the right to cause a subsequent sale or sales to be made hereunder; and

(vi) any all statements of fact or other recitals made in any bill of sale or assignment or other instrument evidencing any foreclosure sale hereunder as to nonpayment of the indebtedness or as to the occurrence of any default, or as to Secured Party having declared all of such indebtedness to be due and payable, or as to notice of time, place and terms of sale and the properties to be sold having been duly given, as to any other act or thing having been duly done by Secured Party shall be taken as prima facie evidence of the truth of the facts so stated and recited; and

(vii) Secured Party may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Secured Party, including the sending of notices and the conduct of sale, but in the name and on behalf of Secured Party.

Section 11. City's Consent to Assignment. To secure payment of the Reimbursement Bonds, the City consents and agrees to the assignment of the Pledged Collateral and agrees that the Pledged Collateral shall be pledged to secured payment of the Reimbursement Bonds, as provided herein and in the Reimbursement Bond Indentures. The City agrees that any right or claim that City may have to the Pledged Collateral shall be subject to the prior right and claim of Secured Party. The City further agrees to follow any directions of Secured Party regarding payments as set forth in Section 8 of this Agreement.

Section 12. Secured Party's Acceptance of Assignment. Secured Party accepts Developers' assignment and pledge of the Pledged Collateral and Secured Party agrees to perform its duties, as herein provided.

Section 13. Additional Agreements. Developers and Secured Party further agree and covenant as follows:

(a) If all of the secured indebtedness shall be paid as the same becomes due and payable and if all of the covenants, warranties, undertakings and agreements made in this Agreement are kept and performed, then all rights under this Agreement shall terminate and the Pledged Collateral shall become wholly clear of the security interest evidenced hereby, and such security interest shall be released by Secured Party in due form at Developers' cost.

(b) Secured Party may waive any default without waiving any other prior or subsequent default. Secured Party may remedy any default without waiving the default remedied. The failure by Secured Party to exercise any right, power or remedy upon any default shall not be construed as a waiver of such default or as a waiver of the right to exercise any such right, power or remedy at a later date. No single or partial exercise by Secured Party of any right, power or remedy hereunder shall exhaust the same or shall

preclude any other or further exercise thereof, and every such right, power or remedy hereunder may be exercised at any time and from time to time. No modification or waiver of any provision hereof nor consent to any departure by a Developer therefrom shall in any event be effective unless the same shall be in writing and signed by Secured Party, and then such waiver or consent shall be effective only in the specific instances, for the purpose for which given and to the extent therein specified. No notice to nor demand on a Developer in any case shall of itself entitle a Developer to any other or further notice of demand in similar or other circumstances. Acceptance by Secured Party of any payment in an amount less than the amount then due on any secured indebtedness shall be deemed an acceptance on account only and shall not in any way affect the existence of a default or Event of Default hereunder.

(c) Secured Party may at any time and from time to time in writing (i) waive compliance by a Developer with any covenant herein made by Developer to the extent and in the manner specified in such writing; (ii) consent to a Developer doing any act which hereunder such Developer is prohibited from doing, or consent to a Developer failing to do any act which hereunder such Developer is required to do, to the extent and in the manner specified in such writing; (iii) release any part of the Pledged Collateral, or any interest therein from the security interest of this Agreement or (iv) release any party liable, either directly or indirectly, for the secured indebtedness or for any covenant herein or in any other instrument now or hereafter securing the payment of the secured indebtedness. No such act shall in any way impair the rights of Secured Party hereunder or impair or release the liability of any party except to the extent specifically agreed to by Secured Party in such writing.

(d) All remedies herein expressly provided for are cumulative of any and all other remedies existing at law or in equity and are cumulative of any and all other remedies provided for in any other instrument securing the payment of the secured indebtedness, or any part thereof, or otherwise benefiting Secured Party, and the resort to any remedy provided for hereunder or under any such other instrument or provided for by law shall not prevent the concurrent or subsequent employment of any other appropriate remedy or remedies.

(e) Secured Party may resort to any security given by this Agreement or to any other security now existing or hereafter given to secure the payment of the secured indebtedness, in whole or in part, and in such portions and in such order as may seem best to Secured Party in its sole and uncontrolled discretion, and any such action shall not in anywise be considered as a waiver of any of the rights, benefits or security interests evidenced or created by this Agreement.

(f) A carbon, photographic or other reproduction of this Agreement or of any financing statement relating to this Agreement shall be sufficient as a financing statement.

(g) In the event the ownership of the Collateral or any part thereof becomes vested in a person other than a Developer, Secured Party may, without notice to such Developer, deal with such person with reference to this Agreement and to the indebtedness secured

hereby in the same manner as with such Developer, without in any way vitiating or discharging such Developers' liability hereunder or for the payment of the indebtedness secured hereby.

(h) If any part of the secured indebtedness cannot be lawfully secured by this Agreement or if any part of the Pledged Collateral cannot be lawfully subject to the security interest hereof to the full extent of such indebtedness, then all payments made on said indebtedness shall be applied first in discharge of that portion thereof which is not secured by this Agreement.

(i) All notices, requests, consents, demands and other communications required or permitted hereunder shall be in writing and shall be deemed sufficiently given or furnished if delivered by personal delivery or by deposit in the United States mail, registered or certified, postage prepaid, at the addresses shown in this Agreement (unless changed by similar notice in writing given by the particular party whose address is to be changed). Notwithstanding the foregoing, no notice of change of address shall be effective except upon receipt.

(j) This Agreement shall be binding upon the Developers, and the successors, receivers, trustees and assigns of the Developers, including all successors in interest of the Developers in and to all or any part of the Pledged Collateral, and shall inure to the benefit of Secured Party and the successors and assigns of Secured Party.

(k) Whenever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law. A determination that any provision of this Agreement is unenforceable or invalid shall not affect the enforceability or validity of any other provision, and any determination that the application of any provision of this Agreement to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to any other persons or circumstances.

(l) Secured Party may, by any employee or employees it designates, execute, sign, endorse, transfer or deliver in the name of the Developers, notes, checks, drafts or other instruments for the payment of money and receipts or any other documents necessary to evidence, perfect and realize upon the security interests and obligations of this Agreement.

(m) Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of any of the Pledged Collateral in its possession if it takes such action for that purpose as Developer requests in writing, but failure of Secured Party to comply with such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of Secured Party to take any action not so requested by a Developer shall be deemed a failure to exercise reasonable care in the custody or preservation of such Pledged Collateral.

(n) Secured Party shall not be responsible in any way for any depreciation in the value of the Pledged Collateral, nor shall any duty or responsibility whatsoever rest upon

Secured Party to take any steps to preserve rights against prior parties or to enforce collection of the Pledged Collateral by legal proceedings or otherwise, the sole duty of Secured Party, its successors and assigns, being to receive collections, remittances and payments on such Pledged Collateral as and when made and received by Secured Party, and, at Secured Party's option, to apply the amount or amounts so received, after deduction of any collection costs incurred, as payment upon any of the indebtedness secured hereby or to hold the same for the account and order of the Developers.

(o) The pronouns used in this Agreement are in the masculine and neuter genders, but shall be construed as feminine, masculine or neuter as occasion may require. "Secured Party" and "Developer" as used in this Agreement include the successors, receivers, trustees and assigns of those parties.

(p) The section headings appearing in this Agreement have been inserted for convenience only and shall be given no substantive meaning or significance whatever in construing the terms and provisions of this Agreement. Terms used in this Agreement which are defined in the Texas Uniform Commercial Code are used with the meanings as therein defined.

(q) This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and the United States of America.

[*The remainder of this page is intentionally left blank.*]

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

CITY OF AUSTIN,
a home rule city and Texas municipal corporation

By: _____
Name: _____
Title: _____

ATTEST:

_____
City Clerk

Approved as to Form:

_____
City Attorney

CLUB DEAL 120 WHISPER VALLEY, LIMITED PARTNERSHIP, a Delaware limited partnership qualified to do business in Texas

By: CD120 GP, LLC, a Delaware limited liability company qualified to do business in Texas
Its: General Partner

By: _____
Douglas H. Gilliland, Manager

CLUB DEAL 116 INDIAN HILLS TX, LIMITED PARTNERSHIP, a Delaware limited partnership qualified to do business in Texas

By: CD116 Indian Hills TX, LLC, a Delaware limited liability company qualified to do business in Texas
Its: General Partner

By: _____
Douglas H. Gilliland, Manager

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as Trustee and Secured Party

By: _____
Authorized Officer

Attest:

_____
Authorized Officer

EXHIBIT A

"Assessment Ordinances" mean the ordinances adopted by the City Council of the City approving each Assessment Plan and levying Special Assessments, as required by the Financing Agreements.

"Assessment Plans" mean the Whisper Valley Public Improvement District Service and Assessment Plan and the Indian Hills Public Improvement District Service and Assessment Plan (as such plans may be amended from time to time), adopted by the City Council of the City pursuant to separate Assessment Ordinances for the purpose of assessing costs against property located within the boundaries of the Districts, as required by the Financing Agreement.

"Bond Indentures" mean, collectively, the Reimbursement Bond Indentures and the Senior Bond Indentures.

"Certificate for Payment" shall have the meaning assigned in the Bond Indentures.

"City Representative" shall have the meaning assigned in the Bond Indentures.

"Covered Improvements" means the following Public Improvements: (i) all Public Improvements contemplated by the Wastewater Cost Reimbursement Agreement and (ii) Waterline 1 and Waterline 2.

"Development Agreement" means the Whisper Valley and Indian Hills Annexation and Development Agreement by and among the City, the Whisper Valley Developer and the Indian Hills Developer.

"Development, Financing and Reimbursement Agreements" means, collectively, the Development Agreement, the Financing Agreements and the Reimbursement Agreements.

"Districts" means, collectively, the Indian Hills Public Improvement District and the Whisper Valley Public Improvement District.

"Financing Agreements" means, collectively, the Indian Hills Financing Agreement and the Whisper Valley Financing Agreement.

"Indian Hills Developer" means Club Deal 116 Indian Hills TX, Limited Partnership, a Delaware limited partnership (including its successors, assigns, or transferees).

"Indian Hills Financing Agreement" means the Indian Hills Public Improvement District Financing Agreement between the City and the Indian Hills Developer dated as of November 1, 2011, which provides for the appointment, levying and collection of Assessments, the construction of the Improvement Projects, the maintenance of the Improvement Projects, the issuance of bonds and other matters related thereto.

"Indian Hills Reimbursement Bonds" means the City of Austin, Texas Special Assessment Revenue Bonds, Subordinate Series 2011 (Indian Hills Public Improvement District) and such other bonds as may issued from time to time pursuant to the Indian Hills Reimbursement Bond

Indenture and secured by a pledge of the Indian Hills Reimbursement Revenues (or any portion thereof) in accordance with the Indian Hills Reimbursement Bond Indenture.

"Indian Hills Reimbursement Bond Indenture" means the Indenture of Trust dated as of November 1, 2011 between the City and the Trustee providing for the issuance, security and other terms of the Indian Hills Reimbursement Bonds.

"Indian Hills Reimbursement Revenues" means payments received by the Trustee pursuant to Section 1(b) of this Agreement for deposit in account(s) of the Trust Estate established to secure the Indian Hills Reimbursement Bonds.

"Pledged Collateral" means the reimbursement payments from the City pursuant to the Reimbursement Agreements for Costs related to the Covered Improvements, together with the Developers' respective rights to receive such payments.

"Public Improvements" means the improvements described in the Assessment Plan as such plan is amended and updated from time to time.

"Rating Agency" means Standard & Poor's Ratings Service, a Standard & Poor's Financial Services LLC business, or such other nationally recognized statistical rating organization as may be designated by the City to provide a rating on the Bonds.

"Reimbursement Agreements" means, collectively, the Water Cost Reimbursement Agreement and the Wastewater Cost Reimbursement Agreement.

"Reimbursement Bonds" means, collectively, the City of Austin, Texas Special Assessment Revenue Bonds, Subordinate Series 2011 (Whisper Valley Public Improvement District), City of Austin, Texas Special Assessment Revenue Bonds, Subordinate Series 2011 (Indian Hills Public Improvement District) and such other bonds as may issued from time to time pursuant to the Reimbursement Bond Indentures and secured by a pledge of the Reimbursement Revenues (or any portion thereof) in accordance with the Reimbursement Bond Indentures.

"Reimbursement Bond Indentures" means, collectively, the Indian Hills Reimbursement Bond Indenture and the Whisper Valley Reimbursement Bond Indenture.

"Reimbursement Revenues" means, collectively, the Indian Hills Reimbursement Revenues and the Whisper Valley Reimbursement Revenues.

"Senior Bonds" means, collectively, the City of Austin, Texas Special Assessment Revenue Bonds, Senior Series 2011 (Indian Hills Public Improvement District), and the City of Austin, Texas Special Assessment Revenue Bonds, Senior Series 2011 (Whisper Valley Public Improvement District).

"Senior Bond Indentures" mean the Indentures of Trust dated as of November 1, 2011 between the City and the Trustee providing for the issuance, security and other terms of the Senior Bonds.

"Wastewater Cost Reimbursement Agreement" means that certain Cost Reimbursement Agreement dated June 21, 2007 by and between the Whisper Valley Developer and the City, as

amended by that certain (i) First Amendment to the Cost Reimbursement Agreement dated October 9, 2009, (ii) Restated Cost Reimbursement Agreement (Water) and Second Amendment to the Cost Reimbursement Agreement (Wastewater) – Indian Hills and Whisper Valley Subdivisions dated November 1, 2010 by and between Developer, IH Developer and the City, and (iii) Third Amendment to the Cost Reimbursement Agreement dated of even date herewith, and otherwise as further amended from time to time.

"Water Cost Reimbursement Agreement" means that certain Restated Cost Reimbursement Agreement (Water) and Second Amendment to the Cost Reimbursement Agreement (Wastewater) – Indian Hills and Whisper Valley Subdivisions dated November 1, 2010 by and between the Whisper Valley Developer, the Indian Hills Developer and the City, as amended by that certain First Amendment to the Restated Cost Reimbursement Agreement (Water) and Second Amendment to the Cost Reimbursement Agreement (Wastewater) – Indian Hills and Whisper Valley Subdivisions dated of even date herewith, and otherwise as further amended from time to time.

"Waterline 1" shall have the meaning ascribed thereto in the Water Cost Reimbursement Agreement.

"Waterline 2" shall have the meaning ascribed thereto in the Water Cost Reimbursement Agreement.

"Whisper Valley Developer" means Club Deal 120 Whisper Valley, Limited Partnership, a Delaware limited partnership (including its successors, assigns, or transferees).

"Whisper Valley Financing Agreement" means the Whisper Valley Public Improvement District Financing Agreement between the City and the Whisper Valley Developer dated as of November 1, 2011, which provides for the appointment, levying and collection of Assessments, the construction of the Improvement Projects, the maintenance of the Improvement Projects, the issuance of bonds and other matters related thereto.

"Whisper Valley Reimbursement Bonds" means the City of Austin, Texas Special Assessment Revenue Bonds, Subordinate Series 2011 (Whisper Valley Public Improvement District) and such other bonds as may issued from time to time pursuant to the Whisper Valley Reimbursement Bond Indenture and secured by a pledge of the Whisper Valley Reimbursement Revenues (or any portion thereof) in accordance with the Whisper Valley Reimbursement Bond Indenture.

"Whisper Valley Reimbursement Bond Indenture" means the Indenture of Trust dated as of November 1, 2011 between the City and the Trustee providing for the issuance, security and other terms of the Whisper Valley Reimbursement Bonds.

"Whisper Valley Reimbursement Revenues" means payments received by the Trustee pursuant to Section 1(b) of this Agreement for deposit in account(s) of the Trust Estate established to secure the Whisper Valley Reimbursement Bonds.

EXHIBIT B

Location of Developers

1. Club Deal 120 Whisper Valley, Limited Partnership

2. Club Deal 116 Indian Hills TX, Limited Partnership

EXHIBIT F

FIRST AMENDMENT TO THE RESTATED COST REIMBURSEMENT AGREEMENT (WATER) AND SECOND AMENDMENT TO THE COST REIMBURSEMENT AGREEMENT (WASTEWATER) – INDIAN HILLS AND WHISPER VALLEY SUBDIVISIONS