

**FIRST AMENDMENT TO LEASE AGREEMENT BETWEEN TEXAS PUBLIC FINANCE
AUTHORITY AND TEXAS FACILITIES COMMISSION**

WHEREAS, the Texas Public Finance Authority (the "Authority") and the Texas Facilities Commission (the "Commission")(the Authority together with the Commission, the "Parties") have entered into that certain lease agreement executed by the Parties on June 21, 2016 (the "Lease"); and

WHEREAS, the Lease was originally executed to support the debt service on certain commercial paper notes (as defined in the Lease, the "Notes"), and bonds issued to refund and refinance such Notes, issued by the Authority to finance or refinance the Projects (as defined in the Lease); and

WHEREAS, the Authority has determined that it is in the best interest of the Parties and the State of Texas that the Lease support the payment of the Notes, bonds to refund the Notes and bonds issued to directly finance costs of the Projects; and

WHEREAS, pursuant to Section 9.01 of the Lease, the Parties seek to make certain technical amendments to the Lease in the form of this First Amendment (the "Amendment");

NOW, THEREFORE, the Parties hereby agree as follows:

1. The foregoing Recitals are true and correct in all material respects and are incorporated by reference herein and made a part of this Amendment for all purposes. Unless otherwise defined in this Amendment, any capitalized terms used in this Amendment shall have the meanings given to them in the Lease.

2. The cover page to the Lease is hereby amended by deleting the phrase:

"Pertaining to State of Texas Texas Public Finance Authority Revenue Commercial Paper Program (Texas Facilities Commission Projects), Series 2016A (Taxable) and State of Texas Texas Public Finance Authority Revenue Commercial Paper Program (Texas Facilities Commission Projects), Series 2016B (Tax-Exempt)"

and inserting in its place:

"Pertaining to the Financing of Certain Legislatively Approved Building Projects."

3. Section 1.01 of the Lease is hereby amended by deleting the definitions of "Tax-Exempt Bonds" and "Taxable Bonds" in their entirety and in their place inserting the following:

"Tax-Exempt Bonds – any long term tax-exempt bonds issued to finance costs of the Project and/or to refund and refinance Tax-Exempt Notes or Taxable Notes"; and

"Taxable Bonds – any long term taxable bonds issued to finance costs of the Project and/or to refund and refinance Tax-Exempt Notes or Taxable Notes."

4. Section 3.16 of the Lease is hereby amended by deleting such section in its entirety and inserting in its place the following:

(a) With respect to each Project, Lessee hereby certifies to the Authority that the State, Lessee or the Authority has good and irrefutable title in fee simple to the real property on which such Project is being constructed and no other person or entity has any right, title or interest therein. Lessee covenants and agrees that, should it be discovered after the execution and delivery hereof, that there is a lien or encumbrance of any nature whatsoever upon title to a Project or any part thereof, Lessee shall, upon demand from the Authority, correct such defects in title, remove such liens or encumbrances and/or obtain title insurance for such Project, all at the expense of the Lessee.

(b) To the extent required by subsection (a) above with respect to any Project, Lessee shall cause a binder to its owner's policy of title insurance to be issued by a title insurance underwriter authorized to issue title insurance in the State, which policy insures the State's title to such Project in an amount (to the extent such Project is insurable on reasonable terms in the commercial market) equal to the value of the real estate associated with such building or Project or such other amount to be mutually determined by the Authority and the Lessee, subject to standard printed exceptions and such other exceptions as a prudent purchaser would agree to.

(c) Any title insurance required by this section shall be in effect at the time that title to such Project (or any part thereof) is acquired by the Authority.

5. Section 8.01 of the Lease is hereby amended by deleting such section in its entirety and inserting in its place the following


The Lease shall remain in full force and effect until the date all Payment Obligations on all outstanding Bonds and Notes have been paid (or provision has been made for payment in accordance with the relevant Authority Obligation Resolution) and all other obligations under the Lease have been satisfied, unless the Lease is otherwise terminated pursuant to its terms.

6. The Authority and the Commission are bound by the terms of the Lease, as amended by this Amendment, and their respective obligations thereunder are still in effect.


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EXECUTED as of this 18 of June, 2019.

TEXAS PUBLIC FINANCE AUTHORITY

By: 
Lee Deviney, Executive Director

TEXAS FACILITIES COMMISSION

By: 
Name: Mike Novak
Title: Executive Director

[Signature Page to the Amendment of Lease]