

**BASTROP COUNTY COMMISSIONERS COURT
RESOLUTION NO. 06-10-01**

RESOLUTION OF THE BASTROP COUNTY COMMISSIONERS COURT APPROVING A CHAPTER 381 ECONOMIC DEVELOPMENT AGREEMENT BETWEEN BASTROP COUNTY, TEXAS AND CENTRAL TEXAS AIRPORT, LLC.; MAKING CERTAIN FINDINGS; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, Section 381.004, Texas Local Government Code, authorizes counties to develop and administer economic development programs to stimulate business location and commercial activity in a county;

WHEREAS, Central Texas Airport, LLC ("CTA") has presented a proposed Chapter 381 Economic Development Agreement (the "Agreement") to Bastrop County ("County") for the development of a privately-funded general aviation airport together with related commercial improvements (the "Project"); and

WHEREAS, it is the intent of the County that CTA construct, as part of the Project, an Airport (as defined in the proposed Agreement) that will stimulate economic development in the County; and

WHEREAS, CTA has stated that the Project would not be completed without the County entering into the proposed Agreement and providing economic incentive in the form of grants; and

WHEREAS, over a period of several months the proposed Agreement has been reviewed by the County and has been negotiated and revised to best serve the interest of the County; and

WHEREAS, pursuant to the proposed Agreement (i) CTA will not be entitled to receive any grant payments unless and until CTA has completed construction of the first phase of the Project, which is estimated to cost \$150,000,000, (ii) any grant payments to CTA will come from an increase in taxes actually received by the County from the Project, (iii) CTA will not be entitled to any grant payments unless it is current on all property tax obligations in the County; and (iv) use of the Airport is limited to charter and general aviation flights and cannot be used as a full-service commercial airport; and

WHEREAS, it is the intent of County that if the Project is developed by CTA as required under the proposed Agreement, business and commercial activity in Bastrop County will be stimulated, and commercial activity will be encouraged, developed and stimulated, thereby producing additional tax revenue, job opportunities, and business opportunities in and for the County; and

WHEREAS, the Commissioners Court finds that if the Project is developed as represented by the CTA, the Project will result in substantial benefit to Bastrop County and significant financial benefit to other taxing entities within Bastrop County and will promote state and local economic development; and

WHEREAS, based on the CTA's statements, the Commissioners Court finds that the Airport (as defined in the proposed Agreement) will be available for use (and the Airport will be used) by the public in a manner that will fulfill an essential community purpose.

NOW THEREFORE, BE IT RESOLVED by the Commissioners Court of Bastrop County, Texas, that:

1. The proposed Chapter 381 Economic Development Agreement between Bastrop County, Texas and Central Texas Airport, LLC attached hereto as Exhibit "A" is hereby approved and the Bastrop County Judge is authorized to execute the Agreement on behalf of the County.
2. The recitals contained in the preamble of this Resolution are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Bastrop County Commissioners Court.
3. This Resolution shall be effective from and after the date of its passage.

PASSED, APPROVED AND ADOPTED this 14th day of June, 2010 by the Commissioners Court of Bastrop County, Texas.

ATTEST: Rose Pietsch

Rose Pietsch
County Clerk
Bastrop County, Texas

CHAPTER 381 ECONOMIC DEVELOPMENT AGREEMENT
BASTROP COUNTY, TEXAS AND CENTRAL TEXAS AIRPORT, LLC

This Chapter 381 Economic Development Agreement ("Agreement") is entered into by and between Bastrop County, Texas, a political subdivision of the State of Texas ("County"), and Central Texas Airport, LLC, a limited liability company organized under the laws of the State of Texas ("Company").

RECITALS

WHEREAS, Section 381.004, Texas Local Government Code, authorizes counties to develop and administer community and economic development programs to stimulate business location and commercial activity in a county;

WHEREAS, it is the intent of County and Company that, as a result of Company's development under this Agreement, business and commercial activity in Bastrop County will be stimulated, and commercial activity will be encouraged, developed and stimulated, producing additional tax revenue, job opportunities, affordable housing and business opportunities in and for the County;

WHEREAS, Company has stated that the Project (as defined in section 1(dd)) would not be completed without County and Company entering into this Agreement on the terms set forth herein;

WHEREAS, it is the intent of County and Company that Company construct, as part of the Project, an Airport (as defined in section 1(b)) that will serve the public and will stimulate economic development in the County; and

WHEREAS, the Commissioners Court finds that the Project as presented by the Company will result in substantial benefit to Bastrop County and significant financial benefit to other taxing entities within Bastrop County and will promote state and local economic development, and that the Project will stimulate economic development within an area of Bastrop County that is or has been considered to be economically disadvantaged; and

WHEREAS, based on the Company's statements, the Commissioners Court finds that the Airport (as defined herein) will be available for use (and the Airport will be used) by the public in a manner that will fulfill an essential community purpose.

NOW, THEREFORE, in consideration of the hereinafter set forth agreements, covenants, reimbursements and payments, the amount and sufficiency of which are acknowledged, County and Company agree to the terms and conditions stated in this Agreement.

Section 1. Definitions. In this Agreement, the following capitalized terms shall have the meanings stated below, unless context clearly otherwise requires.

(a) "Ad Valorem Grant" has the meaning set forth in Subsection 5(a)(ii).

(b) "Airport" means (i) an area used or intended for use for the landing and takeoff of aircraft, (ii) any appurtenant areas used or intended for use for airport buildings or other airport facilities or right-of-way (iii) any airport buildings or facilities located on an appurtenant area and (iv) any related operations, business and purposes.

Provided, however, for purposes of this Agreement, the term "Airport" shall mean a general aviation airport designed, constructed and operated so as not to be required to obtain an Airport Operating Certificate under 14 C.F.R. Part 139, and that at no time will serve any scheduled passenger-carrying operations of an air carrier designed for more than 9 passenger seats or unscheduled passenger-carrying operations of an air carrier operating aircraft designed for 31 or more passenger seats.

(c) "Airport Improvements" means Phase One of the Airport Improvements and any future Airport-related improvements to be constructed as part of the Project.

(d) "Base Year County Sales and Use Taxes" means the aggregate of all County Sales and Use Taxes collected by County on account of Taxable Transactions in, on or from the Project during calendar year 2010.

(e) "Base Year Regular Ad Valorem Taxes" means the aggregate of all Regular Ad Valorem Taxes collected by County for the 2010 property tax year with respect to the Project.

(f) "BCAD" means the Bastrop Central Appraisal District.

(g) "Ceases Operations" means that the Federal Aviation Administration has issued a public notice (which may be in the form of a notice to airmen or other form) to the effect that the Airport is not operational or to the effect that aircraft may not takeoff from or land at the Airport.

(h) "Commence" means that a notice to proceed to construct improvements has been delivered to a contractor.

(i) "Commence Operations" means that (i) the Federal Aviation Administration has provided public notice (which may be in the form of a notice to airmen or other form) to the effect that aircraft may takeoff or land at the Airport or (ii) the Airport is identified on any sectional map prepared in accordance with guidelines established by the Federal Aviation Administration.

(j) "Commercial Improvements" means Phase One of the Commercial Improvements and any future commercial improvements to be constructed within the Project.

(k) "Commercially Reasonable Efforts" means, as to a Party hereto, an undertaking by such Party to perform or satisfy an obligation or duty or otherwise act in a manner reasonably calculated to obtain the intended result by action or expenditure not

disproportionate or unduly burdensome under the circumstances, which means, among other things, that such Party shall not be required to (i) expend funds other than for payment of the reasonable and customary costs and expenses of employees, contractors, counsel, consultants, representatives or agents of such Party in connection with the performance or satisfaction of such obligation, duty or other action or (ii) institute or settle any litigation or arbitration as a part of its reasonable efforts.

(l) "Commissioners Court" means Bastrop County Commissioners Court.

(m) "Completed" means that improvements have been constructed and are ready and able to be occupied for the intended use of such improvements.

(n) "Comptroller" means the Texas Comptroller of Public Accounts.

(o) "Conditions Precedent" has the meaning assigned in Section 4 of this Agreement.

(p) "County Auditor" means Lisa Smith, the Bastrop County Auditor, or her successor.

(q) "County Responsible Office" means the Office of the County Auditor.

(r) "County Sales and Use Taxes" means, with respect to any calendar year or portion thereof referenced, any and all sales and use taxes remitted to County by the Comptroller with respect to any and all transactions in, on or from the Project during said tax year or portion thereof referenced as the result of County's imposition of a county sales and use tax pursuant to the County Sales and Use Tax Act (Texas Tax Code, Chapter 323).

(s) "Effective Date" means the date that the latter of County and Company has fully executed this Agreement.

(t) "Force Majeure" has the meaning assigned in Section 16(o) of this Agreement.

(u) "Governmental Authority" means any Federal, State, or local governmental entity having jurisdiction.

(v) "Governmental Rule" means any applicable law, rule or regulation of a Governmental Authority.

(w) "Infrastructure Agency" means, collectively, any state agency, authority or board, or any political subdivision, authority, public corporation, body politic, or governmental instrumentality, and any nonprofit corporation acting on behalf of or as an instrumentality of any of those entities.

(x) "Infrastructure Improvements" means Phase One of the Infrastructure Improvements and all future infrastructure improvements to be constructed within the Project.

(y) "Parties" means collectively the County and Company, and "Party" means the County or Company, as the case may be.

(z) "Phase One of the Airport Improvements" means that portion of the Airport Improvements described as such on Exhibit B attached hereto.

(aa) "Phase One of the Commercial Improvements" means that portion of the Commercial Improvements described as such on Exhibit B attached hereto.

(bb) "Phase One of the Infrastructure Improvements" means that portion of the Infrastructure Improvements described as such on Exhibit B attached hereto.

(cc) "Phase One of the Project" means, collectively, Phase One of the Airport Improvements, Phase One of the Commercial Improvements and Phase One of the Infrastructure Improvements.

(dd) "Program Grant" means any of the grants to be paid to Company by County under or pursuant to this Agreement and includes Ad Valorem Grants and Sales and Use Grants.

(ee) "Program Grant Funds" means all money to be paid to Company pursuant to the terms of this Agreement.

(ff) "Program Grant Term" means the period beginning on the date that the Company has met all Conditions Precedent under Section 4 of this Agreement, and continuing through the end of the Termination Date.

(gg) "Project" means the Property and the proposed development contemplated to be constructed and installed in, on, under, through, across and within the Property, including, without limitation, an Airport, Commercial Improvements, Infrastructure Improvements and any additional or supporting improvements, facilities and equipment hereafter constructed on the Property.

(hh) "Property" means the land on which the Project will be developed as described in the legal description and depicted in the survey included as part Exhibit A attached to this Agreement; provided, however, that adjacent or contiguous tracts of land may be added to the Property and portions of the land may be removed from the Property, from time to time, with the prior written consent of the County.

(ii) "Regular Ad Valorem Taxes" means with respect to any property tax year all ad valorem property taxes collected by County on Taxable Property for that tax year other than "Special Road and Bridge Ad Valorem Taxes" and "Rollback Ad Valorem Taxes" collected that year.

(jj) "Rollback Ad Valorem Grant" has the meaning set forth in Subsection 5(a)(i).

(kk) "Rollback Ad Valorem Taxes" means with respect to any property tax year, all ad valorem property taxes collected by County on Taxable Property for that tax year because during that tax year the Taxable Property became ineligible to be valued pursuant to one or more of Subchapters C, D, E, F, G or H of Chapter 23 of the Texas Tax Code.

(ll) "Sales and Use Grant" has the meaning set forth in Subsection 5(a)(iv).

(mm) "Special Road and Bridge Ad Valorem Taxes" means with respect to any property tax year, all ad valorem taxes collected by the County on Taxable Property for that tax year pursuant to Article VIII, Section 9, Texas Constitution, and Section 256.052, Texas Transportation Code, for the further maintenance of county roads.

(nn) "Taxable Property" means all taxable real and personal property (including (1) aircraft, (2) facilities and equipment used to repair, maintain, operate, service, equip and improve aircraft or to support other aviation-related activities and (3) other business use property) located in the Project which is subject to a levy of Regular Ad Valorem Taxes by County.

(oo) "Taxable Transactions" means all transactions in the Project which are subject to assessment for County Sales and Use Taxes pursuant to the County Sales and Use Tax Act (Texas Tax Code, Chapter 323).

(pp) "Term of this Agreement" means the period described in Section 2(d).

(qq) "Termination Date" means December 31 of the thirtieth (30th) full calendar year following the year in which the Program Grant Term commences.

Section 2. General Terms.

(a) Statutory Authorization. County is authorized to enter into this Agreement under Section 381.004, Texas Local Government Code, in order to stimulate, encourage and develop business location and commercial activity in Bastrop County, Texas.

(b) Purpose. The purpose of this Agreement is to make certain grants to Company and to agree with Company on certain additional matters all in order to stimulate and encourage business location and commercial activity in Bastrop County, to create more job opportunities in Bastrop County and the State of Texas, to build the sales and property tax base of Bastrop County and promote a cooperative relationship with the private sector businesses that will bring capital intensive, job creating projects to Bastrop County.

(c) Findings. The Commissioners Court finds that the terms of this Agreement and the Project as presented by Company (a) constitute a program for state

and local economic development and to stimulate, encourage, and develop business location and commercial activity and (b) will result in substantial benefit to Bastrop County and significant financial benefit to other taxing entities within Bastrop County. The Commissioners Court also finds that the development of the Project as described herein will stimulate economic development within an area of Bastrop County which is or has been considered to be economically disadvantaged as determined by the Commissioners Court.

(d) Term of this Agreement. County and Company acknowledge and agree that, unless earlier terminated by the Parties pursuant to the provisions of this Agreement, the "Term of this Agreement" shall commence on the Effective Date and continue until such period of time has expired after the Termination Date as shall be necessary to include the time required to compute and pay the amount of any Program Grant Funds which cannot be determined and paid to Company on or prior to the Termination Date. Notwithstanding that the Term of this Agreement may extend beyond the Termination Date, the Program Grant Term shall not be so extended.

(e) Administration of Agreement. This Agreement shall be administered for County by the County Responsible Office, and all information provided by Company and County to the other shall be provided through the County Responsible Office.

(f) Use of Agreement. The County acknowledges that the Company intends to rely upon its rights under this Agreement to secure financing for the acquisition, development and construction of the Project and that Company may transfer, hypothecate, pledge, sell or otherwise assign any or all of its rights to receive Program Grant Funds; provided, however, that such hypothecation, pledge, sale or assignment of rights to receive Program Grant Funds must be evidenced by written agreement expressly providing that the transferee, assignee or secured party shall have not recourse against the County with respect to any matter directly or indirectly resulting from, related to, or arising out of this Agreement.

Section 3. Entire Agreement.

(a) All Agreements. All oral and written agreements between the Parties to this Agreement relating to the subject matter of this Agreement that were made prior to the execution of this Agreement have been reduced to writing and are contained in this Agreement.

(b) Recitals. All recitals set forth above are incorporated herein by reference for all purposes.

(c) Attachments. All attachments attached to this Agreement, as listed below, are incorporated herein for all purposes:

Exhibit A – Property

Exhibit B – Description of the Project

Exhibit C – Agreement for Disclosure of Confidential Tax Information

Section 4. Conditions Precedent to Payment of Program Grants. The Company and the County agree that the following conditions precedent (the “Conditions Precedent”) must occur prior to the initial payment of Program Grants under Sections 5 and 6 of this Agreement.

(a) The Company shall have acquired title to and own the Property for the Project.

(b) The Company shall have developed Phase One of the Project in accordance with the Description of the Project in Exhibit B attached hereto, and the Company shall have completed construction of Phase One of the Airport Improvements, Phase One of the Commercial Improvements and Phase One of the Infrastructure Improvements, as described in Exhibit B.

(c) Notwithstanding anything herein to the contrary, the Company shall not be entitled to receive, and the County shall not be obligated to pay, any Program Grant Funds accrued hereunder unless and until the Conditions Precedent have been met.

Section 5. Program Grants.

(a) Program Grants. Subject to satisfaction of the Conditions Precedent set out in Section 4, hereof, and pursuant to the terms and conditions set forth in, this Agreement, County agrees to make grants to the Company and County does hereby grant to the Company the following amounts:

- (i) Rollback Ad Valorem Grants. County hereby grants to and County shall pay to Company an amount equal to seventy-five percent (75%) of the Rollback Ad Valorem Taxes collected for any tax year that occurs during the Program Grant Term (the “Rollback Ad Valorem Grant”).
- (ii) Regular Ad Valorem Grants. For each property tax year during the Program Grant Term, County hereby grants to and County shall pay to Company an amount equal to seventy-five percent (75%) of the excess of the Regular Ad Valorem Taxes collected for the tax year over the Base Year Regular Ad Valorem Taxes (the “Ad Valorem Grant”).
- (iii) Partial Year Program Grants. In the event that Company meets the Conditions Precedent after January 1 of a tax year, the Program Grants for that tax year shall be prorated based on the number of days remaining in the tax year from and after the date the Company has complied with the Conditions Precedent.
- (iv) Sales and Use Grants. For each calendar year during the Program Grant Term, County hereby grants to and County shall pay to Company an amount equal to seventy-five percent (75%) of the excess of the County Sales and Use Taxes remitted to the County by the Comptroller for that

year over the Base Year County Sales and Use Taxes (the "Sales and Use Grant").

For purposes of this Section, ad valorem taxes collected by the County shall not include penalties, interest, or attorneys' fees collected by the County.

(b) Continuing Taxation. During the Term of this Agreement, the Taxable Property and the Taxable Transactions shall be subject to all County taxation and to all other applicable taxation. Nothing herein shall be construed as an abatement of any taxes.

(c) Tax Protests. In the event a taxpayer other than Company timely and properly protests or contests Regular Ad Valorem Taxes, Rollback Ad Valorem Taxes, and the taxable value of Taxable Property, or any of the foregoing, the obligation of County to pay Program Grant Funds shall not be abated hereunder; however, if any protest or motion with BCAD results in a final determination that changes the amount of any ad valorem taxes which have already been paid to County, County shall notify Company of such determination promptly and the Program Grant Funds payable to the Company for such tax year shall be adjusted (increased or decreased as the case may be) accordingly with any payment to or by the Company being due not later than sixty (60) days after the date the amount of the adjustment is determined and the Company notified thereof. If there are no further Program Grant Funds to be paid, then the Party owing an adjustment shall pay the amount of adjustment directly to the other Party within sixty (60) days after the adjustment is finalized and said Party receives written notice of said adjustment. Company shall notify County in writing in the event of a protest or contest by Company; and County shall notify Company in writing in the event of a protest or contest by a taxpayer other than Company.

(d) Prepayment. The County shall have the right to prepay at any time and in any amount all or any part of the Program Grant payments described herein without penalty.

(e) Company Payment of Ad Valorem Taxes. Neither the Company nor its permitted successors or assigns shall be entitled to payment of Program Grants under this Agreement for any tax year unless and until the Company or such permitted successor or assign has paid all ad valorem taxes assessed against the Company or such permitted successor or assign for such tax year by Bastrop County, Elgin Independent School District, or any other taxing unit in Bastrop County, and presents to the County a tax certificate issued pursuant to Section 31.08, Texas Tax Code, showing that no taxes, penalties, interest, costs and expenses are due with respect to ad valorem taxes assessed against the Company or such permitted successor or assign for property in Bastrop County.

Section 6. Determination of Program Grant Funds.

(a) Procedures to Determine and Pay Program Grant Funds. Subject to the provisions of Section 5 and the terms and conditions of this Agreement, for each tax year

during the Program Grant Term, County shall pay to Company by check or wire transfer (pursuant to directions delivered to the County Responsible Office) the amounts of the respective Program Grants according to the procedures set forth in this Section 6.

(b) Notification and Payment of Amount of Program Grant Funds.

(i) Ad Valorem Grants and Rollback Ad Valorem Grants. On or before the last day of March of each year during the Term of this Agreement, County shall notify Company in writing (an "Ad Valorem Notice") of its calculation of the amount of Program Grant Funds due to Company by County for Ad Valorem Grants and Rollback Ad Valorem Grants for the immediately preceding tax year, and for any preceding year during the Program Grant Term for which previously delinquent Regular Ad Valorem Taxes and Rollback Ad Valorem Taxes have been collected and with respect to which Program Grant Funds have not yet been paid to Company by County hereunder. County shall accompany said Ad Valorem Notice with payment of the proper amount of Program Grant Funds due for said years. The Ad Valorem Notice shall show the information and amounts used by County in the calculation of the Program Grants covered by said Ad Valorem Notice.

(ii) County Sales and Use Grants.

(A) On a quarterly basis, and within sixty (60) days after receipt by County of any County Sales and Use Taxes collected by the Comptroller, County shall pay to Company the proper amount of the County Sales and Use Grant due with respect to such County Sales and Use Taxes so received by County in accordance with Section 5(a)(iv) above.

(B) Company shall provide to County sufficient documentation to permit County to obtain such information from the Comptroller as is necessary to verify the amount of County Sales and Use Taxes collected by the Comptroller with respect to the Project.

(C) Company covenants and agrees to include as a condition or covenant filed as a deed restriction, language which requires Company and its successors and assigns to sign, or cause to be signed, any documentation necessary to authorize the Comptroller to release and disclose to County any and all County Sales and Use Tax information relating to any businesses generating sales and use tax within the Project, including, as necessary, an agreement in substantially the same form as is attached hereto as Exhibit C (the "Sales Tax Disclosure"). Company will be required to provide Sales Tax Disclosures or other similar documentation from occupants and/or tenants within the Project in order to identify sales tax dollars generated from the Project until such time as such

documentation is no longer needed by the Comptroller to identify sales tax dollars generated from the Project.

- (iii) Adjustments and Corrections. Each Ad Valorem Notice, Amended Ad Valorem Notice and County Sales and Use Tax Notice is herein referred to as a "Grant Funds Notice." If Company identifies any errors or omissions in a Grant Funds Notice, Company will advise County of such items within sixty (60) days after the later of the date on which Company receives said Grant Funds Notice or obtains information previously unknown to Company which reveals said error or omission. All payments of Program Grant Funds to Company pursuant to and on the dates set forth in Section 6(b) shall be subject to the adjustment for any error or omission identified by a Party. If the original amount of a Program Grant paid is changed following the determination of any error or omission, the adjustment shall be paid by the Party owing the other party the adjustment within sixty (60) days following the final determination.

In the event of any disagreement or dispute between the Company and the County concerning the amount of Program Grant Funds owed to Company, the records of (A) the Bastrop Central Appraisal District (or any successor thereto) shall be the sole basis for determining whether any property constitutes Taxable Property pursuant to the terms of this Agreement, (B) the Bastrop County Tax Assessor-Collector (or any successor thereto) shall be the sole basis for determining whether ad valorem taxes in respect of Taxable Property have been paid and (C) the County shall be the sole basis for determining whether Regular Ad Valorem Taxes and Rollback Ad Valorem Taxes have been received by the County.

Section 7. Program Grant Funds Subject to Future Appropriation.

(a) This Agreement shall not be construed as a commitment, issue, pledge or obligation of any specific county funds, taxes or tax revenues for payment to Company.

(b) All payments or expenditures made by the County under this Agreement are subject to the County's appropriation of funds for such payments or expenditures to be paid in the budget year for which they are made.

(c) The payments to be made to Company, or other expenditures under this Agreement, if paid, shall be made solely from annual appropriations from the general funds of the County or from such other funds of the County as may be legally set aside for the implementation of Article III, Section 52-a of the Texas Constitution or Chapter 381 of the Local Government Code or any other economic development or financing program authorized by statute or home rule powers of the County under applicable Texas law, subject to any applicable limitations or procedural requirements.

(d) In the event the County does not appropriate funds in any fiscal year for payment due or expenditures under this Agreement, the County shall not be liable to Company for such payments or expenditures unless and until appropriation of said funds is made; provided, however, that Company, in its sole discretion, shall have the right but not the obligation to terminate this Agreement and shall have no obligations under this Agreement for the year in respect to which said un-appropriated funds relate.

(e) To the extent there is a conflict between this Section 7 and any other language or covenant in this Agreement, this Section 7 shall control, except as set out in Subsection 7(f) below.

(f) Notwithstanding any other clause or covenant in this Agreement to the contrary, this Agreement shall not be subject to this Section 7, if Texas Constitution Article III, Section 52-a, as amended, permits the removal of this Section 7 without rendering this Agreement, or a portion hereof, void, voidable, or invalid. In such event, this Section 7 shall not govern this Agreement or portion hereof, and this Agreement, or such portion, shall be interpreted and enforced as if this Section 7 were not contained in this Agreement.

Section 8. Suspension of Payments. County, under the following circumstances, and at its sole discretion, may suspend its obligations under this Agreement and all future payment obligations shall automatically cease upon any one of the following events, which are an Act of Default:

(a) The appointment of a receiver of Company, or of all or any substantial part of its property, and the failure of such receiver to be discharged within sixty (60) days thereafter.

(b) The adjudication of Company as bankrupt.

(c) The filing by Company of a petition or an answer seeking bankruptcy, receivership, reorganization, or admitting the material allegations of a petition filed against it in any bankruptcy or reorganization proceeding.

(d) The Airport does not Commence Operations within twenty-four (24) months after completion of construction of Phase One of the Project in accordance with Section 9 of this Agreement.

Section 9. Company Performance.

(a) Project. The Project shall include the development on portions of the Property of the following elements: (i) the Airport; (ii) Commercial Improvements; and (iii) Infrastructure Improvements.

(b) Required Project Development. Company agrees to comply with the following requirements:

(i) Construction of Airport Improvements.

(A) Commencement. Company agrees to use Commercially Reasonable Efforts to cause construction of Phase One of the Airport Improvements and the portions of Phase One of the Infrastructure Improvements required to use and operate Phase One of the Airport Improvements to Commence no later than June 30, 2012.

(B) Completion. Company agrees to use Commercially Reasonable Efforts to cause construction of the Phase One of the Airport Improvements and said portions of Phase One of the Infrastructure Improvements to be Completed no later than June 30, 2014, subject to Force Majeure.

(ii) Construction of Commercial Improvements.

(A) Commencement. Company agrees to use Commercially Reasonable Efforts to cause construction of Phase One of the Commercial Improvements and the portions of Phase One of the Infrastructure Improvements required to use and operate Phase One of the Commercial Improvements to Commence no later than June 30, 2012.

(B) Completion. Company agrees to use Commercially Reasonable Efforts to cause construction of Phase One of the Commercial Improvements and said portions of Phase One of the Infrastructure Improvements to be Completed no later than June 30, 2014, subject to Force Majeure.

(c) Termination. County may terminate this Agreement in the event that construction of Phase One of the Project in accordance with this Section is not completed by June 30, 2014.

(d) Airport, Design, Construction and Operation Covenants and Agreements. Company covenants and agrees that the Airport Improvements, which shall be located on the "Airport Property", as such property is more specifically described on Exhibit "A", shall be designed, constructed and operated as an Airport as defined in Section 1(b) of this Agreement so as not to be subject to the Airport Operating Certificate requirements of 14 C.F.R. Part 139. Further, Company covenants and agrees that it will not enter into any agreements, covenants, assurances or conditions such as agreements for state or federal funding, that may directly or indirectly require Company to design, construct or operate the Airport Improvements in a manner that requires such Airport Improvements to be open to scheduled passenger-carrying operations of an air carrier operating aircraft designed for more than 9 passenger seats or unscheduled passenger-carrying operations of an air carrier operating aircraft designed for 31 or more passenger seats. Company hereby declares that the Airport Property shall be subject to the Company's covenants

and agreements under this subsection (d) which shall run with the Airport Property and shall be binding upon all parties having right, title, or interest in or to such portion of the Airport Property or any part, their heirs, successors, and assigns and the covenants and agreements as they effect the Airport Property shall remain in effect in perpetuity. The County and the Company agree to enter into a written instrument suitable for recording in the Office of Public Records of Bastrop County which shall memorialize the restrictions contained in this Section 9(d) and provide that they shall run with the land.

(e) W-9 Taxpayer Identification Form. Company shall provide County with an Internal Revenue Service Form W-9 Request for Taxpayer Identification Number and Certification for itself and any permitted assignee that is completed in compliance with the Internal Revenue Code, its rules and regulations, and a statement of entity status in a form satisfactory to the County Auditor before any Program Grant Funds may be paid to the Company or permitted assignee.

(f) Airport Zoning Studies. The Company agrees that it shall be responsible for all costs incurred by the County including the cost of studies, consultant services, and the time and materials of County employees, related to the County's development of airport zoning regulations under Chapter 241, Texas Local Government Code. In the event County initiates or intends to initiate activities described by this Section other than at Company's express request, County agrees to provide Company with thirty (30) days prior written notice of County's intention to commence activities described by this section, and Company agrees to pay such costs to County within ninety (90) days after Company's receipt of a statement or invoice for such costs. For purposes of this subsection (f), the cost of time worked by salaried County employees relating to development of airport zoning regulations shall be determined on a pro rata hourly basis by assigning to such time worked a proportional part of the employee's annual salary, and the cost of time worked by County employees compensated on an hourly basis shall be based on the hourly compensation paid such employees.

Section 10. Mutual Assistance; County Cooperation and Assistance.

(a) To promote the ability of each Party to realize and obtain the economic benefits contemplated by this Agreement (regardless of changes in public policy, the law or taxes or assessments attributable to Company facilities), County and Company will take or cause to be taken such actions as are commercially and reasonably necessary or appropriate (i) to carry out the terms and provisions of this Agreement and (ii) to aid, support and assist each other in carrying out such terms and provisions.

(b) In addition to County's agreement to reasonably aid, support and assist Company in carrying out the terms and provisions of this Agreement and in recognition of the substantial benefits that the County will realize and obtain as a result of the successful completion of the Project (including the fulfillment of an essential community purpose), upon the request of Company, County shall take such action as County in its sole discretion determines reasonably necessary and appropriate to cooperate with and assist Company in any Company application to an Infrastructure Agency for such approvals, consents or permits and any regulatory, financial or other forms of assistance

as shall be deemed reasonable, necessary or appropriate for the planning, design, acquisition, development, construction, equipment, operation and financing of the Project.

Section 11. Claims Notification. If any claim, or other action, including proceedings before an administrative agency (collectively, a "Claim"), is made or brought by any person, firm, corporation, or other entity against Company or County relating to the enforcement of this Agreement, the Party with notice of the Claim shall give written notice to the other Party of the Claim within three (3) business days after being notified of it or the threat of it; the name and address of the person, firm, corporation or other entity that made or threatened to make a Claim, or that instituted or threatened to institute the Claim; the basis of the Claim; the court or administrative tribunal, if any, where the Claim was instituted; and the name or names of any person against whom a Claim is being made or threatened. The Party with notice of the Claim shall furnish to the other Party copies of all pertinent papers received by that Party with respect to a Claim unless prohibited by Governmental Rule.

Section 12. Termination. This Agreement shall terminate and, except as expressly provided herein, obligations on the part of both Parties shall be deemed terminated and of no further force or effect, upon the occurrence of any one or more of the following:

- (i) Company elects not to proceed with the Project as contemplated by this Agreement prior to the first receipt by Company of Program Grant Funds and Company notifies County of said election in writing prior to the first payment of Program Grant Funds is received by Company;
- (ii) the Agreement is terminated by County under the provisions of Section 9(c) of this Agreement;
- (iii) the execution by all Parties of a written agreement terminating this Agreement;
- (iv) at the option of a Party in the event the other Party materially breaches any of the terms or conditions of this Agreement and such breach is not cured within ten (10) business days after written notice thereof, or, if such breach is not susceptible of cure within said ten (10) business days, then within such period of time as is reasonably necessary for the breaching Party to cure said default if the breaching Party commences the cure thereof within said ten (10) business day period of time, which period of time shall be only as long as may reasonably be necessary to cure the default in question; but, in no event shall either Party have more than forty-five (45) days to cure any specific default unless caused by acts of Force Majeure in which event such Party's time to cure the default shall be extended by the length of time the Force Majeure is in effect. In the event of default by either Party, the Parties hereto agree to mediate in good faith prior to terminating this Agreement or filing suit for damages or specific performance;

- (v) to the extent, but only to the extent, that a Program Grant agreed to be made by County herein is found to be invalid or illegal by a court of competent jurisdiction and no appeal thereof is timely or successfully taken and the conditions or provisions of said Program Grant cannot be revised or altered to cure the basis for said decision;
- (vi) to the extent, but only to the extent, that a Program Grant agreed to be made by County herein becomes invalid or illegal pursuant to Federal or State legislation and the conditions or provisions of said Program Grant which render said Program Grant invalid or illegal cannot be revised or altered to cure the invalidity or illegality; or
- (vii) the Expiration of the Term of this Agreement.

Section 13. Representations and Warranties.

- (a) Representations of Company. Company hereby makes the following representations, warranties and covenants to County as of the Effective Date:
 - (i) Existence. Company is a limited liability company duly created and validly existing under the laws of the State of Texas. Company has all requisite power and authority to enter into this Agreement.
 - (ii) Authorization. The execution, delivery and performance by Company of this Agreement have been duly authorized by all necessary action and will not violate the organizational documents of Company. The execution of this Agreement by Company does not require any consent or approval that has not been obtained, including, without limitation, the consent or approval of any Governmental Authority.
 - (iii) Enforceable Obligations. Assuming due authorization, execution and delivery by each signatory Party hereto and thereto, this Agreement, all documents executed by Company pursuant hereto and all obligations of Company hereunder and thereunder are enforceable against Company in accordance with their terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditor's rights generally and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law).
 - (iv) No Legal Bar. The execution and performance by Company of this Agreement does not and will not violate any provisions of any contract, agreement, instrument or current Governmental Rule to which Company is a party or is subject.
 - (v) Litigation. There are no legal actions or proceedings pending or, to the knowledge of Company, threatened against Company which, if adversely

determined, would materially and adversely affect the ability of Company to fulfill its obligations under this Agreement.

(b) Representations of County. County makes the following representations, warranties and covenants to Company as of the Effective Date:

- (i) Existence. County is a political subdivision of the State of Texas.
- (ii) Authorization. Pursuant to Chapter 381 of the Texas Local Government Code, County to the best of its knowledge and belief, has all requisite power and authority to enter into this Agreement and perform all of its obligations hereunder. The execution and performance by County of this Agreement has been duly authorized by the Commissioners Court and does not require the consent or approval of any other person which has not been obtained, including, without limitation, any other Governmental Authority. It is understood and agreed that the Company is relying on the advice of its own legal counsel in determining to enter into this Agreement.
- (iii) Enforceable Obligations. Assuming due authorization, execution and delivery by each Party hereto and thereto, this Agreement, each document executed by County pursuant hereto and all obligations of County hereunder and thereunder, to the best of the County's knowledge and belief, are enforceable against County in accordance with their terms. It is understood and agreed that the Company is relying on the advice of its own legal counsel in determining to enter into this Agreement.
- (iv) No Legal Bar. The execution and performance by County of this Agreement does not and will not violate any provisions of any contract, agreement, instrument or current Governmental Rule to which County is a party or is subject.
- (v) Litigation. There are no legal actions or proceedings pending or, to the knowledge of County, threatened against County which, if adversely determined, would materially and adversely affect the ability of County to fulfill its obligations under this Agreement.

Section 14. Indemnification.

(a) Indemnity. The County affirms that it enjoys governmental immunity. Notwithstanding such governmental immunity, Company shall indemnify and hold harmless the County and the County's county judge, commissioners, officers, employees and agents, (collectively, the "Indemnitee" or "Indemnitees") from any and all damages, losses, liabilities (joint or several), payments, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements or expenses (including, without limitation, fees, disbursements and reasonable expenses of attorneys, accountants, and other professional advisors and of expert witnesses and costs of

investigation and preparation) of any kind or nature whatsoever (collectively, "Damages"), directly or indirectly resulting from, relating to or arising out of:

- (i) the construction, development, maintenance or operation of the Project, or the business of Company;
- (ii) the formation, organization and operation of the Company;
- (iii) any breach of or inaccuracy in any representation or warranty of the Company contained in this Agreement;
- (iv) any breach or non-performance, partial or total, by Company of any covenant or agreement of Company contained in this Agreement;
- (v) any actual or threatened violation of or non-compliance with, or remedial obligation arising under, any federal or state environmental laws arising from any event, condition, circumstance, activity, practice, incident, action or plan relating in any way to the Project, or the business of Company.

(b) Indemnification Procedures. In case any claim shall be brought or, to the knowledge of an Indemnitee, threatened against any Indemnitee in respect of which indemnity may be sought against Company, such Indemnitee shall promptly notify Company in writing; provided, however, that any failure to so notify shall not relieve the Company of its obligations under this Section 14. Company shall have the right to assume the investigation and defense of all claims, including the employment of counsel and the payment of all expenses. Each Indemnitee shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnitee unless (i) the employment of such counsel has been specifically authorized by Company, in writing, or (ii) Company has failed after receipt of notice of such claim to assume the defense and to employ counsel. Each Indemnitee shall cooperate with Company in the defense of any action or claim. Company shall not be liable for any settlement of any action or claim without the Company's consent but, if any such action or claim is settled with the consent of Company or there be final judgment for the plaintiff in any such action or with respect to any such claim, Company shall indemnify and hold harmless the Indemnitees from and against any Damages by reason of such settlement or judgment as provided in Section 14(a) of this Agreement.

Section 15. Notices.

(a) Requirements. Except as otherwise specifically noted herein, any notice required or permitted to be given under this Agreement by one Party to the other shall be in writing and may be given by any reasonable means. A written notice given under this Agreement to a Party by hand delivery shall be deemed given upon delivery to the address of the Party set forth in this Section 15; shall be deemed given upon deposit with the United States Postal Service as a registered or certified item or an overnight courier for next business day delivery, in either case provided the notice is enclosed in a sealed wrapper, properly addressed to the Party at the address for said Party set forth in this

Section 15, with all postage or delivery charges prepaid; or shall be deemed given upon transmission if sent by facsimile transmission and the receiving facsimile machine sends confirmation of the receipt and the transmitting machine records said date and time on a printed confirmation page; or shall be deemed given upon transmission by electronic mail through use of the Internet if the transmission is confirmed by sending a written copy of the electronic mail message concurrently with the transmission of said electronic mail message by another reasonable means; or shall be deemed to have been given when received at the delivery address of the Party to whom said notice is given if delivered by another reasonable means.

(b) County Address. The address of County for all purposes under this Agreement shall be:

Honorable Ronnie McDonald (or his successor in office)
County Judge
804 Pecan Street
Bastrop, TX 78602

with copies to:

Lisa Smith
Bastrop County Auditor
804 Pecan Street
Bastrop, Texas 78602

(c) Company Address. The address of the Company for all purposes under this Agreement and for all notices hereunder shall be:

Central Texas Airport, LLC
925-B S. Capital of Texas Hwy, Suite 115
Austin, Texas 78746
Attention: James Carpenter

with copy to:

Jerry Kyle, Jr.
Andrews Kurth LLP
111 Congress Avenue, Suite 1700
Austin, Texas 78701

(d) Change of Address. A Party may change the address for notice to it by giving written notice of the change in compliance with this Section 15.

Section 16. Miscellaneous Provisions.

(a) Written Amendments Only. Unless specifically provided otherwise in this Agreement, any change to the terms of this Agreement or any attachments to it shall be made in writing and signed by both Parties.

(b) Law and Venue. This Agreement is governed by the laws of the State of Texas and all obligations under this Agreement shall be performable in Bastrop County, Texas. It is expressly understood that any lawsuit, litigation, or dispute arising out of or relating to this Agreement will take place in State Court in Bastrop County.

(c) Attorneys' Fees. In the event that either Party should default under any of the provisions of this Agreement and the other Party should employ attorneys or incur other expenses for the collection of the payments due under this Agreement or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting Party herein contained, the defaulting Party agrees to pay to the non-defaulting Party reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting Party.

(d) Independent Contractor. The Parties expressly acknowledge and agree that Company is an independent contractor and assumes all of the rights, obligations and liabilities applicable to it as an independent contractor. No employee of Company shall be considered an employee of County or gain any rights against County pursuant to County's personnel policies. This Agreement is not intended to confer any rights, privileges or causes of action upon any third party. The relationship of County and Company under this Agreement is not and shall not be construed or interpreted to be a partnership, joint venture or agency. The relationship of the Parties shall be an independent contractor relationship. Neither Party shall have the authority to make any statements, representations or commitments of any kind, or to take any action, which shall be binding on the other Party.

(e) No Third Party Beneficiaries. This Agreement sets out the agreements and obligations between County and Company only, and does not obligate the Parties in any way to, nor create any third party beneficiary rights for, any third parties.

(f) Assignment. Company may not assign its rights, duties and obligations under this Agreement without the prior written approval of County, which approval County shall not unreasonably withhold, condition or delay. No permitted assignment under this subsection (f) shall relieve the assignor of its duties and obligations under this Agreement prior to such assignment.

(g) Binding Agreement. Subject to Section 16(f), this Agreement shall be binding upon the successors, assigns, administrators, and legal representatives of the Parties to this Agreement.

(h) Computation of Time. If the last day of any period of time set forth in this Agreement falls on a Saturday, Sunday or a day that County has declared a holiday for its employees (each, an "Excluded Day") said last day shall be automatically extended to the next day that is not an Excluded Day.

(i) Numbers and Gender. Words of any gender in this Agreement shall be construed to include any other gender and words in either number shall be construed to include the other unless the context in this Agreement clearly requires otherwise.

(j) Headings. The headings at the beginning of the various provisions of this Agreement have been included only to make it easier to locate the subject matter covered by that section or subsection, and are not to be used in construing this Agreement.

(k) Non-Waiver of Default. One or more acts of forbearance by any Party to enforce any provision of this Agreement or any reimbursement, payment, act or omission by any Party shall not constitute or be construed as a waiver of any breach or default of any other Party which then exists or may subsequently exist.

(l) Reservation of Rights. If any Party to this Agreement breaches this Agreement, the other Party shall be entitled to any and all rights and remedies provided for by Texas law and any applicable Federal laws or regulations. All rights of either Party under this Agreement are specifically reserved and any payment, reimbursement, act or omission shall not impair or prejudice any remedy or right to said Party. The exercise of or failure to exercise any right or remedy in this Agreement or in accordance with law upon the other Party's breach of the terms, covenants, and conditions of this Agreement, or the failure to demand the prompt performance of any obligation under this Agreement, shall not preclude the exercise of any other right or remedy under this Agreement or under any law, nor shall any action taken or not taken in the exercise of any right or remedy be deemed a waiver of any other rights or remedies.

PROVIDED, HOWEVER, THAT THE COUNTY'S LIABILITY FOR DEFAULT UNDER THIS AGREEMENT SHALL NEVER EXCEED THE AMOUNT OF THE UNPAID PROGRAM GRANT PAYMENTS PAYABLE TO THE COMPANY UNDER THE TERMS OF THIS AGREEMENT FOR THE TERM REMAINING AFTER THE DATE OF DEFAULT, REDUCED TO NET PRESENT VALUE AS OF THE DATE OF DEFAULT.

AND PROVIDED FURTHER THAT, EACH PARTY HEREBY EXPRESSLY WAIVES AND DISCLAIMS ANY RIGHT IT MAY NOW HAVE OR THAT MAY HEREAFTER ARISE IN FAVOR OF THE PARTY TO RECOVER DAMAGES FROM THE DEFAULTING PARTY THAT ARE IN THE NATURE OF SPECIAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND DUE TO A BREACH OF THIS AGREEMENT.

(m) Notwithstanding anything to the contrary in this Agreement, the Parties agree that, in the execution of this Agreement, the County cannot waive and, by the execution of this Agreement, County has not waived and does not intend to waive its governmental immunity from suit.

(n) Severability. Subject to Subsection 12(v) and 12(vi), if any portion of this Agreement is ruled invalid, illegal, or unenforceable in any respect by a court of competent jurisdiction, it is the intention of the Parties that the remainder of this Agreement not be affected, and, in lieu of each illegal, invalid, or unenforceable provision, that a provision be added to this Agreement which is legal, valid, and enforceable and is as similar in terms to the illegal, invalid or unenforceable provision as is possible, unless such any such action would vitiate the terms of this Agreement, or be

contrary to or inconsistent with, the intent of, or purpose or consideration for, either Party entering into this Agreement.

(o) Force Majeure. Neither Party shall be liable to the other Party for delays in performance or failures to perform under this Agreement caused by Force Majeure. "Force Majeure" means any delay resulting from causes beyond the reasonable control of a Party, including, without limitation, any delay caused by: (i) "acts of God," (ii) fires, (iii) earthquakes, (iv) floods, (v) explosions, (vi) declared or undeclared wars or police actions, (vii) riots, (viii) mob violence or terrorism, (ix) strikes, (x) condemnation, (xi) moratorium or other governmental delays, (xii) newly enacted governmental laws, regulations or controls, (xiii) inclement weather, or (xiv) unavailability of labor, materials or governmental permits, but specifically excluding any delay resulting from Company's inability to obtain legislative approval for the creation of an Infrastructure Agency. Such delays or failures to perform shall extend the period of performance until the Force Majeure has been removed or passed. Notwithstanding the foregoing, a Force Majeure shall only relieve a Party of liability for delays in performance or failures to perform, and shall only extend the period for such performance, if the Party claiming Force Majeure notifies the other Party (A) within ninety (90) days after the occurrence of the event which is the predominant cause of such delay if such Force Majeure is caused by any event described in clauses (i) through (x) or (xiii) of this paragraph, or (B) within ninety (90) days after such Party determines that a Force Majeure delay has occurred if such Force Majeure is caused by any event or series of events described in clauses (xi), (xii) or (xiv) of this paragraph, or by an event or series of events not specifically described herein.

(p) Multiple Originals. This Agreement may be executed by the Parties in multiple counterparts, including by electronic means, each one being considered an original for all purposes and all such counterparts constituting one and the same instrument.

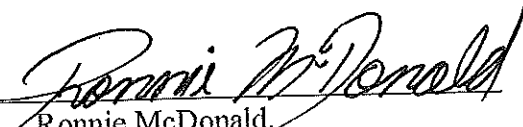
(q) Interpretation. Each of the Parties has been represented by legal counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which Party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute regarding its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any Party.

(r) Audit. The Parties shall, upon reasonable prior written notice and during normal business hours, but in any event not more than two (2) times per calendar year, have the right to audit and inspect the other Party's records and books and all other relevant records related to each of the economic development considerations and incentives and performance requirements, as stated in this Agreement, but the confidentiality of such records and information shall be maintained by the Parties unless disclosure of such records and information shall be required by a court order, a lawfully issued subpoena, or at the direction of the Office of the Texas Attorney General.

[Signature Page Follows]

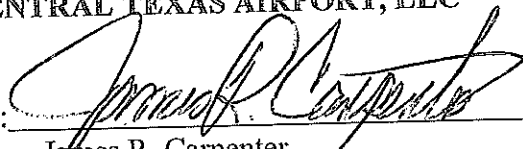
IN WITNESS WHEREOF, the Parties have executed this Agreement on the respective dates set forth below, to be effective as of the Effective Date.

BASTROP COUNTY, TEXAS

By: 
Ronnie McDonald,
County Judge

Date: 06/14/2010

CENTRAL TEXAS AIRPORT, LLC

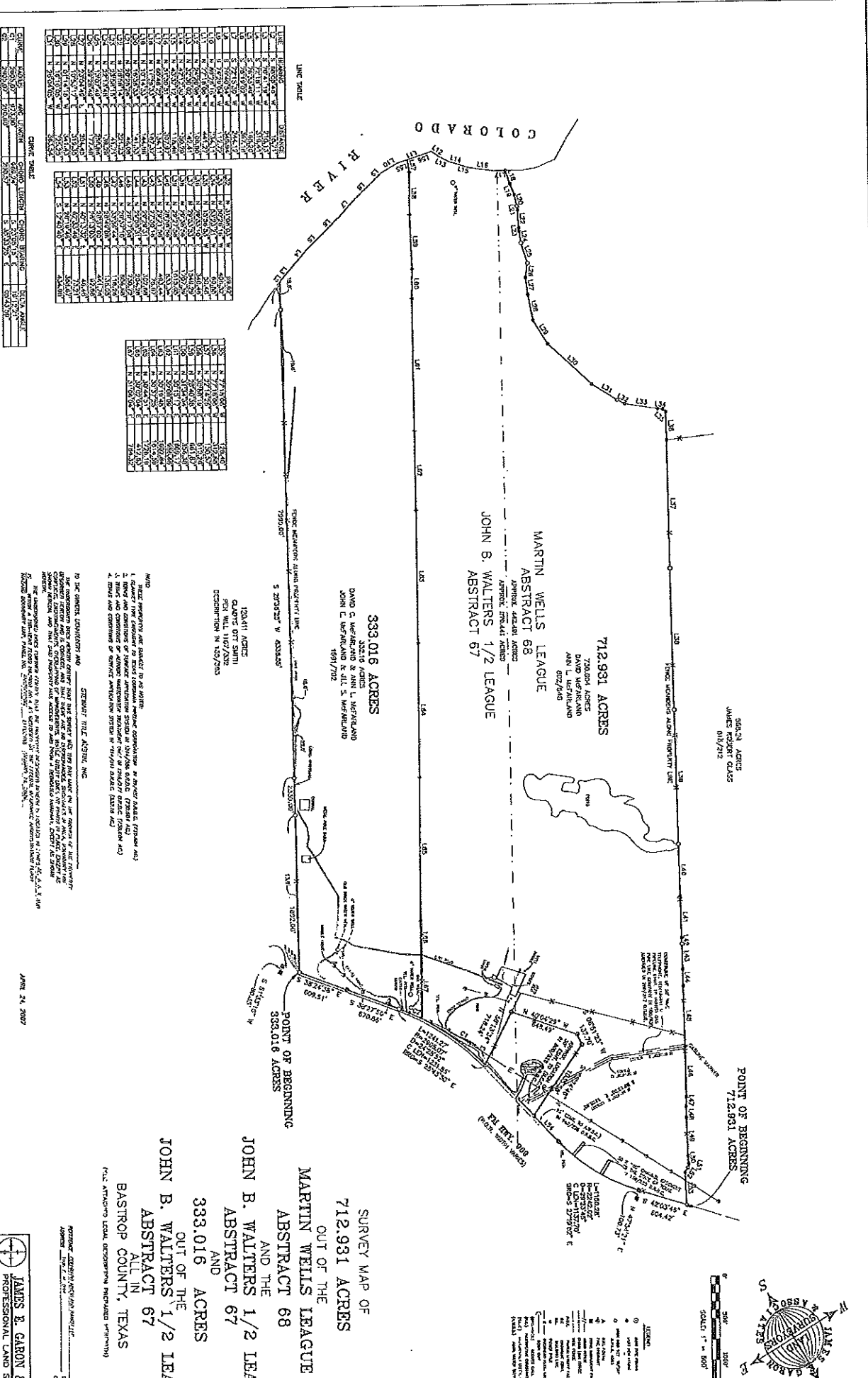
By: 
James R. Carpenter
Managing Partner

Date: 06/15/2010

EXHIBIT A

PROPERTY

[Attached]



LINE TABLE

LINE	BEARING	DISTANCE	MARKER
1	N 88° 52' 00" W	100.00	8
2	S 88° 52' 00" W	100.00	8
3	N 01° 08' 00" E	100.00	9
4	S 01° 08' 00" E	100.00	9
5	N 88° 52' 00" W	100.00	10
6	S 88° 52' 00" W	100.00	10
7	N 01° 08' 00" E	100.00	11
8	S 01° 08' 00" E	100.00	11
9	N 88° 52' 00" W	100.00	12
10	S 88° 52' 00" W	100.00	12
11	N 01° 08' 00" E	100.00	13
12	S 01° 08' 00" E	100.00	13
13	N 88° 52' 00" W	100.00	14
14	S 88° 52' 00" W	100.00	14
15	N 01° 08' 00" E	100.00	15
16	S 01° 08' 00" E	100.00	15
17	N 88° 52' 00" W	100.00	16
18	S 88° 52' 00" W	100.00	16
19	N 01° 08' 00" E	100.00	17
20	S 01° 08' 00" E	100.00	17
21	N 88° 52' 00" W	100.00	18
22	S 88° 52' 00" W	100.00	18
23	N 01° 08' 00" E	100.00	19
24	S 01° 08' 00" E	100.00	19
25	N 88° 52' 00" W	100.00	20
26	S 88° 52' 00" W	100.00	20
27	N 01° 08' 00" E	100.00	21
28	S 01° 08' 00" E	100.00	21
29	N 88° 52' 00" W	100.00	22
30	S 88° 52' 00" W	100.00	22
31	N 01° 08' 00" E	100.00	23
32	S 01° 08' 00" E	100.00	23
33	N 88° 52' 00" W	100.00	24
34	S 88° 52' 00" W	100.00	24
35	N 01° 08' 00" E	100.00	25
36	S 01° 08' 00" E	100.00	25
37	N 88° 52' 00" W	100.00	26
38	S 88° 52' 00" W	100.00	26
39	N 01° 08' 00" E	100.00	27
40	S 01° 08' 00" E	100.00	27
41	N 88° 52' 00" W	100.00	28
42	S 88° 52' 00" W	100.00	28
43	N 01° 08' 00" E	100.00	29
44	S 01° 08' 00" E	100.00	29
45	N 88° 52' 00" W	100.00	30
46	S 88° 52' 00" W	100.00	30
47	N 01° 08' 00" E	100.00	31
48	S 01° 08' 00" E	100.00	31
49	N 88° 52' 00" W	100.00	32
50	S 88° 52' 00" W	100.00	32
51	N 01° 08' 00" E	100.00	33
52	S 01° 08' 00" E	100.00	33
53	N 88° 52' 00" W	100.00	34
54	S 88° 52' 00" W	100.00	34
55	N 01° 08' 00" E	100.00	35
56	S 01° 08' 00" E	100.00	35
57	N 88° 52' 00" W	100.00	36
58	S 88° 52' 00" W	100.00	36
59	N 01° 08' 00" E	100.00	37
60	S 01° 08' 00" E	100.00	37
61	N 88° 52' 00" W	100.00	38
62	S 88° 52' 00" W	100.00	38
63	N 01° 08' 00" E	100.00	39
64	S 01° 08' 00" E	100.00	39
65	N 88° 52' 00" W	100.00	40
66	S 88° 52' 00" W	100.00	40
67	N 01° 08' 00" E	100.00	41
68	S 01° 08' 00" E	100.00	41
69	N 88° 52' 00" W	100.00	42
70	S 88° 52' 00" W	100.00	42
71	N 01° 08' 00" E	100.00	43
72	S 01° 08' 00" E	100.00	43
73	N 88° 52' 00" W	100.00	44
74	S 88° 52' 00" W	100.00	44
75	N 01° 08' 00" E	100.00	45
76	S 01° 08' 00" E	100.00	45
77	N 88° 52' 00" W	100.00	46
78	S 88° 52' 00" W	100.00	46
79	N 01° 08' 00" E	100.00	47
80	S 01° 08' 00" E	100.00	47
81	N 88° 52' 00" W	100.00	48
82	S 88° 52' 00" W	100.00	48
83	N 01° 08' 00" E	100.00	49
84	S 01° 08' 00" E	100.00	49
85	N 88° 52' 00" W	100.00	50
86	S 88° 52' 00" W	100.00	50
87	N 01° 08' 00" E	100.00	51
88	S 01° 08' 00" E	100.00	51
89	N 88° 52' 00" W	100.00	52
90	S 88° 52' 00" W	100.00	52
91	N 01° 08' 00" E	100.00	53
92	S 01° 08' 00" E	100.00	53
93	N 88° 52' 00" W	100.00	54
94	S 88° 52' 00" W	100.00	54
95	N 01° 08' 00" E	100.00	55
96	S 01° 08' 00" E	100.00	55
97	N 88° 52' 00" W	100.00	56
98	S 88° 52' 00" W	100.00	56
99	N 01° 08' 00" E	100.00	57
100	S 01° 08' 00" E	100.00	57

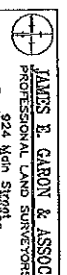
TO THE GENERAL SURVEYORS AND STEWARD TITLE AGENTS, INC.

THE LANDSHELDERS RIGHTS CENTER HAS THE HONOR OF BEING THE FIRST AND ONLY LANDSHELDERS RIGHTS CENTER IN THE UNITED STATES TO BE GRANTED THE STATUS OF A NATIONAL HISTORIC LANDMARK BY THE UNITED STATES OF AMERICA.

THE LANDSHELDERS RIGHTS CENTER HAS THE HONOR OF BEING THE FIRST AND ONLY LANDSHELDERS RIGHTS CENTER IN THE UNITED STATES TO BE GRANTED THE STATUS OF A NATIONAL HISTORIC LANDMARK BY THE UNITED STATES OF AMERICA.

THE LANDSHELDERS RIGHTS CENTER HAS THE HONOR OF BEING THE FIRST AND ONLY LANDSHELDERS RIGHTS CENTER IN THE UNITED STATES TO BE GRANTED THE STATUS OF A NATIONAL HISTORIC LANDMARK BY THE UNITED STATES OF AMERICA.

APRIL 24, 2007



JAMES E. GARBON & ASSOC.
PROFESSIONAL LAND SURVEYORS
924 Main Street
Burrhead, Texas 75814
806-419-1199

JAMES E. GARBON & ASSOC.
PROFESSIONAL LAND SURVEYORS
924 Main Street
Burrhead, Texas 75814
806-419-1199

**JAMES E. GARON
& ASSOCIATES, INC.**
PROFESSIONAL LAND SURVEYORS

924 Main Street
Bastrop, Texas 78602
512-303-4185
Fax 512-321-2107
jgaron@austin.rr.com

April 30, 2007

LEGAL DESCRIPTION: BEING A 712.931 ACRE TRACT OF LAND LYING IN AND BEING SITUATED OUT OF THE MARTIN WELLS LEAGUE, ABSTRACT 68 AND THE JOHN B. WALTERS ½ LEAGUE, ABSTRACT 67, ALL IN BASTROP COUNTY, TEXAS AND BEING A PORTION OF THAT CERTAIN 730.604 ACRE TRACT OF LAND CONVEYED TO DAVID McFARLAND AND ANN L. McFARLAND BY DEED RECORDED IN VOLUME 802, PAGE 648 OF THE DEED RECORDS OF BASTROP COUNTY, TEXAS; SAID 712.931 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS AND AS SURVEYED UNDER THE SUPERVISION OF JAMES E. GARON & ASSOCIATES IN APRIL, 2007:

BEGINNING at an iron rod set on the southwesterly right-of-way (100') line of F.M. Highway 969 for the northerly corner hereof and said 730.604 acre tract and the easterly corner of that portion of that certain 568.24 acre tract of land, lying southwesterly of F.M. Highway 969, conveyed to James Robert Glass by deed recorded in Volume 815, Page 212 of said deed records;

THENCE along said right-of-way line the following three (3) calls:

1. S 42°03'46" E a distance of 604.42 feet to a concrete right-of-way monument found for point of curvature of a curve to the right;
2. a length of 1150.28 feet along the arc of said curve having a radius of 2242.02 feet and a chord bearing S 27°19'52" E a distance of 1137.70 feet to a concrete right-of-way monument found for endpoint;
3. S 12°40'40" E a distance of 434.98 feet to an iron rod set for corner;

THENCE S 65°24'48" W a distance of 1035.58 feet to an iron rod set for angle point;

THENCE S 06°51'23" W a distance of 137.70 feet to an iron rod set for angle point;

THENCE S 40°04'29" E a distance of 848.49 feet to an iron rod set for corner;

THENCE N 58°13'34" E a distance of 718.24 feet to an iron rod set for corner on the curving southwesterly right-of-way (80') line of F.M. Highway 969;

THENCE an arc length of 973.80 feet along said curving line to the left having a radius of 2905.07 feet and a chord bearing S 23°05'15" E, a distance of 969.24 feet a point for the easterly corner hereof and said 730.604 acre tract and the northerly corner of that certain 332.16 acre tract of land conveyed to David McFarland and Ann L. McFarland by deed recorded in Volume 1591, Page 792 of said deed records;

THENCE with the southeasterly line of said 730.604-acre tract and the northwesterly line of said 332.16-acre tract the following eleven (11) calls;

1. S 31°06'04" W a distance of 764.32 feet to an angle point;
2. S 30°02'04" W a distance of 412.63 feet to an angle point;
3. S 30°44'51" W a distance of 1726.19 feet to an angle point;
4. S 30°37'25" W a distance of 1614.59 feet to an angle point;
5. S 30°19'48" W a distance of 1602.84 feet to an angle point;
6. S 30°08'09" W a distance of 956.68 feet to an angle point;
7. S 30°15'17" W a distance of 1609.17 feet to an angle point;
8. S 31°34'34" W a distance of 356.38 feet to an angle point;
9. S 28°40'38" W a distance of 661.87 feet to an angle point;
10. S 30°58'19" W a distance of 512.26 feet to an angle point;
11. S 22°14'26" W a distance of 150.57 feet to a calculated point on the bank of the Colorado River for the southerly corner of said 730.604 acre tract and westerly corner of said 332.16 acre tract;

THENCE upstream with the bank of the Colorado River the following six (6) calls:

1. N 24°20'08" W a distance of 106.90 feet;
2. N 32°30'02" W a distance of 142.41 feet;
3. N 42°12'30" W a distance of 150.29 feet;
4. N 43°37'12" W a distance of 118.46 feet;
5. N 51°30'51" W a distance of 307.97 feet;
6. N 60°48'22" W a distance of 134.11 feet;

THENCE along an oxbow of said river and a common line with that certain 568.24-acre tract of land conveyed to James Robert Glass by deed recorded in Volume 815, Page 212 of said deed records the following eighteen (18) calls:

1. N 11°25'33" E a distance of 167.37 feet to a ½" iron rod found for angle point;
2. N 10°14'33" E a distance of 144.86 feet to a ½" iron rod found for angle point;
3. N 18°36'33" E a distance of 141.53 feet to an iron rod set for angle point;

4. N 20°25'26" E a distance of 46.08 feet to a ½" iron rod found for angle point;
5. N 26°58'14" E a distance of 221.23 feet to a ½" iron rod found for angle point;
6. N 23°58'15" E a distance of 41.71 feet to a ½" iron rod found for angle point;
7. N 22°13'48" E a distance of 139.29 feet to an iron rod set for angle point;
8. N 13°07'49" E a distance of 258.86 feet to an iron rod set for angle point;
9. N 39°28'49" E a distance of 177.48 feet to a ½" iron rod found for angle point;
10. N 23°04'49" E a distance of 204.45 feet to a ½" iron rod found for angle point;
11. N 19°53'17" E a distance of 319.35 feet to a ½" iron rod found for angle point;
12. N 01°14'18" W a distance of 341.43 feet to a ½" iron rod found for angle point;
13. N 16°16'05" W a distance of 725.25 feet to a ½" iron rod found for angle point;
14. N 26°04'05" W a distance of 363.54 feet to an iron rod set for angle point;
15. N 31°08'03" W a distance of 99.92 feet to a ½" iron rod found for angle point;
16. N 50°26'16" W a distance of 406.32 feet to a ½" iron rod found for angle point;
17. N 53°23'21" W a distance of 60.55 feet to a ½" iron rod found for angle point;
18. N 15°56'53" W a distance of 50.48 feet to a ½" iron rod found for a westerly corner hereof and said 730.604 acre tract;

THENCE with the northwest line hereof and said 730.604-acre tract, common with said Glass tract the following eighteen (18) calls:

1. N 29°33'10" E a distance of 340.46 feet to a ½" iron rod found for angle point;
2. N 29°53'53" E a distance of 1549.29 feet to an iron rod set for angle point;
3. N 29°38'56" E a distance of 1707.39 feet to an iron rod set for angle point;
4. N 29°27'56" E a distance of 1615.65 feet to an iron rod set for angle point;
5. N 28°58'56" E a distance of 633.34 feet to a nail in 16" Elm tree found for angle point;
6. N 29°21'56" E a distance of 493.44 feet to a ½" iron rod found for angle point;
7. N 27°30'16" E a distance of 75.97 feet to an iron rod set for angle point;
8. N 29°29'31" E a distance of 302.68 feet to a ½" iron rod found for angle point;

9. N 29°55'31" E a distance of 204.28 feet to a ½" iron rod found for angle point;
10. N 29°17'08" E a distance of 730.72 feet to a ½" iron rod found for angle point;
11. N 29°37'10" E a distance of 606.68 feet to a ½" iron rod found for angle point;
12. N 33°36'44" E a distance of 118.26 feet to a ½" iron rod found for angle point;
13. N 28°49'08" E a distance of 135.05 feet to a ½" iron rod found for angle point;
14. N 28°37'00" E a distance of 461.78 feet to a ½" iron rod found for angle point;
15. N 26°13'03" E a distance of 92.86 feet to a ½" iron rod found for angle point;
16. N 40°13'32" E a distance of 46.46 feet to a nail found in 4" Elm tree for angle point;
17. N 62°33'46" E a distance of 73.21 feet to a nail found in 9" Elm tree for angle point;
18. N 28°19'46" E a distance of 388.67 feet to the **POINT OF BEGINNING**, containing 712.931 acres of land, more or less, and as shown on sketch of survey prepared herewith.

Surveyed by:

James E. Garon
Registered Professional Land Surveyor
Server: Co\Bastrop\Surveys\Martin Wells\B15408-730.doc

**JAMES E. GARON
& ASSOCIATES, INC.**
PROFESSIONAL LAND SURVEYORS

924 Main Street
Bastrop, Texas 78602
512-303-4185
Fax 512-321-2107
jgaron@austin.rr.com

April 30, 2007

LEGAL DESCRIPTION: BEING A 333.016 ACRE TRACT OF LAND LYING IN AND BEING SITUATED OUT OF THE JOHN B. WALTERS ½ LEAGUE, ABSTRACT 67, ALL IN BASTROP COUNTY, TEXAS AND ALL OF THAT CERTAIN 332.16 ACRE TRACT OF LAND CONVEYED TO DAVID C. McFARLAND AND WIFE, ANN L. McFARLAND AND TO JOHN B. McFARLAND AND WIFE, JILL S. McFARLAND BY DEED RECORDED IN VOLUME 1591, PAGE 792, OF THE DEED RECORDS OF BASTROP COUNTY, TEXAS; SAID 333.016 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS AND AS SURVEYED UNDER THE SUPERVISION OF JAMES E. GARON & ASSOCIATES IN APRIL, 2007:

BEGINNING at an ½" iron rod set in the southwesterly right-of-way (80') line of F.M. Highway 969 for the east corner hereof and said 332.16 acre tract and the north corner of that certain 120.411 acre tract of land conveyed to Gladys Ott Smith by will recorded in Volume 1167, Page 332 of said deed records;

THENCE S 29°36'25" W, passing an iron rod set for reference at a distance of 1892.00 feet, passing an iron rod set for reference at a distance of 2339.00 feet, passing an iron rod set for reference at a distance of 7995.00 feet and continuing for a total distance of 8338.55 feet to a calculated point at the bank of the Colorado River for the southerly corner hereof;

THENCE upstream with the bank of the Colorado River the following ten (10) calls:

1. S 68°05'46" W a distance of 15.71 feet;
2. S 70°41'19" W a distance of 210.13 feet;
3. S 72°18'11" W a distance of 319.41 feet;
4. S 76°33'49" W a distance of 168.20 feet;
5. S 75°19'02" W a distance of 367.18 feet;
6. S 72°15'30" W a distance of 244.12 feet;
7. S 76°40'54" W a distance of 349.94 feet;
8. S 74°29'04" W a distance of 112.72 feet;
9. N 89°26'16" W a distance of 234.11 feet;
10. N 77°18'06" W a distance of 128.40 feet to the westerly corner of said 332.19 acre tract and the southerly corner of that certain 730.604 acre tract of land conveyed to David McFarland and Ann L. McFarland by deed recorded in Volume 802, Page 648 of said deed records;

THENCE with the common line of said tracts the following eleven (11) calls;

1. N 22°14'26" E a distance of 150.57 feet to an angle point;
2. N 30°58'19" E a distance of 512.26 feet to an angle point;
3. N 28°40'38" E a distance of 661.87 feet to an angle point;
4. N 31°34'34" E a distance of 356.38 feet to an angle point;
5. N 30°15'17" E a distance of 1609.17 feet to an angle point;
6. N 30°08'09" E a distance of 956.68 feet to an angle point;
7. N 30°19'48" E a distance of 1602.84 feet to an angle point;
8. N 30°37'25" E a distance of 1614.59 feet to an angle point;
9. N 30°44'51" E a distance of 1726.19 feet to an angle point;
10. N 30°02'04" E a distance of 412.63 feet to an angle point;
11. N 31°06'04" E a distance of 764.32 feet to a point on the curving southwesterly right-of-way (80') line of F.M. Highway 969 for the northerly corner hereof and easterly corner of said 730.604 acre tract;

THENCE along said right-of-way line the following three (3) calls:

1. a length of 302.29 feet along the arc of said curving line to the left having a radius of 2905.07 feet and a chord bearing S 35°40'17" E a distance of 302.16 feet to an iron rod set for endpoint;
 2. S 38°27'50" E a distance of 670.86 feet to a concrete right-of-way monument found (broken) for angle point;
 3. S 38°24'38" E a distance of 609.51 feet
- to the **POINT OF BEGINNING**, containing 333.016 acres of land, more or less, and as shown on sketch of survey prepared herewith.

Surveyed by:

James E. Garon
Registered Professional Land Surveyor
Server: Co\Bastrop\Surveys\Martin Wells\B15408-332.doc

**JAMES E. GARON
& ASSOCIATES, INC.**
PROFESSIONAL LAND SURVEYORS

924 Main Street
Bastrop, Texas 78602
512-303-4185
Fax 512-321-2107
jgaron@austin.rr.com

FEBRUARY 1, 2008

LEGAL DESCRIPTION: BEING AN 18.846 ACRE TRACT OF LAND LYING IN AND BEING SITUATED OUT OF THE MARTIN WELLS LEAGUE, ABSTRACT 68 AND THE JOHN B. WALTERS ½ LEAGUE, ABSTRACT 67, ALL IN BASTROP COUNTY, TEXAS AND BEING A PORTION OF THAT CERTAIN 730.604 ACRE TRACT OF LAND CONVEYED TO DAVID C. McFARLAND AND ANN L. McFARLAND BY DEED RECORDED IN VOLUME 802, PAGE 648 OF THE DEED RECORDS OF BASTROP COUNTY, TEXAS; SAID 18.846 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS AND AS SURVEYED UNDER THE SUPERVISION OF JAMES E. GARON & ASSOCIATES IN JANUARY, 2008:

BEGINNING at an iron rod set on the southwesterly right-of-way (100') line of F.M. Highway 969 for the northerly corner hereof and said 730.604 acre tract and the easterly corner of that portion of that certain 568.24 acre tract of land, lying southwesterly of F.M. Highway 969, conveyed to James Robert Glass by deed recorded in Volume 815, Page 212 of said deed records;

THENCE along said right-of-way line the following three (3) calls:

1. S 42°03'46" E a distance of 604.42 feet to a concrete right-of-way monument found for point of curvature of a curve to the right;
2. a length of 1150.28 feet along the arc of said curve having a radius of 2242.02 feet and a chord bearing S 27°19'52" E a distance of 1137.70 feet to a concrete right-of-way monument found for endpoint;
3. S 12°40'40" E a distance of 434.98 feet to an iron rod set for the **POINT OF BEGINNING** and northerly corner of the herein described 18.846 acre tract;

THENCE continuing with said right-of-way line the following four (4) calls:

1. S 12°40'40" E a distance of 378.84 feet to a concrete monument found for an ell corner;
2. N 79°35'26" E a distance of 9.76 feet to a concrete monument found for an ell corner;
3. S 12°38'54" E a distance of 439.50 feet to a concrete right-of-way monument found for the beginning of a curve to the left;
4. an arc length of 43.09 feet along said curve to the left having a radius of 2905.07 feet and a chord bearing S 13°03'34" E, a

distance of 43.09 feet to a ½" iron rod set for the easterly corner hereof;

THENCE crossing said 730.604-acre tract the following four (4) calls:

1. S 58°13'34" W a distance of 718.24 feet to a ½" iron rod set for the southerly corner hereof;
2. N 40°04'29" W a distance of 848.49 feet to a ½" iron rod set for angle point;
3. N 06°51'23" E a distance of 137.70 feet to a ½" iron rod set for angle point;
4. N 65°24'48" E a distance of 1035.58 feet to the **POINT OF BEGINNING**, containing 18.846 acres of land, more or less and as shown on sketch of survey prepared herewith.

Surveyed by:

James E. Garon
Registered Professional Land Surveyor
Server: Co\Bastrop\Surveys\Martin Wells\B15408-18AC.doc

EXHIBIT 'B' :: DESCRIPTION OF PROJECT

BASTROP COUNTY 381 AGREEMENT

PHASE ONE OF THE AIRPORT IMPROVEMENTS:

- 1 - HANGAR (12,200 sf)
- 2 - HANGAR (12,200 sf)
- 3 - HANGAR (12,200 sf)
- 4 - HANGAR (19,400 sf)
- 5 - HANGAR (24,400 sf)
- 6 - HANGAR (32,000 sf)
- 7 - FBO BUILDING (7,500 sf)
- 8 - HANGAR (24,500 sf)
- 9 - HANGAR (24,500 sf)
- 10 - HANGAR (58,000 sf)
- 14 - RUNWAY (7200' x 100')
- TAXIWAY (7200' x 50')
- 15 - FUEL FARM

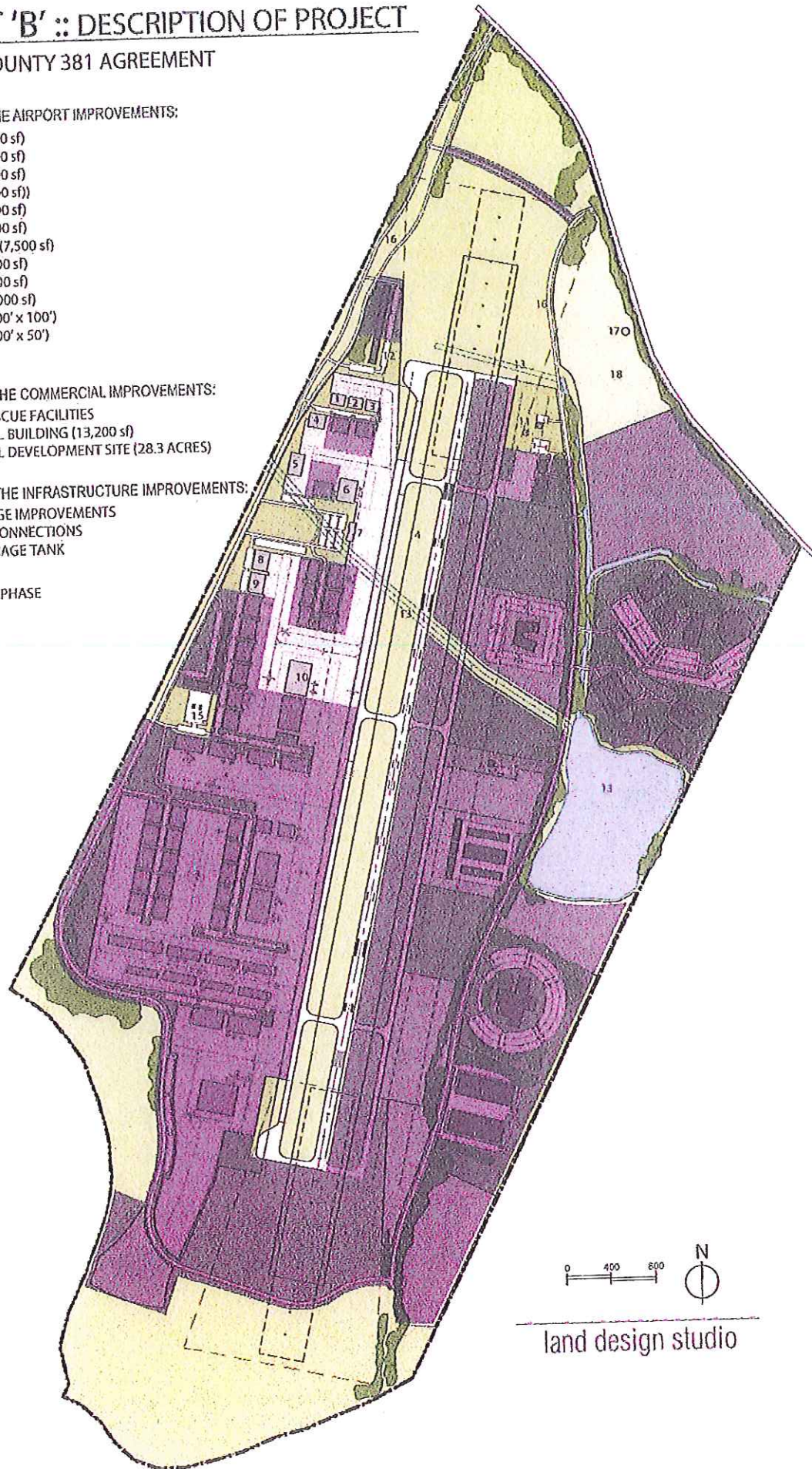
PHASE ONE OF THE COMMERCIAL IMPROVEMENTS:

- 11 - FIRE AND RESCUE FACILITIES
- 12 - COMMERCIAL BUILDING (13,200 sf)
- 18 - COMMERCIAL DEVELOPMENT SITE (28.3 ACRES)

PHASE ONE OF THE INFRASTRUCTURE IMPROVEMENTS:

- 13 - ALL DRAINAGE IMPROVEMENTS
- 16 - ROADWAY CONNECTIONS
- 17 - WATER STORAGE TANK

 = FUTURE PHASE




0 400 800 
land design studio

EXHIBIT C

AGREEMENT FOR DISCLOSURE OF CONFIDENTIAL TAX INFORMATION

This agreement is entered into between the County of Bastrop, Texas (hereafter the "County"), Central Texas Airport, LLC ("CTA"), and _____ (business name) (hereinafter, the "taxpayer") for the purposes indicated herein.

I, _____, the _____ (title), and the duly authorized agent of _____ (business name), a vendor doing business at _____ (name and address of facility), do hereby stipulate and agree as follows:

I hereby authorize the Texas Comptroller's Office to release and disclose any and all Sales and Use tax information relating to the operation of the above referenced taxpayer's business location to the County and to CTA. I understand and agree that this release will be made by the Comptroller's Office to the County and to CTA on an ongoing monthly basis beginning on the date this Agreement is executed. This Agreement waives any and all rights with respect to the parties regarding the confidentiality of tax information under Sections 111.006 or 151.027 of the Texas Tax Code or any other state law.

The County and CTA each agree that it will use the tax information disclosed by the Comptroller pursuant to this Agreement solely and exclusively for the purposes of calculating payments to be made pursuant to a Chapter 381 Economic Development Agreement between the County and CTA.

This Agreement is entered into in or with regard to property located in Bastrop County, Texas, and Texas law will apply to its interpretation and enforcement.

SIGNED AND AGREED TO on this the _____ day of _____, 20__.

Name:
Title:
On behalf of the "County"

Name:
Title:
On behalf of the "taxpayer"

Texas Taxpayer Identification No.

Name:
Title:
On behalf of "CTA"