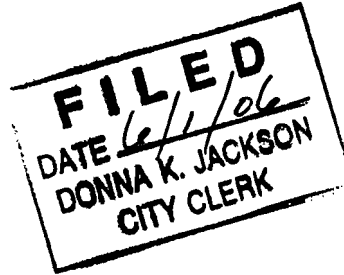


This Instrument Prepared by,  
And when filed return to:  
Jack, Lyon & Jones, P.A.  
425 W. Capitol Ave., Ste. 3400  
Little Rock, AR 72201  
Telephone: 501/375-1122.  
Attention: Joseph W. Gregory.



## FIRST AMENDMENT TO AGREEMENT TO MAKE PAYMENTS IN LIEU OF TAXES

This **First Amendment to Agreement to Make Payments in Lieu of Taxes** (this "Agreement") is made and entered into as of the 1<sup>st</sup> day of June, 2006, by and among the City of Jonesboro, Arkansas (the "City"), Turtle Creek Partners, LLC (the "Company"), the Craighead County Tax Assessor (the "Tax Assessor"), Craighead County, Arkansas (the "County") and Regions Bank, as the trustee ("Trustee") under that certain Trust Indenture pertaining to the issuance of bonds dated as of January 31, 2006, by and between the City, the Company and Trustee.

### WITNESSETH:

WHEREAS, the parties hereto entered into an Agreement to Make Payments in Lieu of Taxes dated as of January 31, 2006 (the "PILOT"); and

WHEREAS, the parties hereto desire to amend and restate certain provisions in the PILOT.

NOW, THEREFORE, the parties hereto agree as follows:

1. Section 2(b) of the PILOT shall be deleted in its entirety and replaced with the following:

"(b) Payments Subsequent to Assessment and Collection of Ad Valorem Taxes on Current Value of Project Following Completion. Subsequent to assessment and actual collection of ad valorem taxes on the Current Value of the Project, and continuing for the Term of this Agreement, the Company additionally agrees that if the total Pledged Increment paid with respect to all assessed property in the Redevelopment District Project in any tax year is less than the amount set forth on Exhibit B hereto, which amounts are intended to pay the debt service on the Bonds together with the annual administrative fees of Trustee in connection with the Bonds ("Bond Debt Service Payments"), then the Company shall pay to Trustee an amount equal to the difference between such Pledged Increment actually paid and the amount shown on Exhibit B hereto ("Additional Payment(s)"); provided, however, Additional Payments shall not be required if there are sufficient funds in the Special Fund (excluding any funds in the Project Account of the Special Fund) to pay annual debt service on the Bonds. (The Pledged Increment together with any such Additional payments is herein referred to as

the “Minimum Payment”). It is understood that the Bond Debt Service Payments set forth on Exhibit B shall be payable from the collection of ad valorem taxes with respect to all assessed property located within the Redevelopment District Project, including, without limitation, the Conveyed Parcels.”

2. Section 2(c) of the PILOT shall be deleted in its entirety and replaced with the following:

“(c) Payments Applicable to the Conveyed Parcels. The Company has conveyed three (3) separate real estate parcels within the Redevelopment District (referred to herein as the “Conveyed Parcels” and more particularly described on Exhibit C attached hereto) to three (3) major anchor tenants, without compensation, and each of those three major anchor tenants has executed a separate agreement with the City, County, Assessor and Trustee to pay applicable ad valorem taxes. Notwithstanding anything to the contrary contained in this Agreement, Company shall have no liability for the payment of such ad valorem taxes or payments in lieu of taxes with respect to such Conveyed Parcels or any property it does not own. The Company further agrees that if the Company conveys any other real estate parcels within the Redevelopment District to any person or entity, then the Company will require that person or entity to execute a separate agreement with the City, County, Assessor and Trust to pay applicable ad valorem taxes on the parcel conveyed and the Company shall have no liability for the payment of such ad valorem taxes or payments in lieu of taxes with respect to such conveyed parcels.”

3. The footnote to Exhibit A of the PILOT shall be deleted in its entirety and replaced with the following:

“\* The Pledged Parcels are pledged pursuant to the terms of the Ordinance and the Project Plan which was adopted by the Ordinance. For purposes of this Agreement, the Company is not responsible for the ad valorem taxes assessed against the Conveyed Parcels designated in Exhibit C attached hereto. Pursuant to the terms of an Agreement (the “Agreement”) dated as of January 31, 2006 between the City, J.C. Penney Properties, Inc., a Delaware corporation (“Penney”), Target Corporation, a Minnesota corporation (“Target”), Dillard’s Dollars, Inc., an Arkansas corporation (“Dillard”), the Tax Assessor, the County and the Trustee, Penney, Target and Dillard have each individually agreed to pay all applicable ad valorem taxes on their respective portions of the Conveyed Property (designated in Exhibit C attached hereto, as the Dillard Parcel, the Penney Parcel and the Target Parcel, respectively). For purposes of this footnote to Exhibit A of the Agreement, all capitalized terms not otherwise defined herein shall have the meanings given to them in the Agreement.”

4. As herein amended, the PILOT remains in full force and effect.

IN WITNESS WHEREOF, the City, the County, Tax Assessor the Trustee and the Company have executed this First Amendment to Agreement to Make Payment in Lieu of Taxes as of the date set forth in the first paragraph of this Agreement.

[Signature and Acknowledgment Pages Follow]


Date: June 1, 2006  
(SEAL)

**ACKNO**

STATE OF ARKANSAS            )  
COUNTY OF CRAIGHEAD        )

Before me a Notary Public, duly commissioned, qualified and acting within and for the State and county aforesaid, appeared in person the within named Doug Formon, and Donna Jackson, to me personally known, who stated that they are the Mayor of the City of Jonesboro, Arkansas and the City Clerk of the City of Jonesboro, Arkansas, respectively, and were duly authorized to execute the foregoing instrument and further stated and acknowledged that they had signed, executed and delivered the foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 1<sup>st</sup> day of JUNE, 2006.

  
Notary Public

My Commission expires:  
5-1-2010  
(SEAL)

[Signature Page to First Amendment to Agreement to Make Payments in Lieu of Taxes]

**CRAIGHEAD COUNTY, ARKANSAS**

By: \_\_\_\_\_  
County Judge

**CRAIGHEAD COUNTY TAX ASSESSOR**

By: \_\_\_\_\_  
Tax Assessor

Date: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ARKANSAS            )  
COUNTY OF CRAIGHEAD    )

Before me a Notary Public, duly commissioned, qualified and acting within and for the State and county aforesaid, appeared in person the within named \_\_\_\_\_, and \_\_\_\_\_, to me personally known, who stated that they were the County Judge for the Craighead County, Arkansas and the Tax Assessor for Craighead County, Arkansas and were duly authorized to execute the foregoing instrument and further stated and acknowledged that they had signed, executed and delivered the foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this \_\_\_ day of \_\_\_\_\_, 2006.

\_\_\_\_\_  
Notary Public

My Commission expires:  
\_\_\_\_\_  
(SEAL)

[Signature Page to First Amendment to Agreement to Make Payments in Lieu of Taxes]

TURTLE CREEK PARTNERS, L.L.C.

By: [Signature]  
Bruce Burrow, Manager

Date: 5-31-2006

**ACKNOWLEDGMENT**

STATE OF ARKANSAS            )  
COUNTY OF CRAIGHEAD    )

Before me a Notary Public, duly commissioned, qualified and acting within and for the State and county aforesaid, appeared in person the within named Bruce Burrow, to me personally known, who stated that he was the Manager of Turtle Creek Partners, L.L.C., and was duly authorized to execute the foregoing instrument and further stated and acknowledged that he had signed, executed and delivered the foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 31<sup>st</sup> day of MAY, 2006.

[Signature]  
Notary Public

My Commission expires:  
5-1-2010  
(SEAL)

**REGIONS BANK, Trustee**

BY: \_\_\_\_\_  
Vice President  
and Trust Officer

Date: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ARKANSAS            )  
COUNTY OF PULASKI        )

Before me a Notary Public, duly commissioned, qualified and acting within and for the State and county aforesaid, appeared in person the within named \_\_\_\_\_, to me personally known, who stated that he was the Vice President and Trust Officer of Regions Bank, an Alabama banking corporation, and was duly authorized to execute the foregoing instrument and further stated and acknowledged that he had signed, executed and delivered the foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this \_\_\_ day of \_\_\_\_\_, 2006.

\_\_\_\_\_  
Notary Public

My Commission expires:  
\_\_\_\_\_  
(SEAL)

[Signature Page to First Amendment to Agreement to Make Payments in Lieu of Taxes]