

STATE OF TEXAS

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COUNTY OF FORT BEND

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**TAX ABATEMENT AGREEMENT BETWEEN
FORT BEND COUNTY DRAINAGE DISTRICT
AND FORT BEND SOLAR LLC**

This Tax Abatement Agreement, hereinafter referred to as “Agreement,” is executed by and between **FORT BEND COUNTY DRAINAGE DISTRICT** hereinafter referred to as “DISTRICT,” acting by and through its Board and **FORT BEND SOLAR LLC**, hereinafter referred to as “Owner,” of the tangible personal property, located within Fort Bend County Reinvestment Zone No. 21.

1. **Authorization:**

- a. This Agreement is authorized by the Property Redevelopment and Tax Abatement Act, Chapter 312 of the TEXAS TAX CODE as it exists on the effective date of this Agreement and concerns Property subject to Texas Tax Code Section 23.26, and;
- b. The Guidelines and Criteria for Granting Tax Abatement in Reinvestment Zones were approved by the DISTRICT on February 24, 2017. DISTRICT has determined that the request for Tax Abatement presented by Owner conforms to the criteria established in the Guidelines for Tax Abatement.
- c. No official of DISTRICT has an interest in the property subject to this Agreement.

2. **Definition:**

As used in this Agreement, the following terms shall have the meanings set forth below:

- a. “Certified Appraised Value” means the value certified as of January 1 of each year of this Agreement regarding the property within Reinvestment Zone No. 21 by the FBCAD (as hereinafter defined).
- b. “Real Property” means the approximately 1800 acres on which Owner’s tangible personal property is proposed to be located as described in Exhibit "B" attached hereto and incorporated herein for all purposes, which tract of land is located within the Reinvestment Zone 21.
- c. “Abatement” means the full or partial exemption from ad valorem taxes of Owner’s Eligible property in the Fort Bend County Reinvestment Zone No. 21 designated for economic development purposes.
- d. “Eligible Property” means the buildings, structures, and tangible personal property acquired by Owner and installed in Reinvestment Zone 21. Abatement may be extended to fixed machinery, site improvements, and equipment necessary to the operation and administration of the facility. Eligible Property is subject to abatement only as included in Section 5(c).
- e. “Ineligible Property” means land, existing improvements, tangible personal property that the FBCAD classifies as inventory or supplies, real property used primarily to provide retail sales or services to the public,

real property used for residential purposes, tangible personal property classified as furnishings, tangible personal property located in the reinvestment zone prior to the execution date of this Agreement, real property with a productive life of less than 10 years, and any other property for which abatement is not allowed by state law.

- f. "Owner" means Fort Bend Solar LLC or other person or entity to which this Agreement is assigned, with prior approval of the DISTRICT .
- g. "County" means the County of Fort Bend, Texas.
- h. "FBCAD" means Fort Bend Central Appraisal District.
- i. "Project" means the photovoltaic solar powered electricity generation facility that Owner proposes to construct on the Real Property in Fort Bend County Reinvestment Zone No. 21.
- j. "Certificate" means a letter, provided by the Owner to the DISTRICT that certifies that the Project has achieved Commercial Operations (as defined below) and outlines the Eligible Property included in the Project (included those facilities at the Project that are still under construction). Upon receipt of a Certificate, the DISTRICT may inspect the Eligible Property in accordance with the terms of this Agreement in order to verify that the Eligible Property is constructed as certified in such Certificate. If the Certificate indicates that certain ancillary facilities not required for Commercial Operations are still under construction on the date that the Certificate is delivered, Owner will deliver an amended Certificate to the DISTRICT within thirty (30) days after all Project construction is complete.
- k. "Commercial Operations" means that the Project has become commercially operational and placed into service for the purpose of generating electricity for sale on one or more commercial markets.
- l. "Lender" means any entity or person providing, directly or indirectly, with respect to the Project any of (a) senior or subordinated construction, interim or long-term debt financing or refinancing, whether that financing or refinancing takes the form of private debt, public debt, or any other form of debt (including debt financing or refinancing), (b) a leasing transaction, including a sale leaseback, inverted lease, or leveraged leasing structure, (c) tax equity financing, (d) any interest rate protection agreements to hedge any of the foregoing obligations, and/or (e) any energy hedge provider. There may be more than one Lender. Owner, at its election, may send written notice to the DISTRICT with the name and notice information for any Lender.

3. Subject Property:

- a. The Fort Bend County Reinvestment Zone No. 21 is an area located in Fort Bend County Drainage District, being legally described in Exhibit A attached hereto and incorporated herein for all purposes.
- b. The FBCAD has established the base year values for the subject property as of January 1, 2018.

4. Responsibility of Owner:

In consideration of receiving the tax Abatement granted herein, Owner represents and agrees:

- a. That construction of the Eligible Property will commence on or before December 31, 2020.
- b. That Owner shall have delivered the Certificate to the DISTRICT certifying that the Project has achieved Commercial Operations no later than December 31, 2021.
- c. That simultaneous with the delivery of the Certificate, Owner shall provide the DISTRICT's Tax Assessor/Collector a certified statement evidencing a minimum of \$170,000,000 in Project costs with respect to the design and construction of the Eligible Property. The parties agree that the Certified Appraised Value of the Eligible Property on January 1 of the first year after the Certificate is delivered, and on each and every January 1 thereafter during the term of this Agreement, will be the FBCAD Certified Appraised Value as provided for in Texas Tax Code Section 23.26 (but only for the Eligible Property to which Texas Tax Code Section 23.26 applies). Values which have been hypothetically calculated in attached Exhibit C: Hypothetical Calculations Illustration are for reference only. Owner may from time to time during the term of this Agreement install additional Eligible Property, and modify, remove or replace Eligible Property as Owner may determine in its discretion. Failure to meet the requirements of this Section will invalidate the tax abatement for any year this requirement is not satisfied if such failure remains uncured after the notice and cure periods specified in Section 7 below.
- d. THAT OWNER SHALL BE RESPONSIBLE FOR NOTIFYING THE FBCAD OF THE ABATEMENT, INCLUDING FILING WITH THE FBCAD ANY APPLICATION OR OTHER FORMS NECESSARY TO QUALIFY FOR OR RECEIVE THE ABATEMENT GRANTED.
- e. THAT OWNER SHALL BE RESPONSIBLE FOR REQUESTING FROM DISTRICT AN ASSIGNMENT OF THIS AGREEMENT IN THE EVENT THE ELIGIBLE PROPERTY THAT IS THE SUBJECT OF THIS AGREEMENT IS SOLD, TRANSFERRED OR ASSIGNED. EXCEPT AS OTHERWISE PROVIDED HEREIN, ANY ASSIGNMENT IS NOT EFFECTIVE UNTIL APPROVED IN WRITING BY DISTRICT.
- f. That Owner has as of the effective date of this Agreement the financial resources to implement the above representations.
- g. That Owner shall ensure that taxes on all property owned by it in Fort Bend County Drainage District are current. Delinquent taxes for any Fort Bend County Drainage District property owned by Owner is a default of Owner's obligations hereunder and will be grounds for exercising the DISTRICT 's default remedies regardless of whether the delinquent property is subject to Abatement.

5. Value and Term of Abatement:

- a. This Agreement shall be effective on the date executed by DISTRICT and shall terminate on the December 31st of the final year of the ten-year

term of the Abatement. In no event shall this Agreement extend beyond the expiration of the ten-year term of the Abatement.

- b. In each year that this Agreement is in effect, the amount of Abatement shall be an amount equal to the percentage indicated below of all ad valorem taxes assessed by the DISTRICT on the Eligible Property.
- c. Subject to the limitations imposed by law and conditioned upon the representations outlined in Section 4 herein above, there shall be granted and allowed hereunder a property tax Abatement for the following years and in the following amounts on the value of the Eligible Property for all ad valorem taxes assessed by the DISTRICT :

Tax Year	Percentage Abatement of the value calculated under Tax Code 23.26
Year 1	85%
Year 2	85%
Year 3	80%
Year 4	80%
Year 5	80%
Year 6	70%
Year 7	60%
Year 8	50%
Year 9	40%
Year 10	20%

“Year 1” in the table above shall correspond to the calendar year commencing on the first January 1 after Owner delivers the Certificate.

The FBCAD Certified Appraised Value of the Eligible Property each year of the abatement term will conform to the most recent provisions of Texas Tax Code 23.26 which, at the time of this Agreement, provides for (i) a ten year depreciation schedule on Eligible Property that meets the definition of “solar energy property” contained in Texas Tax Code 23.26, and (ii) a residual value of such Eligible Property in the tenth year of the abatement term to be not less than 20% of the certified cost of such Eligible Property provided to the DISTRICT at completion of initial construction. . An exact schedule of the resultant annual minimum annual amounts to qualify for the abatement cannot be stated as those commonly accepted cost and other index factors shall not be available to the FBCAD until each successive tax year. An example of these calculations can be viewed in Exhibit C: HYPOTHETICAL CALCULATIONS ILLUSTRATION.

- 1) The Abatement granted shall not apply to the value of the Real Property (as land only), increases in the value of the Real Property (as land only), or Ineligible Property.

- 2) All Eligible Property shall be placed and/or installed in accordance with applicable laws, ordinances, rules or regulations in effect at the time such Eligible Property is placed and/or installed.
 - 3) The FBCAD's determination of the Certified Appraised Value of the Eligible Property shall be used to determine the value of the Eligible Property subject to this Agreement. If Owner protests the FBCAD's valuation of the property, the valuation placed on the Eligible Property after the protest is resolved under State law shall be used.
- d. It is possible that not all of the Eligible Property will fall within the definition of "solar energy property" in Texas Tax Code 23.26. Any such Eligible Property shall receive the same percentage abatement as the solar energy property but without the value reduction of Texas Tax Code 23.26.

6. Taxability:

During the period that this Agreement is effective, taxes shall be payable by the Owner as follows:

- a. The value of Real Property (as land only) and Ineligible Property shall be fully taxable at all times.
- b. The value of existing improvements, if any, and any Eligible Property existing in the reinvestment zone prior to the effective date of this Agreement, if any, shall be fully taxable based on their determined Certified Appraised Value.
- c. Prior to commencement of the ten-year Abatement period, the Certified Appraised Value of all property owned by Owner located in the DISTRICT shall be fully taxable at all times.
- d. Beginning on January 1 of the first calendar year after the Certificate is delivered, the percentage of property taxes set forth in the table above on the Certified Appraised Value of all Eligible Property shall be abated for the entire ten-year abatement period.
- e. After expiration of the ten-year abatement period, 100% of the Certified Appraised Value of all property owned by Owner located in the DISTRICT shall be fully taxable at all times.

7. Event of Default:

- a. DISTRICT may declare Owner in default of this Agreement if: (1) Owner fails to comply with any term of this Agreement or (2) Owner allows DISTRICT ad valorem taxes on any property owned by it in Fort Bend DISTRICT to become delinquent, even if the delinquent taxes are for a property not subject to an Abatement.
- b. DISTRICT shall notify Owner of any default in writing specifying the default. Owner shall have sixty (60) days from the date of the notice to cure any default. If Owner fails to cure the default within ninety (90) days from receipt of notice, DISTRICT may terminate this Agreement by written notice.

- c. If this Agreement is terminated by DISTRICT, as DISTRICT's sole and exclusive remedy, Owner agrees that it is liable for and will pay to DISTRICT within thirty (30) days of the termination of this Agreement:
- i. The amount of all taxes abated during the term of this Agreement; and
 - ii. Penalties and interest on the abated amount at the rate provided for in the Texas Tax Code for delinquent taxes.
 - iii. The DISTRICT's reasonable attorneys' fees incurred in connection such termination and in connection with its efforts to collect such penalties and interest.
- d. DISTRICT shall have a lien against the Eligible Property for the taxes and interest owed because of the recapture of taxes under this paragraph during the time period beginning on the date such payment obligation accrues and continuing until the date is paid, subject to the terms and conditions provided in the Texas Tax Code for the DISTRICT's lien for property taxes.
- e. This paragraph is required by Chapter 2264, TEXAS GOVERNMENT CODE and governs over any conflicting provisions of this Agreement. Owner is prohibited from knowingly employing undocumented workers as that term is defined in Section 2264.001, TEXAS GOVERNMENT CODE. If Owner is convicted of a violation under 8 U.S.C. Section 1324a(f), the conviction shall be considered default of this Agreement, from which no cure provisions shall apply. In such event, DISTRICT shall provide written notice to Owner of the default and this Agreement shall automatically terminate on the 30th day after the date of the notice of default from DISTRICT to Owner. In the event of termination under this paragraph, Owner shall repay the amounts specific in subparagraph c. above.
- f. LIMITATION OF LIABILITY: TERMINATION OF THE AGREEMENT (RESULTING IN A FORFEITURE OF ANY RIGHT TO ABATEMENT HEREUNDER BEYOND THE TERMINATION DATE) AND RECAPTURE OF PROPERTY TAXES ABATED SHALL BE THE DISTRICT'S SOLE REMEDY, AND OWNER'S SOLE LIABILITY, IN THE EVENT OWNER FAILS TO TAKE ANY ACTION REQUIRED BY THIS AGREEMENT, INCLUDING ANY FAILURE TO PAY AMOUNTS OWED UNDER THIS AGREEMENT. OWNER AND DISTRICT AGREE THAT THE LIMITATIONS CONTAINED IN THIS PARAGRAPH ARE REASONABLE AND REFLECT THE BARGAINED FOR RISK ALLOCATION AGREED TO BY THE PARTIES. IN THE EVENT OF A BREACH OF THIS AGREEMENT, ANY TAXES DUE BY OWNER SHALL BE SUBJECT TO ANY AND ALL STATUTORY RIGHTS FOR THE PAYMENT AND COLLECTION OF TAXES IN ACCORDANCE WITH THE TEXAS TAX CODE.

8. **Administration and Inspection:**

- a. This Agreement shall be administered on behalf of the Fort Bend DISTRICT Tax Assessor/Collector or her designee. Owner shall allow employees or other representatives of DISTRICT who have been designated by the Tax Assessor/Collector to have access to the Real Property (during normal business hours) during the term of the Agreement. All regular inspections shall be made only after two (2) business days prior notice and will be conducted in such a manner as not to unreasonably interfere with the construction or operation of the Project. A representative of Owner may accompany the inspector. DISTRICT shall cause each of its employees and representatives who conduct such inspections to abide by all of Owner's security, safety and operational rules.
- b. Upon completion of the placement and/or installation of the Eligible Property, DISTRICT shall annually evaluate any Eligible Property to ensure compliance with the terms and provisions of this Agreement and shall report potential defaults to the Owner.
- c. The Chief Appraiser of the FBCAD shall annually determine (1) the taxable Certified Appraised Value under the terms of the tax Abatement of the Eligible Property located on the Real Property provided for in this Agreement and (2) the full taxable Certified Appraised Value without the Abatement. The Chief Appraiser shall record both abatement taxable value and full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes subject to recapture when this Agreement is terminated in a manner that results in recapture of abated taxes.
- d. On or before September 1 of each year of this Agreement, Owner shall certify in writing to the Fort Bend DISTRICT Tax Assessor/Collector Owner's compliance with each term of this Agreement.
- e. Owner shall furnish the Chief Appraiser annually such information as provided for under Chapter 22 of the Texas Tax Code, including payroll records, as may be necessary for the administration of this Agreement. Such information, including payroll records, shall also be provided annually to the DISTRICT Tax Assessor/Collector in preparation of its annual evaluation for compliance with the terms and provisions of this Agreement.

9. **Assignment:**

- a. Owner may not assign this Agreement without the prior written consent of DISTRICT, which consent shall not be unreasonably withheld. No assignment shall be effective or approved if DISTRICT has declared a default hereunder which has not been cured or the assignee is delinquent in the payment of any ad valorem taxes owed to DISTRICT.
- b. Any and all assignments shall contain the same terms and conditions as set out in this Agreement and shall be granted for the remaining term of the original Agreement only.
- c. The parties agree that a transfer of all or a portion of the corporate ownership interests in Owner shall not be considered an assignment under

the terms of this Agreement and shall not require any consent of the DISTRICT. If the name of the Owner is changed, Owner will promptly notify DISTRICT in writing of such change of name; this sentence is not intended to diminish the requirements of Section 9.a. above in the event of an actual assignment of the Agreement. The "ownership interests" for purposes of this Section 9.c. include limited liability company, corporation, or partnership ownership interests.

- d. Notwithstanding the provisions of subparagraph a. above, Owner may, without obtaining the DISTRICT's consent, mortgage, pledge, or otherwise encumber (a "Mortgage") its interest in this Agreement or the Project to a Lender for the purpose of financing the operations of the Project or constructing the Project or acquiring additional equipment following any initial phase of construction. Owner's encumbering its interest in this Agreement may include an assignment of Owner's rights and obligations under this Agreement for purposes of granting a security interest in this Agreement (a "Security Agreement") to a Lender. In the event Owner takes any of the actions permitted by this subparagraph to grant a Mortgage or a Security Agreement in this Agreement, it shall promptly provide written notice of such action to the DISTRICT with such notice to include the name and notice information of the Lender. If Owner provides the name and contact information of a Lender to the DISTRICT, then the DISTRICT shall be required to provide a copy to such Lender of all notices (including default notices) delivered to Owner at the same time that the Notice is delivered to Owner. If Owner does not provide the name and contact information of a Lender to the DISTRICT, then such Lender shall not have the notice rights nor any other rights of a Lender under this Agreement. If a Lender forecloses its Mortgage or Security Agreement rights in this Agreement, such Lender shall promptly notify the DISTRICT of such foreclosure and promptly provide the DISTRICT with the name and notice information for the company that succeeded to the rights of Owner under the Agreement pursuant to such foreclosure. Nothing in any Mortgage or Security Agreement shall be construed or interpreted to have the effect of changing any of the terms and conditions of this Agreement.

10. **Indemnity:**

It is understood and agreed between the parties that Owner, in performing obligations hereunder, is acting independently, and DISTRICT assumes no responsibilities or liabilities in connection therewith to third parties. **OWNER AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS DISTRICT AND THE FBCAD FROM ANY AND ALL NON-OWNER CLAIMS, SUITS, AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER ARISING OUT OF OWNER'S BREACH OF ITS OBLIGATIONS HEREUNDER EXCEPT THAT THE INDEMNITY SHALL NOT APPLY TO THAT PORTION OF RESPONSIBILITIES AND LIABILITIES RESULTING FROM THE FAULT OR NEGLIGENCE OF DISTRICT OR TAXING UNITS, THEIR RESPECTIVE OFFICERS, AGENTS OR EMPLOYEES. OWNER'S INDEMNIFICATION**

OBLIGATIONS INCLUDE THE PAYMENT OF REASONABLE ATTORNEYS FEES AND EXPENSES INCURRED IN THE DEFENSE OF ANY SUCH CLAIMS, SUITS, AND CAUSES OF ACTION WHICH ARE NOT DUE TO DISTRICT 'S, THE DISTRICT 'S OR THEIR REPRESENTATIVES' INTENTIONAL CONDUCT OR NEGLIGENCE. OWNER SHALL BE RESPONSIBLE FOR ALL FEES INCURRED BY DISTRICT IN THE DEFENSE OF ANY SUCH CLAIMS, SUITS, OR CAUSES OF ACTION SO LONG AS DEFENSE COUNSEL AND COURSES OF ACTION ARE DETERMINED SOLELY BY OWNER. NOTHING IN THIS AGREEMENT SHALL BE INTERPRETED TO PROHIBIT DISTRICT FROM INCURRING INDEPENDENT REPRESENTATION OF ANY SUCH CLAIM, SUIT OR CAUSE OF ACTION; PROVIDED, HOWEVER, THAT OWNER SHALL NOT BE RESPONSIBLE FOR ANY SUCH COSTS AND OR FEES SO INCURRED.

11. **Force Majeure:**

If by reason of force majeure, Owner is unable to perform any obligation of this Agreement, it shall give notice of the force majeure to DISTRICT in writing within thirty (30) calendar days after Owner first becomes aware or should have become aware of the occurrence relied upon. By doing so, the obligation of Owner, to the extent and for the period of time affected by the force majeure, shall be suspended. The DISTRICT shall not declare a default, and no default will be deemed to have occurred, when the circumstances giving rise to such declaration are the result of force majeure. Owner shall endeavor to remove or overcome the inability with all reasonable effort. For purposes of this provision, "force majeure" shall include, but not be limited to acts of God, landslides, lightning, earthquakes, hurricanes, storms, floods, or other natural occurrences; strikes, lockouts, insurrections, riots, wars or other civil or industrial disturbances; orders of any kind of the federal or state government or of any civil or military authority; explosions, fires, breakage or accidents to machinery, lines, or equipment, or the failure or lack of capacity of the wastewater system or water supply system; governmental delays in granting approvals or issuance of permits; or any other cause not reasonably within the control of the Owner.

12. **DISTRICT Approval:**

This Agreement is conditioned entirely upon the approval of the District by the affirmative vote of a majority of the members present at a duly scheduled meeting of the District 's Board.

13. **Compliance with State and Local Regulations:**

This Agreement shall not be construed to alter or affect the obligations of Owner to comply with any city ordinance or federal or state law or regulation.

14. **Changes in Laws/Vested Rights:**

The tax Abatement provided in this Agreement is conditioned upon and subject to any changes in the state tax laws during the term of this Agreement, but only the extent required by law to be enforceable and after giving Owner all vesting, non-

conforming and/or "grandfather" rights, contained in and applicable to this Agreement and allowed by law.

15. Representations and Warranties of the DISTRICT :

The DISTRICT represents that (i) the DISTRICT has formally elected to be eligible to grant property tax abatements under Chapter 312 of the Tax Code; (ii) Fort Bend DISTRICT Reinvestment Zone No. 21 has been designated and this Agreement has been approved in accordance with Chapter 312 of the Texas Tax Code and the Guidelines and Criteria as both exist on the effective date of this Agreement; (iii) the DISTRICT's execution of this Agreement has been duly authorized by a vote of the DISTRICT's Board and (iv) that the property within the Reinvestment Zone and the Real Property is located within the legal boundaries of the DISTRICT.

16. Miscellaneous:

- a. This Agreement and the rights and obligations of each party shall be construed and enforced under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Fort Bend County, Texas.
- b. In the event of one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
- c. The waiver by either party of a breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach.
- d. Any amendments of this Agreement shall be of no effect unless in writing and signed by both parties hereto.

17. Notices:

- a. Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been hand delivered, deposited with a nationally recognized overnight courier or deposited, enclosed in a wrapper with the proper postage prepaid thereon, and certified, return receipt requested, in a United States Post Office, addressed to DISTRICT and Owner at the mailing address as hereinafter set out. If mailed, any notice of communication shall be deemed to be received three (3) business days after the date of deposit in the United States Mail.
- b. Unless otherwise provided in this Agreement, all notices shall be delivered to Owner or DISTRICT at the following addresses:

To the Tax Assessor/Collector: The Honorable Patsy Schultz
Fort Bend County Tax Assessor-Collector
1317 Eugene Heimann Circle
Richmond, Texas 77469

To DISTRICT : Fort Bend County Drainage District
401 Jackson
Richmond, Texas 77469
Attention: County Judge

Copy to: Fort Bend County Attorney
401 Jackson
Richmond, Texas 77469

To Owner: Fort Bend Solar LLC
909 Lake Carolyn Parkway, Suite 260
Houston, TX 75039
Attn: Ross Metersky

- c. Any party may designate a different address by giving the other parties ten (10) days prior written notice thereof. Failure of Owner to provide County Tax Assessor/Collector thirty (30) days notice of a change of address may result in termination of this Agreement.

18. Entire Agreement:

This Agreement contains the entire Agreement among the parties and supercedes all other negotiations and agreements, whether written or oral. This Agreement shall inure to the benefit of and be binding upon the parties hereto and each of their respective successors and assigns. Attached hereto are (a) Exhibit A – Fort Bend Commissioners Court Order designating Reinvestment Zone No. 21; (b) Exhibit B – legal description of Real Property; and (c) Exhibit C – Hypothetical Calculations Illustration (reference only), all of which are made part of this Agreement.

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EXECUTION PAGE FOLLOWS

19. **Execution:**

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by DISTRICT and Owner as of the dates below stated. Owner warrants and represents that the individuals executing this agreement on behalf of Owner have full authority to execute this Agreement and bind Owner to the same.

“DISTRICT”
FORT BEND COUNTY
DRAINAGE DISTRICT

By: _____
Robert E. Hebert, County Judge

Date: _____

ATTEST:

Laura Richard, County Clerk

“OWNER”
FORT BEND SOLAR LLC

By: *Ross Metersky*
Ross Metersky, Director

Date: 7/30/18

ATTEST:

 Teri Clark
Teri Clark

Exhibit A
Order Creating Fort Bend County Reinvestment Zone No. 21

Exhibit B

Legal Description of Real Property

As the Real Property comprises many different adjoining and adjacent parcels, the Metes and Bounds included in this Exhibit B best serves as a legal description for the entire property comprising approximately 1800.00 acres. Any separately owned right of ways, roads, and streets, within the Reinvestment Zone would not be part of the accumulated legal description of each parcel within the Reinvestment Zone.

The FBCAD R numbers of the parcels within the Reinvestment Zone are:

R58609
R188272
R188270
R188267
R188265
R41423
R188299

Metes and Bounds:

BEING A 1799.90 ACRE TRACT SITUATED IN THE MARK SMITH SURVEY, ABSTRACT NUMBER 314, THE B.B.B. & C.R.R. CO. SURVEY, ABSTRACT NUMBER 119, THE JAMES FRAZIER SURVEY, ABSTRACT NUMBER 173, THE WILLIAM GOODMAN SURVEY, ABSTRACT NUMBER 185, THE GERMAN EMIGRATION COMPANY SURVEY, ABSTRACT NUMBER 180, THE B.B.B. & C.R.R. CO. SURVEY, ABSTRACT NUMBER 120, AND THE H.C. TAYLOR SURVEY, ABSTRACT NUMBER 336, FORT BEND COUNTY, TEXAS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF A TRACT OF LAND DEEDED TO EARNEST R. SULAK AS DESCRIBED IN INSTRUMENT NO. 2003141312 OFFICIAL PUBLIC RECORDS, FORT BEND COUNTY, TEXAS (O.P.R.F.B.C.T);

THENCE NORTH 02 DEGREES 11 MINUTES 59 SECONDS WEST, ALONG THE WEST LINE OF SAID TRACT, A DISTANCE OF 4474.53 FEET TO THE NORTHWEST CORNER OF SAID TRACT AND THE POINT OF BEGINNING;

(1)THENCE NORTH 02 DEGREES 11 MINUTES 59 SECONDS WEST, ALONG THE WEST LINE OF A 509.50 ACRE TRACT OF LAND DEEDED TO J.F.D. MOORE ESTATE HEIRS PARTNERSHIP, LTD AS DESCRIBED IN VOLUME 2729, PAGE 2237 O.P.R.F.B.C.T., A DISTANCE OF 1893.73 FEET TO A POINT FOR CORNER;

(2)THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST, DEPARTING SAID WEST LINE, A DISTANCE OF 485.13 FEET TO A POINT FOR CORNER;

(3)THENCE NORTH 69 DEGREES 54 MINUTES 18 SECONDS EAST, A DISTANCE OF 1688.99 FEET TO A POINT FOR CORNER;

(4)THENCE SOUTH 51 DEGREES 12 MINUTES 10 SECONDS EAST, A DISTANCE OF 646.26 FEET TO A POINT FOR CORNER;

(5)THENCE SOUTH 54 DEGREES 41 MINUTES 14 SECONDS EAST, A DISTANCE OF 54.03 FEET TO A POINT FOR CORNER;

(6)THENCE SOUTH 56 DEGREES 58 MINUTES 11 SECONDS EAST, A DISTANCE OF 134.81 FEET TO A POINT FOR CORNER;

(7)THENCE SOUTH 60 DEGREES 38 MINUTES 20 SECONDS EAST, A DISTANCE OF 87.30 FEET TO A POINT FOR CORNER;

(8)THENCE SOUTH 71 DEGREES 17 MINUTES 28 SECONDS EAST, A DISTANCE OF 177.21 FEET TO A POINT FOR CORNER;

(9)THENCE SOUTH 78 DEGREES 21 MINUTES 20 SECONDS EAST, A DISTANCE OF 1804.92 FEET TO A POINT FOR CORNER;

(10)THENCE NORTH 84 DEGREES 06 MINUTES 09 SECONDS EAST, PASSING THE EAST LINE OF SAID TRACT AT 3977.65 FEET, A DISTANCE OF 8210.65 FEET TO A POINT FOR CORNER;

(11)THENCE SOUTH 42 DEGREES 59 MINUTES 42 SECONDS EAST, A DISTANCE OF 2467.28 FEET TO A POINT FOR CORNER;

(12)THENCE SOUTH 06 DEGREES 35 MINUTES 28 SECONDS EAST, A DISTANCE OF 308.30 FEET TO A POINT FOR CORNER;

(13)THENCE SOUTH 01 DEGREES 50 MINUTES 18 SECONDS EAST, PASSING THE NORTHEAST CORNER OF A 144.42 ACRE TRACT OF LAND DEEDED TO IVY MOORE MORRISON HEIRS, LTD AS DESCRIBED IN VOLUME 2732, PAGE 1604 O.P.R.F.B.C.T AT 160.90 FEET, AND THEN ALONG THE EAST LINE OF SAID 144.42 ACRE TRACT, A DISTANCE OF 3218.42 FEET TO A POINT ON THE NORTHERN LINE OF THE RAILROAD RIGHT OF WAY;

(14)THENCE SOUTH 81 DEGREES 11 MINUTES 44 SECONDS WEST, WITH SAID NORTHERN RIGHT OF WAY LINE, PASSING THE SOUTHEAST CORNER OF A 314.03 ACRE TRACT OF LAND DEEDED TO IVY MOORE MORRISON HEIRS, LTD AS DESCRIBED IN VOLUME 2732, PAGE 1604, O.P.R.F.B.C.T., AT 1954.39 FEET AND CONTINUING FOR A TOTAL DISTANCE OF 5931.32 FEET TO A POINT FOR CORNER ON SAID NORTHERN RIGHT OF WAY LINE;

(15)THENCE SOUTH 09 DEGREES 18 MINUTES 54 SECONDS EAST, DEPARTING SAID NORTHERN RIGHT OF WAY LINE AND CROSSING HIGHWAY 90, PASSING THE NORTHEAST CORNER OF A 111.43 ACRE TRACT OF LAND DESCRIBED AS THE REMAINDER OF LOT NO. 2 OF THE TURKEY CREEK SUBDIVISION PLAT, VOLUME 53, PAGE 233, O.P.R.F.B.C.T. AT 226.50 FEET, AND WITH THE EAST LINE OF SAID TRACT, A DISTANCE OF 2094.78 FEET TO THE SOUTHEAST CORNER OF SAID TRACT;

(16)THENCE SOUTH 81 DEGREES 05 MINUTES 19 SECONDS WEST, WITH THE SOUTH LINE OF SAID TRACT, A DISTANCE OF 2598.19 FEET TO THE SOUTHWEST CORNER OF SAID 111.43 ACRE TRACT AND A POINT ON THE EAST LINE OF AN 80.00 FOOT ROAD EASEMENT DEEDED TO THE STATE OF TEXAS IN VOLUME 298, PAGE 303, O.P.R.F.B.C.T.;

(17)THENCE NORTH 09 DEGREES 02 MINUTES 08 SECONDS WEST, ALONG THE EAST LINE OF SAID EASEMENT, PASSING THE NORTHWEST CORNER OF SAID 111.43 ACRE TRACT AT 1874.67 FEET, CONTINUING FOR A TOTAL DISTANCE OF 2099.56 FEET, CROSSING HIGHWAY 90 TO A POINT ON SAID NORTHERN RAILROAD RIGHT OF WAY LINE;

(18)THENCE SOUTH 81 DEGREES 11 MINUTES 44 SECONDS WEST, ALONG THE SAID NORTHERN RIGHT OF WAY LINE, PASSING THE SOUTHWEST CORNER OF A TRACT OF LAND DEEDED TO IVY MOORE MORRISON HEIRS, LTD. AS DESCRIBED IN VOLUME 2732, PAGE 1604, O.P.R.F.B.C.T. AT 391.44 FEET, CONTINUING FOR A TOTAL DISTANCE OF 3029.59 FEET TO THE SOUTHWEST CORNER OF A TRACT OF LAND DEEDED TO WADE MCNEILL EXEMPT UNITRUST AS DESCRIBED IN DOC. NO. FBC 1999005774 O.P.R.F.B.C.T.;

(21)THENCE NORTH 08 DEGREES 45 MINUTES 50 SECONDS WEST, AND ALONG THE WEST LINE OF SAID TRACT, A DISTANCE OF 4905.91 FEET TO THE NORTHEAST CORNER OF A TRACT OF LAND DEEDED TO EARNEST R. SULAK AS DESCRIBED IN INSTRUMENT NO. 2003141312 O.P.R.F.B.C.T.;

(22)THENCE SOUTH 87 DEGREES 48 MINUTES 01 SECONDS WEST, ALONG THE NORTH LINE OF SAID TRACT, A DISTANCE OF 2501.00 FEET TO THE POINT OF BEGINNING;

SAID TRACT CONTAINING A COMPUTED AREA OF 1799.90 ACRES OF LAND, MORE OR LESS.

This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.



EXHIBIT C:
HYPOTHETICAL CALCULATIONS ILLUSTRATION
REFERENCE ONLY, NOT TO BE USED FOR ACTUAL VALUES

The following is provided as an attachment to this Agreement as an example of how the minimum annual certified CAD values might be calculated using a straight line ten year depreciation schedule, but not including the commonly accepted cost and other index factors. This is an example only. Although the annual amounts will be changed after applying the index factors, the resulting difference between a ten year straight line schedule and the schedule with cost index factors applied is expected to not differ materially for taxable property that meets the definition of “solar energy property” in Texas Tax Code 23.26. It is possible that not all of the Eligible Property will fall within the definition of “solar energy property” in Texas Tax Code 23.26.

THIS IS AN EXAMPLE ONLY. NUMBERS AND VALUES USED ARE STRICTLY FOR DEMONSTRATION PURPOSES ONLY.

Tax Year	Percentage Abatement of the value calculated under Tax Code 23.26	<i>Demonstration Calculation</i>
Year 1	85%	\$170,000,000
Year 2	85%	\$153,000,000
Year 3	80%	\$136,000,000
Year 4	80%	\$119,000,000
Year 5	80%	\$102,000,000
Year 6	70%	\$85,000,000
Year 7	60%	\$68,000,000
Year 8	50%	\$51,000,000
Year 9	40%	\$34,000,000
Year 10	20%	\$34,000,000