COURT ORDER
2016-0838

Tax Abatement Request for Amazon

On a motion made by Commissioner Dr. Elba Garcia, District 4, and seconded by Commissioner John Wiley Price, District 3, the following order was passed and adopted by the Commissioners Court of Dallas County, State of Texas:

BRIEFING DATE: 7/5/2016
FUNDING SOURCE: n/a

Be it resolved and ordered that the Dallas County Commissioners Court hereby approves the provision of a ten-year tax abatement on business personal property to Amazon for the location of a new fulfillment center/distribution facility in Coppell (2701 W. Bethel), subject to the terms and conditions of the attached abatement agreement, and authorizes the County Judge to sign said agreement.

Done in open court July 5, 2016, by the following vote:

IN FAVOR:	Honorable Clay Lewis Jenkins, County Judge
	Commissioner Dr. Theresa M. Daniel, District 1
	Commissioner Mike Cantrell, District 2
	Commissioner John Wiley Price, District 3
	Commissioner Dr. Elba Garcia, District 4
OPPOSED:	None
ABSTAINED:	None
ABSENT:	None

Recommended by: Rick Loessberg
Originating Department: Planning and Development

COMMISSIONERS COURT BRIEFING

DATE: 7/5/2016

SUBMITTING DEPARTMENT: Planning and Development

THROUGH:

SUBJECT: Tax Abatement Request for Amazon

BACKGROUND:
Amazon is considering locating a new fulfillment center/distribution facility in Coppell and has requested an abatement on business personal property to help facilitate the selection of this site. So that this request can be considered by the Commissioners Court, the following information has been prepared.

DESCRIPTION OF PROJECT:
This project represents the second facility that Amazon would undertake in Coppell and the third in the County (the other non-Coppell facility is located in the inland port). It will utilize an existing facility located at 2701 W. Bethel Road and is expected to employ at least 400 people and increase the County's tax base by at least $50 million because of the inventory and new equipment that will be located there. However, depending upon how the facility is utilized, the project could employ as many as 700 people and increase the County's tax base by as much as $100 million.

It has been estimated that the average salary of the jobs associated with this project will be about $27,000. Such an amount is about 10% lower than the average salaries at the firm's other two Dallas County facilities.

It is anticipated that this new facility will become operational near the end of 2016/early 2017.

OPERATIONAL IMPACT:
This project is considered to be an expansion project under the County's tax abatement policy. Such projects, when located within an established area as this project is, are eligible for consideration if they, within three years, can increase the County's tax base by at least $20 million and create at least 400 new full-time jobs. As the project is expected to create at least 400 new full-time equivalent (FTE) jobs and increase the County's tax base by at least $50 million, the project is eligible for consideration for an abatement of up to 50%.

Because it is possible, depending upon the facility's purpose, that the employment and tax base increase figures could vary significantly beyond the initial 400-job/$50 million figure, it is proposed that a sliding scale be used to determine the level of provided abatement (using such a scale has been used previously on other projects, including the second project that Amazon

RECOMMENDED BY:	Planning and Development	**PREPARED BY:**	Rick Loessberg
		APPROVED BY DEPT HEAD:	Rick Loessberg

located in the County).

Under the scale proposed below, a ten-year 30% to 45% abatement on business personal property would be provided depending upon the number of jobs created and the amount of tax base increase.

Minimum Tax Base Increase	Minimum Job Creation Requirement	% of Business Personal Property Abated
$50 million	400	30%
$50 million	700	35%
$100 million	400	40%
$100 million	700	45%

Such terms make it generally comparable to Amazon's first Coppell facility (which received a 50% abatement) while taking into account the established presence that the firm now has and the project's slightly lower wage structure.

FINANCIAL IMPACT:
The proposed incentive would go into effect no later than January 1, 2019.

Depending upon which level of abatement the project qualifies under, the project could result in the County annually foregoing about $36,500-$54,700 in business personal property tax revenue that does not presently exist while simultaneously collecting about $66,800-$85,100 in new revenue.

The project would also increase the estimated total amount of property that the County will abate in 2019 from approximately $377 million to at least $392 million. In so doing, the projected total amount of the County's tax base that will be abated remain the same at 0.19%.

M/WBE PARTICIPATION:
This information has previously been provided under separate cover.

STRATEGIC PLAN COMPLIANCE:
The County's administrative plan recommends that the County become the destination of choice for businesses and residents and that it strive to ensure that its services are being efficiently and effectively delivered. Providing an incentive that is targeted and that will help create at least 400 new jobs is thus consistent with this plan.

RECOMMENDATION:
It is recommended that the County provide Amazon with a ten-year tax abatement on business personal property that ranges from 30% to 45% for the location of a new fulfillment center/distribution facility in Coppell.

TAX ABATEMENT AGREEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

This Tax Abatement Agreement ("*Agreement*") is made and entered into as of the 5th day of July, 2016, by and between Dallas County, Texas ("*County*"), duly acting by and through its Commissioners Court, and Amazon.com.kydc LLC ("*Owner*"), duly acting by and through its authorized officers, for the purposes and considerations stated below:

WITNESSETH:

WHEREAS, the County has adopted a Tax Abatement Policy ("*Policy*"), by the passage of Court Order 2015-0054 on the 13th day of January, 2015, that contains the guidelines and criteria used to determine the provision of economic development tax incentive assistance from the County under Chapter 312 of the Texas Tax Code and Chapter 381 of the Texas Local Government Code; and

WHEREAS, Owner anticipates undertaking certain economic activity on or about the Premises (as hereinafter defined), including, without limitation, (i) the making of certain Business Personal Property (as hereinafter defined) investments with respect to the Premises, (ii) the creation of employment opportunities, and (iii) the utilization of the Premises for the purpose of operating a fulfillment center/distribution facility, and the County finds that the other terms hereof are consistent with encouraging development in accordance with Court Order 2015-0054 and all applicable laws; and

WHEREAS, the County finds that the Owner's contemplated use of the Premises, the contemplated generation of employment opportunities on or related to the Premises, and the contemplated Business Personal Property investment on or about the Premises are feasible and practical and will be of significant benefit to the County and its citizens; and

WHEREAS, Court Orders 2015-0054 and 2016-0838 authorize the County to enter into this Agreement with Owners.

NOW THEREFORE, the County, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the attraction of new investment and increased job generation that contributes to the economic development of the County and the enhancement of the County's tax base; and the Owner, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the tax abatement set forth herein below, as authorized by Court Orders 2015-0054 and 2016-0838 do hereby contract, covenant, and agree as follows:

SECTION I.
DEFINITIONS

Wherever used in this Agreement, the following capitalized terms shall have the meanings ascribed to them:

1. "*Economic Activity*" shall mean the following acts undertaken by or on behalf of Owner: (i) the use of the Improvements and Premises as a fulfillment center/distribution facility; (ii) the creation of new employment opportunities; and (iii) the investment of funds with regard to Business Personal Property located on the Premises.

2. "*Eligible Business Personal Property Value*" shall mean the value, as annually established by the Dallas Central Appraisal District (*"DCAD"*), of all Business Personal Property within the Premises less the Business Personal Property's Base Value, as defined herein and as established by DCAD.

3. "*Business Personal Property Base Value*" shall mean the appraised value of the Owner's respective Business Personal Property on the Premises as determined by DCAD as of January 1, 2016.

4. "*Premises*" shall mean the parcel(s) of land, located at 2701 W. Bethel Road in Coppell, Texas and further described in Exhibit "A".

5. "*Improvements*" shall mean all improvements to real property located on the Premises.

6. *"Business Personal Property"* shall include all business personal property owned or leased by Owner located on or re-located to the Premises used in connection with operation of the Premises and for which the Owner is responsible for paying any applicable property taxes, including but not limited to equipment, furniture and fixtures, and inventory, but excluding any business personal property that is exempt from ad valorem taxation as Freeport goods pursuant to Section 11.251 of the Texas Tax Code and Article VIII, Section 1-j of the Texas Constitution.

7. *"Job Creation Requirement"* shall refer to Owner's agreement to annually employ an aggregate minimum number of persons in Full-Time Positions and/of Full-Time Equivalent Positions located on or based out of the Premises. The minimum aggregate number that must be present in a given year in order to qualify for an abatement under this Agreement is contained in Exhibit "B", and the average salary of these Positions in a given year must be at least Twenty-Seven-Thousand-Dollars ($27,000).

8. "*Owner*" shall mean and refer to the party to this Agreement who is the owner of the Business Personal Property that is subject to this Agreement's tax abatement hereunder and to any Successor Entities.

9. "*Successor Entity*" shall mean (i) any entity which is a successor or assign to the Owner by merger, consolidation, assignment or reorganization; or (ii) a purchaser of all or substantially all of the Owner's assets.

SECTION II.
GENERAL PROVISIONS

1. The County has adopted guidelines and criteria governing economic development tax abatement agreements such that it is authorized to enter into this Agreement.

2. The Premises are not located in an improvement project financed by tax increment bonds.

3. This Agreement is entered into subject to the rights of the holders of outstanding bonds of the County.

4. The Premises are not owned or leased by any member of the Dallas County Commissioners Court.

5. Owner covenants and agrees that the use of the Premises and Business Personal Property subject to this Agreement will be in accordance with all applicable state and local laws and regulations.

6. During the Tax Abatement Period (hereinafter defined), Owner shall be subject to all County taxation not specifically abated, rebated, or exempted.

7. Owner shall have the right to protest and/or contest DCAD appraisals of the Business Personal Property over and above the respective Base Value of the Business Personal Property under the procedures in place by the Tax Code of the State of Texas. The Tax Abatement (as hereinafter defined) shall be applied to the amount of taxes finally determined by DCAD to be due as a result of any such protest and/or contest by Owner.

SECTION III.
RATE AND CONDITIONS OF TAX ABATEMENT

1. Owner shall receive from the County the Business Personal Property Tax Abatement described in Exhibit B upon satisfaction of the conditions set forth in both that Exhibit and Section III(1)(a)-(d). Said abatement shall be on the Eligible Business Personal Property Value for each qualifying year during the Tax Abatement Period subject to the terms of this Agreement.

    (a) A condition to the abatements provided under this Agreement is that Owner shall utilize the Improvements on or about the Premises for the purpose of operating a distribution/fulfillment facility.

    (b) A condition to the abatements provided under this Agreement is that the Job Creation Requirement contained in Exhibit B is met as of January 1 of each year. Employment positions applied toward satisfaction of the Job Creation Requirement shall include Full-Time Positions and/or Full-Time Equivalent Positions (as such terms are hereinafter defined). A Full-Time Position means a "position for which an individual is scheduled to work at least 1800 hours in a twelve-month period for Tenant, its subsidiaries, or its affiliates either under contract or as an employee." A Full-Time Equivalent Position means "two or more part-time positions filled by individuals working with or for Tenant, its

subsidiaries, or its affiliates a combined total of at least 35 hours per week either under contract or as an employee" which shall be counted as one Full-Time Equivalent Position..

(c) A condition to the abatements provided under this Agreement is that the Eligible Business Personal Property Value as of January 1 of each year of the Tax Abatement Period, as determined by DCAD, shall be at least equal to the requirements contained in Exhibit B.

(d) A condition to the abatements provided under this Agreement is that Owner shall file the annual exemption application (the "*Exemption Application*") forms with DCAD for the Tax Abatement that it believes it is eligible to receive under this Agreement.

(e) A condition to the abatements provided under this Agreement is that the City of Coppell must have formally approved comparable incentives on Eligible Business Personal Property Value by December 31, 2016.

SECTION IV.
ABATEMENT PERIOD

The Tax Abatement provided under this Agreement is for a period of ten (10) years (the "*Tax Abatement Period*") and shall begin when Owner has satisfied the Agreement's Eligible Business Personal Property Value Requirement and Job Creation Requirement, which shall be no later than January 1, 2019. Owner and the County shall have no further obligations under this Agreement upon expiration of the Tax Abatement Period, except as otherwise provided herein.

SECTION V.
RECORDS AND AUDITS

1. No later than January 31 of each applicable year during the Tax Abatement Period, Owner shall submit to the County a certification of the aggregate number of Full-Time Positions and/or Full-Time Equivalent Positions that it employed on the Premises as of January 1, a certification that the average salary of the aforementioned Positions was at least $27,000, and a certification that the Premises were being used as a distribution or fulfillment facility.

2. At all times throughout the Tax Abatement Period, the County shall have reasonable access during normal business hours to the Premises by County employees (upon one-week prior notice to Owner) for the purpose of inspecting same to ensure that the Premises are being used for the required Economic Activity in accordance with the specifications and conditions of this Agreement; provided that Owner shall have the right to accompany County employees on any such inspection. In no event shall such inspections interfere with Owner's operation of the Premises. The County, when inspecting the Premises, shall comply with the Owner's security requirements applicable to third-party visitors to the Premises; provided, however, Owner shall provide sufficient access to the Premises to allow the County to verify that Owner is in compliance with the

terms of this Agreement. The County will use reasonable efforts to avoid requesting an inspection of the Premises to occur during the months of November or December.

3. The Premises at all times during the Tax Abatement Period shall be used in a manner consistent with Court Order 2015-0054 and shall be consistent with the general purpose of encouraging economic development within the County.

SECTION VI.
DEFAULT

1. Subject to the cure provisions of this Section VI, a default under this Agreement occurs in the event that the Owner: (i) allows its ad valorem real property taxes and/or tangible business personal property taxes owed to the County from the Premises associated with this Agreement as well as from other property the Owner may own within the County to become delinquent during the Tax Abatement Period and fail to timely and properly follow the legal procedures for protest and/or contest of any such taxes; (ii) fails to file an annual Exemption Application; (iii) fails to meet both the Eligible Business Personal Property Value Requirement and Job Creation Requirement for each relevant year; (iv) is convicted of a violation under 8 USC Section 1324a(f); or (v) fails to materially comply with any of the terms or conditions set forth in this Agreement. In the event that Owner defaults in its performance as set forth in any of (i), (ii), or (v) above, the County shall give Owner written notice of such default. If Owner has not cured a default under (i), (ii), or (v) within ninety (90) days of said written notice or if a default under (iii) or (iv) occurs, an event of default (an "*Event of Default*") shall exist and this Agreement shall terminate (and Owner shall not receive any Tax Abatements for years after such Event of Default, it being understood that, notwithstanding any provision in this Agreement to the contrary, an Event of Default shall not entitle County to reclaim or receive a repayment right with respect to any Tax Abatement for any year before the Event of Default occurs, and that the sole remedy by the County for an Event of Default which results from a failure by the Company to meet a condition is the termination of this Agreement and not damages or specific performance or any other remedy). In the event that Owner cures any such default within the applicable cure period or prior to termination of this Agreement, no Event of Default shall exist and this Agreement shall continue in full force and effect, without penalty to Owner.

2. Upon the occurrence of an Event of Default under Section VI (1)(iv), all taxes which otherwise would have been paid to the County without the benefit of the Tax Abatement, including interest and penalties thereon ("*Recapture Liability*"), will become a debt to the County and shall be due, owing and paid to the County within sixty (60) calendar days of the expiration of the above-mentioned applicable cure period as the sole remedy of the County, subject to any and all lawful offsets, settlements, deductions, or credits to which Owner may be entitled, and subject to the rights of the Owner under applicable law to contest an assertion that such Event of Default has occurred. The Recapture Liability interest and penalties shall be charged at the statutory rate for delinquent taxes as determined by Section 33.01 of the Property Tax Code of the State of Texas.

3. This Agreement inures to the benefit of and is enforceable by the County. The County has the right to prosecute or take appropriate action, at law or in equity, against the Owner to enforce any other covenant or provision (but not a condition) contained within this Agreement. If the County substantially prevails in a legal proceeding to enforce this

Agreement against the Owner, the County is further entitled to recover damages, reasonable attorney's fees, and court costs from the Owner. Any payment due to the County under this Agreement is a lien which attaches to the Property on January 1 of each year to enforce the payment of all taxes, penalties, and interest ultimately imposed for the year on the Property.

SECTION VII.
EFFECT OF SALE, ASSIGNMENT, OR LEASE OF PROPERTY

The terms and conditions of this Agreement are binding upon the successors and assigns of all parties hereto. The Owner, including but not limited to any Successor Entity, may assign their rights and responsibilities under this Agreement including the right to receive the Tax Abatement, without prior approval of the Commissioners Court. Should Owner or any Successor Entity assign such rights and responsibilities under this Agreement, the County must be notified of such assignment within sixty (60) calendar days after its occurrence, and when such notification is provided, the County's Director of Planning & Development may provide the Successor Entity, if requested, with written confirmation that said assignment is permitted and that the rights and responsibilities under this Agreement shall continue.

SECTION VIII.
NOTICE

All notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, and shall be deemed properly given upon receipt or refusal of delivery when sent by (i) U.S. mail by certified mail, postage prepaid; (ii) nationally recognized overnight delivery service; or (iii) personal delivery:

OWNER:

Amazon.com.kydc LLC
410 Terry Avenue North
Seattle, Washington 98109
Attn: Director of Economic Development
Fax: (206) 266-7010
Email: economicdevelopment@amazon.com

With a copy to:
Amazon.com, Inc.
410 Terry Avenue North
Seattle, Washington 98109
Attn: General Counsel (Real Estate)
Fax: (206) 266-7010
Email: contracts-legal@amazon.com

COUNTY:

Director of Planning & Development
Dallas County Commissioners Court
411 Elm Street, 3rd Floor
Dallas, Texas 75202

SECTION IX.
COUNTY AUTHORIZATION

This Agreement is authorized by Court Orders 2015-0054 and 2016-0838 approved at the Commissioners Court meetings of the 13th day of January, 2015 and the 5th day of July, 2016.

SECTION X.
OWNER AUTHORIZATION

Owner hereby warrants that lawful authorization to execute this Agreement has been given and will provide County such written proof as required and requested by the County.

SECTION XI.
SEVERABILITY

In the event any section, subsection, paragraph, sentence, phrase, or word is held invalid, illegal, or unconstitutional, the balance of this Agreement shall stand, shall be enforceable, and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase, or word.

SECTION XII.
ESTOPPEL CERTIFICATE

Any party hereto may request an estoppel certificate from the other party hereto so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which, if requested, will be addressed to a subsequent purchaser or assignee of Owner, shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default (or if default exists, the nature of default and curative action which should be undertaken to cure same), the remaining term of this Agreement, the levels of tax abatement in effect, and such other matters reasonably requested by the party to receive the certificate.

SECTION XIII.
APPLICABLE LAW AND VENUE

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall exclusively be in the state courts of Dallas County, Texas. This Agreement is performable in Dallas County, Texas.

SECTION XIV.
SOVEREIGN IMMUNITY

This Agreement is expressly made subject to the County's Sovereign Immunity, Title 5 of the Texas Civil Practices and Remedies Code, and all applicable federal and State law. The parties

expressly agree that no provision of this Agreement is in any way intended to constitute a waiver or any immunities from suit or from liability that the County has by operation of law. Nothing in this Agreement is intended to benefit any third party beneficiary.

SECTION XV.
AMENDMENTS AND CHANGES IN THE LAW

No modification, amendment, innovation, renewal or other alteration of this Agreement shall be effective unless mutually agreed upon in writing and executed by the parties hereto. Any alteration, addition, or deletion to the terms of this Agreement which are required by changes in federal or State law are automatically incorporated herein without written amendment to this Agreement and shall be effective on the date designated by said law.

SECTION XVI.
INDEMNIFICATION

OWNER AGREES TO PROTECT, INDEMNIFY, AND HOLD THE COUNTY HARMLESS AGAINST AND FROM ANY AND ALL CLAIMS, LOSSES, COSTS, DAMAGES, JUDGMENTS, OR EXPENSES, INCLUDING ATTORNEY'S FEES, ARISING OUT OF THE OWNER'S BREACH OF ANY OF THE REQUIREMENTS AND PROVISIONS OF THIS AGREEMENT OR ANY FAILURE OF THE OWNER, ITS EMPLOYEES, OFFICERS, AGENTS, SUBCONTRACTORS, INVITEES, OR ASSIGNS IN ANY RESPECT TO COMPLY WITH AND PERFORM ALL OF THE REQUIREMENTS AND PROVISIONS HEREOF. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

SECTION XVII.
CONTRA PROFERENTUM

The doctrine of contra proferentum shall not apply to this Agreement. If an ambiguity exists in this Agreement, this Agreement shall not be construed against the party who drafted this Agreement, and such party shall not be responsible for the language used.

SECTION XVIII.
ENTIRE AGREEMENT

This Agreement, including all Exhibits, Attachments, and Addendums, constitutes the entire agreement between the parties hereto and supersedes any other agreement concerning the subject matter of this transaction, whether oral or written, by and between Owner and the County.

SECTION XIX.
NUMBER/GENDER AND HEADINGS

Words of any gender used in this Agreement shall be held and construed to include any other gender and any words in the singular shall include the plural and vice versa, unless the context clearly requires otherwise. Headings herein are for the convenience of reference only and shall not be considered in any interpretation of this Agreement.

SECTION XX.
EFFECTIVE DATE OF AGREEMENT

This Agreement shall not become effective (the "*Effective Date*") until executed by both the County and the Owner. This Agreement may be signed and executed in counterparts.

SECTION XXI.
FORCE MAJEURE

It is expressly understood and agreed by the parties to this Agreement that if a party's ability to satisfy any obligation under this Agreement including, but not limited to the substantial completion of the improvements is delayed by reason of war, civil commotion, acts of God, inclement weather, governmental restrictions, regulations, or interferences, delays caused by franchised utilities or their contractors, fire or other casualty, court injunction, necessary condemnation proceedings, or any circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstances are similar to any of those enumerated or not, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such performance shall be extended for a period of time equal to the period such party was delayed.

EXECUTED this the 5th day of July, 2016.

COUNTY:

By: _____

Name: Clay Lewis Jenkins

Title: County Judge

OWNER:
Amazon.com.kydc LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:*
Susan Hawk
District Attorney
Dallas County, Texas

By: _____

Melanie Barton
Assistant District Attorney
District Attorney's Office
Civil Division
Dallas County, Texas

*By law, the District Attorney's office may only advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal Perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval by their own respective attorney(s).

EXHIBIT "A"
PROPERTY DESCRIPTION

LOGISTICS CENTER I

60.173 ACRE

BEING A 60.173 ACRE TRACT OF LAND SITUATED IN THE SAN ANTONIO AND MEXICAN GULF RAILROAD COMPANY SURVEY (S.A. & M.G.R.R.), ABSTRACT NO. 1439, DALLAS COUNTY, TEXAS, AND THE SINGLETON THOMPSON SURVEY, ABSTRACT NO. 1733, DALLAS COUNTY, TEXAS, AND SAID 60.173 ACRE TRACT OF LAND. BEING A PORTION OF THAT CERTAIN TRACT OF LAND KNOWN AS THE DALLAS/FORT WORTH INTERNATIONAL AIRPORT, COMPRISED IN PART BY THE FOLLOWING TRACTS: A 28.556 ACRE TRACT OF LAND DESCRIBED IN DEED FROM HORACE D. AINSWORTH, JR. AND T. M. BROOKS, TO THE CITY OF DALLAS AS RECORDED IN VOLUME 70059 PAGE 880 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS (D.R.D.C.T.), A 29.2 ACRE TRACT OF LAND DESCRIBED AS THE "FIRST TRACT. AND A 39.6 ACRE TRACT OF LAND DESCRIBED AS THE "SECOND TRACT" IN DEED FROM ROGER C. SULLIVAN, TRUSTEE, TO THE CITY OF DALLAS AS RECORDED IN VOLUME 70061 PAGE 549, D.R.D.C.T., A 13.338 ACRE TRACT OF LAND DESCRIBED AS "TRACT NO. 2" IN DEED FROM SAMUEL DARNELL DEROULAC , DEVISEE UNDER THE WILL OF MAYMIE DARNELL LAMMERS , DECEASED, TO THE CITY OF DALLAS AS RECORDED IN VOLUME 69098 PAGE 1727, D.R.D.C.T., A 20 ACRE TRACT OF LAND DESCRIBED IN DEED FROM JACK A. MAXWELL AND WIFE, JOAN MAXWELL TO THE CITY OF DALLAS AS RECORDED IN VOLUME 70001 PAGE 512, D.R.D.C.T., A 10 ACRE TRACT OF LAND DESCRIBED IN DEED FROM BILLY J. SELF AND WIFE, BETTY LOU SELF TO THE CITY OF DALLAS AS RECORDED IN VOLUME 69233 PAGE 1168, D.R.D.C.T., A 20 ACRE TRACT OF LAND DESCRIBED AS "TRACT NO. I" AND A 10 ACRE TRACT OF LAND DESCRIBED AS "TRACT NO. 2" IN DEED FROM ROY S. PHILLIPS AND WIFE GWENDOLYN K. PHILLIPS TO THE CITY OF DALLAS, TEXAS AS RECORDED IN VOLUME 70036 PAGE 905, D.R.D.C.T.; SAID 60.173 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED IN TWO PARTS BY METES AND BOUNDS AS FOLLOWS:

PART 1
LOGISTICS CENTER
53.789 ACRE TRACT

BEING A 53.789 ACRE TRACT OF LAND SITUATED IN THE SAN ANTONIO AND MEXICAN GULF RAILROAD COMPANY SURVEY (S.A. & M.G.R.R.), ABSTRACT NO. 1439, DALLAS COUNTY, TEXAS, AND THE SINGLETON THOMPSON SURVEY, ABSTRACT NO. 1733, DALLAS COUNTY, TEXAS, SAID 53.789 ACRE TRACT OF LAND BEING A PORTION OF THAT CERTAIN TRACT OF LAND KNOWN AS THE DALLAS/FORT WORTH INTERNATIONAL AIRPORT, COMPRISED IN PART BY THE FOLLOWING TRACTS: A 28.556 ACRE TRACT OF LAND DESCRIBED IN DEED FROM HORACE D. AINSWORTH, JR. AND T. M. BROOKS, TO THE CITY OF DALLAS AS RECORDED IN VOLUME 70059 PAGE 880 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS (D.R.D.C.T.) , A 29.2 ACRE TRACT OF LAND DESCRIBED AS THE "FIRST TRACT. AND A 39.6 ACRE TRACT OF LAND DESCRIBED AS THE "SECOND TRACT. IN DEED FROM ROGER C. SULLIVAN , TRUSTEE, TO THE CITY OF DALLAS AS RECORDED IN VOLUME 70061 PAGE 549, D.R.D.C.T., A 13.338 ACRE TRACT OF LAND DESCRIBED AS "TRACT NO. 2" IN DEED FROM SAMUEL DARNELL DEROULAC , DEVISEE UNDER THE WILL OF MAYMIE DARNELL LAMMERS, DECEASED, TO THE CITY OF DALLAS AS RECORDED IN VOLUME 69098 PAGE 1727, D.R.D.C.T ., A 20 ACRE TRACT OF LAND DESCRIBED IN DEED FROM JACK A. MAXWELL AND WIFE, JOAN MAXWELL TO THE CITY OF DALLAS AS RECORDED IN VOLUME 70001 PAGE 512, D.R.D.C .T., A 10 ACRE TRACT OF LAND DESCRIBED IN DEED FROM BILLY J. SELF AND WIFE, BETTY LOU SELF TO THE CITY OF DALLAS AS RECORDED IN VOLUME 69233 PAGE 1168, D.R.D.C .T., A 20 ACRE TRACT OF LAND DESCRIBED AS "TRACT NO. I" AND A 10 ACRE TRACT OF LAND DESCRIBED AS "TRACT NO. 2" IN DEED FROM ROY S. PHILLIPS AND WIFE GWENDOLYN K. PHILLIPS TO THE CITY OF DALLAS, TEXAS AS RECORDED IN VOLUME 70036 PAGE 905, D.R.D.C.T.; SAID 53.789 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY" SET (DFW SURFACE 88 COORDINATES-NORTHING 1,034,558.4549, EASTING 422,011.041 I) FOR THE NORTHEAST CORNER OF A 31.441 ACRE TRACT OF LAND DESCRIBED IN A GROUND LEASE AGREEMENT FOR WAREHOUSE / DISTRIBUTION / ASSEMBLY FACILITY BY AND BETWEEN THE DALLAS / FORT WORTH INTERNATIONAL AIRPORT BOARD AND DFW HARMON PROPERTY LLC, DATED: JULY 11, 2013 ON RECORD IN THE DALLAS FORT WORTH INTERNATIONAL AIRPORT COMMERCIAL DEVELOPMENT DEPARTMENT, SAID CORNER BEING THE POINT OF INTERSECTION OF THE SOUTHERLY RJGHT-OF-WAY LINE OF BETHEL ROAD (A VARIABLE WIDTH RIGHT-OF-WAY) AS DESCRIBED IN A LICENSE TO THE CITY OF COPPELL FOR ROAD

RECONSTRUCTION AND WIDENING IMPROVEMENTS, DATED: APRIL 1, 2004, AND RECORDED IN DOCUMENTNO. 200422412267, OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS (O.P.R.D.C.T.), AND THE WESTERLY RIGHT-OF-WAY LINE OF ROYAL LANE (A VARIABLE WIDTH RIGHT-OF-WAY) DESCRIBED IN A LICENSE TO THE CITY OF COPPELL FOR ROAD CONSTRUCTION AND DRAINAGE IMPROVEMENTS, DATED: MAY 7, 1987, AND RECORDED IN VOLUME 87088, PAGE 4890, D.R.D.C.T.;

THENCE, ALONG AND WITH THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID BETHEL ROAD, BEING THE NORTH LINE OF SAID 31.441 ACRE TRACT, THE FOLLOWING FIVE COURSES:

SOUTH 88°10'15" WEST, A DISTANCE OF 60.39 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY" SET (DFW SURFACE 88 COORDINATES- NORTHING 1,034,556.5276, EASTING 421,950.6862) FOR CORNER;

SOUTH 89°16'34" WEST, A DISTANCE OF 101.32 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY" SET (DFW SURFACE 88 COORDINATES –NORTHING 1,034,555.2477 , EASTING 421,849.3743) FOR CORNER;

NORTH 00°43'26" WEST, A DISTANCE OF 10.00 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY " SET (DFW SURFACE 88 COORDINATES –NORTHING 1,034,565.2469, EASTING 421,849.2480) FOR CORNER ;

SOUTH 89°16'34" WEST, A DISTANCE OF 412.54 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY " SET (DFW SURFACE 88 COORDINATES- NORTHING 1,034,560.0359, EASTING 421,436.7409) FOR CORNER;

SOUTH 89°26'47" WEST, A DISTANCE OF 271.77 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES -NORTHING 1,034,557.4107, EASTING 421,164.9874) FOR THE NORTHWEST CORNER OF SAID 31.441 ACRE TRACT, BEING THE POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT

THENCE, DEPARTING THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID BETHEL ROAD, THE FOLLOWING THREE COURSES:

SOUTH 00°14'53" EAST, ALONG AND WITH THE WEST LINE OF SAID 31.441 ACRE TRACT, AT A DISTANCE OF 1613.41 FEET, PASSING A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET FOR THE SOUTHWEST CORNER OF SAID 31.441 ACRE TRACT, BEING THE NORTHWEST CORNER OF A 5.000 ACRE TRACT OF LAND DESCRIBED AS THE 5.000 ACRE OPTION AREA IN THE AFOREMENTIONED GROUND LEASE AGREEMENT FOR WAREHOUSE / DISTRIBUTION / ASSEMBLY FACILITY BY AND BETWEEN THE DALLAS / FORT WORTH INTERNATIONAL AIRPORT BOARD AND DFW HARMON PROPERTY LLC, DATED: JULY 11, 2013, AND CONTINUING ALONG AND WITH THE WEST LINE OF SAID 5.000 ACRE OPTION TRACT FOR A TOTAL DISTANCE OF 2204.11 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES -NORTHING 1,032,353.3245, EASTING 421,174.5271) FOR THE MOST SOUTHERLY CORNER OF SAID 5.000 ACRE OPTION TRACT, SAID CORNER BEING A POINT ON A NON-TANGENT CURVE TO THE RIGHT; SOUTHWESTERLY, ALONG AND WITH SAID NON-TANGENT CURVE TO THE RIGHT, HAYING A RADIUS OF 1960.00 FEET, A CENTRAL ANGLE OF 08°23'47", AND A LONG CHORD WHICH BEARS SOUTH 58°08'19" WEST, 286.97 FEET, AN ARC LENGTH OF 287.23 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES - NORTHING 1,032,201.8427, EASTING 420,930.7962) FOR A POINT OF TANGENCY;

SOUTH 63°45'00" WEST, AT A DISTANCE OF 251.75 FEET PASSING THE NORTHERLY RIGHTOF-WAY LINE OF A 18.787 ACRE TRACT OF LAND DESCRIBED AS ROW 9018-9-17 (I-635), I- 635-5 (186) 462, PARCEL 1, PART 1, IN DEED FROM THE CITY OF DALLAS, TEXAS, A MUNICIPAL CORPORATION, AND THE CITY OF FORT WORTH, TEXAS, A MUNICIPAL CORPORATION, TO THE STATE OF TEXAS AS RECORDED IN VOLUME 80236 PAGE 1004, D.R.D.C.T. , ALSO BEING THE NORTH RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 635, AND CONTINUING ON FOR A TOTAL DISTANCE OF 289.82 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES -NORTHING 1,032,073.6600, EASTING 420,670.8675) FOR THE MOST SOUTHERLY CORNER OF THE HEREIN DESCRIBED TRACT, SAID CORNER BEING IN THE PROPOSED NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY NO. 635;

THENCE, NORTH 74°35'43" WEST, ALONG AND WITH THE PROPOSED NORTHERLY RIGHT-OF-WAY LINE OF

INTERSTATE HIGHWAY 635, A DISTANCE OF 600.12 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY" SET (DFW SURFACE 88 COORDINATES – NORTHING 1,032,233.0732 , EASTING 420,092.3074) FOR AN ANGLE POINT IN THE NORTHERLY RIGHT-OF-WAY LINE OF SAID PARCEL 1, PART 1, FROM WHICH A BROKEN CONCRETE HIGHWAY MONU MENT FOUND, BEARS SOUTH 53°31'05" WEST, 2.11 FEET;

THENCE, ALONG AND WITH THE NORTH LINE OF SAID PARCEL 1, PART 1, AND THE NORTH RJGHT OF-WAY LINE OF INTERSTATE HIGHWAY 635, THE FOLLOWING TWO COURSES:

NORTH 78°35'54" WEST, A DISTANC E OF 353.08 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY " SET (DFW SURFACE 88 COORDINATES-NORTHING 1,032,302.8726, EASTING 419,746.195 3) FOR CORNER;

NORTH 73°16'35" WEST, A DISTANCE OF 34.49 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES .NORTHING 1,032,3 12.7967, EASTING 419,713.1663) FOR THE MOST SOUTHERLY SOUTHWEST CORNER OF THE HEREIN DESCRIBED TRACT ;

THENCE, LEAVING THE NORTHERLY RIGHT-OF-WAY LINE OF SAID PARCEL 1, PART 1, AND THE NORTHERLY RIGHT-OF-WAY OF INTERSTATE HIGHWAY 635, THE FOLLOWING SEVEN COURSES:

NORTH 00°00'00" EAST, A DISTANCE OF 98.46 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY " SET (DFW SURFACE 88 COORDINATES - NORTHING 1,032,411.2602, EASTING 419,713.1663) FOR CORNER;

SOUTH 39°10'30" EAST, A DISTANCE OF 15.50 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES - NORTHING 1,032,399.2409, EASTING 4 19,722.9603) FOR CORNER;

SOUTH 78°21'01" EAST, A DISTANCE OF 405.60 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES - NORTHING 1,032,3 17.3381, EASTING 420,120.2090) FOR CORNER;

NORTH 50°49'30" EAST, A DISTANCE OF 12.63 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES-NORTHING 1,032,325.3188, EASTING 420, 130.0030) FOR CORNER;

NORTH 00°00'00" EAST, A DISTANCE OF 236.27 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES -NORTHING 1,032,561.5927, EASTING 420,130.0030) FOR CORNER, SAID CORNER BEING IN THE EAST RIGHT-OF-WAY LINE OF A 2.570 ACRE TRACT OF LAND DESCRIBED AS SEGMENT .A.', LATERAL 2-PART B, IN A PIPELINE LICENSE AGREEMENT FOR OIL AND GAS LEASE BY AND BETWEEN THE DALLAS / FORT WORTH INTERNATIONAL AIRPORT BOARD AND CHESAPEAKE EXPLORATION LIMITED PARTNERSHIP, DATED: JUNE 11, 2007 AND RECORDED IN THE COMMERCIAL DEVELOPMENT DEPARTMENT OF THE DALLAS FORT WORTH INTERNATIONAL AIRPORT;

NORTH 27°57'43" EAST, ALONG AND WITH THE EASTERLY RIGHT-OF-WAY LINE OF SAID 2.570 ACRE TRACT OF LAND, A DISTANCE OF 191.94 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES-NORTHING 1,032,731.1292, EASTING 420,220.0030) FOR CORNER;

NORTH 00°00'00" EAST, CONTINUING ALONG AND WIDTH EASTERLY RIGHT-OF-WAY LINE OF SAID 2.570 ACRE TRACT OF LAND, AT A DISTANCE OF 1446.58 FEET PASSING THE NORTHEASTERLY CORNER OF SAID 2.570 ACRE TRACT OF LAND, AND CONTINUING ON FOR A TOTAL DISTANC E OF 1826.93 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY " SET (DFW SURFACE 88 COORDINATES – NORTHING 1,034,558.0588, EASTING 420,220.0030) FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT, SAID CORNER BEING IN THE SOUTH RIGHT-OF-WAY LINE OF THE AFOREMENTIONED BETHEL ROAD;

THENCE, ALONG AND WITH THE SOUTH RIGHT-OF-WAY LINE OF SAID BETHEL ROAD, THE FOLLOWING FOUR COURSES:

NORTH 89°18'22" EAST, A DISTANCE OF 34.70 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY " SET (DFW SURFACE 88 COORDINATES –NORTHING

1,034,558.4790, EASTING 420,254.7012) FOR CORNER;

NORTH 89°03'0 l" EAST, A DISTANCE OF 270.58 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY" SET (DFW SURFACE 88 COORDINATES –NORTHING 1,034,562.9632, EASTING 420,525.2390) FOR CORNER;

SOUTH 00°56'59" EAST, A DISTANCE OF 11.73 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "TRANS SYSTEMS CORPORATION " FOUND (DFW SURFACE 88 COORDINATES - NORTHING 1,034,551.2324, EASTING 420,525.4334) FOR CORNER;

NORTH 89°26'47" EAST, A DISTANCE OF 639.58 FEET TO THE POINT OF BEGINNING AND CONTAINING 53.789 ACRES OF LAND, MORE OR LESS.

LOGISTICS CENTER I
6.384 ACRE TRACT

BEING A 6.384 ACRE TRACT OF LAND SITUATED IN THE SINGLETON THOMPSON SURVEY, ABSTRACT NO . 1733, DALLAS COUNTY, TEXAS, SAID 6.384 ACRE TRACT OF LAND BEING A PORTION OF THAT CERTAIN TRACT OF LAND KNOWN AS THE DALLA S/FORT WORTH INTERNATIONAL AIRPORT, COMPRJSED IN PART BY THE FOLLOWING TRACTS: A 20 ACRE TRACT OF LAN D DESCRJBED IN DEED FROM JACK A. MAXWELL AND WIFE, JOAN MAXWELL TO THE CITY OF DALLAS AS RECORDED IN VOLUME 70001 PAGE 512, D.R.D.C.T., A 10 ACRE TRACT OF LAND DESCRJBED IN DEED FROM BILLY J. SELF AND WIFE, BETTY LOU SELF TO THE CITY OF DALLAS AS RECORDED IN VOLUME 69233 PAGE 1168, D.R.D.C.T., A 20 ACRE TRACT OF LAND DESCRIBED AS "TRACT NO. 1" AND A 10 ACRE TRACT OF LAND DESCRIBED AS "TRACT NO. 2" IN DEED FROM ROY S. PHILLIPS AND WIFE, GWENDOLYN K. PHILLIPS TO THE CITY OF DALLAS, TEXAS AS RECORDED IN VOLUME 70036 PAGE 905, D.R.D.C.T.; SAID 6.384 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRJBED AS FOLLOWS: COMMENCING AT A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY" SET (DFW SURFACE 88 COORDINATES -NORTHING 1,034,558.4549, EASTING 422,011.0411) FOR THE NORTHEAST CORNER OF A 31.441 ACRE TRACT OF LAND DESCRIBED IN A GROUND LEASE AGREEMENT FOR WAREHOUSE / DISTRIBUTION / ASSEMBLY FACILITY BY AND BETWEEN THE DALLAS / FORT WORTH INTERNATIONAL AIRPORT BOARD AND DFW HARMON PROPERTY LLC, DATED: JULY 11, 2013 ON RECORD IN THE DALLAS FORT WORTH INTERNATIONAL AIRPORT COMMERCIAL DEVELOPMENT DEPARTMENT, SAID CORNER BEING THE POINT OF INTERSECTION OF THE SOUTHERLY RIGHT-OF-WAY LINE OF BETHEL ROAD (A VARIABLE WIDTH RIGHT-OF-WAY) AS DESCRIBED IN A LICENSE TO THE CITY OF COPPELL FOR ROAD RECONSTRUCTION AND WIDENING IMPROVEMENTS, DATED: APRIL 1, 2004, AND RECORDED IN DOCUMENT NO. 200422412267, OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS (O.P.R.D.C.T.) , AND THE WESTERLY RJGHT-OF-WAY LINE OF ROYAL LANE (A VARIABLE WIDTH RIGHT-OF-WAY) DESCRIBED IN A LICENSE TO THE CITY OF COPPELL FOR ROAD CONSTRUCTION AND DRAINAGE IMPROVEMENTS, DATED: MAY 7, 1987, AND RECORDED IN VOLUME 87088, PAGE 4890, D.R.D.C.T. ;

THENCE, ALONG AND WITH THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID BETHEL ROAD AND THE NORTH LINE OF SAID 31.441 ACRE TRACT, THE FOLLOWING FIVE COURSES:

SOUTH 88°10'15" WEST, A DISTANCE OF 60.39 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY" SET (DFW SURFACE 88 COORDINATES –NORTHING 1,034,556.5276, EASTING 421,950.6862) FOR CORNER;

SOUTH 89°16'34" WEST, A DISTANC E OF 101.32 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY" SET (DFW SURFACE 88 COORDINATES –NORTHING 1,034,555.2477, EASTING 421,849.3743) FOR CORNER;

NORTH 00°43'26" WEST, A DISTANCE OF 10.00 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY" SET (DFW SURFACE 88 COORDINATES –NORTHING 1,034,565.2469, EASTING 421,849.2480) FOR CORNER;

SOUTH 89°16'34" WEST, A DISTANCE OF 412.54 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY" SET (DFW SURFACE 88 COORDINATES –NORTHING 1,034,560.0359, EASTING 421,436.7409) FOR CORNER;

SOUTH 89°26'47" WEST, AT A DISTANCE OF 271.77 FEET PASSING THE NORTHWESTERLY CORNER OF SAID 31.44 1 ACRE TRACT , AND CONTINUING ON FOR A TOTAL DISTANCE OF 911.35 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "TRANS SYSTEMS CORPORATION" FOUND (DFW SURFACE 88 COORDINATES – NORTHING 1,034,551.2324, EASTING 420,525.4334) FOR CORNER;

THENCE, CONTINUING ALONG AND WITH THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID BETHEL ROAD, THE FOLLOWING THREE COURSES:

NORTH 00°56'59" WEST, A DISTANCE OF 11.73 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY" SET (DFW SURFACE 88 COORDINATES-NORTHING 1,034,562.9632, EASTING 420,525.2390) FOR CORNER;

SOUTH 89°03'01" WEST, A DISTANCE OF 270.58 FEET TO A 5/8 INCH IRON ROD WITH A BRASS CAP STAMPED "DFW INTERNATIONAL AIRPORT BOUNDARY" SET (DFW SURFACE 88 COORDINATES-NORTHING 1,034,558.4790, EASTING 420,254.7012) FOR CORNER;

SOUTH 89°18'22" WEST, A DISTANCE OF 34.70 FEET TO A 5/8 INCH IRON ROD WITH A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES - NORTHING 1,034,558.0588, EASTING 420,220.0030) FOR CORNER;

THENCE LEAVING THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID BETHEL ROAD, THE FOLLOWING NINE COURSES:

SOUTH 00°00'00" WEST, AT A DISTANCE OF 380.35 FEET PASSING THE NORTHEASTERLY CORNER OF A 2.570 ACRE TRACT OF LAND DESCRIBED SEGMENT 'A', LATERAL 2-PART B, IN A PIPELINE LICENSE AGREEMENT FOR OIL AND GAS LEASE BY AND BETWEEN THE DALLAS / FORT WORTH INTERNATIONAL AIRPORT BOARD AND CHESAPEAKE EXPLORATION LIMITED PARTNERSHIP, DATED: JUNE 11, 2007 AND RECORDED IN THE COMMERCIAL DEVELOPMENT DEPARTMENT OF DALLAS FORT WORTH INTERNATIONAL AIRPORT, AND CONTINUING ALONG AND WITH THE EAST LINE OF SAID 2.570 ACRE TRACT FOR A TOTAL DISTANCE OF 420.35 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES - NORTHING 1,034,137.7091, EASTING 420,220.0030) FOR CORNER;

SOUTH 90°00'00" WEST, LEAYING THE EAST LINE OF SAID 2.570 ACRE TRACT, OVER AND ACROSS SAID 2.570 ACRE TRACT, A DISTANCE OF 40.00 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES - NORTHING 1,034,137.7091, EASTING 420, 180.0030) FOR AN ELL CORNER OF SAID 2.570 ACRE TRACT, SAID CORNER BEING THE POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT;

SOUTH 00°00'00" WEST, ALONG AND WITH THE WESTERLY RIGHT-OF-WAY LINE OF SAID 2.570 ACRE TRACT OF LAND, A DISTANCE OF 1396.62 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES-NORTHING 1,032,741.0882, EASTING 420, 180.0030) FOR CORNER;

SOUTH 27°57'43" WEST, CONTINUING ALONG AND WITH THE WESTERLY RIGHT-OF-WAY LINE OF SAID 2.570 ACRE TRACT OF LAND, A DISTANCE OF 106.64 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES - NORTHING 1,032,646.9013, EASTING 420,130.0030) FOR THE MOST SOUTHERLY CORNER OF THE HEREIN DESCRIBED TRACT;

NORTH 00°00'00" EAST, LEAVING THE WESTERLY RIGHT-OF-WAY LINE OF SAID 2.570 ACRE TRACT OF LAND, A DISTANCE OF 108.62 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES - NORTHING 1,032,755.5193, EASTING 420,130.0030) FOR CORNER;

NORTH 45°00'00" WEST, A DISTANCE OF 14.14 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES - NORTHING 1,032,765.5193, EASTING 420,120.0030) FOR CORNER;

SOUTH 90°00'00" WEST, A DISTANCE OF 140.00 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW BOUNDARY" SET (DFW SURFACE 88 COORDINATES . NORTHING 1,032,765.5193, EASTING 419,980.0030) FOR THE SOUTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

NORTH 00°00'00" EAST, A DISTANCE OF 1372.19 FEET TO A 5/8 INCH CAPPED IRON ROD STAMPED "DFW

BOUNDARY "SET (DFW SURFACE 88 COORDINATES - NORTHING 1,034,137.7091, EASTING 419,980.0030) FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT, SAID CORNER BEING IN A SOUTH LINE OF THE AFOREMENTIONED 2.570 ACRE TRACT;

NORTH 90°00'00" EAST, ALONG AND WITH THE SOUTH LINE OF SAID 2.570 ACRE TRACT, A DISTANCE OF 200.00 FEET TO THE POINT OF BEGINNING AND CONTAINING 6.384 ACRES OF LAND, MORE OR LESS.

Being the same property delineated on that certain ALTA/ACSM Land Title Survey prepared by Garcia Land Data, Inc. by Rene' M. Salinas, dated January 9, 2014, last revised January 31, 2014, Job No. 5486 and described as follows:

PART 1: 53.789 ACRE TRACT

BEING a 53.789 acre tract of land situated in the San Antonio and Mexican Gulf Railroad Company Survey, Abstract Number 1439 and the Singleton Thompson Survey, Abstract Number 1733, in the City of Coppell, Dallas County, Texas, and being a portion of that tract of land known as Dallas Fort Worth International Airport, comprised in part by the following tracts: part of that tract of land described as "Tract No. 2" in Warranty Deed to the City of Dallas, a Municipal Corporation, as recorded in Volume 69098, Page 1727, in the Deed Records of Dallas County, Texas (D.R.D.C.T.), part of that tract of land described in Warranty Deed to the City of Dallas, a Municipal Corporation, as recorded in Volume 69233, Page 1168, D.R.D.C.T., part of that tract of land described in Warranty Deed to the City of Dallas, a Municipal Corporation, as recorded in Volume 70001, Page 512, D.R.D.C.T., part of those tracts of land described as "Tract No. 1" and "Tract No. 2" in Warranty Deed to the City of Dallas, a Municipal Corporation, as recorded in Volume 70036, Page 905, D.R.D.C.T., part of that tract of land described in Warranty Deed to the City of Dallas, a Municipal Corporation, as recorded in Volume 70059, Page 880, D.R.D.C.T., part of those tracts of land described as "First Tract" and "Second Tract" in Warranty Deed to the City of Dallas, a Municipal Corporation, as recorded in Volume 70061, Page 549, D.R.D.C.T., and part of that tract of land described as "ROW 9018-9-17 (1-635),1-635-5 (186) 462, PARCEL 1 - PART 1" in deed to the State Of Texas, as recorded Volume 80236, Page 1004, D.R.D.C.T., and being more particularly described as follows:

COMMENCING at a 1/2-inch iron rod set with cap stamped "GLD" on the intersection of the south right-of-way line of Bethel Road (also known as Bethel School Road; a variable width right-of-way) as described in License to the City of Coppell as recorded in Document Number 200422412267 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.) and the west right-of-way of Royal Lane (a variable width right-of-way) as described in License to the City of Coppell as recorded in Volume 87088, Page 4890, D.R.D.C.T.;

THENCE South 88 degrees 10 minutes 15 seconds West, with said south right-of-way line of Bethel Road, a distance of 60.39 feet to a point for corner;

THENCE South 89 degrees 16 minutes 34 seconds West, continuing with said south right-of-way line of Bethel Road, a distance of 101.32 feet to a point for corner;

THENCE North 00 degrees 43 minutes 26 seconds West, continuing with said south right-of-way line of Bethel Road, a distance of 10.00 feet to a 5/8-inch iron rod found with metal cap stamped "DFW INTERNATIONAL AIRPORT BOUNDARY" for corner;

THENCE South 89 degrees 16 minutes 34 seconds West, continuing with said south right-of-way line of Bethel Road, a distance of 412.54 feet to a point for corner;

THENCE South 89 degrees 26 minutes 47 seconds West, continuing with said south right-of-way line of Bethel Road, a distance of 271.77 feet to a 5/8-inch iron rod found with cap stamped "DFW BOUNDARY" for the POINT OF BEGINNING of the herein described tract of land;

THENCE South 00 degrees 14 minutes 53 seconds East, departing said south right-of-way line of Bethel Road, a distance of 2,204.11 feet to a 5/8-inch iron rod found with cap stamped "DFW BOUNDARY" for southeast corner of the herein described tract of land and the point of curvature of a non-tangent circular curve to the right having a radius of 1,960.00 feet, whose chord bears South 58 degrees 08 minutes 19 seconds West, a distance of 286.95 feet;

THENCE Southwesterly, along said curve, through a central angle of 08 degrees 23 minutes 45 seconds, an arc distance of 287.21 feet to 1/2-inch iron rod set with cap stamped "GLD" for corner;

THENCE South 63 degrees 45 minutes 00 seconds West, passing the northerly right-of-way line of Interstate Highway No. 635 (also known as Lyndon B. Johnson Freeway; a variable width right-of-way) as described in said Deed recorded Volume 80236, Page 1004, at a distance of 251.75 feet, continuing, in all, a total distance of 289.82 feet to a 1/2-inch iron rod set with cap stamped "GLD" for the most southerly corner of the herein described tract of land;

THENCE North 74 degrees 35 minutes 43 seconds West, a distance of 600.12 feet to a 5/8-inch iron rod found with metal cap stamped "DFW INTERNATIONAL AIRPORT BOUNDARY" for corner, said iron rod being on said northerly right-of-way line of Interstate Highway No. 635 as described in said Deed recorded Volume 80236, Page 1004;

THENCE North 78 degrees 35 minutes 54 seconds West, with said northerly right-of-way line, a distance of 353.08 feet to a 5/8-inch iron rod found with metal cap stamped "DFW INTERNATIONAL AIRPORT BOUNDARY" for corner;

THENCE North 73 degrees 16 minutes 35 seconds West, continuing with said northerly right-of-way line, a distance of 34.49 feet to a 1/2-inch iron rod set with cap stamped "GLD" for the southwest corner of the herein described tract of land;

THENCE North 00 degrees 00 minutes 00 seconds East, departing said northerly right-of-way line, a distance of 98.46 feet to a 1/2-inch iron rod set with cap stamped "GLD" for corner;

THENCE South 39 degrees 10 minutes 30 seconds East, a distance of 15.50 feet to a 1/2-inch iron rod set with cap stamped "GLD" for corner;

THENCE South 78 degrees 21 minutes 01 second East, a distance of 405.60 feet to a 1/2-inch iron rod set with cap stamped "GLD" for corner;

THENCE North 50 degrees 49 minutes 30 seconds East, a distance of 12.63 feet to a 1/2-inch iron rod set with cap stamped "GLD" for corner;

THENCE North 00 degrees 00 minutes 00 seconds East, a distance of 236.27 feet to a 1/2-inch iron rod set with cap stamped "GLD" for corner;

THENCE North 27 degrees 57 minutes 43 seconds East, a distance of 191.94 feet to a 5/8-inch iron rod found with cap stamped "DFW BOUNDARY" for corner;

THENCE North 00 degrees 00 minutes 00 seconds East, a distance of 1,826.93 feet to a 1/2-inch iron rod set with cap stamped "GLD" for corner on the aforementioned south right-of-way line of Bethel Road;

THENCE North 89 degrees 18 minutes 22 seconds East, with said south right-of-way line Bethel Road, a distance of 34.70 feet to a 5/8-inch iron rod found with metal cap stamped "DFW INTERNATIONAL AIRPORT BOUNDARY" for corner;

THENCE North 89 degrees 03 minutes 01 second East, continuing with said south right-of-way line, a distance of 270.58 feet to a 5/8-inch iron rod found with metal cap stamped "DFW INTERNATIONAL AIRPORT BOUNDARY" for corner;

THENCE South 00 degrees 56 minutes 59 seconds East, continuing with said south right-of-way line, a distance of 11.73 feet to a 5/8-inch iron rod found with cap stamped "DFW BOUNDARY" for corner;

THENCE North 89 degrees 26 minutes 47 seconds East, continuing with said south right-of-way line, a distance of 639.58 feet to the POINT OF BEGINNING AND CONTAINING 2,343,060 square feet or 53.789 acres of land, more or less.

PART 2: 6.384 ACRE TRACT

BEING a 6.384 acre tract of land situated in the San Antonio and Mexican Gulf Railroad Company Survey, Abstract Number 1439 and the Singleton Thompson Survey, Abstract Number 1733, in the City of Coppell, Dallas County, Texas, and being a portion of that tract of land known as Dallas Fort Worth International Airport, comprised in part by the following tracts: part of that tract of land described in Warranty Deed to the City of Dallas, a Municipal Corporation, as recorded in Volume 69233, Page 1168, D.R.D.C.T., part of that tract of land described in Warranty Deed to the City of Dallas, a Municipal Corporation, as recorded in Volume 70001, Page 512, D.R.D.C.T., part of those tracts of land described as "Tract No. 1" and "Tract No. 2" in Warranty Deed to the City of Dallas, a Municipal Corporation, as recorded in Volume 70036, Page 905, D.R.D.C.T., and being more particularly described as follows:

COMMENCING at a 1/2-inch iron rod set with cap stamped "GLD" on the intersection of the south right-of-way line of Bethel Road (also known as Bethel School Road; a variable width right-of-way) as described in License to the City of Coppell as recorded in Document Number 200422412267 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.) and the west right-of-way of Royal Lane (a variable width right-of-way) as described in License to the City of Coppell as recorded in Volume 87088, Page 4890, D.R.D.C.T.;

THENCE South 88 degrees 10 minutes 15 seconds West, with said south right-of-way line of Bethel Road, a distance of 60.39 feet to a point for corner;

THENCE South 89 degrees 16 minutes 34 seconds West, continuing with said south right-of-way line of Bethel Road, a distance of 101.32 feet to a point for corner;

THENCE North 00 degrees 43 minutes 26 seconds West, continuing with said south right-of-way line of Bethel Road, a distance of 10.00 feet to a 5/8-inch iron rod found with metal cap stamped "DFW INTERNATIONAL AIRPORT BOUNDARY" for corner;

THENCE South 89 degrees 16 minutes 34 seconds West, continuing with said south right-of-way line of Bethel Road, a distance of 412.54 feet to a point for corner;

THENCE South 89 degrees 26 minutes 47 seconds West, continuing with said south right-of-way line of Bethel Road, passing a 5/8-inch iron rod found with cap stamped "DFW BOUNDARY" at a distance of 271.77 feet, continuing a total distance of 911.35 feet to a 5/8-inch iron rod found with cap stamped "DFW BOUNDARY" for corner;

THENCE North 00 degrees 56 minutes 59 seconds West, continuing with said south right-of-way line of Bethel Road, a distance of 11.73 feet to a 5/8-inch iron rod found with metal cap stamped "DFW INTERNATIONAL AIRPORT BOUNDARY" for corner;

THENCE South 89 degrees 03 minutes 01 second West, continuing with said south right-of-way line of Bethel Road, a distance of 270.58 feet to a 5/8-inch iron rod found with metal cap stamped "DFW INTERNATIONAL AIRPORT BOUNDARY" for corner;

THENCE South 89 degrees 18 minutes 22 seconds West, continuing with said south right-of-way line of Bethel Road, a distance of 34.70 feet to a 1/2-inch iron rod set with cap stamped "GLD" for corner;

THENCE South 00 degrees 00 minutes 00 seconds West, departing said south right-of-way line of Bethel Road, a distance of 420.35 feet to a point for corner, said point being on the east line of a tract of land described as "Segment 'A', Lateral 2-Part B" in License Agreement between Dallas Fort Worth International Airport Board and Chesapeake Exploration Limited Partnership (no record found);

THENCE South 90 degrees 00 minutes 00 seconds West, departing said east line of said Chesapeake tract, a distance of 40.00 feet to a 5/8-inch iron rod found with cap stamped "DFW BOUNDARY" for corner and the POINT OF BEGINNING of the herein described tract of land, said point being on the west line of said Chesapeake tract;

THENCE South 00 degrees 00 minutes 00 seconds East, with said west line of Chesapeake tract, a distance of 1,396.62 feet to a 5/8-inch iron rod found with cap stamped "DFW BOUNDARY" for corner;

THENCE South 27 degrees 57 minutes 43 seconds West, with said west line of Chesapeake tract, a distance of

106.64 feet to a 1/2-inch iron rod set with cap stamped "GLD" for corner;

THENCE North 00 degrees 00 minutes 00 seconds East, departing said west line of Chesapeake tract, a distance of 108.62 feet to a 1/2-inch iron rod set with cap stamped "GLD" for corner;

THENCE North 45 degrees 00 minutes 00 seconds West, a distance of 14.14 feet to a 1/2-inch iron rod set with cap stamped "GLD" for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 140.00 feet to a 1/2-inch iron rod set with cap stamped "GLD" for corner;

THENCE North 00 degrees 00 minutes 00 seconds East, a distance of 1,372.19 feet to a 1/2-inch iron rod set with cap stamped "GLD" for corner, said iron rod being on a south line of the aforementioned Chesapeake tract;

THENCE North 90 degrees 00 minutes 00 seconds East, with said south line of Chesapeake tract, a distance of 200.00 feet to the POINT OF BEGINNING AND CONTAINING 278,065 square feet or 6.384 acres of land, more or less.

EXHIBIT B
TAX ABATEMENT SCHEDULE AND ANNUAL PERFORMANCE REQUIREMENTS

Minimum Eligible Business Personal Property Value Requirement	Minimum Job Creation Requirement	Associated Percentage of Taxes Abated on Eligible Business Personal Property Value
$50 million	400	30%
$50 million	700	35%
$100 million	400	40%
$100 million	700	45%

NOTE: Both the minimum requirements for business personal property value and job creation must be met in order to receive the corresponding abatement.