

**THIRD AMENDMENT TO
RAVENEUX REDEVELOPMENT AGREEMENT
BETWEEN
CYPRESS FOREST PUBLIC UTILITY DISTRICT
AND
JP RAVENEUX PARTNERS LP AND KERA DEVELOPMENT, L.P.**


THIS THIRD AMENDMENT (the "Third Amendment") to the RAVENEUX REDEVELOPMENT AGREEMENT BETWEEN CYPRESS FOREST PUBLIC UTILITY DISTRICT AND JP RAVENEUX PARTNERS LP AND KERA DEVELOPMENT, L.P. (the "Agreement") is entered into as of the 30th day of October, 2009, by and between Cypress Forest Public Utility District, a political subdivision of the State of Texas, organized pursuant to the provisions of Article XVI, Section 59 of the Texas Constitution and Chapters 49 and 54 of the Texas Water Code, as amended ("District") and JP Raveneaux Partners LP, a Texas limited partnership, and Kera Development, L.P., a Texas limited partnership, including any successors or assigns (collectively, the "Developer").

RECITALS

WHEREAS, the District and the Developer have previously entered into the Agreement, a First Amendment to the Agreement dated April 14, 2009 (the "First Amendment") and a Second Amendment to the Agreement dated July 1, 2009 (the "Second Amendment"); and

WHEREAS, the District and the Developer seek to modify as set forth herein the Agreement as modified by the First Amendment and the Second Amendment.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION RECEIVED BY EACH OF THE DISTRICT AND THE DEVELOPER, THE RECEIPT AND ADEQUACY OF WHICH IS HEREBY ACKNOWLEDGED, THE DISTRICT AND THE DEVELOPER CONTRACT AND AGREE AS FOLLOWS:

Section 1. Section 5.07 of the Agreement is modified and supplemented to allow the District or the Developer to terminate the Agreement by November 30, 2009, ~~due to the lawsuit filed by Kleinwood in state district court.~~ 

Section 2. All references to "December 31, 2009" in the Agreement, including without limitation in Section 3.07 of the Agreement, are hereby modified and amended to refer to the date March 31, 2009.


Section 3. The District and the Developer agree that the approval of this Third Amendment shall not constitute a waiver of any rights or remedies for any default or defaults by either party to date under the Agreement.

Section 4. Except as modified by this Third Amendment, the terms and conditions of the Agreement as modified by the First Amendment and the Second Amendment shall remain in full force and effect.

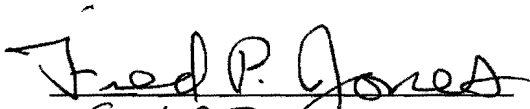
Section 5. This Third Amendment may be executed in multiple counterparts that, when assembled, shall form one fully enforceable document, and signatures executed by facsimile shall have the same force and effect as originals.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of equal dignity, as of the date and year set forth on the first page hereof.

CYPRESS FOREST PUBLIC UTILITY DISTRICT

By: 
Name: Thomas J. Petrick
Title: President, Board of Directors

ATTEST:

By: 
Name: Fred P. Jones
Title: Secretary, Board of Directors


Date: October 30, 2009

(SEAL)




JP Raveneaux Partners LP,
a Texas limited partnership

By: Raveneaux Management, Inc., its general partner

By: 
Name: MARK JORDAN
Title: President

Kera Development, L.P.,
a Texas limited partnership

By: Verren II-GP, LLC, its general partner

By: 
Name: MARK JORDAN
Title: President

Date: 11/5/09