

THE STATE OF TEXAS

TAX ABATEMENT
AMENDMENT
REINVESTMENT ZONE NO. 3
COLLIN COUNTY AND MEDLAND, L.P.
CITY OF FRISCO

COUNTY OF COLLIN

On August 9, 2005, the Commissioners Court of Collin County, Texas, met in regular session with the following members present and participating, to wit:

Ron Harris
Phyllis Cole
Jerry Hoagland
Joe Jaynes
Jack Hatchell

County Judge, Presiding
Commissioner, Precinct 1
Commissioner, Precinct 2
Commissioner, Precinct 3
Commissioner, Precinct 4

During such session the court considered approval of amended Tax Abatement Agreement between Collin County and MedLand L.P. regarding Frisco Medical Campus, City of Frisco extending the commencement date to December 31, 2005.

Thereupon, a motion was made, seconded and carried with a majority vote of the court approving the amended Tax Abatement Agreement between Collin County and MedLand L.P. regarding Frisco Medical Campus, City of Frisco extending the commencement date to December 31, 2005. Same is hereby approved in accordance with the attached documentation.



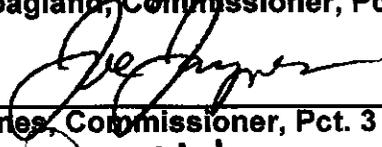
Ron Harris, County Judge



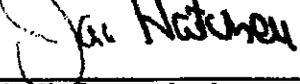
Phyllis Cole, Commissioner, Pct. 1



Jerry Hoagland, Commissioner, Pct. 2



Joe Jaynes, Commissioner, Pct. 3



Jack Hatchell, Commissioner, Pct. 4

ATTEST:

Brenda Taylor, Ex-Officio Clerk
Commissioners' Court
Collin County, T E X A

**AMENDMENT TO TAX ABATEMENT AGREEMENT BETWEEN COLLIN COUNTY
AND MEDLAND, L.P.**

This Amendment to Tax Abatement Agreement Between Collin County and Medland, L.P. (this "Amendment"), is made and entered into as of July 11, 2005 (the "Amendment Date"), by and between the Collin County, Texas (the "City"), and MedLand, L.P., a Texas limited partnership ("Medland"). (Unless otherwise provided herein, all capitalized terms used herein shall have the meanings given them in the Tax Abatement Agreement Between Collin County and Medland, L.P, effective as of December 2002 (the "Original Agreement").)

RECITAL:

WHEREAS, section 2(b) of the Original Agreement requires MedLand to meet certain thresholds concerning construction of Medical Facilities by specified dates;

WHEREAS, MedLand exceeded the initial construction threshold set forth in section 2(b) of the Original Agreement by constructing Medical Facilities having in excess of 120,000 square feet with a Cost in excess of \$20 million on or before December 31, 2002;

WHEREAS, the remaining threshold in section 3(b) of the Original Agreement require MedLand to commence construction of another Medical Facility (or other Medical Facilities) by obtaining a building permit issued by the City every three years beginning October 1, 2004, until MedLand has constructed at least three Medical Facilities with a total square footage of at least 250,000 square feet with a Cost of at least \$40,000,000;

WHEREAS, MedLand was not able to commence construction of another Medical Facility on or before October 1, 2004, due to federal legislation enacted after the date of the Original Agreement that delayed certain medical facility construction;

WHEREAS, in order to provide MedLand additional time to meet the construction thresholds set forth in section 2(b) of the Original Agreement, the parties hereto desire to amend section 2(b).

NOW, THEREFORE, for good and valuable consideration, including \$100 cash paid by MedLand to the County, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AMENDMENT

1. Section 2(b) of the Original Agreement is hereby amended by deleting "October 1, 2004" in the second sentence thereof and replacing it with "December 31, 2005".
2. The Original Agreement as amended hereby is in full force and effect and is hereby ratified and confirmed.

IN WITNESS WHEREOF, this Amendment is executed as of the Amendment Date.

ATTEST:

Patty Wadsworth

MEDLAND, L.P.,
a Texas limited partnership

By: Texas Land Management L.L.C.,
a Texas limited liability Company

By: [Signature]

Name: Jim Williams, Jr.

Its: President

ATTEST:

[Signature]

COMMISSIONER'S COURT OF COLLIN COUNTY

[Signature]

RON HARRIS
COUNTY JUDGE

APPROVED AS TO FORM:

ATTORNEY FOR THE COLLIN
COUNTY, TEXAS

THE STATE OF TEXAS

TAX ABATEMENT
COLLIN COUNTY AND MEDLAND, L.P.
CITY OF FRISCO

COUNTY OF COLLIN

On December 9, 2002, the Commissioners Court of Collin County, Texas, met in regular session with the following members present and participating, to wit:

Ron Harris
Phyllis Cole
Jerry Hoagland
Joe Jaynes
Jack Hatchell

County Judge, Presiding
Commissioner, Precinct 1
Commissioner, Precinct 2
Commissioner, Precinct 3
Commissioner, Precinct 4

During such session the court considered approval of a Tax Abatement Agreement between Collin County and MedLand L.P. to provide for a commercial/industrial tax abatement.

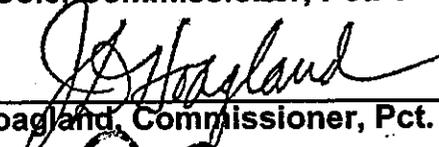
Thereupon, a motion was made, seconded and carried with a majority vote of the court approving the attached Tax Abatement Agreement. This tax abatement agreement shall be in amounts equal to a fifty percent (50%) for the years 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011 and 2012. Same is hereby approved in accordance with the attached documentation.



Ron Harris, County Judge



Phyllis Cole, Commissioner, Pct. 1



Jerry Hoagland, Commissioner, Pct. 2



Joe Jaynes, Commissioner, Pct. 3



Jack Hatchell, Commissioner, Pct. 4

ATTEST:



Helen Starnes, Ex-Officio Clerk
Commissioners' Court
Collin County, TEXAS



**TAX ABATEMENT AGREEMENT BETWEEN
COLLIN COUNTY AND MEDLAND, L.P.**

This Tax Abatement Agreement (the "Agreement") is entered into by and between the Collin County, Texas, ("County") and MedLand, L.P., a Texas limited partnership ("Developer").

WHEREAS, the Commissioners Court of Collin County, Texas ("Commissioners Court") has adopted guidelines and policies covering tax abatement agreements (the "Policy Statement"); and

WHEREAS, the Policy Statement constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the County as contemplated by Chapter 312 of the Texas Tax Code, as amended (the "Code"); and

WHEREAS, on the 19th day of November, 2002, the Frisco City Council adopted an ordinance establishing Reinvestment Zone No. 3 for commercial-industrial tax abatement;

WHEREAS, the City of Frisco (the "City") approved that certain Tax Abatement Agreement between the City and the Developer with respect to the Property, a copy of which is attached hereto as Exhibit "A"; and

WHEREAS, the contemplated use of the Property, as hereinafter defined, and the improvements to the Property as set forth in this Agreement are consistent with encouraging development of Reinvestment Zone No. 3 in accordance with the purposes for its creation and are in compliance with the Policy Statement and all applicable law.

NOW THEREFORE the parties hereto do mutually agree as follows:

1. Property. The real property the subject of this Agreement is that certain tract of real property containing approximately 22.8 acres in the Collin County School Land #6 Survey, Abstract No. 149 located in Collin County, and more particularly described on Exhibit "B" made a part hereof, and any improvements thereon (the "Property"). Developer represents it is the sole owner of the Property.

2. Improvements to be Made by Developer.

(a) On or before February 2, 2011, the Developer shall construct (or caused to be constructed) at least three (3) Medical Facilities (defined below) with a total square footage of at least two hundred fifty thousand (250,000) square feet of air conditioned space with a Cost (defined below) of at least forty million dollars (\$40,000,000). The proposed location for the Medical Facilities improvements is set forth on Exhibit "C" which is made a part hereof.

(b) Developer has commenced construction by obtaining a building permit issued by the City and shall complete by December 31, 2002 a Medical Facility having at least one hundred twenty thousand (120,000) square feet of air conditioned space with a Cost of at least twenty million dollars (\$20,000,000). Thereafter, the Developer shall commence construction of another Medical Facility by obtaining a building permit issued by City every

three (3) years beginning October 1, 2004, until the requirement in Section 2(a) above is met. The square footage of any portion of a Medical Facility that is not being used for medical or medically-related purposes (such as a restaurant) shall not be included in determining whether these requirements are met. Completion of such Medical Facilities shall be evidenced by the issuance of a certificate of occupancy for each such Medical Facility by the City.

(c) For purposes of this Agreement, the following definitions shall apply:

"Cost" means, with respect to a Medical Facility, engineering costs; architectural costs; surveying costs; landscape design costs; actual landscaping costs; permit fees; construction - insurance premiums; construction - utilities costs; geotechnical materials testing; inspection fees; and other customary construction costs that are approved by the City Manager which are properly includable in the construction and development costs of the Medical Facility. In verifying the Cost of any Medical Facility, the Developer shall provide any and all information and documents reasonably requested by the County that are in the possession of the Developer or are accessible by the Developer.

"Medical Facilities" means a medical office building or a medical surgical building, or a building that has both medical offices and medical surgical facilities, that is located on the Property. A building that is used primarily as a medical office building and/or a medical surgical building but that also is used by other businesses shall also be a "Medical Facility" if substantially all of the activities of such other businesses are medically-related and are ancillary to the primary uses of the building.

3. Developer to Maintain and Provide Records. Developer will maintain a permanent and accurate set of books and records of Costs related to the Medical Facilities. All such books and records shall be retained and preserved during the term of this Agreement, and for one (1) year thereafter, and shall be subject to inspection and audit by County and its agents at all reasonable times. On each December 1 of each calendar year during the term of this Agreement, Developer shall provide to County a description of the Medical Facilities located on the Property that have been, or are in the process of being, constructed, along with a summary of Costs incurred to date with respect to each such Medical Facility and any other information reasonably requested by County that is available to Developer. The uses of the Property shall be limited to those that are consistent with the general purpose of encouraging development or redevelopment of the reinvestment zone during the period during which property tax abatement under this Agreement is in effect.

4. Annual Certification by Developer. As consideration for the agreements of the County contained herein, Developer agrees that it will diligently and faithfully in a good and workmanlike manner pursue the completion of the Medical Facilities. Developer agrees that all construction of the Medical Facilities will be in accordance with all applicable federal, state and local laws and regulations. Developer shall certify in writing annually (on or before March 31 of each year) to County that Developer is in compliance with each applicable term of this Agreement.

5. Event of Default.

(a) If Developer breaches any of the terms or conditions of this Agreement or fails to pay in full the real or personal property taxes by February 1 following the year in which the taxes are assessed, Developer shall be in default of this Agreement ("Event of Default"). In the Event of Default, County or its authorized representative will give Developer written notice of such default, and if Developer has not cured the default within thirty (30) days of said written notice, (provided that no cure period shall apply to a breach of Section 2(a) above), this Agreement is terminated. Specifically, the County shall be entitled to reimbursement for the ad valorem taxes abated as described in Section 9 below, provided that if the Event of Default relates to Section 2(a) above, then the County's sole remedy shall be that the Developer must pay to the County a pro rata portion of the ad valorem taxes abated by the County as set forth in Section 9 below based on the square footage of such Medical Facilities actually built in proportion to the 250,000 required square footage referred to in Section 2(a). Notwithstanding anything to the contrary contained herein, any payments due by Developer to the County that are not timely shall incur interest at the statutory interest rate.

(b) Upon the occurrence of an Event of Default and after County fails to cure same in accordance herewith, Developer shall have the right to seek specific performance of this Agreement as its sole and exclusive remedy.

6. Assignment. This Agreement may not be assigned or otherwise transferred by Developer without County approval, except that all rights and obligations of the Developer (and its permitted successors and assigns) under this Agreement shall be assignable (including any partial assignments) to any Affiliate (defined below) of the Developer without County approval and shall be effective upon the County's receipt of an assignment and assumption agreement whereby the assignee assumes its relative share of obligations and rights under this Agreement. Any other assignment of rights and obligations under this Agreement shall require County approval. For purposes of this Agreement, "Affiliate" shall mean, with respect to Developer, (a) any individual or entity directly or indirectly controlling, controlled by, or under common control with Developer, and (b) any individual or entity (related or not related to the Developer) that acquires all or a portion of the Property and/or any improvements thereon pursuant to a transaction approved by the Developer if, and only if, the improvements acquired by the transferee are used continually as a Medical Facility. As used in this definition, the term "control" and derivations thereof means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities or interests, by contract or otherwise.

7. Access to Property. Developer further agrees that County and each of its agents and employees, shall have reasonable right to access the Property to inspect the Medical Facilities in order to insure that the construction of the Medical Facilities is in accordance with this Agreement and all applicable federal, state and local laws and regulations. After completion of the Medical Facilities, County shall have the continuing right to inspect the Property for such purposes.

8. Tax Abatement by County. Subject to the terms and conditions of this Agreement, and subject to the rights and holders of any outstanding bonds of County, a portion of ad valorem real property taxes assessed upon the Property (including the Medical Facilities) otherwise owed to County shall be exempted as set forth in this paragraph. Said abatement of the taxes assessed on the Property shall be based upon the increased value of the Property to the extent its value for that year exceeds the value for the year in which this Agreement is executed and in accordance with the terms of this Agreement and all applicable federal, state and local laws and regulations, which abatement shall be in amounts equal to fifty percent (50.0%) for the years 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, and 2012. Developer shall have the right to protest and/or contest any assessment of the Property, and said abatement shall be applied to the amount of taxes finally determined to be due as a result of any such protest and/or contest.

9. Notice. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to County, to: Collin County, Texas
Attention: County Judge
210 S. McDonald Street
McKinney, Texas 75069

With a copy to: _____

If to Developer, to: MedLand, L.P.
c/o LandPlan Development Corp.
5400 Dallas Parkway
Frisco, Texas 75034
Attn: Jim Williams

With a copy to: Hughes & Luce, L.L.P.
1717 Main Street, Suite 2800
Dallas, Texas 75201
Attn: Jeff W. Dorrill

10. Time is of the essence in this Agreement.

11. Notwithstanding the other provisions of this Agreement, this Agreement shall be void if it has not been executed by all parties on or before December 31, 2002.

12. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

13. Venue. This Agreement shall be construed in accordance with the laws of the State of Texas and shall be performable in Collin County, Texas.

14. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

15. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

16. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.

17. Savings/Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision thereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. Notwithstanding anything in this Agreement to the contrary, to the extent that this Agreement is not enforceable under Chapter 312 of the Code, this Agreement shall for all purposes be treated as an economic development program agreement under section 381.004 of the Texas Local Government Code, as amended, and in such event this Agreement shall be interpreted so as to give Developer the same rights and payments (or as closely as possible) that it would have been entitled to had this Agreement been enforceable under Chapter 312 of the Code.

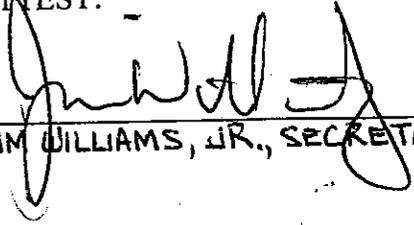
18. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

19. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

20. Sovereign Immunity. The parties agree that no party has waived its sovereign immunity by entering into and performing their respective obligations under this Agreement.

Executed to be effective as of the 9th day of December, 2002.

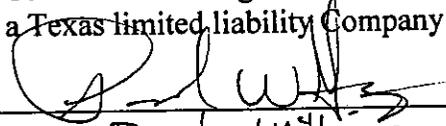
ATTEST:



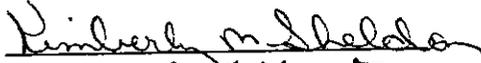
JIM WILLIAMS, JR., SECRETARY

MEDLAND, L.P.,
a Texas limited partnership

By: Texas Land Management L.L.C.,
a Texas limited liability Company


By: _____
Name: Reed Williams
Its: Vice President

ATTEST:



Kimberly M. Shelton
County Coordinator

COMMISSIONER'S COURT OF COLLIN COUNTY



RON HARRIS
COUNTY JUDGE

APPROVED AS TO FORM:

ATTORNEY FOR THE COLLIN
COUNTY, TEXAS

EXHIBIT A

TAX ABATEMENT AGREEMENT WITH CITY

Attached

**TAX ABATEMENT AGREEMENT BETWEEN
THE CITY OF FRISCO AND MEDLAND, L.P.**

This Tax Abatement Agreement (the "Agreement") is entered into by and between the City of Frisco, Texas, a home rule city and municipal corporation of Collin and Denton Counties, Texas, ("City") and MedLand, L.P., a Texas limited partnership ("Developer").

WHEREAS, on the 19th day of November, 2002, the City Council of the City of Frisco, Texas, passed City Ordinance No. 02-11-132 establishing Reinvestment Zone No. 3 for commercial-industrial tax abatement (the "Ordinance"), as authorized by V.T.C.A., Tax Code §312.001, et seq., cited as the Property Redevelopment and Tax Abatement Act (the "Act"); and

WHEREAS, City has adopted by Resolution No. 96-02-16R, the City of Frisco comprehensive Policy Statement on Economic Development and Community Redevelopment Incentives, attached hereto as Exhibit "A" (the "Policy Statement"); and

WHEREAS, the Policy Statement sets forth appropriate guidelines and criteria governing tax abatement agreements to be entered into by City as contemplated by the Act, and

WHEREAS, the above-referenced resolution states that City elects to be eligible to participate in tax abatement; and

WHEREAS, tax abatement will maintain and enhance the commercial-industrial economic and employment base of Texas and the Frisco area and thereby benefit the City, in accordance with the Ordinance and the Act; and

WHEREAS, the contemplated use of the Property, as hereinafter defined, and the improvements to the Property as set forth in this Agreement are consistent with encouraging development of Reinvestment Zone No. 3 in accordance with the purposes for its creation and are in compliance with the Policy Statement, the Ordinance and all applicable law.

NOW THEREFORE the parties hereto do mutually agree as follows:

1. Property. The real property the subject of this Agreement is that certain tract of real property containing approximately 22.8 acres in the Collin County School Land #6 Survey, Abstract No. 149 located in Collin County, and more particularly described on Exhibit "B" made a part hereof, and any improvements thereon (the "Property"). Developer represents it is the sole owner of the Property.

2. Improvements to be Made by Developer.

(a) On or before February 2, 2011, the Developer shall construct (or caused to be constructed) at least three (3) Medical Facilities (defined below) with a total square footage of at least two hundred fifty thousand (250,000) square feet of air conditioned space with a Cost (defined below) of at least forty million dollars (\$40,000,000). The proposed location for the Medical Facilities improvements is set forth on Exhibit "C" which is made a part hereof.

(b) Developer has commenced construction by obtaining a building permit issued by the City and shall complete by December 31, 2002 a Medical Facility having at least one hundred twenty thousand (120,000) square feet of air conditioned space with a Cost of at least twenty million dollars (\$20,000,000). Thereafter, the Developer shall commence construction of another Medical Facility by obtaining a building permit issued by City every three (3) years beginning October 1, 2004, until the requirement in Section 2(a) above is met. The square footage of any portion of a Medical Facility that is not being used for medical or medically-related purposes (such as a restaurant) shall not be included in determining whether these requirements are met. Completion of such Medical Facilities shall be evidenced by the issuance of a certificate of occupancy for each such Medical Facility by the City.

(c) For purposes of this Agreement, the following definitions shall apply:

“Cost” means, with respect to a Medical Facility, engineering costs; architectural costs; surveying costs; landscape design costs; actual landscaping costs; permit fees; construction - insurance premiums; construction - utilities costs; geotechnical materials testing; inspection fees; and other customary construction costs that are approved by the City Manager which are properly includable in the construction and development costs of the Medical Facility. In verifying the Cost of any Medical Facility, the Developer shall provide any and all information and documents reasonably requested by the City that are in the possession of the Developer or are accessible by the Developer.

“Medical Facilities” means a medical office building or a medical surgical building, or a building that has both medical offices and medical surgical facilities, that is located on the Property. A building that is used primarily as a medical office building and/or a medical surgical building but that also is used by other businesses shall also be a “Medical Facility” if substantially all of the activities of such other businesses are medically-related and are ancillary to the primary uses of the building.

3. Developer to Maintain and Provide Records. Developer will maintain a permanent and accurate set of books and records of Costs related to the Medical Facilities. All such books and records shall be retained and preserved during the term of this Agreement, and for one (1) year thereafter, and shall be subject to inspection and audit by City and its agents at all reasonable times. On each December 1 of each calendar year during the term of this Agreement, Developer shall provide to City a description of the Medical Facilities located on the Property that have been, or are in the process of being, constructed, along with a summary of Costs incurred to date with respect to each such Medical Facility and any other information reasonably requested by City that is available to Developer. The uses of the Property shall be limited to those that are consistent with the general purpose of encouraging development or redevelopment of the reinvestment zone during the period during which property tax abatement under this Agreement is in effect.

4. Annual Certification by Developer. As consideration for the agreements of the City contained herein, Developer agrees that it will diligently and faithfully in a good and workmanlike manner pursue the completion of the Medical Facilities. Developer agrees that all construction of the Medical Facilities will be in accordance with all applicable federal, state and

local laws and regulations. Developer shall certify in writing annually (on or before March 31 of each year) to City that Developer is in compliance with each applicable term of this Agreement.

5. Event of Default.

(a) If Developer breaches any of the terms or conditions of this Agreement or fails to pay in full the real or personal property taxes by February 1 following the year in which the taxes are assessed, Developer shall be in default of this Agreement ("Event of Default"). In the Event of Default, City or its authorized representative will give Developer written notice of such default, and if Developer has not cured the default within thirty (30) days of said written notice, (provided that (i) with respect to an Event of Default related to violation of City regulations and ordinances, the cure period shall be the time period to cure that is specified in the relevant City regulation or ordinance, and (ii) no cure period shall apply to a breach of Section 2(a) above), this Agreement is terminated. Specifically, the City shall be entitled to reimbursement for the ad valorem taxes abated as described in Section 9 below, provided that if the Event of Default relates to Section 2(a) above, then the City's sole remedy shall be that the Developer must pay to the City a pro rata portion of the ad valorem taxes abated by the City as set forth in Section 9 below based on the square footage of such Medical Facilities actually built in proportion to the 250,000 required square footage referred to in Section 2(a). Notwithstanding anything to the contrary contained herein, any payments due by Developer to the City that are not timely shall incur interest at the statutory interest rate.

(b) Upon the occurrence of an Event of Default and after City fails to cure same in accordance herewith, Developer shall have the right to seek specific performances of this Agreement as its sole and exclusive remedy.

6. Assignment. This Agreement may not be assigned or otherwise transferred by Developer without City approval, except that all rights and obligations of the Developer (and its permitted successors and assigns) under this Agreement shall be assignable (including any partial assignments) to any Affiliate (defined below) of the Developer without City approval and shall be effective upon the City's receipt of an assignment and assumption agreement whereby the assignee assumes its relative share of obligations and rights under this Agreement. Any other assignment of rights and obligations under this Agreement shall require City approval. For purposes of this Agreement, "Affiliate" shall mean, with respect to Developer, (a) any individual or entity directly or indirectly controlling, controlled by, or under common control with Developer, and (b) any individual or entity (related or not related to the Developer) that acquires all or a portion of the Property and/or any improvements thereon pursuant to a transaction approved by the Developer if, and only if, the improvements acquired by the transferee are used continually as a Medical Facility. As used in this definition, the term "control" and derivations thereof means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities or interests, by contract or otherwise.

7. Access to Property. Developer further agrees that City and each of its agents and employees, shall have reasonable right to access the Property to inspect the Medical Facilities in order to insure that the construction of the Medical Facilities is in accordance with this Agreement and all applicable federal, state and local laws and regulations. After completion of

local laws and regulations. Developer shall certify in writing annually (on or before March 31 of each year) to City that Developer is in compliance with each applicable term of this Agreement.

5. Event of Default.

(a) If Developer breaches any of the terms or conditions of this Agreement or fails to pay in full the real or personal property taxes by February 1 following the year in which the taxes are assessed, Developer shall be in default of this Agreement ("Event of Default"). In the Event of Default, City or its authorized representative will give Developer written notice of such default, and if Developer has not cured the default within thirty (30) days of said written notice, (provided that (i) with respect to an Event of Default related to violation of City regulations and ordinances, the cure period shall be the time period to cure that is specified in the relevant City regulation or ordinance, and (ii) no cure period shall apply to a breach of Section 2(a) above), this Agreement is terminated. Specifically, the City shall be entitled to reimbursement for the ad valorem taxes abated as described in Section 9 below, provided that if the Event of Default relates to Section 2(a) above, then the City's sole remedy shall be that the Developer must pay to the City a pro rata portion of the ad valorem taxes abated by the City as set forth in Section 9 below based on the square footage of such Medical Facilities actually built in proportion to the 250,000 required square footage referred to in Section 2(a). Notwithstanding anything to the contrary contained herein, any payments due by Developer to the City that are not timely shall incur interest at the statutory interest rate.

(b) Upon the occurrence of an Event of Default and after City fails to cure same in accordance herewith, Developer shall have the right to seek specific performances of this Agreement as its sole and exclusive remedy.

6. Assignment. This Agreement may not be assigned or otherwise transferred by Developer without City approval, except that all rights and obligations of the Developer (and its permitted successors and assigns) under this Agreement shall be assignable (including any partial assignments) to any Affiliate (defined below) of the Developer without City approval and shall be effective upon the City's receipt of an assignment and assumption agreement whereby the assignee assumes its relative share of obligations and rights under this Agreement. Any other assignment of rights and obligations under this Agreement shall require City approval. For purposes of this Agreement, "Affiliate" shall mean, with respect to Developer, (a) any individual or entity directly or indirectly controlling, controlled by, or under common control with Developer, and (b) any individual or entity (related or not related to the Developer) that acquires all or a portion of the Property and/or any improvements thereon pursuant to a transaction approved by the Developer if, and only if, the improvements acquired by the transferee are used continually as a Medical Facility. As used in this definition, the term "control" and derivations thereof means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities or interests, by contract or otherwise.

7. Access to Property. Developer further agrees that City and each of its agents and employees, shall have reasonable right to access the Property to inspect the Medical Facilities in order to insure that the construction of the Medical Facilities is in accordance with this Agreement and all applicable federal, state and local laws and regulations. After completion of

the Medical Facilities, City shall have the continuing right to inspect the Property for such purposes.

8. Tax Abatement by City. Subject to the terms and conditions of this Agreement, and subject to the rights and holders of any outstanding bonds of City, a portion of ad valorem real property taxes assessed upon the Property (including the Medical Facilities) otherwise owed to City shall be exempted as set forth in this paragraph. Abatement of the taxes assessed on the Property shall be based upon the increased value of the Property to the extent its value for that year exceeds the value for the year in which this Agreement is executed and in accordance with the terms of this Agreement and all applicable federal, state and local laws and regulations, which abatement shall be in amounts equal to one-tenth of one percent (0.1%) for the year 2003. Developer shall have the right to protest and/or contest any assessment of the Property, and said abatement shall be applied to the amount of taxes finally determined to be due as a result of any such protest and/or contest.

9. Notice. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to City, to: City of Frisco, Texas
 Attention: City Manager
 6891 Main Street
 Frisco, Texas 75034

With a copy to: Richard M. Abernathy
 Abernathy, Roeder, Boyd & Joplin, P.C.
 1700 Redbud Blvd., Suite 300
 P. O. Box 1210
 McKinney, Texas 75069-1210

If to Developer, to: MedLand, L.P.
 c/o LandPlan Development Corp.
 5400 Dallas Parkway
 Frisco, Texas 75034
 Attn: Jim Williams

With a copy to: Hughes & Luce, L.L.P.
 1717 Main Street, Suite 2800
 Dallas, Texas 75201
 Attn: Jeff W. Dorrill

10. Time is of the essence in this Agreement.

11. Notwithstanding the other provisions of this Agreement, this Agreement shall be void if it has not been executed by all parties on or before December 31, 2002.

12. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

13. Venue. This Agreement shall be construed in accordance with the laws of the State of Texas and shall be performable in Collin County, Texas.

14. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

15. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

16. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.

17. Savings/Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision thereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

18. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

19. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

20. Sovereign Immunity. The parties agree that no party has waived its sovereign immunity by entering into and performing their respective obligations under this Agreement.

21. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party.

Executed to be effective as of the 19th day of November, 2002.

ATTEST:

Patty Wadsworth
Patty Wadsworth

MEDLAND, L.P.,
a Texas limited partnership

By: Jim Williams Jr.
Name: Jim Williams Jr.
Its: President of Texas Land Management, LLC
General Partner

ATTEST:

Nan Parker
NAN PARKER
CITY SECRETARY

CITY OF FRISCO, TEXAS

George Purefoy
GEORGE PUREFOY
CITY MANAGER

APPROVED AS TO FORM:

Julie Y. Fort
ABERNATHY, ROEDER, BOYD & JOPLIN, P.C.
CITY ATTORNEY FOR THE CITY
OF FRISCO, TEXAS

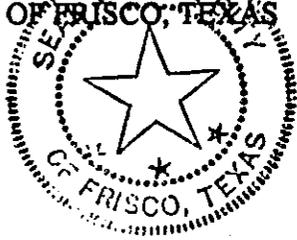


EXHIBIT A

**FRISCO
POLICY STATEMENT AND GUIDELINES
FOR
TAX ABATEMENT**

I. GENERAL PURPOSE AND OBJECTIVES

The City of Frisco is committed to the promotion and retention of high quality development in all parts of the City; and to an ongoing improvement in the quality of life for its citizens. Insofar as these objective are generally served by the enhancement and expansion of the local economy, the City of Frisco will, on a case-by-case basis, give consideration to providing tax abatement as a stimulation for economic development in Frisco. It is the policy of the City of Frisco that said consideration will be provided in accordance with the procedures and criteria outlined in this document. Nothing herein shall imply or suggest that the City of Frisco is under any obligation to provide tax abatement to any applicant. All applicants shall be considered on a case-by-case basis.

II. CRITERIA

Any request for tax abatement shall be reviewed by the City Council. The Council's recommendation shall be based upon a subjective evaluation of the following criteria which each applicant will be requested to address in narrative format.

Employment Impact

- How many jobs will be brought to Frisco?
- What types of jobs will be created?
- What will the total annual payroll be?

Fiscal Impact

- How much real and personal property value will be added to the tax rolls?
- How much direct sales tax will be generated?
- How will this project affect existing businesses and/or office facilities?
- What infrastructure construction would be required?
- What is the total annual operating budget of this facility projected to be?

Community Impact

- What effect would the project have on the local housing market?
- What environmental impact, if any, will be created by the project?
- How compatible is the project with the City's comprehensive plan?

III. VALUE OF INCENTIVES

Following an assessment of the response provided to the criteria contained in Section II, the City Council shall determine whether it is in the best interests of the affected taxing entities to recommend that an abatement be offered to the applicant. Additional consideration, beyond the

criteria, will include such items as the degree to which the project/applicant furthers the goals and objectives of the community or meet or compliments a special need identified by the community.

A Tax Abatement shall be offered to either of two categories:

1. Real Property
2. Business Personal Property

Real property abatements shall be offered to applicants which will pursue the construction of new or expanded facilities in which to house the applicable project. The abatement will apply to the value of improvements made. Business Personal property abatements will be offered to applicants which will pursue the purchase or long-term lease of existing facilities. The abatement will apply to the value of new personal property brought into the taxing jurisdiction.

Once a determination has been made that a tax abatement should be offered, the value and term of the abatement will be determined according to the following schedule:

VALUE OF ABATABLE PROPERTY	YEARS OF ABATEMENT	PERCENT OF ABATEMENT
\$ 1,000,000 to 4,999,999	1	25%
5,000,000 to 19,999,999	2	25%
20,000,000 to 34,999,999	3	25%
35,000,000 to 49,999,999	4	25%
50,000,000 to 64,999,999	5	25%
65,000,000 to 79,999,999	6	25%
80,000,000 to 94,999,999	7	25%
95,000,000 to 109,999,999	8	25%
110,000,000 to 124,999,999	9	25%
125,000,000 and greater	10	25%

In order to encourage the retention and/or expansion of existing businesses, or to attract businesses which satisfy a community goal or objective, or meet a special need of the community, the City Council may, on a case-by-case basis, recommend an abatement which may not specifically comply with the referenced values and terms contained within this policy.

IV. PROCEDURAL GUIDELINES

Any person, organization or corporation desiring that Frisco consider providing tax abatement to encourage location or expansion of operations within the city limits of Frisco shall be required to comply with the following procedural guidelines. Nothing within these guidelines shall imply or

suggest that Frisco is under any obligation to provide tax abatement in any amount or value to any applicant.

Preliminary Application Steps

- A. Applicant shall complete the attached "Application for Tax Abatement".
- B. Applicant shall address all criteria questions outlined in Section II above in letter format.
- C. Applicant shall prepare a plat showing the precise location of the property, all roadways within 500 feet of this site, and all existing land uses and zoning within 500 feet of the site.
- D. If the property is described by metes and bounds, a complete legal description shall be provided.
- E. Applicant shall complete all forms and information detailed in items A through D above and submit them to the Assistant to the City Manager, City of Frisco, P.O. Drawer 1100, Frisco, TX 75034

Application Review Steps

- F. All information in the application package detailed above will be reviewed for completeness and accuracy. Additional information may be requested as needed.
- G. The application will be distributed to the appropriate City departments for internal review and comments. Additional information may be requested as needed.
- H. Copies of the complete application package and staff comments will be provided to the City Council.

Consideration of the Application

- I. The City Council of Frisco may consider a resolution calling a public hearing to consider establishment of a tax reinvestment zone.
- J. The Frisco City Council may hold the public hearing and determine whether the project is "feasible and practical and would be of benefit to the land to be included in the zone and to the municipality".
- K. The Frisco City Council may consider adoption of an ordinance designating the area description of the proposed project as a commercial/industrial tax abatement zone.
- L. The Frisco City Council may consider adoption of a resolution approving the terms and conditions of a contract between the City and the applicant governing the provisions of the tax abatement.
- M. The governing bodies of Frisco Independent School District, Collin/Denton County and Collin County Community College may consider ratification of and participation in the tax abatement agreement between the City of Frisco and the applicant.
- N. Information provided to the City Council in connection with an application or request for tax abatement is confidential and not subject to public disclosure until the tax abatement agreement is executed.

- O. **If the tax abatement agreement is approved by the four taxing units, the City of Frisco will send copies of said agreement to the Texas Department of Commerce and to the State Property Tax Board each April.**

EXHIBIT B

LEGAL DESCRIPTION
22.8007 ACRES

BEING a tract of land out of the COLLIN COUNTY SCHOOL LAND #6 SURVEY, Abstract No. 149, in the City of Frisco, Collin County, Texas, and being part of the 132.20 acre tract of land described in deed to M.B. Rudman, et al, recorded in Volume 2409, Page 0095 of the Land Records of Collin County, Texas and the same tract of land described in deed to The Rudman Partnership, recorded in Volume 3346, Page 764 of the Land Records of Collin County, Texas and being more particularly described as follows:

BEGINNING at a 5/8" iron rod set with a red plastic cap stamped "PES&J, INC" (hereinafter called 5/8" iron rod set) in the south right-of-way line of Warren Parkway (120' ROW) dedicated to the City of Frisco, Collin County, Texas, according to the deed recorded in County Clerk's File Nos. 97-0009983 and 97-0000773 of Land Records Collin County, Texas, from which a 5/8" iron rod set for the intersection of the said south right-of-way line of Warren Parkway with the west line of the tract of land described in deed to Hall Financial Group, recorded in Volume 2224, Page 493 of the Land Records of Collin County, Texas bears South 89°52'27" East, a distance of 1269.70 feet;

THENCE leaving the south right-of-way line of said Warren Parkway, the following courses and distances to wit:

South 00°07'46" West, a distance of 499.93 feet to a 5/8" iron rod set for corner;

North 89°52'14" West, a distance of 200.00 feet to a tangent curve to the left, having a central angle of 89°23'30", a radius of 500.00 feet and a chord bearing and distance of South 45°26'01" West, 703.34 feet;

Southwesterly with said curve, an arc distance of 780.09 feet to a 5/8" iron rod set for corner;

North 89°15'44" West, a distance of 600.00 feet to a 5/8" iron rod set in the west line of the beforementioned 132.20 acre tract and the east line of the 0.68 acre tract of land described in deed to City of Frisco, recorded in Volume 2812, Page 910 of the Land Records of Collin County, Texas;

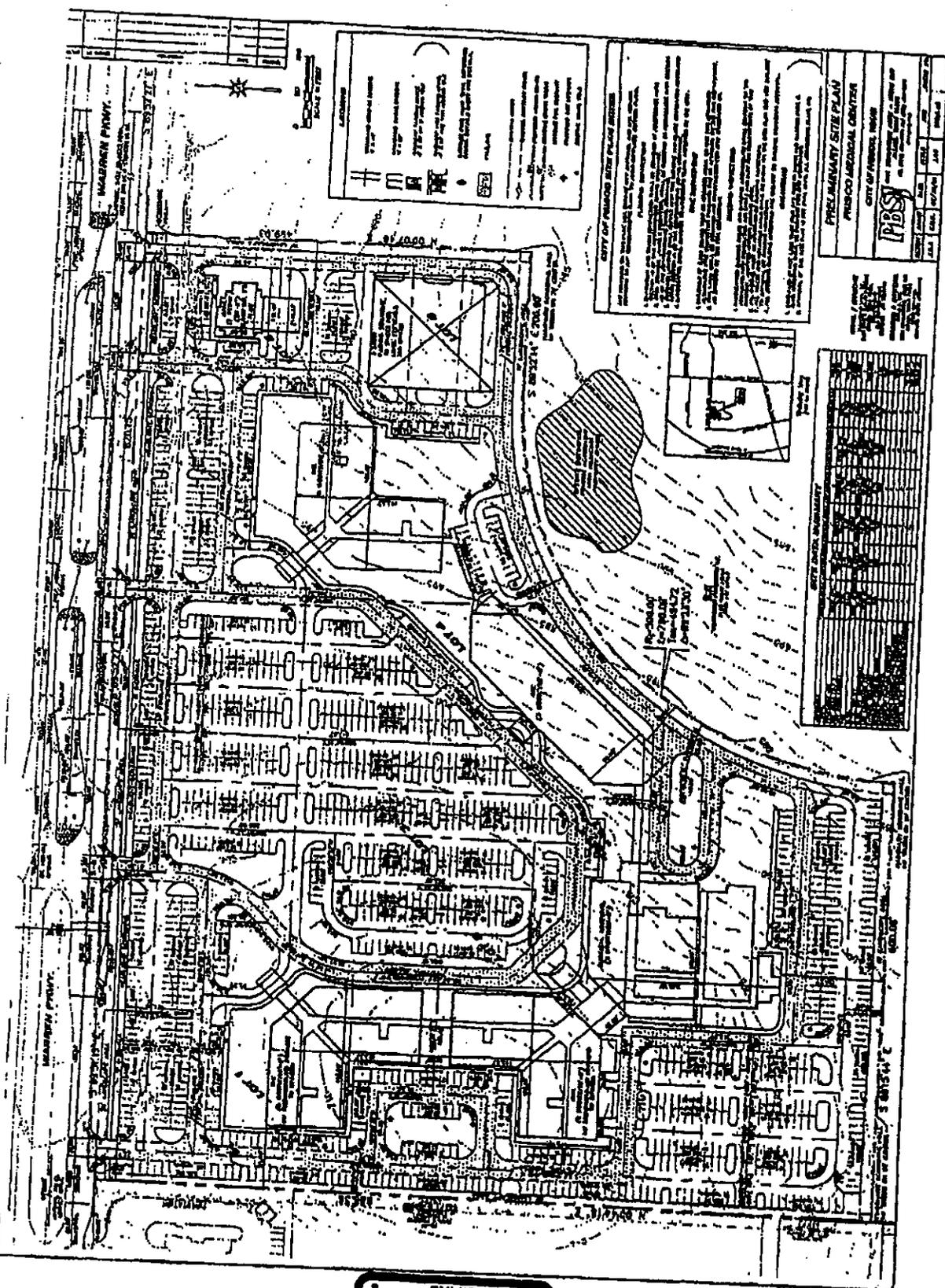
THENCE with the west line of the said 132.20 acre tract, North 00°44'16" East, a distance of 988.38 feet to a 5/8" iron rod set for the south right-of-way line of Warren Parkway;

THENCE with the south right-of-way line of said Warren Parkway, the following courses and distances to wit:

South 89°51'19" East, a distance of 469.29 feet to a 5/8" iron rod set for corner;

South 89°52'27" East, a distance of 820.15 feet to the POINT OF BEGINNING and containing 22.8007 acres of land.

Bearing system based on the deed recorded in Collin County Clerk's File No. 94-0101697 of the Land Records of Collin County, Texas.



LEGEND

- Proposed building footprints
- Proposed parking spaces
- Proposed site boundaries
- Proposed site easements
- Proposed site improvements
- Proposed site utilities
- Proposed site landscaping
- Proposed site access
- Proposed site drainage
- Proposed site lighting
- Proposed site security
- Proposed site signage
- Proposed site furniture
- Proposed site art
- Proposed site other

CITY OF PHOENIX SITE PLAN

The City of Phoenix is reviewing this site plan for compliance with the City's Comprehensive Zoning Ordinance and other applicable laws and regulations. The City's review is limited to the information provided in this site plan and does not constitute a guarantee or warranty of any kind. The City is not responsible for the accuracy or completeness of the information provided in this site plan. The City is not responsible for any errors or omissions in this site plan. The City is not responsible for any consequences arising from the use of this site plan. The City is not responsible for any damages, including but not limited to, property damage, personal injury, or death, arising from the use of this site plan. The City is not responsible for any costs or expenses incurred by the applicant in connection with the preparation or submission of this site plan. The City is not responsible for any fees or charges levied by the City in connection with the review of this site plan. The City is not responsible for any delays or interruptions in the review of this site plan. The City is not responsible for any changes or modifications to this site plan. The City is not responsible for any other matters related to this site plan.

PRELIMINARY SITE PLAN
PBSJ MEDICAL CENTER
CITY OF PHOENIX, ARIZONA
PBSJ

DATE	NO. OF SHEETS	TOTAL SHEETS
10/15/2010	1	1



EXHIBIT
C

EXHIBIT B

PROPERTY

Attached

EXHIBIT B

LEGAL DESCRIPTION
22.8007 ACRES

BEING a tract of land out of the COLLIN COUNTY SCHOOL LAND #6 SURVEY, Abstract No. 149, in the City of Frisco, Collin County, Texas, and being part of the 132.20 acre tract of land described in deed to M.B. Rudman, et al, recorded in Volume 2408, Page 0095 of the Land Records of Collin County, Texas and the same tract of land described in deed to The Rudman Partnership, recorded in Volume 3346, Page 764 of the Land Records of Collin County, Texas and being more particularly described as follows:

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TRENCH leaving the south right-of-way line of said Warren Parkway, the following courses and distances to wit:

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Southwesterly with said curve, an arc distance of 780.09 feet to a 5/8" iron rod set for corner;

North 89°15'44" West, a distance of 600.00 feet to a 5/8" iron rod set in the west line of the beforementioned 132.20 acre tract and the east line of the 0.68 acre tract of land described in deed to City of Frisco, recorded in Volume 2812, Page 810 of the Land Records of Collin County, Texas;

TRENCH with the west line of the said 132.20 acre tract, North 00°44'16" East, a distance of 988.38 feet to a 5/8" iron rod set for the south right-of-way line of Warren Parkway;

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Bearing system based on the deed recorded in Collin County Clerk's File No. 94-0101697 of the Land Records of Collin County, Texas.

EXHIBIT C

LOCATION OF MEDICAL FACILITIES

Attached

