

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Economic Development Agreement

This Economic Development Agreement (“Agreement”) is made by and between the City of Lancaster, Texas (“City”), and PIHV South Pointe Industrial, LLC, a Delaware corporation, (the “Company”), acting by and through their respective authorized representatives.

W I T N E S S E T H:

WHEREAS, the Company has purchased approximately 28 acres of real property in the City of Lancaster, Texas, and being more particularly described in Exhibit “A” (the “Property”); and

WHEREAS, the Company intends to construct two warehouse-distribution buildings totaling approximately 420,000 square feet and related infrastructure for future tenant or owner occupied warehouse-distribution operations (the “Project”) and building permits will be applied for and construction on the first building will commence within eighteen (18) months from the execution of this agreement; and

WHEREAS, the Company has advised the City that a contributing factor that would induce the Company to undertake the Project would be an agreement by the City to provide an economic development grant to the Company to reimburse it for a portion of the Real Estate Taxes (hereinafter defined); and

WHEREAS, the City desires to encourage business expansions within the City that will add property tax base and generate additional sales tax and other revenue for the City; and

WHEREAS, the promoting the expansion of new or existing businesses within the City will promote economic development, stimulate commercial activity, generate additional sales tax and will enhance the Premises tax base and economic vitality of the City; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to the Company in accordance with this Agreement is in accordance with the City Economic Development Program and will: (i) further the objectives of the City; (ii) benefit the City and the City’s inhabitants; and (iii) will promote local economic development and stimulate business and commercial activity in the City.

NOW THEREFORE, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Article I Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Annual Grant(s)” shall mean annual economic development grants to be provided by the City in an amount equivalent to 45 percent (45%) of the Real Property Taxes assessed against the Premises for a given tax year for a period of five (5) consecutive tax years beginning with the first calendar year following the Commencement Date, to be paid as set forth herein.

“Casualty” shall mean the Improvements are wholly or partially destroyed by fire, tornado, hurricane, earthquake, flood or similar casualty that renders the Improvements unfit for the intended purpose.

“City” shall mean the City of Lancaster, Texas.

“Commencement Date” shall mean the later of (a) January 1 of the calendar year immediately following the date a Certificate of Occupancy is issued by the City for the Company’s occupancy of the improvements; and (b) January 1, 2016.

“Company” shall mean PIHV South Pointe Industrial, LLC, a Delaware corporation.

“Company Affiliate” shall mean any parent of Company or any wholly-owned subsidiary of either Company or of Company’s parent.

“Effective Date” shall mean the last date of execution hereof.

“Event of Bankruptcy or Insolvency” shall mean the dissolution or termination of a party’s existence as a going business, insolvency, appointment of receiver for any part of such party’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Event of Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or inaction (unless caused by the intentionally wrongful acts or omissions of the party), fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns or work stoppages.

“Expiration Date” shall mean the fourth (4th) year after the payment of the first Annual Grant.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on the Company or any property or any business owned by Company within the City.

“Premises” shall mean the real property described on Exhibit “A” with or without improvements.”

“Payment Request” shall mean a written request from Company to the City for payment of an Annual Grant.

“Project” shall mean the development of the Premises, by the design, construction and maintenance of new improvements and related infrastructure for at least two (2) warehouses-distribution and/or secondary office buildings totaling 420,000 square feet.

“Real Property Taxes” shall mean, all real estate ad valorem taxes assessed and levied by the City on the real property with or without improvements in accordance with state law.

“Real Property” shall mean all real estate ad valorem taxes assessed by the City on the real property with or without improvements.

“Related Infrastructure” shall mean all City development and building code requirements related to site preparation, water, wastewater, storm water, building construction etc. necessary to receive a City issue “Certificate of Occupancy” at completion of project activities.

“Required Use” shall mean Company’s continuous operation by tenant or available lease warehouse-distribution facilities on the Premises.

“Taxable Value” shall mean the assessed value of the Premises as certified by the appraisal district, or its successor, for a given year.

Article II

Term

The term of this Agreement shall begin on the last date of execution hereof (the “Effective Date”) and end on the fourth (4th) anniversary of the date of issuance by the City of a final certificate of occupancy for the Project.

Article III Economic Development Grants

3.1 **Annual Grants.** Subject to the Company's continued satisfaction of all the terms and conditions of this Agreement, the City agrees to provide the Company with the Annual Grants to be paid on March 1 of each calendar year, (or the immediately following business day of March 1 is not a business day), beginning with March 1 of the first full calendar year following the Commencement Date, provided the City has timely received the Real Estate Taxes assessed against the Premises in full for the respective tax year (i.e., the tax year immediately preceding the year in which an Annual Grant is made; and such Real Estate Taxes with respect to that immediately preceding tax year are used to determine the amount of each Annual Grant). For illustration purposes only, assume that the Real Estate taxes assessed against the Premises for tax year 2015 is \$100,000.00 then the amount of the first Annual Grant for the Premises for Tax Year 2015 would be, \$45,000.00 ($\$100,000.00 \times 45\%$), and would be paid on March 1, 2016.

3.2 **Grant Limitations.** Under no circumstances shall City obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Further, City shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by the Company. None of the City's obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

3.3 **Current Revenue.** The Annual Grants made hereunder shall be paid solely from lawfully available funds that have been appropriated by the City; provided however the City agrees during the term of this Agreement to make a good faith effort to appropriate funds each year to pay the Annual Grant for the then ensuing fiscal year. Consequently, notwithstanding any other provision of this Agreement, the City shall have no obligation or liability to pay any Grants except as allowed by law. The City shall not be required to pay any Annual Grants if prohibited under federal or state legislation or a decision of a court of competent jurisdiction.

3.4 **Tax Protest.** In the event the Company or the owner of the Premises timely and properly protests or contests (including any motion to correct the appraisal roll) the Taxable Value and/or the taxation of the Premises, or any portion thereof, with the applicable appraisal district (or its successor), and such protest and/or contest results in a final determination that changes the appraised value and/or the Taxable Value of the Premises or the amount of ad valorem taxes assessed and due for the Premises, or portion thereof, after an Annual Grant has been paid for such Premises for such tax year, the Annual Grant for such tax year shall be adjusted (increased or decreased as the case may be) accordingly on the date of payment of the next Annual Grant payment date, or within sixty (60) business days after such determination in the event no further Annual Grant payments are due under the Agreement.

3.5 **Refunds.** In the event the City determines in its sole discretion that the amount of an Annual Grant paid by the City to the Company was incorrect, the Company shall, within sixty (60) days after receipt of written notification thereof from the City specifying the amount by which such Annual Grant exceeded the correct amount to which the Company was entitled (together with such records, reports and other information necessary to support such determination), pay such amount to the City. If the City determines that the amount by which such Annual Grant was less than the correct amount to which the Company was entitled (together with such records, reports and

other information necessary to support such determination), the City shall, within sixty (60) days, pay the adjustment to the Company. If the Company disputes the City's determination, the parties shall seek to amicably resolve the matter, subject to either party's right to pursue any available rights or remedies in connection therewith.

Article IV Conditions to the Economic Development Grant

The obligation of the City to provide the Grants shall be conditioned upon the Company's continued compliance with and satisfaction of each of the terms and conditions of this Agreement and each of the conditions set forth below:

4.1 During the term of this Agreement following the Commencement Date and continuing thereafter until the Expiration Date, or earlier termination, the Company agrees to continuously own, lease or make available for lease the Improvements and shall not allow the operation of the Improvements in conformance with the Required Use to cease for more than sixty (60) days except in connection with, and to the extent of a Casualty or an Event of Force Majeure.

4.2 The Company shall commence Project construction on the Premises within eighteen months (18 months) of the execution date of this agreement or the agreement will terminate.

4.3 The Company shall not have an uncured breach or default of this Agreement.

4.4 The Company shall comply with all the terms and conditions of this Agreement.

Article V Termination

5.1 This Agreement terminates on the Expiration Date, and may prior to the Expiration Date, be terminated upon any one or more of the following:

- (a) by mutual written agreement of the parties;
- (b) by either party, if the other party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof;
- (c) by City, if any Impositions owed to the City or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such taxes or Impositions);
- (d) by City, if Company suffers an Event of Bankruptcy or Insolvency; or
- (e) by either party if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable.

5.2 In the event the Agreement is terminated by the City pursuant to Section 5.1(b),

(c), or (d), the Company shall not be entitled to receive any subsequent Annual Grants under this Agreement but shall have no obligation to refund to the City any Annual Grants (or portion thereof or interest accrued thereon) previously paid by the City to the Company.

5.3 In the event the Agreement is terminated by the City pursuant to Section 5.1(e), the Company shall, only if such legislation or court decision requires, immediately refund to the City an amount equal to the annual Grant(s) paid by the City to the Company immediately preceding the date of such termination. The repayment obligation of Company set forth in this section 5.3 hereof shall survive termination.

Article VI Miscellaneous

6.1 **Binding Agreement.** The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the parties hereto.

6.2 **Limitation on Liability.** It is understood and agreed between the parties that the Company and City, in satisfying the conditions of this Agreement, have acted independently, and the City assumes no responsibilities or liabilities to third parties in connection with these actions.

6.3 **No Joint Venture.** It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the parties.

6.4 **Authorization.** Each party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto.

6.5 **Notice.** Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below (or such other address as such party may subsequently designate in writing) or on the day actually received if sent by courier or otherwise hand delivered.

If intended for City, to:

City of Lancaster
Attn: Opal Mauldin-Robertson
City Manager
P. O. Box 940
211 North Henry Street
Lancaster, Texas 75146-0946

With a copy to:

Robert E. Hager
Nichols, Jackson, Dillard,
Hager & Smith, L.L.P
1800 Lincoln Plaza
500 North Akard
Dallas, Texas 75201

If intended for Company:

The Pauls Corporation
Attn: Chris Manley
Chief Financial Officer
270 Saint Paul Street
Denver, CO 80206

With copy to:

Campbell Killin Brittan
270 Saint Paul Street Suite 200
Denver, Colorado 80206
Att: Joel Mayo

6.6 **Entire Agreement.** This Agreement is the entire Agreement between the parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the parties that in any manner relates to the subject matter of this Agreement, except as provided in any Exhibits attached hereto.

6.7 **Governing Law.** The Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Agreement shall be in the State District Court of Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said court.

6.8 **Amendment.** This Agreement may only be amended by the mutual written agreement of the parties.

6.9 **Legal Construction.** In the event 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 other provisions, and it is the intention of the parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.10 **Exhibits.** All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

6.11 **Successors and Assigns.** This Agreement may not be assigned without the City's prior written consent, except to a Company subsidiary. Neither the Company nor its legal representatives or successors in interest shall, by operation of law or otherwise, assign, mortgage, pledge, encumber or otherwise transfer this Agreement or any part hereof, or the interest of the Company under this Agreement in either case except to a Company subsidiary, without obtaining the City's prior written consent, which may not be withheld. Any attempted assignment by the Company, except to a Company subsidiary, in violation of the terms and provisions of this Agreement shall be void and shall constitute a material breach of this Agreement.

6.12 **Recitals.** The recitals to this Agreement are incorporated herein.

6.13 **Counterparts.** This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

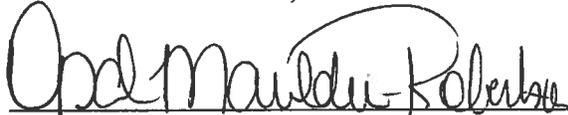
6.14 **Survival of Covenants.** Any of the representations, warranties, covenants, and obligations of the parties, as well as any rights and benefits of the parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

6.15 **Conditions Precedent.** This Agreement is subject to and conditioned upon the following conditions which are conditions precedent to the obligations of the parties: (i) Company shall diligently and faithfully, in a good and workmanlike manner, make or cause the construction and finish out improvements to the Premises in accordance with all applicable state and local laws and regulations or a valid waiver thereof; (ii) Company shall obtain a Certificate of Occupancy for the Premises.

Signature page to follow

EXECUTED on this 10th day of November, 2014.

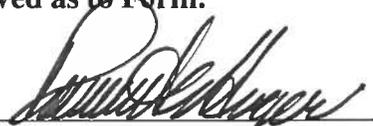
CITY OF LANCASTER, TEXAS

By: 
Opal Mauldin-Robertson, City Manager

Attest:

By: 
Sorangel O. Arenas, City Secretary

Approved as to Form:

By: 
Robert E. Hager, City Attorney

EXECUTED on this 12th day of December, 2014.

PIHV SOUTH POINTE INDUSTRIAL LLC

By: 
Chris Manley, Chief Financial Officer

EXHIBIT A

Legal description of land:

TRACT ONE:

Being Lot 3, in Block 1, of Southpointe Corporate Center, an Addition to the City of Lancaster, Dallas County, Texas, according to the Map thereof recorded under Clerk's File No. 201300251920, Map Records, Dallas County, Texas.

TRACT TWO:

BEING A 25.334 ACRE TRACT OF LAND SITUATED IN THE SILAS B. RUNYON SURVEY, ABSTRACT NO. 1199, CITY OF LANCASTER, DALLAS COUNTY, TEXAS AND BEING ALL OF THAT CALLED 25.4716 ACRE TRACT OF LAND DESIGNATED AS TRACT 2B IN THE WARRANTY DEED TO HIGHLAND PARK LAND COMPANY RECORDED IN INSTRUMENT NUMBER 201100269768, OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS, (O.P.R.D.C.T.), SAID 25.334 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A TEXAS DEPARTMENT OF TRANSPORTATION CONCRETE RIGHT-OF-WAY MARKER FOUND FOR THE NORTHWEST CORNER OF SAID 25.4716 ACRE TRACT OF LAND AND BEING IN THE SOUTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 20, (A VARIABLE WIDTH CONTROLLED ACCESS PUBLIC RIGHT-OF-WAY, AS DESCRIBED TO THE STATE OF TEXAS IN THE DEED RECORDED IN VOLUME 855, PAGE 1128 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS, (D.R.D.C.T.), AND BEING THE NORTHEAST CORNER OF THAT CALLED .1.595 ACRE TRACT OF LAND DESCRIBED TO JMJ DIRECTION OUTDOOR, LLC IN THE SPECIAL WARRANTY DEED RECORDED IN INSTRUMENT NUMBER 201100228492, O.P.R.D.C.T.;

THENCE NORTH 87°03'19" EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID INTERSTATE HIGHWAY 20, A DISTANCE OF 734.17 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR CORNER;

THENCE NORTH 84°12'30" EAST CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 111.02 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE NORTH END OF A CORNER CLIP AT THE INTERSECTION OF SOUTHERLY RIGHT-OF-WAY LINE OF SAID INTERSTATE HIGHWAY 20 WITH THE WESTERLY RIGHT-OF-WAY LINE OF CORPORATE DRIVE, (A 50-FOOT PUBLIC RIGHT-OF-WAY) AS DEDICATED BY THE FINAL PLAT OF SOUTHPOINTE CORPORATE CENTER, AN ADDITION TO THE CITY OF LANCASTER RECORDED IN INSTRUMENT NUMBER 201000105011, O.P.R.D.C.T.;

THENCE ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SAID CORPORATE DRIVE, THE FOLLOWING SIX (6) CALLS:

1. SOUTH 49°59'52" EAST ALONG SAID CORNER CLIP, A DISTANCE OF 34.87 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR CORNER;
2. SOUTH 04°12'18" EAST, A DISTANCE OF 24.31 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 475.00 FEET;
3. SOUTHEASTERLY WITH SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF

EXHIBIT A

44°17'05" FOR AN ARC LENGTH OF 367.13 FEET, A CHORD BEARING OF SOUTH 26°20'50" EAST AND A CHORD DISTANCE OF 358.06 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF TANGENCY;

4. SOUTH 48°29'23" EAST, A DISTANCE OF 163.78 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF CURVATURE OF A CURVE TO THE RIGHT HAVING A RADIUS OF 425.00 FEET;

5. SOUTHEASTERLY WITH SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 47°10'59" FOR AN ARC LENGTH OF 349.99 FEET, A CHORD BEARING OF SOUTH 24°53'53" EAST AND A CHORD DISTANCE OF 340.18 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF TANGENCY;

6. SOUTH 01°18'24" EAST, A DISTANCE OF 278.24 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF INTERSECTION OF SAID WESTERLY RIGHT-OF-WAY LINE WITH THE SOUTHERLY RIGHT-OF-WAY LINE OF SOUTHPOINTE DRIVE, (A VARIABLE WIDTH PUBLIC RIGHT-OF-WAY) AS DEDICATED BY SAID FINAL PLAT OF SOUTHPOINTE CORPORATE CENTER;

THENCE NORTH 88°41'36" EAST ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 2,263.75 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE NORTH END OF A CORNER CLIP AT THE INTERSECTION OF SAID SOUTHERLY RIGHT-OF-WAY LINE WITH THE WESTERLY RIGHT-OF-WAY LINE OF HOUSTON SCHOOL ROAD, (A VARIABLE WIDTH PUBLIC RIGHT-OF-WAY);

THENCE SOUTH 46°18'44" EAST ALONG SAID CORNER CLIP, A DISTANCE OF 28.29 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE SOUTH END OF SAID CORNER CLIP IN THE WESTERLY RIGHT-OF-WAY LINE OF SAID HOUSTON SCHOOL ROAD AND BEING IN THE NORTH LINE OF THE REMAINING PORTION OF THAT CALLED 0.50 ACRE TRACT OF LAND DESCRIBED IN THE SPECIAL WARRANTY DEED FROM LARRY RHOADES AND RHONDA CLEVELAND RHOADES TO JAMIE VILLANUEVA RECORDED IN VOLUME 2003174, PAGE 2320, D.R.D.C.T.;

THENCE SOUTH 88°41'36" WEST ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID 0.50 ACRE TRACT OF LAND, AT A DISTANCE OF 568.25 FEET PASSING THE NORTHWEST CORNER OF SAID 0.50 ACRE TRACT OF LAND SAME BEING THE MOST NORTHERLY NORTHEAST CORNER OF THAT CALLED 60.959 ACRE TRACT OF LAND DESCRIBED TO RANDY JUSTISS AND VIRGINIA A JUSTISS IN THE EXECUTER'S DEED RECORDED IN INSTRUMENT NUMBER 200900077417, O.P.R.D.C.T., CONTINUING ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID 60.959 ACRE TRACT OF LAND IN ALL FOR A TOTAL DISTANCE OF 2,118.45 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR CORNER;

THENCE SOUTH 01°06'22" EAST CONTINUING ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID 60.959 ACRE TRACT OF LAND, A DISTANCE OF 312.49 FEET TO A 5/8-INCH IRON ROD FOUND FOR CORNER IN THE NORTH LINE OF LOT 2, BLOCK A OF CONTRACT FREIGHTERS, INC. ADDITION, AN ADDITION TO THE CITY OF LANCASTER

ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 99155, PAGE 60,
D.R.D.C.T.;

THENCE SOUTH 88°58'03" WEST ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID LOT 2, AT A CALLED DISTANCE OF 144.68 FEET PASSING THE NORTHWEST CORNER OF SAID LOT 2 SAME BEING THE NORTHEAST CORNER OF LOT 1, BLOCK A OF SAID CONTRACT FREIGHTERS, INC. ADDITION, CONTINUING ALONG THE COMMON LINE OF SAID

25.4716 ACRE TRACT OF LAND AND SAID LOT 1 IN ALL FOR A TOTAL DISTANCE OF 733.61 FEET

TO A 5/8-INCH IRON ROD FOUND FOR THE MOST SOUTHERLY SOUTHWEST CORNER OF SAID

25.4716 ACRE TRACT OF LAND AND BEING IN THE EAST RIGHT-OF-WAY LINE OF EATON AVENUE (A CALLED 50-FOOT PUBLIC RIGHT-OF-WAY) AS DEDICATED BY THE DANIELDALE ADDITION, AN ADDITION TO THE CITY OF LANCASTER RECORDED IN VOLUME 35, PAGE 213, MAP RECORDS OF DALLAS COUNTY, TEXAS (M.R.D.C.T.);

THENCE ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID DANIELDALE ADDITION, THE FOLLOWING TWO (2) CALLS:

1. NORTH 00°01'45" WEST, A DISTANCE OF 833.92 FEET TO A 5/8-INCH IRON ROD FOUND FOR THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF SAID EATON AVENUE WITH THE NORTH RIGHT-OF-WAY LINE OF BRANTLEY DRIVE (A CALLED 25-FOOT PUBLIC RIGHT-OF-WAY) AND FROM WHICH A 1/2-INCH IRON ROD FOUND BEARS NORTH

03°33' EAST, A DISTANCE OF 13.4 FEET;

2. SOUTH 89°05'58" WEST, A DISTANCE OF 724.42 FEET TO A 1/2-INCH IRON ROD FOUND FOR THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF SAID BRANTLEY DRIVE WITH THE EAST RIGHT-OF-WAY LINE OF PATMAN DRIVE (A CALLED 50-FOOT PUBLIC RIGHT-OF-WAY) AND FROM WHICH A 1/2-INCH IRON ROD FOUND BEARS SOUTH

00°53' EAST, A DISTANCE OF 6.7 FEET AND A 1/2-INCH IRON ROD FOUND BEARS NORTH 87°21' WEST, A DISTANCE OF 19.4 FEET;

THENCE NORTH 01°48'07" WEST, CONTINUING ALONG SAID COMMON LINE AT A DISTANCE OF 345.04 FEET PASSING THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF SAID PATMAN DRIVE WITH THE NORTH RIGHT-OF-WAY LINE OF SAID BRANTLEY DRIVE SAME BEING THE SOUTHEAST CORNER OF THE AFOREMENTIONED 1.595 ACRE TRACT OF LAND DESCRIBED TO JMJ DIRECTION OUTDOOR, LLC, CONTINUING ALONG THE COMMON LINE OF SAID 1.595 ACRE TRACT OF LAND AND SAID 25.4716 ACRE TRACT OF LAND IN ALL A TOTAL DISTANCE 533.50 FEET TO THE POINT OF BEGINNING;

CONTAINING A COMPUTED AREA OF 1,163;53 SQUARE FEET OR 25,33< ACRES OF LAND.

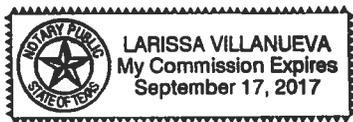
NOTE: COMPANY DOES NOT REPRESENT THAT THE ABOVE ACREAGE AND/OR SQUARE FOOTAGE CALCULATIONS ARE CORRECT.

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Opal Mauldin-Robertson, City Manager of the City of Lancaster, a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the 10th day of November, 2014.



Larissa Villanueva
Notary Public, State of Texas

My Commission Expires:
September 17, 2017

RESOLUTION NO. 2014-11-93

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE ECONOMIC DEVELOPMENT AGREEMENT WHICH IS ATTACHED HERETO AS EXHIBIT A PURSUANT TO CHAPTER 380, TEXAS LOCAL GOVERNMENT CODE, BY AND BETWEEN THE CITY OF LANCASTER AND PIHV SOUTH POINTE INDUSTRIAL, LLC A DELAWARE CORPORATION; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, PIHV South Pointe Industrial, LLC, a Delaware corporation has purchased approximately twenty-eight (28) acres of real property in Lancaster, Texas and desires to construct two logistics-distribution facilities totaling 420,000 square feet; and

WHEREAS, PIHV South Pointe Industrial, LLC's development of the Premises will provide employment opportunities within the City; and

WHEREAS, the location of PIHV South Pointe Industrial, LLC's project on the Premises will result in a significant capital investment and improvements on the Premises; and

WHEREAS, PIHV South Pointe Industrial, LLC has advised the City that a contributing factor that would induce the company to construct and lease to tenants the two buildings would be an agreement by the City to provide an economic development grant to the company; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to PIHV South Pointe Industrial, LLC in accordance with this Agreement is in accordance with the City Economic Development Policy and will: (i) further the objectives of the City; (ii) benefit the City and the City's inhabitants; and (iii) will promote local economic development and stimulate business and commercial activity in the City; and

WHEREAS, City desires to authorize the City Manager to enter into an Economic Development Agreement with PIHV South Pointe Industrial, LLC pursuant to Chapter 380 of the Texas Local Government Code.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS:

SECTION 1. That the City Manager is hereby authorized to execute an Economic Development Agreement, which is attached hereto and incorporated herein as Exhibit A, pursuant to Chapter 380 of the Texas Local Government Code (and any amendments thereto, including any related instruments), on behalf of the City of Lancaster, Texas, with PIHV South Pointe Industrial, LLC and its affiliated and related entities.

SECTION 2. That all provisions of the resolutions of the City of Lancaster, Texas, in conflict with the provisions of this resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this resolution shall remain in full force and effect.

SECTION 3. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this resolution be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said resolution which shall remain in full force and effect.

SECTION 4. This resolution shall take effect immediately from and after its passage, as the law and charter in such cases provide.

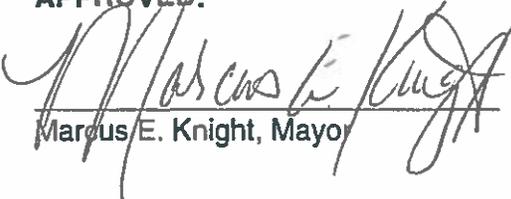
DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 10th day of November, 2014.

ATTEST:



Sorangel O. Arenas, City Secretary

APPROVED:



Marcus E. Knight, Mayor

APPROVED AS TO FORM:



Robert E. Hager, City Attorney

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Economic Development Agreement

This Economic Development Agreement (“Agreement”) is made by and between the City of Lancaster, Texas (“City”), and PIHV South Pointe Industrial, LLC, a Delaware corporation, (the “Company”), acting by and through their respective authorized representatives.

WITNESSETH:

WHEREAS, the Company has purchased approximately 28 acres of real property in the City of Lancaster, Texas, and being more particularly described in Exhibit “A” (the “Property”); and

WHEREAS, the Company intends to construct two warehouse-distribution buildings totaling approximately 420,000 square feet and related infrastructure for future tenant or owner occupied warehouse-distribution operations (the “Project”) and building permits will be applied for and construction on the first building will commence within eighteen (18) months from the execution of this agreement; and

WHEREAS, the Company has advised the City that a contributing factor that would induce the Company to undertake the Project would be an agreement by the City to provide an economic development grant to the Company to reimburse it for a portion of the Real Estate Taxes (hereinafter defined); and

WHEREAS, the City desires to encourage business expansions within the City that will add property tax base and generate additional sales tax and other revenue for the City; and

WHEREAS, the promoting the expansion of new or existing businesses within the City will promote economic development, stimulate commercial activity, generate additional sales tax and will enhance the Premises tax base and economic vitality of the City; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to the Company in accordance with this Agreement is in accordance with the City Economic Development Program and will: (i) further the objectives of the City; (ii) benefit the City and the City’s inhabitants; and (iii) will promote local economic development and stimulate business and commercial activity in the City.

NOW THEREFORE, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Article I Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Annual Grant(s)” shall mean annual economic development grants to be provided by the City in an amount equivalent to 45 percent (45%) of the Real Property Taxes assessed against the Premises for a given tax year for a period of five (5) consecutive tax years beginning with the first calendar year following the Commencement Date, to be paid as set forth herein.

“Casualty” shall mean the Improvements are wholly or partially destroyed by fire, tornado, hurricane, earthquake, flood or similar casualty that renders the Improvements unfit for the intended purpose.

“City” shall mean the City of Lancaster, Texas.

“Commencement Date” shall mean the later of (a) January 1 of the calendar year immediately following the date a Certificate of Occupancy is issued by the City for the Company’s occupancy of the improvements; and (b) January 1, 2016.

“Company” shall mean PIHV South Pointe Industrial, LLC, a Delaware corporation.

“Company Affiliate” shall mean any parent of Company or any wholly-owned subsidiary of either Company or of Company’s parent.

“Effective Date” shall mean the last date of execution hereof.

“Event of Bankruptcy or Insolvency” shall mean the dissolution or termination of a party’s existence as a going business, insolvency, appointment of receiver for any part of such party’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Event of Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or inaction (unless caused by the intentionally wrongful acts or omissions of the party), fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns or work stoppages.

“Expiration Date” shall mean the fourth (4th) year after the payment of the first Annual Grant.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on the Company or any property or any business owned by Company within the City.

“Premises” shall mean the real property described on Exhibit “A” with or without improvements.”

“Payment Request” shall mean a written request from Company to the City for payment of an Annual Grant.

“Project” shall mean the development of the Premises, by the design, construction and maintenance of new improvements and related infrastructure for at least two (2) warehouses-distribution and/or secondary office buildings totaling 420,000 square feet.

“Real Property Taxes” shall mean, all real estate ad valorem taxes assessed and levied by the City on the real property with or without improvements in accordance with state law.

“Real Property” shall mean all real estate ad valorem taxes assessed by the City on the real property with or without improvements.

“Related Infrastructure” shall mean all City development and building code requirements related to site preparation, water, wastewater, storm water, building construction etc. necessary to receive a City issue “Certificate of Occupancy” at completion of project activities.

“Required Use” shall mean Company’s continuous operation by tenant or available lease warehouse-distribution facilities on the Premises.

“Taxable Value” shall mean the assessed value of the Premises as certified by the appraisal district, or its successor, for a given year.

Article II

Term

The term of this Agreement shall begin on the last date of execution hereof (the “Effective Date”) and end on the fourth (4th) anniversary of the date of issuance by the City of a final certificate of occupancy for the Project.

Article III Economic Development Grants

3.1 **Annual Grants.** Subject to the Company's continued satisfaction of all the terms and conditions of this Agreement, the City agrees to provide the Company with the Annual Grants to be paid on March 1 of each calendar year, (or the immediately following business day of March 1 is not a business day), beginning with March 1 of the first full calendar year following the Commencement Date, provided the City has timely received the Real Estate Taxes assessed against the Premises in full for the respective tax year (i.e., the tax year immediately preceding the year in which an Annual Grant is made; and such Real Estate Taxes with respect to that immediately preceding tax year are used to determine the amount of each Annual Grant). For illustration purposes only, assume that the Real Estate taxes assessed against the Premises for tax year 2015 is \$100,000.00 then the amount of the first Annual Grant for the Premises for Tax Year 2015 would be, \$45,000.00 ($\$100,000.00 \times 45\%$), and would be paid on March 1, 2016.

3.2 **Grant Limitations.** Under no circumstances shall City obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Further, City shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by the Company. None of the City's obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

3.3 **Current Revenue.** The Annual Grants made hereunder shall be paid solely from lawfully available funds that have been appropriated by the City; provided however the City agrees during the term of this Agreement to make a good faith effort to appropriate funds each year to pay the Annual Grant for the then ensuing fiscal year. Consequently, notwithstanding any other provision of this Agreement, the City shall have no obligation or liability to pay any Grants except as allowed by law. The City shall not be required to pay any Annual Grants if prohibited under federal or state legislation or a decision of a court of competent jurisdiction.

3.4 **Tax Protest.** In the event the Company or the owner of the Premises timely and properly protests or contests (including any motion to correct the appraisal roll) the Taxable Value and/or the taxation of the Premises, or any portion thereof, with the applicable appraisal district (or its successor), and such protest and/or contest results in a final determination that changes the appraised value and/or the Taxable Value of the Premises or the amount of ad valorem taxes assessed and due for the Premises, or portion thereof, after an Annual Grant has been paid for such Premises for such tax year, the Annual Grant for such tax year shall be adjusted (increased or decreased as the case may be) accordingly on the date of payment of the next Annual Grant payment date, or within sixty (60) business days after such determination in the event no further Annual Grant payments are due under the Agreement.

3.5 **Refunds.** In the event the City determines in its sole discretion that the amount of an Annual Grant paid by the City to the Company was incorrect, the Company shall, within sixty (60) days after receipt of written notification thereof from the City specifying the amount by which such Annual Grant exceeded the correct amount to which the Company was entitled (together with such records, reports and other information necessary to support such determination), pay such amount to the City. If the City determines that the amount by which such Annual Grant was less than the correct amount to which the Company was entitled (together with such records, reports and

other information necessary to support such determination), the City shall, within sixty (60) days, pay the adjustment to the Company. If the Company disputes the City's determination, the parties shall seek to amicably resolve the matter, subject to either party's right to pursue any available rights or remedies in connection therewith.

Article IV

Conditions to the Economic Development Grant

The obligation of the City to provide the Grants shall be conditioned upon the Company's continued compliance with and satisfaction of each of the terms and conditions of this Agreement and each of the conditions set forth below:

4.1 During the term of this Agreement following the Commencement Date and continuing thereafter until the Expiration Date, or earlier termination, the Company agrees to continuously own, lease or make available for lease the Improvements and shall not allow the operation of the Improvements in conformance with the Required Use to cease for more than sixty (60) days except in connection with, and to the extent of a Casualty or an Event of Force Majeure.

4.2 The Company shall commence Project construction on the Premises within eighteen months (18 months) of the execution date of this agreement or the agreement will terminate.

4.3 The Company shall not have an uncured breach or default of this Agreement.

4.4 The Company shall comply with all the terms and conditions of this Agreement.

Article V

Termination

5.1 This Agreement terminates on the Expiration Date, and may prior to the Expiration Date, be terminated upon any one or more of the following:

- (a) by mutual written agreement of the parties;
- (b) by either party, if the other party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof;
- (c) by City, if any Impositions owed to the City or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such taxes or Impositions);
- (d) by City, if Company suffers an Event of Bankruptcy or Insolvency; or
- (e) by either party if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable.

5.2 In the event the Agreement is terminated by the City pursuant to Section 5.1(b),

(c), or (d), the Company shall not be entitled to receive any subsequent Annual Grants under this Agreement but shall have no obligation to refund to the City any Annual Grants (or portion thereof or interest accrued thereon) previously paid by the City to the Company.

5.3 In the event the Agreement is terminated by the City pursuant to Section 5.1(e), the Company shall, only if such legislation or court decision requires, immediately refund to the City an amount equal to the annual Grant(s) paid by the City to the Company immediately preceding the date of such termination. The repayment obligation of Company set forth in this section 5.3 hereof shall survive termination.

Article VI Miscellaneous

6.1 **Binding Agreement.** The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the parties hereto.

6.2 **Limitation on Liability.** It is understood and agreed between the parties that the Company and City, in satisfying the conditions of this Agreement, have acted independently, and the City assumes no responsibilities or liabilities to third parties in connection with these actions.

6.3 **No Joint Venture.** It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the parties.

6.4 **Authorization.** Each party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto.

6.5 **Notice.** Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below (or such other address as such party may subsequently designate in writing) or on the day actually received if sent by courier or otherwise hand delivered.

If intended for City, to:

City of Lancaster
Attn: Opal Mauldin-Robertson
City Manager
P. O. Box 940
211 North Henry Street
Lancaster, Texas 75146-0946

With a copy to:

Robert E. Hager
Nichols, Jackson, Dillard,
Hager & Smith, L.L.P
1800 Lincoln Plaza
500 North Akard
Dallas, Texas 75201

If intended for Company:

The Pauls Corporation
Attn: Chris Manley
Chief Financial Officer
270 Saint Paul Street
Denver, CO 80206

With copy to:

Campbell Killin Brittan
270 Saint Paul Street Suite 200
Denver, Colorado 80206
Att: Joel Mayo

6.6 **Entire Agreement.** This Agreement is the entire Agreement between the parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the parties that in any manner relates to the subject matter of this Agreement, except as provided in any Exhibits attached hereto.

6.7 **Governing Law.** The Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Agreement shall be in the State District Court of Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said court.

6.8 **Amendment.** This Agreement may only be amended by the mutual written agreement of the parties.

6.9 **Legal Construction.** In the event 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 other provisions, and it is the intention of the parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.10 **Exhibits.** All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

6.11 **Successors and Assigns.** This Agreement may not be assigned without the City's prior written consent, except to a Company subsidiary. Neither the Company nor its legal representatives or successors in interest shall, by operation of law or otherwise, assign, mortgage, pledge, encumber or otherwise transfer this Agreement or any part hereof, or the interest of the Company under this Agreement in either case except to a Company subsidiary, without obtaining the City's prior written consent, which may not be withheld. Any attempted assignment by the Company, except to a Company subsidiary, in violation of the terms and provisions of this Agreement shall be void and shall constitute a material breach of this Agreement.

6.12 **Recitals.** The recitals to this Agreement are incorporated herein.

6.13 **Counterparts.** This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

6.14 **Survival of Covenants.** Any of the representations, warranties, covenants, and obligations of the parties, as well as any rights and benefits of the parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

6.15 **Conditions Precedent.** This Agreement is subject to and conditioned upon the following conditions which are conditions precedent to the obligations of the parties: (i) Company shall diligently and faithfully, in a good and workmanlike manner, make or cause the construction and finish out improvements to the Premises in accordance with all applicable state and local laws and regulations or a valid waiver thereof; (ii) Company shall obtain a Certificate of Occupancy for the Premises.

Signature page to follow

EXECUTED on this 10th day of November, 2014.

CITY OF LANCASTER, TEXAS

By: Opal Mauldin-Robertson
Opal Mauldin-Robertson, City Manager

Attest:

By: Sorangel O. Arenas
Sorangel O. Arenas, City Secretary

Approved as to Form:

By: Robert E. Hager
Robert E. Hager, City Attorney

EXECUTED on this 12th day of December, 2014.

PIHV SOUTH POINTE INDUSTRIAL LLC

By: Chris Manley
Chris Manley, Chief Financial Officer

EXHIBIT A

Legal description of land:

TRACT ONE:

Being Lot 3, in Block 1, of Southpointe Corporate Center, an Addition to the City of Lancaster, Dallas County, Texas, according to the Map thereof recorded under Clerk's File No. 201300251920, Map Records, Dallas County, Texas.

TRACT TWO:

BEING A 25.334 ACRE TRACT OF LAND SITUATED IN THE SILAS B. RUNYON SURVEY, ABSTRACT NO. 1199, CITY OF LANCASTER, DALLAS COUNTY, TEXAS AND BEING ALL OF THAT CALLED 25.4716 ACRE TRACT OF LAND DESIGNATED AS TRACT 2B IN THE WARRANTY DEED TO HIGHLAND PARK LAND COMPANY RECORDED IN INSTRUMENT NUMBER 201100269768, OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS, (O.P.R.D.C.T.), SAID 25.334 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A TEXAS DEPARTMENT OF TRANSPORTATION CONCRETE RIGHT-OF-WAY MARKER FOUND FOR THE NORTHWEST CORNER OF SAID 25.4716 ACRE TRACT OF LAND AND BEING IN THE SOUTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 20, (A VARIABLE WIDTH CONTROLLED ACCESS PUBLIC RIGHT-OF-WAY, AS DESCRIBED TO THE STATE OF TEXAS IN THE DEED RECORDED IN VOLUME 855, PAGE 1128 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS, (D.R.D.C.T.), AND BEING THE NORTHEAST CORNER OF THAT CALLED .1595 ACRE TRACT OF LAND DESCRIBED TO JMJ DIRECTION OUTDOOR, LLC IN THE SPECIAL WARRANTY DEED RECORDED IN INSTRUMENT NUMBER 201100228492, O.P.R.D.C.T.;

THENCE NORTH 87°03'19" EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID INTERSTATE HIGHWAY 20, A DISTANCE OF 734.17 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR CORNER;

THENCE NORTH 84°12'30" EAST CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 111.02 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE NORTH END OF A CORNER CLIP AT THE INTERSECTION OF SOUTHERLY RIGHT-OF-WAY LINE OF SAID INTERSTATE HIGHWAY 20 WITH THE WESTERLY RIGHT-OF-WAY LINE OF CORPORATE DRIVE, (A 50-FOOT PUBLIC RIGHT-OF-WAY) AS DEDICATED BY THE FINAL PLAT OF SOUTHPOINTE CORPORATE CENTER, AN ADDITION TO THE CITY OF LANCASTER RECORDED IN INSTRUMENT NUMBER 201000105011, O.P.R.D.C.T.;

THENCE ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SAID CORPORATE DRIVE, THE FOLLOWING SIX (6) CALLS:

1. SOUTH 49°59'52" EAST ALONG SAID CORNER CLIP, A DISTANCE OF 34.87 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR CORNER;
2. SOUTH 04°12'18" EAST, A DISTANCE OF 24.31 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF CURVATURE OF A CURVE. TO THE LEFT HAVING A RADIUS OF 475.00 FEET;
3. SOUTHEASTERLY WITH SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF

EXHIBIT A

44°17'05" FOR AN ARC LENGTH OF 367.13 FEET, A CHORD BEARING OF SOUTH 26°20'50" EAST AND A CHORD DISTANCE OF 358.06 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF TANGENCY;

4. SOUTH 48°29'23" EAST, A DISTANCE OF 163.78 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF CURVATURE OF A CURVE TO THE RIGHT HAVING A RADIUS OF 425.00 FEET;

5. SOUTHEASTERLY WITH SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 47°10'59" FOR AN ARC LENGTH OF 349.99 FEET, A CHORD BEARING OF SOUTH 24°53'53" EAST AND A CHORD DISTANCE OF 340.18 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF TANGENCY;

6. SOUTH 01°18'24" EAST, A DISTANCE OF 278.24 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF INTERSECTION OF SAID WESTERLY RIGHT-OF-WAY LINE WITH THE SOUTHERLY RIGHT-OF-WAY LINE OF SOUTHPOINTE DRIVE, (A VARIABLE WIDTH PUBLIC RIGHT-OF-WAY) AS DEDICATED BY SAID FINAL PLAT OF SOUTHPOINTE CORPORATE CENTER;

THENCE NORTH 88°41'36" EAST ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 2,263.75 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE NORTH END OF A CORNER CLIP AT THE INTERSECTION OF SAID SOUTHERLY RIGHT-OF-WAY LINE WITH THE WESTERLY RIGHT-OF-WAY LINE OF HOUSTON SCHOOL ROAD, (A VARIABLE WIDTH PUBLIC RIGHT-OF-WAY);

THENCE SOUTH 46°18'44" EAST ALONG SAID CORNER CLIP, A DISTANCE OF 28.29 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE SOUTH END OF SAID CORNER CLIP IN THE WESTERLY RIGHT-OF-WAY LINE OF SAID HOUSTON SCHOOL ROAD AND BEING IN THE NORTH LINE OF THE REMAINING PORTION OF THAT CALLED 0.50 ACRE TRACT OF LAND DESCRIBED IN THE SPECIAL WARRANTY DEED FROM LARRY RHOADES AND RHONDA CLEVELAND RHOADES TO JAMIE VILLANUEVA RECORDED IN VOLUME 2003174, PAGE 2320, D.R.D.C.T.;

THENCE SOUTH 88°41'36" WEST ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID 0.50 ACRE TRACT OF LAND, AT A DISTANCE OF 568.25 FEET PASSING THE NORTHWEST CORNER OF SAID 0.50 ACRE TRACT OF LAND SAME BEING THE MOST NORTHERLY NORTHEAST CORNER OF THAT CALLED 60.959 ACRE TRACT OF LAND DESCRIBED TO RANDY JUSTISS AND VIRGINIA A JUSTISS IN THE EXECUTER'S DEED RECORDED IN INSTRUMENT NUMBER 200900077417, O.P.R.D.C.T., CONTINUING ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID 60.959 ACRE TRACT OF LAND IN ALL FOR A TOTAL DISTANCE OF 2,118.45 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR CORNER;

THENCE SOUTH 01°06'22" EAST CONTINUING ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID 60.959 ACRE TRACT OF LAND, A DISTANCE OF 312.49 FEET TO A 5/8-INCH IRON ROD FOUND FOR CORNER IN THE NORTH LINE OF LOT 2, BLOCK A OF CONTRACT FREIGHTERS, INC. ADDITION, AN ADDITION TO THE CITY OF LANCASTER

ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 99155, PAGE 60,
D.R.D.C.T.;

THENCE SOUTH 88°58'03" WEST ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID LOT 2, AT A CALLED DISTANCE OF 144.68 FEET PASSING THE NORTHWEST CORNER OF SAID LOT 2 SAME BEING THE NORTHEAST CORNER OF LOT 1, BLOCK A OF SAID CONTRACT FREIGHTERS, INC. ADDITION, CONTINUING ALONG THE COMMON LINE OF SAID

25.4716 ACRE TRACT OF LAND AND SAID LOT 1 IN ALL FOR A TOTAL DISTANCE OF 733.61 FEET

TO A 5/8-INCH IRON ROD FOUND FOR THE MOST SOUTHERLY SOUTHWEST CORNER OF SAID

25.4716 ACRE TRACT OF LAND AND BEING IN THE EAST RIGHT-OF-WAY LINE OF EATON AVENUE (A CALLED 50-FOOT PUBLIC RIGHT-OF-WAY) AS DEDICATED BY THE DANIELDALE ADDITION, AN ADDITION TO THE CITY OF LANCASTER RECORDED IN VOLUME 35, PAGE 213, MAP RECORDS OF DALLAS COUNTY, TEXAS (M.R.D.C.T.);

THENCE ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID DANIELDALE ADDITION, THE FOLLOWING TWO (2) CALLS:

1. NORTH 00°01'45" WEST, A DISTANCE OF 833.92 FEET TO A 5/8-INCH IRON ROD FOUND FOR THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF SAID EATON AVENUE WITH THE NORTH RIGHT-OF-WAY LINE OF BRANTLEY DRIVE (A CALLED 25-FOOT PUBLIC RIGHT-OF-WAY) AND FROM WHICH A 1/2-INCH IRON ROD FOUND BEARS NORTH

03°33' EAST, A DISTANCE OF 13.4 FEET;

2. SOUTH 89°05'58" WEST, A DISTANCE OF 724.42 FEET TO A 1/2-INCH IRON ROD FOUND FOR THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF SAID BRANTLEY DRIVE WITH THE EAST RIGHT-OF-WAY LINE OF PATMAN DRIVE (A CALLED 50-FOOT PUBLIC RIGHT-OF-WAY) AND FROM WHICH A 1/2-INCH IRON ROD FOUND BEARS SOUTH

00°53' EAST, A DISTANCE OF 6.7 FEET AND A 1/2-INCH IRON ROD FOUND BEARS NORTH 87°21' WEST, A DISTANCE OF 19.4 FEET;

THENCE NORTH 01°48'07" WEST, CONTINUING ALONG SAID COMMON LINE AT A DISTANCE OF 345.04 FEET PASSING THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF SAID PATMAN DRIVE WITH THE NORTH RIGHT-OF-WAY LINE OF SAID BRANTLEY DRIVE SAME BEING THE SOUTHEAST CORNER OF THE AFOREMENTIONED 1.595 ACRE TRACT OF LAND DESCRIBED TO JMJ DIRECTION OUTDOOR, LLC, CONTINUING ALONG THE COMMON LINE OF SAID 1.595 ACRE TRACT OF LAND AND SAID 25.4716 ACRE TRACT OF LAND IN ALL A TOTAL DISTANCE 533.50 FEET TO THE POINT OF BEGINNING;

CONTAINING A COMPUTED AREA OF 1,163.53 SQUARE FEET OR 25.33< ACRES OF LAND.

NOTE: COMPANY DOES NOT REPRESENT THAT THE ABOVE ACREAGE AND/OR SQUARE FOOTAGE CALCULATIONS ARE CORRECT.

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Opal Mauldin Robertson, City Manager of the City of Lancaster, a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the ____ day of _____, 2014.

Notary Public, State of Texas

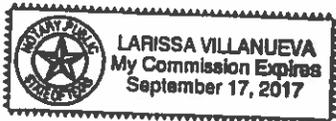
My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Opal Mauldin-Robertson, City Manager of the City of Lancaster, a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the 10th day of November, 2014.



Larissa Villanueva
Notary Public, State of Texas

My Commission Expires:
September 17, 2017

RESOLUTION NO. 2018-03-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING THE ASSIGNMENT AND ASSUMPTION OF AN EXISTING ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF LANCASTER, TEXAS, AND PIHV SOUTH POINTE INDUSTRIAL, LLC, THE TERMS OF WHICH ARE TO BE ASSIGNED AND ASSUMED BY LIT INDUSTRIAL LIMITED PARTNERSHIP; AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, The City Council adopted Resolution 2014-11-93 providing an economic development agreement between PIHV South Pointe Industrial and the City of Lancaster providing real property tax rebates; and

WHEREAS, LIT Industrial Limited Partnership is acquiring the property from PIHV South Pointe Industrial and requested a transfer of assignment of the Economic Development Agreement and such assignment may not be granted without written permission from the City of Lancaster.

WHEREAS, The City of Lancaster recognizes how important business and community development is to the vitality and growth of Lancaster; and

WHEREAS, the City has adopted programs for promoting economic development, and an Economic Development Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs. and

WHEREAS, the City is authorized by Chapter 380 of the Texas Local Government Code to issue grants in order to promote local economic development by stimulating the local economy; and

WHEREAS, the Agreement containing the terms of the grant of incentives from the City is appropriate.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS:

SECTION 1. The City Council of the City of Lancaster, Texas approves an Assignment and Assumption of a Economic Development Agreement by and between the City of Lancaster and PIHV South Pointe Industrial, LLC to the City of Lancaster and LIT Industrial Limited Partnership.

SECTION 2. The City Council authorizes the City Manager to execute the Economic Development Agreement between the City of Lancaster and LIT Industrial Limited Partnership.

SECTION 3. This Resolution shall take effect immediately from and after the date of passage and is provided by law.

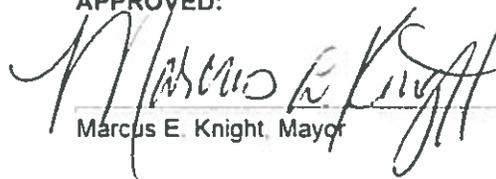
DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 12th day of March, 2018.

ATTEST:



Sorangel O. Arenas, City Secretary

APPROVED:



Marcus E. Knight, Mayor

APPROVED AS TO FORM:



David T. Ritter, City Attorney

**ASSIGNMENT AND ASSUMPTION OF CITY OF LANCASTER, TEXAS
AND PIHV SOUTH POINTE INDUSTRIAL, LLC
ECONOMIC DEVELOPMENT AGREEMENT**

This Assignment and Assumption of City of Lancaster and PIHV South Pointe Industrial, LLC Economic Development Agreement (this "*Assignment*") is made by and between PIHV South Pointe Industrial, LLC, a Delaware limited liability company ("*Assignor*"), and LIT Industrial Limited Partnership, a Delaware limited partnership ("*Assignee*").

RECITALS:

A. Effective as of December 12, 2014, City of Lancaster, Texas, a Texas home rule municipal corporation ("*City*"), and Assignor entered into that certain Economic Development Agreement (the "*Agreement*") relating to warehouses constructed on certain property located in Dallas County, Texas (the "*Property*"), which is more fully described in the Agreement as "the Project." Each capitalized term used but not defined herein shall have the meaning assigned to that term in the Agreement.

B. Pursuant to that certain Contract of Sale, as amended and assigned, by and between Assignor and Assignee dated effective December 28, 2017, Assignee has acquired or subsequently will acquire the Property.

C. Assignor has agreed to assign its interest in the Agreement to Assignee, and Assignee has agreed to accept such assignment and assume the obligations of Assignor under the Agreement, as hereinafter set forth.

AGREEMENT

1. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby assigns, transfers and conveys to Assignee all of its right, title and interest in and under the Agreement.

2. Assignee hereby solely and completely assumes and agrees to be bound by any and all obligations, covenants and/or conditions contained in the Agreement.

3. Assignor and Assignee expressly agree that Assignee is eligible to receive only those economic development grants not yet awarded to Assignor under the Agreement.

4. For purposes of notice, the address of Assignee under the Agreement, until changed as provided in the Agreement, shall be as follows:

If to Assignee: LIT Industrial Limited Partnership
c/o Clarion Partners
1717 McKinney Avenue, Suite 1900
Dallas, TX 75202
Telephone: 214.775.7677
Facsimile: 214.647.4901
courtney.phelps@clarionpartners.com

With copy to: Vinson & Elkins, LLP
Attn: Russell W. Oshman
2001 Ross Avenue, Suite 3700
Dallas, Texas 75201
Telephone: 214.220.7903
Facsimile: 214.999.7903
roshman@velaw.com

5. For purposes of notice, the address of City's counsel under the Agreement, until changed as provided in the Agreement, shall be as follows:

With copy to: Brown & Hofmeister, LLP
Attn: David T. Ritter
740 East Campbell Road, Suite 800
Richardson, TX 75081
Telephone: 214.747.6100
Facsimile: 214.747.6111
dritter@bhlaw.net

AS INDICATED BELOW, this Assignment has been approved by City pursuant to Section 6.11, of the Agreement.

[SIGNATURE PAGES ATTACHED HERETO.]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment to be effective as of March ____, 2018.

SIGNED AND ACKNOWLEDGED

ASSIGNOR:

PIHV SOUTH POINTE INDUSTRIAL, LLC
a Delaware limited liability company

By: 

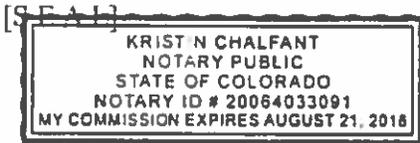
Name: Andrew Storno

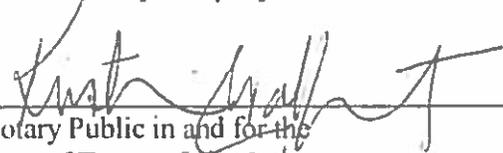
Title: Auth Secretary

THE STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on the 5th day of April, 2018, by Andrew Storno, Auth Secretary of PIHV South Pointe Industrial, LLC, a Delaware limited liability company, on behalf of said limited liability company.




Notary Public in and for the
State of ~~Texas~~ Colorado

My Commission Expires:

8.21.2018

ASSIGNEE:

LIT INDUSTRIAL LIMITED PARTNERSHIP,
a Delaware Limited Partnership,

By: LIT HOLDINGS, GP, LLC
a Delaware limited liability company,
its general partner

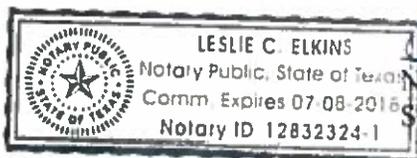
By: [Signature]
Name: **JOHN R. KILLIAN**
Title: **TREASURER**

THE STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on the 6 day of APRIL, 2018, by JOHN R. KILLIAN, TREASURER of LIT HOLDINGS GP, LLC, a Delaware limited liability company, as general partner of LIT INDUSTRIAL LIMITED PARTNERSHIP, and on behalf of said limited partnership

[SEAL]



[Signature]
Notary Public in and for the
State of Texas

My Commission Expires:

07-08-2018

**CITY OF LANCASTER APPROVAL OF ASSIGNMENT AND ASSUMPTION OF
ECONOMIC DEVELOPMENT AGREEMENT**

This will acknowledge and confirm the undersigned's approval of the above Assignment of the Agreement from PIHV SOUTH POINTE INDUSTRIAL, LLC, to LIT INDUSTRIAL LIMITED PARTERSHIP.

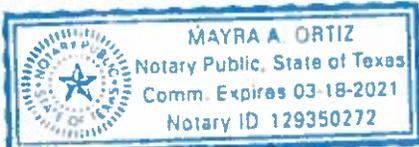
CITY OF LANCASTER, TEXAS

By: Opal Mauldin-Jones
Name: Opal Mauldin-Jones
Title: City Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me this 12th day of March, 2018, by Opal Mauldin-Jones, City Manager of the City of Lancaster, Texas, a Texas home rule municipal corporation, on behalf of said City.

[SEAL]



Mayra A. Ortiz
Notary Public in and for the
State of Texas

My Commission Expires:

March 18, 2021

RESOLUTION NO. 2014-11-93

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE ECONOMIC DEVELOPMENT AGREEMENT WHICH IS ATTACHED HERETO AS EXHIBIT A PURSUANT TO CHAPTER 380, TEXAS LOCAL GOVERNMENT CODE, BY AND BETWEEN THE CITY OF LANCASTER AND PIHV SOUTH POINTE INDUSTRIAL, LLC A DELAWARE CORPORATION; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, PIHV South Pointe Industrial, LLC, a Delaware corporation has purchased approximately twenty-eight (28) acres of real property in Lancaster, Texas and desires to construct two logistics-distribution facilities totaling 420,000 square feet; and

WHEREAS, PIHV South Pointe Industrial, LLC's development of the Premises will provide employment opportunities within the City; and

WHEREAS, the location of PIHV South Pointe Industrial, LLC's project on the Premises will result in a significant capital investment and improvements on the Premises; and

WHEREAS, PIHV South Pointe Industrial, LLC has advised the City that a contributing factor that would induce the company to construct and lease to tenants the two buildings would be an agreement by the City to provide an economic development grant to the company; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to PIHV South Pointe Industrial, LLC in accordance with this Agreement is in accordance with the City Economic Development Policy and will: (i) further the objectives of the City; (ii) benefit the City and the City's inhabitants; and (iii) will promote local economic development and stimulate business and commercial activity in the City; and

WHEREAS, City desires to authorize the City Manager to enter into an Economic Development Agreement with PIHV South Pointe Industrial, LLC pursuant to Chapter 380 of the Texas Local Government Code.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS:

SECTION 1. That the City Manager is hereby authorized to execute an Economic Development Agreement, which is attached hereto and incorporated herein as Exhibit A, pursuant to Chapter 380 of the Texas Local Government Code (and any amendments thereto, including any related instruments), on behalf of the City of Lancaster, Texas, with PIHV South Pointe Industrial, LLC and its affiliated and related entities.

SECTION 2. That all provisions of the resolutions of the City of Lancaster, Texas, in conflict with the provisions of this resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this resolution shall remain in full force and effect.

SECTION 3. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this resolution be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said resolution which shall remain in full force and effect.

SECTION 4. This resolution shall take effect immediately from and after its passage, as the law and charter in such cases provide.

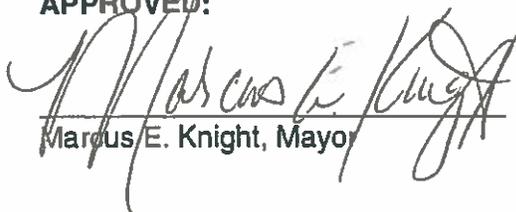
DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 10th day of November, 2014.

ATTEST:



Sorangel O. Arenas, City Secretary

APPROVED:



Marcus E. Knight, Mayor

APPROVED AS TO FORM:



Robert E. Hager, City Attorney

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Economic Development Agreement

This Economic Development Agreement ("Agreement") is made by and between the City of Lancaster, Texas ("City"), and PIHV South Pointe Industrial, LLC, a Delaware corporation, (the "Company"), acting by and through their respective authorized representatives.

WITNESSETH:

WHEREAS, the Company has purchased approximately 28 acres of real property in the City of Lancaster, Texas, and being more particularly described in Exhibit "A" (the "Property"); and

WHEREAS, the Company intends to construct two warehouse-distribution buildings totaling approximately 420,000 square feet and related infrastructure for future tenant or owner occupied warehouse-distribution operations (the "Project") and building permits will be applied for and construction on the first building will commence within eighteen (18) months from the execution of this agreement; and

WHEREAS, the Company has advised the City that a contributing factor that would induce the Company to undertake the Project would be an agreement by the City to provide an economic development grant to the Company to reimburse it for a portion of the Real Estate Taxes (hereinafter defined); and

WHEREAS, the City desires to encourage business expansions within the City that will add property tax base and generate additional sales tax and other revenue for the City; and

WHEREAS, the promoting the expansion of new or existing businesses within the City will promote economic development, stimulate commercial activity, generate additional sales tax and will enhance the Premises tax base and economic vitality of the City; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to the Company in accordance with this Agreement is in accordance with the City Economic Development Program and will: (i) further the objectives of the City; (ii) benefit the City and the City's inhabitants; and (iii) will promote local economic development and stimulate business and commercial activity in the City.

NOW THEREFORE, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Article I Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Annual Grant(s)” shall mean annual economic development grants to be provided by the City in an amount equivalent to 45 percent (45%) of the Real Property Taxes assessed against the Premises for a given tax year for a period of five (5) consecutive tax years beginning with the first calendar year following the Commencement Date, to be paid as set forth herein.

“Casualty” shall mean the Improvements are wholly or partially destroyed by fire, tornado, hurricane, earthquake, flood or similar casualty that renders the Improvements unfit for the intended purpose.

“City” shall mean the City of Lancaster, Texas.

“Commencement Date” shall mean the later of (a) January 1 of the calendar year immediately following the date a Certificate of Occupancy is issued by the City for the Company’s occupancy of the improvements; and (b) January 1, 2016.

“Company” shall mean PIHV South Pointe Industrial, LLC, a Delaware corporation.

“Company Affiliate” shall mean any parent of Company or any wholly-owned subsidiary of either Company or of Company’s parent.

“Effective Date” shall mean the last date of execution hereof.

“Event of Bankruptcy or Insolvency” shall mean the dissolution or termination of a party’s existence as a going business, insolvency, appointment of receiver for any part of such party’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Event of Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or inaction (unless caused by the intentionally wrongful acts or omissions of the party), fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns or work stoppages.

"Expiration Date" shall mean the fourth (4th) year after the payment of the first Annual Grant.

"Impositions" shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on the Company or any property or any business owned by Company within the City.

"Premises" shall mean the real property described on Exhibit "A" with or without improvements."

"Payment Request" shall mean a written request from Company to the City for payment of an Annual Grant.

"Project" shall mean the development of the Premises, by the design, construction and maintenance of new improvements and related infrastructure for at least two (2) warehouses-distribution and/or secondary office buildings totaling 420,000 square feet.

"Real Property Taxes" shall mean, all real estate ad valorem taxes assessed and levied by the City on the real property with or without improvements in accordance with state law.

"Real Property" shall mean all real estate ad valorem taxes assessed by the City on the real property with or without improvements.

"Related Infrastructure" shall mean all City development and building code requirements related to site preparation, water, wastewater, storm water, building construction etc. necessary to receive a City issue "Certificate of Occupancy" at completion of project activities.

"Required Use" shall mean Company's continuous operation by tenant or available lease warehouse-distribution facilities on the Premises.

"Taxable Value" shall mean the assessed value of the Premises as certified by the appraisal district, or its successor, for a given year.

Article II

Term

The term of this Agreement shall begin on the last date of execution hereof (the "Effective Date") and end on the fourth (4th) anniversary of the date of issuance by the City of a final certificate of occupancy for the Project.

Article III Economic Development Grants

3.1 **Annual Grants.** Subject to the Company's continued satisfaction of all the terms and conditions of this Agreement, the City agrees to provide the Company with the Annual Grants to be paid on March 1 of each calendar year, (or the immediately following business day of March 1 is not a business day), beginning with March 1 of the first full calendar year following the Commencement Date, provided the City has timely received the Real Estate Taxes assessed against the Premises in full for the respective tax year (i.e., the tax year immediately preceding the year in which an Annual Grant is made; and such Real Estate Taxes with respect to that immediately preceding tax year are used to determine the amount of each Annual Grant). For illustration purposes only, assume that the Real Estate taxes assessed against the Premises for tax year 2015 is \$100,000.00 then the amount of the first Annual Grant for the Premises for Tax Year 2015 would be, \$45,000.00 ($\$100,000.00 \times 45\%$), and would be paid on March 1, 2016.

3.2 **Grant Limitations.** Under no circumstances shall City obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Further, City shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by the Company. None of the City's obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

3.3 **Current Revenue.** The Annual Grants made hereunder shall be paid solely from lawfully available funds that have been appropriated by the City; provided however the City agrees during the term of this Agreement to make a good faith effort to appropriate funds each year to pay the Annual Grant for the then ensuing fiscal year. Consequently, notwithstanding any other provision of this Agreement, the City shall have no obligation or liability to pay any Grants except as allowed by law. The City shall not be required to pay any Annual Grants if prohibited under federal or state legislation or a decision of a court of competent jurisdiction.

3.4 **Tax Protest.** In the event the Company or the owner of the Premises timely and properly protests or contests (including any motion to correct the appraisal roll) the Taxable Value and/or the taxation of the Premises, or any portion thereof, with the applicable appraisal district (or its successor), and such protest and/or contest results in a final determination that changes the appraised value and/or the Taxable Value of the Premises or the amount of ad valorem taxes assessed and due for the Premises, or portion thereof, after an Annual Grant has been paid for such Premises for such tax year, the Annual Grant for such tax year shall be adjusted (increased or decreased as the case may be) accordingly on the date of payment of the next Annual Grant payment date, or within sixty (60) business days after such determination in the event no further Annual Grant payments are due under the Agreement.

3.5 **Refunds.** In the event the City determines in its sole discretion that the amount of an Annual Grant paid by the City to the Company was incorrect, the Company shall, within sixty (60) days after receipt of written notification thereof from the City specifying the amount by which such Annual Grant exceeded the correct amount to which the Company was entitled (together with such records, reports and other information necessary to support such determination), pay such amount to the City. If the City determines that the amount by which such Annual Grant was less than the correct amount to which the Company was entitled (together with such records, reports and

other information necessary to support such determination), the City shall, within sixty (60) days, pay the adjustment to the Company. If the Company disputes the City's determination, the parties shall seek to amicably resolve the matter, subject to either party's right to pursue any available rights or remedies in connection therewith.

Article IV Conditions to the Economic Development Grant

The obligation of the City to provide the Grants shall be conditioned upon the Company's continued compliance with and satisfaction of each of the terms and conditions of this Agreement and each of the conditions set forth below:

4.1 During the term of this Agreement following the Commencement Date and continuing thereafter until the Expiration Date, or earlier termination, the Company agrees to continuously own, lease or make available for lease the Improvements and shall not allow the operation of the Improvements in conformance with the Required Use to cease for more than sixty (60) days except in connection with, and to the extent of a Casualty or an Event of Force Majeure.

4.2 The Company shall commence Project construction on the Premises within eighteen months (18 months) of the execution date of this agreement or the agreement will terminate.

4.3 The Company shall not have an uncured breach or default of this Agreement.

4.4 The Company shall comply with all the terms and conditions of this Agreement.

Article V Termination

5.1 This Agreement terminates on the Expiration Date, and may prior to the Expiration Date, be terminated upon any one or more of the following:

- (a) by mutual written agreement of the parties;
- (b) by either party, if the other party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof;
- (c) by City, if any Impositions owed to the City or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such taxes or Impositions);
- (d) by City, if Company suffers an Event of Bankruptcy or Insolvency; or
- (e) by either party if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable.

5.2 In the event the Agreement is terminated by the City pursuant to Section 5.1(b),

(c), or (d), the Company shall not be entitled to receive any subsequent Annual Grants under this Agreement but shall have no obligation to refund to the City any Annual Grants (or portion thereof or interest accrued thereon) previously paid by the City to the Company.

5.3 In the event the Agreement is terminated by the City pursuant to Section 5.1(e), the Company shall, only if such legislation or court decision requires, immediately refund to the City an amount equal to the annual Grant(s) paid by the City to the Company immediately preceding the date of such termination. The repayment obligation of Company set forth in this section 5.3 hereof shall survive termination.

Article VI Miscellaneous

6.1 **Binding Agreement.** The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the parties hereto.

6.2 **Limitation on Liability.** It is understood and agreed between the parties that the Company and City, in satisfying the conditions of this Agreement, have acted independently, and the City assumes no responsibilities or liabilities to third parties in connection with these actions.

6.3 **No Joint Venture.** It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the parties.

6.4 **Authorization.** Each party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto.

6.5 **Notice.** Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below (or such other address as such party may subsequently designate in writing) or on the day actually received if sent by courier or otherwise hand delivered.

If intended for City, to:

City of Lancaster
Attn: Opal Mauldin-Robertson
City Manager
P. O. Box 940
211 North Henry Street
Lancaster, Texas 75146-0946

With a copy to:

Robert E. Hager
Nichols, Jackson, Dillard,
Hager & Smith, L.L.P
1800 Lincoln Plaza
500 North Akard
Dallas, Texas 75201

If intended for Company:

The Pauls Corporation
Attn: Chris Manley
Chief Financial Officer
270 Saint Paul Street
Denver, CO 80206

With copy to:

Campbell Killin Brittan
270 Saint Paul Street Suite 200
Denver, Colorado 80206
Att: Joel Mayo

6.6 **Entire Agreement.** This Agreement is the entire Agreement between the parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the parties that in any manner relates to the subject matter of this Agreement, except as provided in any Exhibits attached hereto.

6.7 **Governing Law.** The Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Agreement shall be in the State District Court of Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said court.

6.8 **Amendment.** This Agreement may only be amended by the mutual written agreement of the parties.

6.9 **Legal Construction.** In the event 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 other provisions, and it is the intention of the parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.10 **Exhibits.** All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

6.11 **Successors and Assigns.** This Agreement may not be assigned without the City's prior written consent, except to a Company subsidiary. Neither the Company nor its legal representatives or successors in interest shall, by operation of law or otherwise, assign, mortgage, pledge, encumber or otherwise transfer this Agreement or any part hereof, or the interest of the Company under this Agreement in either case except to a Company subsidiary, without obtaining the City's prior written consent, which may not be withheld. Any attempted assignment by the Company, except to a Company subsidiary, in violation of the terms and provisions of this Agreement shall be void and shall constitute a material breach of this Agreement.

6.12 **Recitals.** The recitals to this Agreement are incorporated herein.

6.13 **Counterparts.** This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

6.14 **Survival of Covenants.** Any of the representations, warranties, covenants, and obligations of the parties, as well as any rights and benefits of the parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

6.15 **Conditions Precedent.** This Agreement is subject to and conditioned upon the following conditions which are conditions precedent to the obligations of the parties: (i) Company shall diligently and faithfully, in a good and workmanlike manner, make or cause the construction and finish out improvements to the Premises in accordance with all applicable state and local laws and regulations or a valid waiver thereof; (ii) Company shall obtain a Certificate of Occupancy for the Premises.

Signature page to follow

EXECUTED on this 10th day of November, 2014.

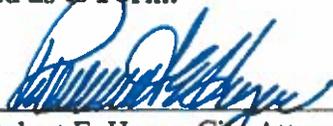
CITY OF LANCASTER, TEXAS

By: 
Opal Mauldin-Robertson, City Manager

Attest:

By: 
Sorangel O. Arenas, City Secretary

Approved as to Form:

By: 
Robert E. Hager, City Attorney

EXECUTED on this 12th day of December, 2014.

PIHV SOUTH POINTE INDUSTRIAL LLC

By: 
Chris Manley, Chief Financial Officer

EXHIBIT A

Legal description of land:

TRACT ONE:

Being Lot 3, in Block 1, of Southpointe Corporate Center, an Addition to the City of Lancaster, Dallas County, Texas, according to the Map thereof recorded under Clerk's File No. 201300251920, Map Records, Dallas County, Texas.

TRACT TWO:

BEING A 25.334 ACRE TRACT OF LAND SITUATED IN THE SILAS B. RUNYON SURVEY, ABSTRACT NO. 1199, CITY OF LANCASTER, DALLAS COUNTY, TEXAS AND BEING ALL OF THAT CALLED 25.4716 ACRE TRACT OF LAND DESIGNATED AS TRACT 2B IN THE WARRANTY DEED TO HIGHLAND PARK LAND COMPANY RECORDED IN INSTRUMENT NUMBER 201100269768, OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS, (O.P.R.D.C.T.), SAID 25.334 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A TEXAS DEPARTMENT OF TRANSPORTATION CONCRETE RIGHT-OF-WAY MARKER FOUND FOR THE NORTHWEST CORNER OF SAID 25.4716 ACRE TRACT OF LAND AND BEING IN THE SOUTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 20, (A VARIABLE WIDTH CONTROLLED ACCESS PUBLIC RIGHT-OF-WAY, AS DESCRIBED TO THE STATE OF TEXAS IN THE DEED RECORDED IN VOLUME 855, PAGE 1128 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS, (D.R.D.C.T.), AND BEING THE NORTHEAST CORNER OF THAT CALLED .1595 ACRE TRACT OF LAND DESCRIBED TO JMJ DIRECTION OUTDOOR, LLC IN THE SPECIAL WARRANTY DEED RECORDED IN INSTRUMENT NUMBER 201100228492, O.P.R.D.C.T.;

THENCE NORTH 87°03'19" EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID INTERSTATE HIGHWAY 20, A DISTANCE OF 734.17 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR CORNER;

THENCE NORTH 84°12'30" EAST CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 111.02 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE NORTH END OF A CORNER CLIP AT THE INTERSECTION OF SOUTHERLY RIGHT-OF-WAY LINE OF SAID INTERSTATE HIGHWAY 20 WITH THE WESTERLY RIGHT-OF-WAY LINE OF CORPORATE DRIVE, (A 50-FOOT PUBLIC RIGHT-OF-WAY) AS DEDICATED BY THE FINAL PLAT OF SOUTHPOINTE CORPORATE CENTER, AN ADDITION TO THE CITY OF LANCASTER RECORDED IN INSTRUMENT NUMBER 201000105011, O.P.R.D.C.T.;

THENCE ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SAID CORPORATE DRIVE, THE FOLLOWING SIX (6) CALLS:

1. SOUTH 49°59'52" EAST ALONG SAID CORNER CLIP, A DISTANCE OF 34.87 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR CORNER;
2. SOUTH 04°12'18" EAST, A DISTANCE OF 24.31 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 475.00 FEET;
3. SOUTHEASTERLY WITH SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF

EXHIBIT A

44°17'05" FOR AN ARC LENGTH OF 367.13 FEET, A CHORD BEARING OF SOUTH 26°20'50" EAST AND A CHORD DISTANCE OF 358.06 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF TANGENCY;

4. SOUTH 48°29'23" EAST, A DISTANCE OF 163.78 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF CURVATURE OF A CURVE TO THE RIGHT HAVING A RADIUS OF 425.00 FEET;

5. SOUTHEASTERLY WITH SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 47°10'59" FOR AN ARC LENGTH OF 349.99 FEET, A CHORD BEARING OF SOUTH 24°53'53" EAST AND A CHORD DISTANCE OF 340.18 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF TANGENCY;

6. SOUTH 01°18'24" EAST, A DISTANCE OF 278.24 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE POINT OF INTERSECTION OF SAID WESTERLY RIGHT-OF-WAY LINE WITH THE SOUTHERLY RIGHT-OF-WAY LINE OF SOUTHPOINTE DRIVE, (A VARIABLE WIDTH PUBLIC RIGHT-OF-WAY) AS DEDICATED BY SAID FINAL PLAT OF SOUTHPOINTE CORPORATE CENTER;

THENCE NORTH 88°41'36" EAST ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 2,263.75 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE NORTH END OF A CORNER CLIP AT THE INTERSECTION OF SAID SOUTHERLY RIGHT-OF-WAY LINE WITH THE WESTERLY RIGHT-OF-WAY LINE OF HOUSTON SCHOOL ROAD, (A VARIABLE WIDTH PUBLIC RIGHT-OF-WAY);

THENCE SOUTH 46°18'44" EAST ALONG SAID CORNER CLIP, A DISTANCE OF 28.29 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR THE SOUTH END OF SAID CORNER CLIP IN THE WESTERLY RIGHT-OF-WAY LINE OF SAID HOUSTON SCHOOL ROAD AND BEING IN THE NORTH LINE OF THE REMAINING PORTION OF THAT CALLED 0.50 ACRE TRACT OF LAND DESCRIBED IN THE SPECIAL WARRANTY DEED FROM LARRY RHOADES AND RHONDA CLEVELAND RHOADES TO JAMIE VILLANUEVA RECORDED IN VOLUME 2003174, PAGE 2320, D.R.D.C.T.;

THENCE SOUTH 88°41'36" WEST ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID 0.50 ACRE TRACT OF LAND, AT A DISTANCE OF 568.25 FEET PASSING THE NORTHWEST CORNER OF SAID 0.50 ACRE TRACT OF LAND SAME BEING THE MOST NORTHERLY NORTHEAST CORNER OF THAT CALLED 60.959 ACRE TRACT OF LAND DESCRIBED TO RANDY JUSTISS AND VIRGINIA A JUSTISS IN THE EXECUTER'S DEED RECORDED IN INSTRUMENT NUMBER 200900077417, O.P.R.D.C.T., CONTINUING ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID 60.959 ACRE TRACT OF LAND IN ALL FOR A TOTAL DISTANCE OF 2,118.45 FEET TO A 5/8-INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "BURY" SET FOR CORNER;

THENCE SOUTH 01°06'22" EAST CONTINUING ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID 60.959 ACRE TRACT OF LAND, A DISTANCE OF 312.49 FEET TO A 5/8-INCH IRON ROD FOUND FOR CORNER IN THE NORTH LINE OF LOT 2, BLOCK A OF CONTRACT FREIGHTERS, INC. ADDITION, AN ADDITION TO THE CITY OF LANCASTER

ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 99155, PAGE 60,
D.R.D.C.T.;

THENCE SOUTH 88°58'03" WEST ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID LOT 2, AT A CALLED DISTANCE OF 144.68 FEET PASSING THE NORTHWEST CORNER OF SAID LOT 2 SAME BEING THE NORTHEAST CORNER OF LOT 1, BLOCK A OF SAID CONTRACT FREIGHTERS, INC. ADDITION, CONTINUING ALONG THE COMMON LINE OF SAID

25.4716 ACRE TRACT OF LAND AND SAID LOT 1 IN ALL FOR A TOTAL DISTANCE OF 733.61 FEET

TO A 5/8-INCH IRON ROD FOUND FOR THE MOST SOUTHERLY SOUTHWEST CORNER OF SAID

25.4716 ACRE TRACT OF LAND AND BEING IN THE EAST RIGHT-OF-WAY LINE OF EATON AVENUE (A CALLED 50-FOOT PUBLIC RIGHT-OF-WAY) AS DEDICATED BY THE DANIELDALE ADDITION, AN ADDITION TO THE CITY OF LANCASTER RECORDED IN VOLUME 35, PAGE 213, MAP RECORDS OF DALLAS COUNTY, TEXAS (M.R.D.C.T.);

THENCE ALONG THE COMMON LINE OF SAID 25.4716 ACRE TRACT OF LAND AND SAID DANIELDALE ADDITION, THE FOLLOWING TWO (2) CALLS:

1. NORTH 00°01'45" WEST, A DISTANCE OF 833.92 FEET TO A 5/8-INCH IRON ROD FOUND FOR THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF SAID EATON AVENUE WITH THE NORTH RIGHT-OF-WAY LINE OF BRANTLEY DRIVE (A CALLED 25-FOOT PUBLIC RIGHT-OF-WAY) AND FROM WHICH A 1/2-INCH IRON ROD FOUND BEARS NORTH

03°33' EAST, A DISTANCE OF 13.4 FEET;

2. SOUTH 89°05'58" WEST, A DISTANCE OF 724.42 FEET TO A 1/2-INCH IRON ROD FOUND FOR THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF SAID BRANTLEY DRIVE WITH THE EAST RIGHT-OF-WAY LINE OF PATMAN DRIVE (A CALLED 50-FOOT PUBLIC RIGHT-OF-WAY) AND FROM WHICH A 1/2-INCH IRON ROD FOUND BEARS SOUTH

00°53' EAST, A DISTANCE OF 6.7 FEET AND A 1/2-INCH IRON ROD FOUND BEARS NORTH 87°21' WEST, A DISTANCE OF 19.4 FEET;

THENCE NORTH 01°48'07" WEST, CONTINUING ALONG SAID COMMON LINE AT A DISTANCE OF 345.04 FEET PASSING THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF SAID PATMAN DRIVE WITH THE NORTH RIGHT-OF-WAY LINE OF SAID BRANTLEY DRIVE SAME BEING THE SOUTHEAST CORNER OF THE AFOREMENTIONED 1.595 ACRE TRACT OF LAND DESCRIBED TO JMJ DIRECTION OUTDOOR, LLC, CONTINUING ALONG THE COMMON LINE OF SAID 1.595 ACRE TRACT OF LAND AND SAID 25.4716 ACRE TRACT OF LAND IN ALL A TOTAL DISTANCE 533.50 FEET TO THE POINT OF BEGINNING;

CONTAINING A COMPUTED AREA OF 1,163;53 SQUARE FEET OR 25,33< ACRES OF LAND.

NOTE: COMPANY DOES NOT REPRESENT THAT THE ABOVE ACREAGE AND/OR SQUARE FOOTAGE CALCULATIONS ARE CORRECT.

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Opal Mauldin Robertson, City Manager of the City of Lancaster, a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the ____ day of _____, 2014.

Notary Public, State of Texas

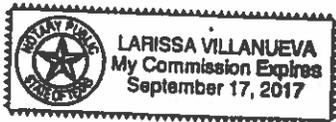
My Commission Expires:

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Opal Mauldin-Robertson, City Manager of the City of Lancaster, a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the 10th day of November, 2014.



Larissa Villanueva
Notary Public, State of Texas

My Commission Expires:
September 17, 2017