

RESOLUTION NO. 29-2021

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE A REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF MESQUITE, TEXAS, BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER FOURTEEN, CITY OF MESQUITE, TEXAS (ALCOTT LOGISTICS STATION) (THE "TIRZ"), AND ALCOTT LOGISTICS STATION TRACT D, LP, REGARDING THE REIMBURSEMENT OF PROJECT COSTS FOR PUBLIC IMPROVEMENTS WITHIN THE TIRZ; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, the City of Mesquite, Texas (the "**City**"), created Reinvestment Zone Number Fourteen, City of Mesquite, Texas (Alcott Logistics Station) (the "**TIRZ**"), and established a Board of Directors for the TIRZ (the "**Board**") to promote development or redevelopment in the TIRZ pursuant to Ordinance No. 4853, approved by the City Council on April 5, 2021, in accordance with the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended (the "**Act**"); and

**WHEREAS**, the TIRZ consists of approximately 251.8175 acres and being the property located within the boundary description attached hereto as Exhibit A and made a part hereof for all purposes and being generally depicted as the shaded area on the boundary map attached hereto as Exhibit B and made a part hereof for all purposes; and

**WHEREAS**, the City owns the following two (2) tracts of land located within the TIRZ: (i) a tract consisting of approximately 50.67364 acres and being more particularly described by metes and bounds in Exhibit C; and (ii) a tract consisting of approximately 23.03668 acres and being more particularly described by metes and bounds in Exhibit D (collectively the "**Property**"); and

**WHEREAS**, the City purchased the Property in 1995; and

**WHEREAS**, the Property has remained undeveloped during the City's ownership of the Property; and

**WHEREAS**, the Property needs significant development to attract businesses and economic activity to the Property; and

**WHEREAS**, on May 3, 2021, the City Council approved a Master Development Agreement and Chapter 380 Agreement (the "**MDA**") between the City, Alcott Logistics Partners, LP, a Texas limited partnership (the "**Developer**") and Alcott Logistics Station Tract D, LP, a Delaware limited partnership ("**Tract D/CPI Developer**") relating to the development of the Property as a master planned industrial development with common amenities, design standards,

and in a manner consistent with the operation of a Class A industrial business park to be known as “Alcott Logistics Station”; and

**WHEREAS**, capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the MDA; and

**WHEREAS**, the Developer desires to improve and develop the Property by and through one or more Development Entities; and

**WHEREAS**, the Tract D/CPI Developer is an Affiliate of Developer that is under common control with the Developer and has been formed for the purpose of purchasing a portion of the Property and undertaking the design, construction and installation of certain public infrastructure and public improvements for the benefit of the development of the Property as more particularly described in the MDA (the “**Common Public Improvements**”); and

**WHEREAS**, on May 3, 2021, the Board approved a project plan and reinvestment zone financing plan for the TIRZ and recommended approval of such project plan and reinvestment zone financing plan to the City Council for approval; and

**WHEREAS**, on May 3, 2021, the City Council approved a project plan and reinvestment zone financing plan for the TIRZ by Ordinance No. 4857 (the “**TIRZ Project and Financing Plan**”); and

**WHEREAS**, the TIRZ Project and Financing Plan identifies the Common Public Improvements as projects eligible for reimbursement by the TIRZ; and

**WHEREAS**, the City Council has been presented with a proposed Reimbursement Agreement between the City, the Board and the Tract D/CPI Developer to use a portion of the TIRZ Revenues to reimburse the Tract D/CPI Developer for Common Public Improvements Project Costs in connection with the design, construction and installation of the Common Public Improvements up to a Reimbursement Cap under the terms and subject to the conditions set forth in the Reimbursement Agreement attached hereto as Exhibit E and made a part hereof for all purposes (the “**Reimbursement Agreement**”); and

**WHEREAS**, the Common Public Improvements are projects that qualify for reimbursement under the TIRZ Act; and

**WHEREAS**, the City and the Board desire to dedicate a portion of the TIRZ Revenues to directly reimburse the Tract D/CPI Developer for Common Public Improvements Project Costs up to the Reimbursement Cap to facilitate the development of the Property under the terms and subject to the conditions set forth in the MDA and the Reimbursement Agreement; and

**WHEREAS**, the Board desires to enter into the Reimbursement Agreement with the City and the Tract D/CPI Developer; and

**WHEREAS**, the Board found and determined that approval of the Reimbursement Agreement by the Board and the Board's recommendation to the City Council to approve the Reimbursement Agreement are in the best interest of the TIRZ and the citizens of the City; and

**WHEREAS**, the City Council finds that the Reimbursement Agreement and the dedication of a portion of the TIRZ Revenues to directly reimburse the Tract D/CPI Developer for Common Public Improvements Project Costs up to the Reimbursement Cap under the terms and subject to the conditions set forth in the MDA and the Reimbursement Agreement are necessary to implement the TIRZ Project and Financing Plan; and

**WHEREAS**, the City Council finds and determines that the Reimbursement Agreement is in the best interest of the TIRZ and the citizens of the City.

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

**SECTION 1.** That the statements, facts, findings and recitals set forth above are hereby found and declared to be true and correct and are incorporated into this Resolution and adopted as part of this Resolution for all purposes.

**SECTION 2.** That in accordance with the Act, the City Council of the City of Mesquite, Texas, hereby approves the Reimbursement Agreement attached hereto as Exhibit E and incorporated herein for all purposes, and hereby authorizes the City Manager to finalize and execute the Reimbursement Agreement and all other documents necessary to consummate the transactions contemplated by the Reimbursement Agreement and to take such actions and to execute such documents as may be necessary or advisable to carry out the intent and purpose of the Reimbursement Agreement and this Resolution.

**SECTION 3.** That the City Manager is further authorized to administer the Reimbursement Agreement on behalf of the City including, without limitation, the City Manager shall have the authority to: (i) take all actions and approve all matters that by the terms of the Reimbursement Agreement are to be taken or approved by the City Manager; (ii) provide any notices required or permitted by the Reimbursement Agreement; (iii) approve amendments to the Reimbursement Agreement provided such amendments, together with all previous amendments approved by the City Manager, do not increase City expenditures under the Reimbursement Agreement in excess of \$50,000 or materially change any terms or provisions of the Reimbursement Agreement, as determined by the City Manager; (iv) approve or deny any matter in the Reimbursement Agreement that requires the consent of the City; (v) approve or deny the waiver of performance of any covenant, duty, agreement, term or condition of the Reimbursement Agreement; (vi) exercise any rights and remedies available to the City under the Reimbursement Agreement; and (vii) execute any notices, amendments, approvals, consents, denials and waivers authorized by this Section 3, provided, however, notwithstanding anything contained herein to the contrary, the authority of the City Manager pursuant to this Section 3 shall not include: (a) the authority to take any action or approve any matter that by the terms of the Reimbursement Agreement are to be taken or approved by the City Council; or (b) the authority to take any action

that cannot be delegated by the City Council or that is within the City Council's legislative functions.

**SECTION 4.** That should any word, sentence, clause, paragraph or provision of this resolution be held to be invalid or unconstitutional, the validity of the remaining provisions of this resolution shall not be affected and shall remain in full force and effect.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage.

**DULY PASSED AND APPROVED** by the City Council of the City of Mesquite, Texas, on the 3rd day of May 2021.



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Bruce Archer  
Mayor

ATTEST:



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Sonja Land  
City Secretary

APPROVED AS TO LEGAL FORM:



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David L. Paschall  
City Attorney

## EXHIBIT A

### **Boundary Description of Reinvestment Zone Number Fourteen, City of Mesquite, Texas (Alcott Logistics Station)**

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Beginning at the southeast corner of Paragon Park Blk 1 Lot 1 RA, thence:

Northerly along the east property line of Paragon Park Blk 1 Lot 1 RA and departing said property line with a parallel line continuing over and across E. Scyene Road to a point where said line reaches the north ROW line of E. Scyene Road, thence:

Easterly along the north ROW line of E. Scyene Road to a point where said ROW line is parallel to the east property line of Thomas F. McKinney & Samuel M. Williams Survey, ABST 1026 PG 525 Tract 1, thence:

Southerly over and across E. Scyene Road ROW and continuing along the east property line of Thomas F. McKinney & Samuel M. Williams Survey, ABST 1026 PG 525 Tract 1 to a point where said property line intersects the south property line of said Tract 1 for the southeast corner of said Tract 1, thence:

Westerly along the south property line of Thomas F. McKinney & Samuel M. Williams Survey, ABST 1026 PG 525 Tract 1 to a point where said property line intersects with the common east property line of said Tract 1 and Thomas F. McKinney & Samuel M. Williams Survey, ABST 1026 PG 525 Tract 1.3, thence:

Southerly along the common east property line of Thomas F. McKinney & Samuel M. Williams Survey, ABST 1026 PG 525 Tract 1 and Tract 1.3 to a point where said common property line intersects the south property line of said Tract 1.3 for the southeast corner of Tract 1.3, thence:

Westerly along the south property line of Thomas F. McKinney & Samuel M. Williams Survey, ABST 1026 PG 525 Tract 1.3 and departing said property line with a parallel line continuing over and across Faithon P. Lucas, Sr. Boulevard to a point where said line reaches the west ROW line of Faithon P. Lucas, Sr. Boulevard, thence:

Northerly along the west ROW line of Faithon P. Lucas, Sr. Boulevard until said ROW line intersects the south ROW line of Newsom Road, thence:

Westerly along the south ROW line of Newsom Road to the northeast corner of Creek Crossing Estates 15 PH (A) Blk A Lot 1, thence:

Northerly over and across Newsom Road and continuing along the east property line of Calvary First Baptist Church Lot 1 to a point where said property line intersects the abandoned south ROW line of East Glen Boulevard, thence:

Westerly along the abandoned south ROW line of East Glen Boulevard to a point of commencement of the south ROW line of East Glen Boulevard and continuing along said ROW line to a point where said ROW line is parallel to the east property line of Paragon Park Blk 2 Lot 1, thence:

Northerly over and across East Glen Boulevard and continuing along the east property line of Paragon Park Blk 2 Lot 1 to a point where said line intersects the north property line of said Lot 1 for the northeast corner of Lot 1, thence:

Westerly along the north property line of Paragon Park Blk 2 Lot 1 to a point where said line reaches the southeast corner of Paragon Park Blk 1 Lot 1 RA, which is the point of beginning.

**EXHIBIT B**

**Map Depiction of Reinvestment Zone Number  
Fourteen, City of Mesquite, Texas  
(Alcott Logistics Station)**



TRACT 2:

Being all that certain tract or parcel of land situated in the City of Mesquite, Dallas County, Texas, out of the JAMES M. SEWELL SURVEY, ABSTRACT NO. 1358 and the THOMAS J. SEWELL SURVEY, ABSTRACT NO. 1359, and being part of that property conveyed to Phil L. Hudson by Catherine Yates Payne and husband Phillip M. Payne by Deed recorded in Volume 2329, Page 210 of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod for corner in the Southerly line of Scyene Road (60 Foot R.O.W.) said point being the Northeast corner of a certain tract of land conveyed by Gertrude Kenney Hudson to Wilburn Leon Ladyman and Mildred B. Ladyman by Deed recorded in Volume 85007, Page 5277 of the Deed Records of Dallas County, Texas;

THENCE South 83 degrees 34 minutes 30 seconds East with said line of Scyene Road, a distance of 2744.65 feet to a 1/2 inch iron rod in the East line of said Hudson tract;

THENCE South 0 degrees 55 minutes 10 seconds West with the East line of said Hudson property, a distance of 660 feet to a 1/2 inch iron rod for the Northeast corner of that certain tract of land conveyed to the County of Dallas Texas, by Deed from Gertrude Kenney Hudson, a widow, recorded in Volume 75112, Page 1271 Deed Records of Dallas County, Texas, said Dallas County tract being known as East Glen Boulevard (100 foot R. O. W.);

THENCE North 89 degrees 45 minutes 51 seconds West with the North line of East Glen Boulevard, a distance of 2732.18 feet to a 1/2 inch iron rod at the Southeast corner of a tract of land conveyed to Wilburn Leon Ladyman and Mildred B. Ladyman by Deed recorded in Volume 85007, Page 5279 Deed Records of Dallas County, Texas;

THENCE North 0 degrees 55 minutes 10 seconds East, a distance of 953.93 feet to the PLACE OF BEGINNING and containing 50.67364 acres of land, more or less.



TRACT 3:

Being all that certain tract or parcel of land situated in the City or Mesquite, Dallas County, Texas, out of the JAMES M. SEWELL SURVEY, ABSTRACT NO. 1358 and the THOMAS J. SEWELL SURVEY, ABSTRACT NO. 1359, and being part of that property conveyed to Phil L. Hudson by Catherine Yates Payne and husband Phillip M. Payne by Deed recorded in Volume 2329, Page 310 of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod for corner in the South line of a tract of land conveyed to the County of Dallas, Texas, by Gertrude Kenney Hudson, a widow, by Deed recorded in Volume 75112, Page 1271 of the Deed Records, Dallas County, Texas, said tract being known as East Glen Boulevard (100 foot R.O.W.), said point also being in the East line of a certain tract of land conveyed to Hollis Boone Memorial Post by Deed recorded in Volume 77211, Page 1265 Deed Records, Dallas County, Texas;

THENCE South 89 degrees 45 minutes 51 seconds East with the South line of East Glen Boulevard, a distance of 2931.36 feet to a 1/2 inch iron rod in the East line of said Hudson tract;

THENCE South 0 degrees 55 minutes 10 seconds West with the East line of said Hudson tract, a distance of 720 feet to a "P.K." nail for corner in Newsome Road (variable width R.O.W.) said point being in the common line of the James M. Sewell Survey and the R. W. Rowe Survey, being the Southeast corner of said Hudson tract;

THENCE North 89 degrees 43 minutes 15 seconds West with said survey line, a distance of 825.94 feet to a "P.K." nail for corner at the intersection of said Survey line with the Northerly line of a tract of land conveyed to the County of Dallas, September 14, 1939, said tract being known as the Old Terrell Interurban R.O.W.;

THENCE North 77 degrees 33 minutes 40 seconds West with the North line of said Dallas County Tract a distance of 2146.54 feet to a 1/2 inch iron rod at the Southeast corner of said Hollis Boone Memorial Post tract;

THENCE North 0 degrees 55 minutes 10 seconds East with the East line of said Boone tract, a distance of 263.19 feet to the PLACE OF BEGINNING and containing 37.42726 gross acres of land, less 0.40058 acres in Newsome Road, leaving 37.02668 Net Acres of land.

SAVE AND EXCEPT that certain fourteen (14) acre tract of real property legally described as follows:

BEING all that certain tract or parcel of land situated in the City of Mesquite, Dallas County, Texas, out of the James M. Sewell Survey, Abstract No. 1358 and the Thomas J. Sewell Survey, Abstract No. 1359, and being part of that property conveyed to Phil L.

Hudson by Catherine Yates Payne and husband, Phillip M. Payne by Deed recorded in Volume 2329, Page 310, of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod for corner in the South line of a tract of land conveyed to the County of Dallas, Texas, by Gertrude Kenney Hudson, a widow, by Deed recorded in Volume 75112, Page 1271, of the Deed Records of Dallas County, Texas, said tract being known as East Glen Boulevard (a 100' RCW), said point also being in the East line of a certain tract of land conveyed to Hollis Boone Memorial Post of Deed recorded in Volume 77211, Page 1263, Deed Records of Dallas County, Texas;

THENCE: S 89°45'51" E, with the South line of East Glen Boulevard, a distance of 1447.54 feet to a point for corner;

THENCE: S 00°55'10" W, a distance of 577.46 feet to a point for corner in the Northerly line of a tract of land conveyed to the County of Dallas, September 14, 1939, said tract being known as the Old Terrell Interurban RCW;

THENCE: N 77°33'40" W, with the North line of said Dallas County tract, a distance of 1477.19 feet to a point for corner, being the Southeast corner of said Hollis Boone Memorial Post tract;

THENCE: N 00°55'10" E, with the East line of said Boone tract, a distance of 265.19 feet to the PLACE OF BEGINNING and containing 14.000 acres of land, more or less.

**EXHIBIT E**

**REIMBURSEMENT AGREEMENT BETWEEN**

**THE CITY OF MESQUITE,**

**THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER FOURTEEN,  
CITY OF MESQUITE, TEXAS (ALCOTT LOGISTICS STATION), AND**

**ALCOTT LOGISTICS STATION TRACT D, LP**

**(TO BE ATTACHED)**

**TIRZ REIMBURSEMENT AGREEMENT**

This TIRZ Reimbursement Agreement (this "**Agreement**") is entered into among the City of Mesquite, Texas (the "**City**"), the Board of Directors of Reinvestment Zone Number Fourteen, City of Mesquite, Texas (Alcott Logistics Station) (the "**TIRZ Board**"), and Alcott Logistics Station Tract D, LP, a Delaware limited partnership (the "**Tract D Developer**") to be effective May 26, 2021 (the "**Effective Date**"). The City, the TIRZ Board, and the Tract D Developer are individually referred to as a "**Party**" and collectively as the "**Parties**." The City and the TIRZ Board are sometimes collectively referred to as the "**Public Parties**."

**RECITALS**

**WHEREAS**, Reinvestment Zone Number Fourteen, City of Mesquite, Texas (Alcott Logistics Station) (the "**TIRZ**") is a tax increment reinvestment zone created by the governing body of the City (the "**City Council**") in accordance with the Tax Increment Financing Act, Chapter 311, Texas Tax Code, as amended (the "**TIRZ Act**"), by Ordinance No. 4853 adopted on April 5, 2021; and

**WHEREAS**, in addition to creating the TIRZ, Ordinance No. 4853 appointed the TIRZ Board; and

**WHEREAS**, the TIRZ consists of approximately 251.8175 acres located within the corporate limits of the City and being more particularly described and depicted in Ordinance No. 4853; and

**WHEREAS**, the City owns the following two (2) tracts of land located within the TIRZ: (i) a tract consisting of approximately 50.67364 acres and being more particularly described by metes and bounds in Exhibit A; and (ii) a tract consisting of approximately 23.03668 acres and being more particularly described by metes and bounds in Exhibit B (collectively the "**Property**"); and

**WHEREAS**, on May 3, 2021, the City Council approved a Master Development Agreement and Chapter 380 Agreement between the City, Alcott Logistics Partners, LP, a Texas limited partnership (the "**Developer**") and Alcott Logistics Station Tract D, LP, a Delaware limited partnership ("**Tract D Developer**") relating to the development of the Property as a master planned industrial development with common amenities, design standards, and in a manner consistent with the operation of a Class A industrial business park to be known as "Alcott Logistics Station" (the "**MDA**"); and

**WHEREAS**, the Developer desires to improve and develop the Property by and through one or more Development Entities; and

**WHEREAS**, pursuant to the MDA, the Developer has the option to purchase and designate a Development Entity to take title to the following two (2) additional tracts, to-wit: (i) an approximately 17.37 acre tract located within the Property and being more particularly described by metes and bounds in Exhibit C ("**Tract B**"); and (iii) an approximately 18.01 acre tract located within the Property and being more particularly described by metes and bounds in Exhibit D attached hereto and made a part hereof for all purposes ("**Tract C**"); and

**WHEREAS**, the Tract D Developer is an Affiliate of Developer that is under common control with the Developer and has been formed for the purpose of purchasing an approximately 32.34 acre tract located within the Property and being more particularly described by metes and bounds in Exhibit E attached hereto and made a part hereof for all purposes ("**Tract D**") and designing, constructing and installing, or causing the design, construction and installation, of certain public infrastructure and public improvements to benefit

the public and the development of the Property as more fully described in Exhibit F attached hereto and made a part hereof for all purposes (the “**Common Public Improvements**”); and

**WHEREAS**, on May 3, 2021, the TIRZ Board approved a project plan and reinvestment zone financing plan for the TIRZ and recommended such project plan and reinvestment zone financing plan to the City Council for approval; and

**WHEREAS**, on May 3, 2021, the City Council approved a project plan and reinvestment zone financing plan for the TIRZ by Ordinance No. 4857 (such project plan and reinvestment zone financing plan, as hereafter amended, being hereinafter referred to as the “**TIRZ Project and Financing Plan**”); and

**WHEREAS**, the TIRZ Project and Financing Plan identifies the Common Public Improvements as projects eligible for reimbursement by the TIRZ; and

**WHEREAS**, the Common Public Improvements are projects that qualify for reimbursement under the TIRZ Act; and

**WHEREAS**, the Public Parties desire to dedicate a portion of the TIRZ Revenues to reimburse the Tract D Developer for Common Public Improvements Project Costs up to the Reimbursement Cap to facilitate the development of the Property under the terms and subject to the conditions set forth in the MDA and this Agreement; and

**WHEREAS**, the dedication of a portion of the TIRZ Revenues to reimburse the Tract D Developer for Common Public Improvements Project Costs up to the Reimbursement Cap under the terms and subject to the conditions more fully set forth in the MDA and this Agreement is necessary to implement the Project and Financing Plan; and

**WHEREAS**, the City Council and the TIRZ Board have the authority pursuant to the TIRZ Act to enter into this Agreement to implement the Project and Financing Plan; and

**WHEREAS**, the Parties desire to enter into this Agreement to set forth the agreement of the Parties with respect to the matters set forth herein.

**NOW, THEREFORE**, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the Parties agree as follows:

## ARTICLE I

### DEFINITIONS

Capitalized terms used in this Agreement shall have the meanings given to such terms in the introductory paragraph above, in the Recitals, and in this Article I. Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the MDA, as amended.

“**Agreement**” means this TIRZ Reimbursement Agreement, as amended.

“**Applicable Law**” means any statute, law, treaty, rule, code, ordinance, regulation, permit, interpretation, certificate or order of all Governmental Authorities, or any judgment, decision, decree,

injunction, writ, order or like action of any court, arbitrator or other Governmental Authorities. Applicable Law includes, but shall not be limited to, the City Regulations.

**“Approved Assignee”** shall have the meaning set forth in Section 6.03(A) of this Agreement.

**“Architectural Standards”** means those architectural standards, exterior finish standards, and building façade/elevation standards set forth in Exhibit K to the MDA.

**“Bond”** and **“Bonds”** shall have the meanings set forth in Section 11.01(H) of the MDA.

**“Building”** shall mean each industrial building constructed on Tract B, Tract C, and Tract D, individually, and **“Buildings”** shall mean all buildings constructed on Tract B, Tract C, and Tract D, collectively.

**“Building 1”** shall mean the first Building that the Developer, or a Development Entity, Commences Construction of in connection with the Project and shall be an industrial building consisting of: (i) a minimum of 265,000 square feet if constructed on Tract B; (ii) a minimum of 300,000 square feet if constructed on Tract C; or (iii) a minimum of 540,000 square feet if constructed on Tract D.

**“Building 1 Commencement Date”** shall mean the date the Developer, or a Development Entity, Commences Construction of Building 1.

**“Building 1 Commencement Deadline Date”** shall mean the date that is eighteen (18) months after the Effective Date.

**“Building 1 Completion Date”** shall mean the date that is the earlier of: (i) twenty-four (24) months after the Building 1 Commencement Date; and (ii) forty-two (42) months after the Effective Date.

**“Building Official”** shall mean the “Building Official” of the City as defined in Section 202, “Definitions,” of Chapter 2, “Definitions,” of the International Building Code, 2018 Edition, a publication of the International Code Council, adopted and designated as the official building code of the City, as amended or replaced.

**“Building Permit”** shall mean a written authorization issued, after review and verification of code compliance, by the Building Official, or the Building Official’s designee, to the Developer or Tract D Developer allowing the Developer or Tract D Developer to proceed with construction of the Common Public Improvements or to the Developer or a Development Entity allowing the Developer or a Development Entity to proceed with construction of a Building in connection with the Project, and includes any construction-related permit required under Section 105, “Permits,” of Part 2, “Administration and Enforcement,” of Chapter 1, “Scope and Administration,” of the International Building Code, 2018 Edition, a publication of the International Code Council, adopted and designated as the official building code of the City, as amended or replaced.

**“CC&Rs”** shall mean the declaration of covenants, conditions and restrictions to be imposed by Developer, the Tract D Developer, or a Development Entity, on Tract B, Tract C and Tract D if and when purchased by the Developer, the Tract D Developer, or Development Entity as more fully set forth in Section 8.03 of the MDA, which at a minimum shall require that the landscaping installed and the improvements constructed on Tract B, Tract C, and Tract D shall comply with the Architectural Standards, Concept Plan, Development Standards, and the Landscaping Requirements.

**“City”** means the City of Mesquite, Texas.

**“City Council”** means the City Council of the City.

**“City Increment”** means, for any given year beginning with the 2022 tax year and continuing during the term of the TIRZ, the tax increment as determined in Ordinance No. 4857 adopted by the City Council on May 3, 2021 approving the TIRZ Project and Financing Plan, calculated on the amount of the ad valorem real property taxes levied and collected by the City for that year on the captured appraised value as defined in the TIRZ Act of real property taxable by the City and located within the TIRZ.

**“City Manager”** means the City Manager of the City.

**“City Regulations”** mean all ordinances, rules and regulations of the City, as may be amended from time to time, including, without limitation, City codes, design standards, engineering standards, drainage requirements, uniform and international building and construction codes duly adopted by the City, the PD and the Development Standards, all of which shall be applied to the development of the Property.

**“Collateral Assignment”** shall have the meaning set forth in Section 6.03(B) of this Agreement.

**“Commence Construction of the Common Public Improvements,” “Commences Construction of the Common Public Improvements”** and **“Commencement of Construction of the Common Public Improvements”** shall mean that (i) the Plans and Specifications for the Common Public Improvements have been prepared and all approvals thereof required by applicable Governmental Authorities have been obtained for construction of the Common Public Improvements; and (ii) the Grading Permit necessary for the initiation of construction of the Common Public Improvements has been issued by the City.

**“Commences Construction”** with respect to a Building shall mean that (i) the Plans and Specifications for the Building have been prepared and all approvals thereof required by applicable Governmental Authorities have been obtained for the construction of the Building; and (ii) the Grading Permit necessary for the initiation of construction of the Building has been issued by the City.

**“Common Public Improvements”** means the public infrastructure and public improvements described in Exhibit F to be constructed to benefit the public and all of the Property.

**“Common Public Improvements Commencement Date”** shall mean the date the Developer or the Tract D Developer Commences Construction of the Common Public Improvements.

**“Common Public Improvements Commencement Deadline Date”** shall mean the date that is eighteen (18) months after the Effective Date.

**“Common Public Improvements Completion Date”** shall mean the date that is the earlier of: (i) twenty-four (24) months after the Common Public Improvements Commencement Date; and (ii) forty-two (42) months after the Effective Date.

**“Common Public Improvements Project Costs”** shall have the meaning set forth in Section 3.04 of this Agreement and shall include only such costs as are eligible for reimbursement as project costs pursuant to the TIRZ Act.

**“Complete Construction of Building 1”** and **“Completion of Construction of Building 1”** shall mean that the construction of the core and shell of Building 1 has been substantially completed in compliance with: (i) the City Regulations as evidenced by the issuance by the City of a Shell Certificate of Occupancy (Shell C.O.), or other equivalent, confirming completion of the requirements of the Building Permit issued

by the City in connection with the construction of the core and shell of Building 1; (ii) the Development Standards; (iii) the Concept Plan; (iii) the Architectural Standards; and (iv) the CC&Rs.

**“Complete Construction of the Common Public Improvements”** **“Completes Construction of the Common Public Improvements”** and **“Completion of Construction of the Common Public Improvements”** shall mean that (i) the construction of the Common Public Improvements has been substantially completed in accordance with the City Regulations as evidenced by the issuance by the City of a final inspection, final green tag, certificate of completion, or other equivalent, confirming completion of the requirements of the Building Permit issued by the City in connection with the construction of the Common Public Improvements; (ii) the Common Public Improvements and any easements or rights of way associated therewith have been dedicated to the City (if applicable); and (iii) the City has accepted the Common Public Improvements in writing as evidenced by a letter of acceptance issued by the City provided, however, that if the City has not issued a letter of acceptance pursuant to subsection (iii) within thirty (30) days after the City has issued a final inspection, final green tag, certificate of completion, or other equivalent, confirming completion of the requirements of the Building Permit issued by the City in connection with the construction of the Common Public Improvements pursuant to subsection (i), then the Common Public Improvements shall be deemed accepted.

**“Completed Construction of a Building”** and **“Completion of Construction of a Building”** shall mean that the construction of the core and shell of a Building satisfying the minimum square footage requirement as stated in the section of this Agreement referencing such definition has been substantially completed in compliance with: (i) the City Regulations as evidenced by the issuance by the City of a Shell Certificate of Occupancy (Shell C.O.), or other equivalent, confirming completion of the requirements of the Building Permit issued by the City in connection with the construction of the core and shell of such Building; (ii) the Development Standards; (iii) the Concept Plan; (iv) the Architectural Standards; and (v) the CC&Rs.

**“Concept Plan”** means that certain conceptual drawing of the development of the Property set forth in Exhibit L to the MDA.

**“Developer”** means Alcott Logistics Partners, LP, its successors and permitted assigns.

**“Development Standards”** means the development standards for the Property set forth in Exhibit M to the MDA.

**“Effective Date”** means the date set forth in the introductory paragraph of this Agreement.

**“Event of Bankruptcy or Insolvency”** shall mean the dissolution or termination of a Party’s existence as a going business, insolvency, appointment of a 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, the voluntary commencement of any proceeding under any bankruptcy or insolvency laws by any Party, or the involuntary commencement of any proceeding against any Party under any bankruptcy or insolvency laws and such involuntary proceeding is not dismissed within ninety (90) days after the filing thereof.

**“Force Majeure”** means a major unforeseeable act or event that: (i) materially and adversely affects the affected Party’s ability to timely perform its obligation(s) under this Agreement; (ii) is beyond the reasonable control of the affected Party; (iii) is not caused by any act or omission on the part of the affected Party or the affected Party’s officers, partners, employees, agents, servants, contractors, subcontractors, or any Person entering the Property under the express or implied invitation of the affected Party; and (iv) could not have been prevented or avoided by the Party who suffers it by the exercise of commercially reasonable



efforts. **“Force Majeure”** must satisfy each of the above requirements and shall include (but not be limited to): (a) natural phenomena and acts of God such as lightning, floods, hurricanes, tornadoes, earthquakes; (b) explosions; (c) fires; (d) wars, civil disturbances and terrorism; (e) strikes, labor shortages, or shortage of materials or equipment, that delay construction for a minimum of thirty (30) consecutive days; (f) pandemics, epidemics, public health crises, or other uncontrollable circumstances in which a federal, state or municipal governmental order prevents or materially impedes commercial construction within the Property; (g) abnormal weather based on the 5-year NOAA climatic average weather days for North Texas; (h) delays in the issuance of Building Permits except for delays caused in whole or in part by any act or omission of Tract D Developer or its consultants, contractors or subcontractors; and (i) changes in Applicable Law that materially impact the design or construction of the Project, provided, however, that in no event will **“Force Majeure”** include a governmental order that prevents the Tract D Developer, or its contractors or subcontractors, from proceeding with the construction of the Common Public Improvements or any other improvements on the Property, as a result of the Tract D Developer’s, or its contractors’ or subcontractors’ failure to comply with Applicable Law. Notwithstanding the foregoing, **“Force Majeure”** shall not include: (1) any financial or economic hardship; (2) insufficiency of funds; (3) changes in market or economic conditions; (4) any default or failure (financial or otherwise) of the general contractor or any subcontractor, vendor or supplier of the affected Party; or (5) any delay of the general contractor or any subcontractor, vendor or supplier, except for delay(s) as a result of an act or event defined herein as Force Majeure.

**“Governmental Authorities”** means all federal, state, and local governmental entities (including any taxing authority), and agencies, courts, tribunals, regulatory commissions or other bodies, whether legislative, judicial or executive (or a combination or permutation thereof) and any arbitrator to whom a dispute has been presented under Applicable Law, pursuant to the terms of this Agreement, or by agreement of the Parties.

**“Grading Permit”** shall mean a written authorization also known as a “Release of Infrastructure Improvements” issued by the City upon issuance of release stamped construction plans, after review and verification of code compliance, by the City Engineer, or the City Engineer’s designee, to the Developer, the Tract D Developer, or a Development Entity allowing the Developer, the Tract D Developer, or a Development Entity to proceed with the fill, grading, excavation, or otherwise disturb the surface on the Property. The infrastructure improvements shall include, but not be limited to, water, sanitary sewer, storm sewer, and drainage improvements.

**“Landscaping Requirements”** shall have the meaning set forth in the MDA.

**“Lender”** and **“Lenders”** shall have the meaning set forth in Section 6.03(B) of this Agreement.

**“Lender Notice of Default”** shall have the meaning set forth in Section 6.03(B) of this Agreement.

**“MDA”** shall have the meaning set forth in the Recitals of this Agreement.

**“Parties”** means the City, the TIRZ Board and the Tract D Developer.

**“Party”** means either the City, the TIRZ Board or the Tract D Developer.

**“Payment Certificate”** shall have the meaning set forth in Section 3.07(A) of this Agreement.

**“PD”** means City Ordinance No. 4856 approved by the City Council on April 19, 2021, changing the zoning classification on the Property from Planned Development – Industrial No. 1848 and Industrial to

Planned Development – Industrial, approving the Development Standards, and establishing the Landscaping Requirements, as amended.

**“Performance Deed of Trust”** shall have the meaning set forth in the MDA.

**“Person”** or **“Persons”** shall mean one or more individual(s), corporation(s), general or limited partnership(s), limited liability company(s), trust(s), estate(s), unincorporated business(es), organization(s), association(s) or any other entity(s) of any kind.

**“Plans and Specifications”** means engineering and architectural drawings and schematic designs for the construction of the Common Public Improvements and Building 1, respectively.

**“Priority Project Costs”** shall have the meaning set forth in Section 3.05(C) of this Agreement.

**“Property”** shall have the meaning set forth in the Recitals of this Agreement.

**“Public Parties”** shall have the meaning set forth in the introductory paragraph to this Agreement.

**“Public Parties Default”** shall have the meaning set forth in Section 5.02 of this Agreement.

**“Reimbursement Cap”** means the total maximum amount of reimbursement to the Tract D Developer for the Common Public Improvements Project Costs from any source including, without limitation, TIRZ Revenues, which amount shall not exceed NINE MILLION THREE HUNDRED THOUSAND AND NO100 DOLLARS (\$9,300,000.00).

**“TIRZ”** shall mean Reinvestment Zone Number Fourteen, City of Mesquite, Texas (Alcott Logistics Station), as amended.

**“TIRZ Act”** shall mean V.T.C.A., Tax Code, Chapter 311, as amended.

**“TIRZ Alcott Subaccount”** shall mean the subaccount of the TIRZ Fund established for the deposit of TIRZ Revenues attributable to City Increment collected in connection with (i) Tract B, provided the conditions precedent set forth in Section 3.03(A) have timely occurred; (ii) Tract C, provided the conditions precedent set forth in Section 3.03(B) have timely occurred; and (iii) Tract D, provided the conditions precedent set forth in Section 3.03(C) have timely occurred.

**“TIRZ Board”** means the Board of Directors of the TIRZ.

**“TIRZ Fund”** means the fund established by the City pursuant to Ordinance No. 4853 for the deposit of the City Increment in accordance with this Agreement, the TIRZ Act and the TIRZ Project and Finance Plan.

**“TIRZ Project and Financing Plan”** shall have the meaning set forth in the Recitals of this Agreement.

**“TIRZ Revenues”** means the City Increment deposited each calendar year into the TIRZ Fund beginning with the calendar year 2023, reduced by costs and expenses authorized by the TIRZ Act including, but not limited to, the Priority Project Costs.

**“Tract”** means Tract B, Tract C or Tract D, individually.

**“Tract B”** shall mean the property described in Exhibit C attached hereto and made a part hereof for all purposes.

“Tract B Developer,” “Tract B Closing Date” and “Tract B Purchase Price” shall have the meanings set forth in the MDA.

“Tract C” shall mean the property described in Exhibit D attached hereto and made a part hereof for all purposes.

“Tract C Developer,” “Tract C Closing Date” and “Tract C Purchase Price” shall have the meanings set forth in the MDA.

“Tract D” shall mean the property described in Exhibit E attached hereto and made a part hereof for all purposes.

“Tract D Closing Date” and “Tract D Purchase Price” shall have the meaning set forth in the MDA.

“Tract D Developer” shall have the meaning set forth in the introductory paragraph of this Agreement.

“Tract D Developer Default” shall have the meaning set forth in Section 5.01 of this Agreement.

“Undocumented Workers” shall mean: (i) individuals who, at the time of employment with the Tract D Developer are not lawfully admitted for permanent residence to the United States or are not authorized under law to be employed in that manner in the United States; and (ii) such other persons as are included within the definition of “Undocumented worker” pursuant to V.T.C.A., Government Code §2264.001(4), as hereafter amended or replaced.

## ARTICLE II

### TRACT D DEVELOPER COVENANTS

Section 2.01 Covenants of Tract D Developer. In consideration for the Public Parties’ obligations under this Agreement, and as an inducement to the City and the TIRZ Board to enter into this Agreement, the Tract D Developer covenants and agrees to:

- A. Commence Construction of the Common Public Improvements on or before the Common Public Improvements Commencement Deadline Date, or to cause the Commencement of Construction of the Common Public Improvements on or before the Common Public Improvements Commencement Deadline Date; and
- B. Complete Construction of the Common Public Improvements on or before the Common Public Improvements Completion Date, or to cause the Completion of Construction of the Common Public Improvements on or before the Common Public Improvements Completion Date; and
- C. Construct the Common Public Improvements, or cause the Common Public Improvements to be constructed, in accordance with Plans and Specifications approved in writing by the City and in compliance with the PD, the Concept Plan, the Development Standards, the Landscaping Requirements, the Architectural Standards, the CC&Rs and all City Regulations; and

- D. Obtain and maintain, or cause the contractor(s) constructing the Common Public Improvements to obtain and maintain, the Bonds; and
- E. Obtain and maintain, or cause the contractor(s) constructing the Common Public Improvements to obtain and maintain the insurance required by the MDA with respect to the construction of the Common Public Improvements; and
- F. Timely pay all ad valorem taxes assessed against all property owned by the Tract D Developer in the City prior to the date such taxes become delinquent; and
- G. Comply or cause the compliance with all building codes, zoning ordinances and all other codes, ordinances and regulations of the City relating to the design and construction of the Common Public Improvements; and
- H. Comply or cause the compliance with all federal, state, and local laws, ordinances and regulations relating to the design and construction of the Common Public Improvements; and
- I. Timely keep and perform all terms, provisions, agreements, covenants, conditions, and obligations to be kept or performed by the Tract D Developer under the terms of this Agreement; and
- J. Timely keep and perform all terms, provisions, agreements, covenants, conditions and obligations to be kept or performed by the Tract D Developer under the terms of the MDA relating to the design and construction of the Common Public Improvements including, without limitation, all terms, provisions, covenants, conditions and agreements set forth in Article XI of the MDA.

Section 2.02 Covenant Not to Employ Undocumented Workers.

A. Covenant Not to Employ Undocumented Workers. The Tract D Developer hereby certifies that the Tract D Developer, and each branch, division, and department of the Tract D Developer, does not employ any Undocumented Workers and the Tract D Developer hereby covenants and agrees that the Tract D Developer, and each branch, division and department of the Tract D Developer will not knowingly employ any Undocumented Workers during the term of this Agreement.

B. Covenant to Notify Public Parties of Conviction for Undocumented Workers. The Tract D Developer further hereby covenants and agrees to provide the City with written notice of any conviction of the Tract D Developer, or any branch, division or department of the Tract D Developer, of a violation under 8 U.S.C. §1324a (f) within thirty (30) days from the date of such conviction.

C. Repayment of Reimbursements in Event of Conviction for Employing Undocumented Workers. If, after receiving all or any portion of the reimbursements under the terms of this Agreement, the Tract D Developer, or a branch, division or department of the Tract D Developer, is convicted of a violation under 8 U.S.C. §1324a (f), the Tract D Developer shall pay to the Public Parties, not later than the 120<sup>th</sup> day after the date the Public Parties notify the Tract D Developer of the violation, an amount equal to the reimbursement payments previously paid by the Public Parties to the Tract D Developer under the terms of this Agreement plus interest at the rate equal to the *lesser* of: (i) the Maximum Lawful Rate; or (ii) five percent (5%) per annum, such interest rate to be calculated on each reimbursement being recaptured from

the date each reimbursement was paid by the Public Parties to the Tract D Developer until the date such reimbursement is repaid by the Tract D Developer to the Public Parties and such interest rate shall adjust periodically as of the date of any change in the Maximum Lawful Rate.

D. Limitation on Reimbursement Payments. The Public Parties shall have no obligation to pay any reimbursements to the Tract D Developer under the terms of this Agreement if the Tract D Developer, or any branch, division or department of the Tract D Developer is convicted of a violation under 8 U.S.C. §1324a (f).

E. Remedies. The Public Parties shall have the right to exercise all remedies available by law to collect any sums due by the Tract D Developer to the Public Parties pursuant to this Section 2.02 including, without limitation, all remedies available pursuant to Chapter 2264 of the Texas Government Code.

F. Limitation. The Tract D Developer is not liable for a violation of Section 2.02 of this Agreement by a subsidiary, affiliate, or franchisee of the Tract D Developer, or by a Person with whom the Tract D Developer contracts.

### ARTICLE III

#### REIMBURSEMENT OF COMMON PUBLIC IMPROVEMENTS PROJECT COSTS

Section 3.01 Dedication of Portion of TIRZ Revenues. The City and the TIRZ Board, in exercising their powers under the TIRZ Act, agree to dedicate a portion of the TIRZ Revenues collected within the TIRZ and deposited to the TIRZ Alcott Subaccount for the reimbursement to the Tract D Developer of all or a portion of the Common Public Improvements Project Costs up to the maximum amount of NINE MILLION THREE HUNDRED THOUSAND AND NO/100 DOLLARS (\$9,300,000.00) (the “**Reimbursement Cap**”), all as more specifically provided herein.

Section 3.02 TIRZ Alcott Subaccount. Subject to Section 3.03 below, the City Increment collected in connection with Tract B, Tract C, and Tract D shall be deposited annually into the TIRZ Alcott Subaccount for the period commencing with the City Increment collected in connection with Tract B, Tract C, and Tract D for the tax year 2022 [which increment will be deposited into the TIRZ Alcott Subaccount in 2023] and continuing thereafter until the earlier of (i) the date the Public Parties satisfy their obligations under this Agreement; (ii) the date this Agreement is terminated by the City or the TIRZ Board pursuant to a right to terminate provided herein; (iii) the date the MDA is terminated by the City, the Developer, or the Tract D Developer pursuant to a right to terminate provided therein; (iv) the date the cumulative amount of City Increment placed into the TIRZ Alcott Subaccount allocated to the reimbursement of the Common Public Improvements Project Costs equals the Reimbursement Cap; and (v) the expiration of the term of the TIRZ. Notwithstanding anything contained herein to the contrary, in no event shall the Tract D Developer be reimbursed for Common Public Improvements Project Costs in an amount exceeding the Reimbursement Cap.

#### Section 3.03 City Increment Relating to Tract B, Tract C and Tract D.

A. Tract B. The Parties agree that the City Increment collected in connection with Tract B shall only be deposited into the TIRZ Alcott Subaccount and available for reimbursement payments under the terms of this Agreement upon satisfaction of the following conditions precedent, to-wit:

1. The Tract B Developer has closed on the purchase of Tract B on or before the Tract B Closing Date and the Tract B Purchase Price has been paid to the City; and
2. Completion of Construction of a Building consisting of a minimum of 265,000 square feet on Tract B has timely occurred pursuant to the terms of the MDA; and
3. Landscaping has been installed on Tract B in compliance with the Landscaping Requirements and the Building constructed on Tract B has been constructed in compliance with the Plans and Specifications approved in writing by the City and in compliance with the PD, the Concept Plan, the Development Standards, the Architectural Standards, the CC&Rs and all City Regulations.

B. Tract C. The Parties agree that the City Increment collected in connection with Tract C shall only be deposited into the TIRZ Alcott Subaccount and available for reimbursement payments under the terms of this Agreement upon satisfaction of the following conditions precedent, to-wit:

1. The Tract C Developer has closed on the purchase of Tract C on or before the Tract C Closing Date and the Tract C Purchase Price has been paid to the City; and
2. Completion of Construction of a Building consisting of a minimum of 300,000 square feet on Tract C has timely occurred pursuant to the terms of the MDA; and
3. Landscaping has been installed on Tract C in compliance with the Landscaping Requirements and the Building constructed on Tract C has been constructed in compliance with the Plans and Specifications approved in writing by the City and in compliance with the PD, the Concept Plan, the Development Standards, the Architectural Standards, the CC&Rs and all City Regulations.

C. Tract D. The Parties agree that the City Increment collected in connection with Tract D shall only be deposited into the TIRZ Alcott Subaccount and available for reimbursement payments under the terms of this Agreement upon satisfaction of the following conditions precedent:

1. The Tract D Developer has closed on the purchase of Tract D on or before the Tract D Closing Date and the Tract D Purchase Price has been paid to the City; and
2. If a Building is constructed on Tract D, landscaping has been installed on Tract D in compliance with the Landscaping Requirements and the Building constructed on Tract D shall consist of a minimum of 540,000 square feet and shall have been constructed in compliance with the Plans and Specifications approved in writing by the City and in compliance with the PD, the Concept Plan, the Development Standards, the Architectural Standards, the CC&Rs and all City Regulations.

Section 3.04 Common Public Improvements Project Costs. When the Plans and Specifications for the Common Public Improvements have been finalized and approved by the City, and prior to the Commencement of Construction of the Common Public Improvements, the Tract D Developer shall provide the City with an itemization of the costs of construction of the Common Public Improvements or, if the Tract D Developer and the Developer have entered into an agreement under the terms set forth in the MDA for the Developer to construct the Common Public Improvements on behalf of the Tract D Developer, the Tract D Developer shall cause the Developer to provide the City with an itemization of the costs of construction of the Common Public Improvements. The itemization of the costs of construction of the Common Public Improvements shall be subject to the review and approval of the City Manager, and the Developer and the

Tract D Developer shall not Commence Construction of the Common Public Improvements unless and until the City Manager has approved the itemized list of the costs of construction of the Common Public Improvements in writing (the itemized list of the costs of construction of the Common Public Improvements in the form approved in writing by the City Manager shall hereinafter be referred to as the “**Common Public Improvements Project Costs**”). The Tract D Developer may make necessary changes to any line item included in the Common Public Improvements Project Costs provided any increase for any line item does not exceed ten percent (10%) of the estimated amount for that item or, if the Tract D Developer and the Developer have entered into an agreement under the terms set forth in the MDA for the Developer to construct the Common Public Improvements on behalf of the Tract D Developer, the Developer may make necessary changes to any line item included in the Common Public Improvements Project Costs provided any increase for any line item does not exceed ten percent (10%) of the estimated amount for that item and further provided that the Tract D Developer has consented in writing to such increase. Any increase exceeding ten percent (10%) must be approved in writing by the Tract D Developer (if the Developer has agreed to construct the Common Public Improvements on behalf of the Tract D Developer) and must be submitted to the City Manager and is not eligible for reimbursement under this Agreement unless the City Manager has approved such increase in writing. All costs and expenses included within the Common Public Improvements Project Costs shall be reasonable when compared to projects of similar size and scope as the Project, must be eligible project costs under the TIRZ Act, must be included as project costs in the TIRZ Project and Financing Plan and must be necessary and reasonable for the development of the Property and for the construction of the Common Public Improvements. Common Public Improvements Project Costs may include: (1) costs incurred by or on behalf of the Developer or the Tract D Developer for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of the Common Public Improvements provided, however, the reimbursement of any interest paid by the Developer or the Tract D Developer on any loan for the construction of the Common Public Improvements shall not exceed the lesser of: (a) actual interest paid by the Developer or the Tract D Developer; or (b) five percent (5%) per annum; (2) actual fees paid by the Developer or the Tract D Developer for obtaining permits, licenses, or other governmental approvals for the construction of the Common Public Improvements; (3) developer or construction management fees not exceeding four percent (4%) of the hard costs included in the Common Public Improvements Project Costs; (4) actual fees and costs incurred by or on behalf of the Developer or the Tract D Developer for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services in connection with the Common Public Improvements; and (5) all labor, bonds, and materials, including equipment and fixtures, by contractors, builders, and materialmen in connection with the acquisition, construction, and implementation of the Common Public Improvements.

Section 3.05 Limitation on Reimbursement.

A. The Public Parties shall not be obligated to provide funds for the reimbursement of any Common Public Improvements Project Costs except from TIRZ Revenues deposited into the TIRZ Alcott Subaccount pursuant to this Agreement and all reimbursements shall be subject to the terms and conditions set forth in this Agreement. The Public Parties make no warranty, either express or implied, that any TIRZ Revenues in the TIRZ Alcott Subaccount available for the reimbursement of the Common Public Improvements Project Costs will be sufficient for the construction or acquisition of the Common Public Improvements. Any costs of the Common Public Improvements exceeding any TIRZ Revenues in the TIRZ Alcott Subaccount available for reimbursement pursuant to this Agreement shall be the sole responsibility of the Developer and the Tract D Developer. The Tract D Developer acknowledges and agrees that the Tract D Developer shall be responsible to construct or to cause the construction of the Common Public Improvements irrespective of the possibility that the TIRZ Revenues in the TIRZ Alcott Subaccount may be insufficient to reimburse the Common Public Improvements Project Costs.

B. The reimbursement of the Common Public Improvements Project Costs shall not exceed the lesser of: (i) the actual costs and expenses incurred by the Developer or the Tract D Developer in connection with the construction of the Common Public Improvements; (ii) the Common Public Improvements Project Costs, plus (a) any increase of ten percent (10%) or less in any line item included in the Common Public Improvements Project Costs provided such increase has been approved in writing by the Tract D Developer if the Developer has agreed to construct the Common Public Improvements on behalf of the Tract D Developer; and (b) any increase exceeding ten percent (10%) in any line item included in the Common Public Improvements Project Costs that has been approved in writing by the City Manager provided such increase has also been approved in writing by the Tract D Developer if the Developer has agreed to construct the Common Public Improvements on behalf of the Tract D Developer; and (iii) the Reimbursement Cap.

C. The Parties agree that the costs and expenses of establishing and administering the TIRZ and the costs and expenses of repairing, reconstructing, and maintaining the park, trail system, drainage, detention, signage, lighting, landscaping and irrigation within the TIRZ shall be priority project costs under the TIRZ Project and Financing Plan (collectively the “**Priority Project Costs**”) and shall be paid from the City Increment deposited into the TIRZ Fund before any funds in the TIRZ Fund are allocated or deposited to the TIRZ Alcott Subaccount.

D. The Parties agree that the Public Parties’ obligation to reimburse all or any portion of the Common Public Improvements Project Costs pursuant to this Agreement shall be payable solely from TIRZ Revenues deposited in the TIRZ Alcott Subaccount pursuant to and under the terms and conditions and as provided in this Agreement. Tract D Developer agrees to look solely to the TIRZ Alcott Subaccount, not the City’s general fund or any other revenues, taxes, income, property, or other funds of the City for the reimbursement of the Common Public Improvements Project Costs. Tract D Developer further agrees the City shall not be required to issue bonds or other debt instruments to fund the reimbursement of the Common Public Improvements Project Costs. Nothing in this Agreement shall obligate the City to pay the Developer or the Tract D Developer for Common Public Improvements Project Costs in the event there are insufficient funds in the TIRZ Alcott Subaccount or in the event the TIRZ terminates prior to reimbursement of all of the Common Public Improvements Project Costs. Upon the termination of this Agreement pursuant to a right to terminate expressly set forth herein, or upon the expiration of the term of the TIRZ, any Common Public Improvements Project Costs that remain un-reimbursed due to lack of availability of funds in the TIRZ Alcott Subaccount shall no longer be considered project costs or obligations of the TIRZ, and any obligation of the Public Parties to provide reimbursement payments to the Developer or the Tract D Developer for Common Public Improvements Project Costs shall automatically expire and terminate on such date.

E. The Public Parties shall have no responsibility whatsoever to the Developer or the Tract D Developer with respect to the investment of any funds held in the TIRZ Fund, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment. Any such loss may diminish the amounts available in the TIRZ Alcott Subaccount to reimburse the Common Public Improvements Project Costs.

#### Section 3.06 Other TIRZ Projects.

The Parties acknowledge that the TIRZ includes properties other than the Property and that there is the potential that other projects could be identified that would benefit the TIRZ and be necessary to implement the TIRZ Project and Financing Plan. The Parties agree this Agreement does not prevent the City from entering into separate reimbursement agreements with other developers providing for reimbursement of project costs for other projects eligible under the TIRZ Act and the TIRZ Project and



Financing Plan and in such event the TIRZ Revenues will be: (i) apportioned to identify the City Increment generated by each project; and (ii) allocated and deposited into subaccounts for each developer, all as more fully set forth in the TIRZ Project and Financing Plan.

Section 3.07 Procedure for Reimbursement.

A. Payment Certificate. The Tract D Developer shall submit a payment certificate to the City (no more frequently than annually) in the form attached hereto as Exhibit G (the “**Payment Certificate**”) for each payment under the terms of this Agreement. The City shall review the sufficiency of each Payment Certificate with respect to compliance with the MDA, this Agreement, Applicable Law, and the Plans and Specifications. The reimbursement of the Common Public Improvements Project Costs is subject to the City Engineer’s review and acceptance of the Common Public Improvements being reimbursed.

B. Supporting Documentation. The Tract D Developer shall submit with each Payment Certificate such documentation as the City may reasonably request to support the payment requested by the Payment Certificate including, without limitation, copies of such invoices, paid receipts, payment records, lien waivers, bills paid affidavits and such other documentation as the City may reasonably request to confirm the actual costs incurred and paid by the Tract D Developer (or paid by the Developer on behalf of the Tract D Developer) in connection with the construction of the Common Public Improvements.

C. Review and Payment of Payment Certificate. The City shall review each Payment Certificate within thirty (30) days after receipt thereof. If a Payment Certificate is approved only in part, the City shall specify the extent to which the Payment Certificate is approved. Payment for approved amounts shall be made to the Tract D Developer (or to its assignee(s) if and as permitted under the terms of this Agreement) within thirty (30) days after approval provided sufficient funds for such payment are available in the TIRZ Alcott Subaccount.

D. Additional Documentation. If the City requires additional documentation, timely disapproves or questions the correctness or authenticity of the Payment Certificate, the City shall deliver a detailed notice to the Tract D Developer within fifteen (15) days of receipt thereof, and payment with respect to disputed portion(s) of the Payment Certificate shall not be made until the Tract D Developer and the City have jointly settled such dispute or additional information has been provided to the City’s reasonable satisfaction.

E. Limitation on Costs Eligible for Reimbursement. The Common Public Improvements are the only public improvements eligible for reimbursement from the TIRZ Alcott Subaccount under the terms of this Agreement.

Section 3.08 Audit.

A. Rights to Audit. The Public Parties shall have the right, during normal business hours and upon ten (10) days’ prior written notice, to audit, at the Public Parties’ expense, the records of the Developer and the Tract D Developer with respect to the expenditure of funds to pay the Common Public Improvements Project Costs. Upon written request by the Public Parties, the Tract D Developer shall give, and shall cause the Developer to give, the Public Parties or their agent or independent consultant, access to those certain records controlled by, or in the direct or indirect possession of, the Developer and the Tract D Developer with respect to the expenditure of Common Public Improvements Project Costs, and permit the Public Parties to review such records in connection with conducting a reasonable audit of such fund and account. The Tract D Developer shall make, and shall cause the Developer to make, these records available to the

Public Parties electronically or at a location within Dallas County that is reasonably convenient for Public Parties' staff and consultants.

B. Maintenance of Records. The Tract D Developer shall maintain proper books of record and account, and shall cause the Developer to maintain proper books of record and account, relating to the construction of the Common Public Improvements and all costs related thereto for three (3) years after Completion of Construction of the Common Public Improvements.

C. Annual Report. Within ten (10) days after written request by the City, the Tract D Developer shall provide, and shall cause the Developer to provide, the City with such information as the City may reasonably request for purposes of submitting the annual report for the TIRZ to the Comptroller of the State of Texas as required by the TIRZ Act.

Section 3.09 Conditions Precedent to Reimbursement Payments. All payments under the terms of this Agreement are expressly conditioned on the satisfaction of the following conditions precedent, to-wit:

A. The Commencement of Construction of the Common Public Improvements shall have occurred on or before the Common Public Improvements Commencement Deadline Date; and

B. The Completion of Construction of the Common Public Improvements shall have occurred on or before the Common Public Improvements Completion Date; and

C. The Commencement of Construction of Building 1 shall have occurred on or before the Building 1 Commencement Deadline Date; and

D. The Completion of Construction of Building 1 shall have occurred on or before the Building 1 Completion Date, the Landscaping Requirements shall have been satisfied with respect to the Tract where Building 1 has been constructed, and Building 1 shall have been constructed in compliance with the Plans and Specifications approved in writing by the City, the PD, the Concept Plan, the Development Standards, the Architectural Standards, the CC&Rs and all City Regulations; and

E. No Developer Default (as defined in the MDA) shall then exist under the terms of the MDA or no event shall exist which, but for notice, the lapse of time, or both, would constitute a Developer Default (as defined in the MDA); and

F. No Tract D Developer Default shall exist under the terms of this Agreement or no event shall exist which, but for notice, the lapse of time, or both, would constitute a Tract D Developer Default under the terms of this Agreement; and

G. The MDA shall not have been terminated by any party thereto pursuant to a right to terminate expressly set forth therein; and

H. This Agreement shall not have been terminated by any Party hereto pursuant to a right to terminate expressly provided therein.

Section 3.10 Additional Conditions Precedent to Reimbursements Relating to Park, Trail and East Glen Boulevard Road Improvements.

A. The Tract D Developer shall submit, or shall cause the Developer to submit, the design and construction plans for the park and trail system to be constructed as part of the Common Public Improvements, including a landscape plan for the park and trail system, to the City Manager and receive approval of such plans by the City Manager, in the City Manager's sole discretion, in writing prior to Commencement of Construction of the Common Public Improvements. Compliance with this Section 3.10(A) by the Tract D Developer prior to Commencement of Construction of the Common Public Improvements is a condition precedent to the Tract D Developer receiving any reimbursement under this Agreement for any costs related to the construction of the park and trail system to be constructed as part of the Common Public Improvements.

B. The realignment of East Glen Boulevard shall consist of a four lane divided roadway substantially equivalent to or exceeding the width and design of the existing East Glen Boulevard and shall be subject to and shall meet all City Regulations including, without limitation, all City engineering standards. Tract D Developer shall submit, or shall cause the Developer to submit, the design and construction plans for the realignment of East Glen Boulevard to be constructed as part of the Common Public Improvements to the City Manager and receive approval of such plans by the City Manager, in the City Manager's sole discretion, in writing prior to Commencement of Construction of the Common Public Improvements. The construction of the new East Glen Boulevard shall also be subject to the approval of Plans and Specifications for the construction of such road which have been approved in writing by the City. Compliance with this Section 3.10(B) by the Tract D Developer prior to Commencement of Construction of the Common Public Improvements is a condition precedent to the Tract D Developer receiving any reimbursement under this Agreement for any costs related to the realignment of East Glen Boulevard to be constructed as part of the Common Public Improvements.

#### ARTICLE IV

##### TERM

This Agreement shall commence on the Effective Date and shall continue until the earlier of: (i) the date on which the Parties have satisfied all of their obligations under the terms of this Agreement; (ii) the Common Public Improvements Project Costs have been reimbursed to the Tract D Developer under the terms and subject to the conditions set forth in this Agreement up to the Reimbursement Cap; (iii) the expiration of the term of the TIRZ; and (iv) the date this Agreement is terminated by any Party hereto pursuant to a right to terminate this Agreement provided herein or in the MDA.

#### ARTICLE V

##### DEFAULT AND REMEDIES

Section 5.01 Default by Tract D Developer. The Tract D Developer shall be in default of this Agreement upon the occurrence of any one of the following (each a "**Tract D Developer Default**"):

- A. upon the occurrence of an Event of Bankruptcy or Insolvency of the Tract D Developer; or
- B. upon any assignment of this Agreement by the Tract D Developer in violation of Section 6.03 of this Agreement; or
- C. if any statement, warranty, or representation of Tract D Developer in the MDA is materially false as of the date such statement, warranty or representation was made provided, however, if such

misstatement was not intentional and is susceptible to being cured, Tract D Developer shall have thirty (30) days from written notice from City to correct such misstatement and further provided, such cure period may be extended by the City Manager for up to an additional sixty (60) days provided the Tract D Developer, in the City Manager's discretion, is using diligent efforts to cure such misstatement; or

D. if the Tract D Developer fails to Commence Construction of the Common Public Improvements on or before the Common Public Improvements Commencement Deadline Date or fails to cause the Commencement of Construction of the Common Public Improvements on or before the Common Public Improvements Commencement Deadline Date; and

E. if the Tract D Developer fails to Complete Construction of the Common Public Improvements on or before the Common Public Improvements Completion Date or fails to cause the Completion of Construction of the Common Public Improvements on or before the Common Public Improvements Completion Date; and

F. if the Tract D Developer fails to construct, or to cause the construction, of the Common Public Improvements in accordance with Plans and Specifications approved in writing by the City and in compliance with the PD, the Concept Plan, the Development Standards, the Landscaping Requirements, the Architectural Standards, the CC&Rs and all City Regulations; and

G. if the Tract D Developer fails to timely pay any monetary sum (other than taxes) to be paid by the Tract D Developer to the City as and when such sum becomes due and payable and such failure continues for thirty (30) days after written notice by the City to the Tract D Developer; or

H. if the Tract D Developer fails to obtain and maintain the Bonds under the terms and as required by the MDA; or

I. if the Tract D Developer fails to obtain and maintain, or cause the contractor(s) constructing all or any part of the Common Public Improvements to obtain and maintain, the insurance required by the MDA relating to the construction of the Common Public Improvements; or

J. if the Tract D Developer fails to timely pay any ad valorem or other taxes which are due and payable by the Tract D Developer to the City provided, however, that nothing contained herein shall restrict or prohibit the Tract D Developer from contesting or protesting any ad valorem taxes which are imposed on property owned by the Tract D Developer; or

K. if the Tract D Developer fails to timely keep or perform any non-monetary term, provision, agreement, covenant, condition or obligation to be kept or performed by the Tract D Developer under the terms of this Agreement and such failure continues for sixty (60) days after written notice by the City to the Tract D Developer provided, however, such cure period may be extended in writing by the City Manager for up to an additional sixty (60) days if the City Manager determines, in the City Manager's sole discretion, that the Tract D Developer is using diligent efforts to cure such default; or

L. if the Tract D Developer fails to timely keep or perform any term, provision, agreement, covenant, condition or obligation to be kept or performed by the Tract D Developer under the terms of the Performance Deed of Trust and such failure continues past any applicable notice and cure period provided to the Tract D Developer pursuant to the Performance Deed of Trust; or

M. if the Tract D Developer fails to timely keep or perform any term, provision, agreement, covenant, condition or obligation to be kept or performed by the Tract D Developer under the terms of the

MDA and such failure continues past any applicable notice and cure period provided to the Tract D Developer pursuant to the terms of the MDA.

Section 5.02 Public Parties Default. The Public Parties shall be in default of this Agreement upon the occurrence of any of the following (each a “**Public Parties Default**”):

A. if any statement, warranty, or representation of the Public Parties in this Agreement is materially false as of the date such statement, warranty or representation was made; provided, however, if such misstatement was not intentional and is susceptible to being cured, the Public Parties shall have thirty (30) days from written notice from the Tract D Developer to correct such misstatement and provided further that such cure period may be extended by the Tract D Developer for up to an additional sixty (60) days provided the Public Parties, in the Tract D Developer’s discretion, is using diligent efforts to cure such misstatement; or

B. if the Public Parties fail to timely pay any monetary sum to be paid by the Public Parties to the Tract D Developer under the terms of this Agreement as and when such sum shall become due and payable and such failure continues for thirty (30) days after written notice by the Tract D Developer to the Public Parties; or

C. if the Public Parties fail to timely keep or perform any non-monetary term, provision, agreement, covenant, condition or obligation to be kept or performed by the Public Parties under the terms of this Agreement and such failure continues for sixty (60) days after written notice by the Tract D Developer to the Public Parties provided, however, such cure period may be extended in writing by the Tract D Developer for up to an additional sixty (60) days if the Tract D Developer determines, in the Tract D Developer’s sole discretion, that the Public Parties are using diligent efforts to cure such default; or

D. if the Public Parties fail to timely keep or perform any term, provision, agreement, covenant, condition or obligation to be kept or performed by the Public Parties under the terms of any other agreement between the Tract D Developer and the Public Parties and such failure continues past any applicable notice and cure period provided to the Public Parties pursuant to the terms of the such agreement.

Section 5.03 Force Majeure. Notwithstanding any provision in this Agreement to the contrary, if the performance of any covenant or obligation to be performed hereunder by any Party is delayed by Force Majeure, the time for performance of such covenant or obligation shall be extended by the number of days of any delay directly caused by and relating to such Force Majeure. The Party claiming delay of performance as a result of any event of Force Majeure shall deliver written notice of the commencement of any such delay resulting from such Force Majeure event and the length the Force Majeure event is reasonably expected to last not later than thirty (30) days after the claiming Party becomes aware of the same, and if the claiming Party fails to so notify the other Party of the occurrence of a Force Majeure event causing such delay, the claiming Party shall not be entitled to avail itself of the provisions for the extension of performance contained in this Section 5.03. The number of days a Force Majeure event is in effect shall be determined by the City Manager based upon commercially reasonable standards.

Section 5.04 Maximum Days for Extension of Performance. The Parties agree that notwithstanding anything contained in this Agreement to the contrary including, without limitation, Section 5.03 of this Agreement, the performance by the Tract D Developer of any term, provision, covenant, condition, or obligation to be performed by the Tract D Developer pursuant to this Agreement or the MDA shall not be extended (including any extension by the City Manager pursuant to Section 8.06 and Section

16.03 of the MDA and any extension pursuant to an event of Force Majeure pursuant to Section 5.03 of this Agreement) for more than eighteen (18) months, collectively.

Section 5.05 Tract D Developer Remedies. In the event of a Public Parties Default, the Tract D Developer shall have the right to exercise any one more of the following remedies as the Tract D Developer's sole and exclusive remedies, such remedies being expressly cumulative:

- A. terminate this Agreement by written notice to the Public Parties; and
- B. specific performance, provided however, the Parties agree specific performance may not be asserted with respect to any actions that are within the legislative discretion of the Public Parties; and provided further, that in the event the Public Parties Default is the failure to timely pay a reimbursement payment due under the terms of this Agreement and a court of competent jurisdiction does not award specific performance for the payment of such reimbursement, Tract D Developer may seek actual damages in an amount not to exceed the amount of any unpaid reimbursement payment(s) that are then due and payable under the terms of this Agreement and for which all conditions precedent to the payment of such reimbursement payment(s) have been timely satisfied and are then continuing. The Parties specifically agree that the recovery of damages against the Public Parties shall not include consequential, punitive, exemplary, or speculative damages or attorney's fees.

Section 5.06 Public Party Remedies. In the event of a Tract D Developer Default, the Public Parties shall have no obligation to pay any future reimbursements under this Agreement to the Tract D Developer and the Public Parties shall have the right to exercise any one more of the following remedies as the Public Parties' sole and exclusive remedies, such remedies being expressly cumulative:

- A. terminate this Agreement; and
- B. provided the Performance Deed of Trust has not been released, and further provided the Tract D Developer Default is an event of default under the Performance Deed of Trust, exercise any and/or all rights and remedies available to the City pursuant to the Performance Deed of Trust and the Subordination Agreement; and
- C. exercise and enforce any and all rights and remedies with respect to the Bonds.

## ARTICLE VI

### GENERAL PROVISIONS

Section 6.01 Date for Performance. In computing the number of days for purposes of this Agreement, all days will be counted including Saturdays, Sundays and legal holidays, however, if the final day of any time period under this Agreement falls on a Saturday, Sunday or legal holiday, the time for performance shall automatically be extended through the close of business on the next regularly scheduled business day.

Section 6.02 Notices. Any notice and/or certificate or statement required or permitted to be given to any Party under the terms of this Agreement shall be in writing and shall be deemed properly given if sent by United States electronically tracked certified mail, return receipt requested, in a postage paid envelope addressed to the respective Party at the following addresses or by delivery of the notice in person

to the intended addressee by hand delivery or by a nationally recognized courier service having the ability to track shipping and delivery of notices including but not limited to services such as Federal Express or United Parcel Service (UPS). Except as set forth herein: (i) notices mailed by certified mail as set forth above shall be effective and deemed delivered, whether actually received or not, one (1) day after deposit in the United States mail; (ii) notices sent by a nationally recognized courier service as set forth above shall be effective and deemed delivered, whether actually received or not, one (1) day after deposit with the nationally recognized courier service; and (iii) notices given in any other manner shall be effective and deemed delivered only if and when received by the addressee. Notwithstanding anything contained herein to the contrary, a Lender Notice of Default shall not be deemed effective or delivered until received by the Director of Finance, the City Manager, or the City Attorney of the City. For purposes of notice, the addresses of the Parties shall be as set forth below; provided, however, that any Party shall have the right to change such Party's address for notice purposes by giving the other Party at least thirty (30) days prior written notice of such change of address in the manner set forth herein:

- To the City: City of Mesquite  
PO Box 850137  
Mesquite, TX 75185-0137  
Attention: City Manager
- With a copy to: City of Mesquite  
PO Box 850137  
Mesquite, TX 75185-0137  
Attention: City Attorney
- To the TIRZ Board: Board of Directors of Reinvestment Zone Number  
Fourteen, City of Mesquite (Alcott Logistics Station)  
PO Box 850137  
Mesquite, TX 75185-0137  
Attention: Chairman
- With a copy to: City of Mesquite  
PO Box 850137  
Mesquite, TX 75185-0137  
Attention: City Attorney
- To the Tract D Developer: Alcott Logistics Station Tract D, LP  
5440 Harvest Hill Road  
Suite 240 E  
Dallas, Texas 75230  
Attention: Mr. Jason Nunley
- With a copy to: Munsch, Hardt, Kopf & Harr, P.C.  
500 N. Akard Street, Suite 3800  
Dallas, TX 75201  
Attention: Mr. Ian Fairchild

Section 6.03 Assignment.

A. Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns provided, however, that notwithstanding anything contained herein to the contrary, except as expressly set forth in this Section 6.03(A), this Agreement and the rights and obligations of the Tract D Developer under the terms of this Agreement including, without limitation, the obligations, requirements and covenants of the Tract D Developer to construct, or cause the construction, of the Common Public Improvements as set forth in MDA and this Agreement may not be assigned or transferred by the Tract D Developer without the prior written consent of the Public Parties, which may be withheld in the Public Parties' sole discretion. Any assignee approved by the Public Parties shall hereinafter be referred to as an "**Approved Assignee**". In the event the Tract D Developer, or any Approved Assignee, is a corporation or limited liability company, the sale, transfer or assignment of a controlling interest in the shares of the Tract D Developer, or Approved Assignee, or the sale, transfer or assignment of a controlling interest in the membership interests of the Tract D Developer, or Approved Assignee, shall constitute an assignment of this Agreement and the failure of the Tract D Developer, or Approved Assignee, to obtain the prior written consent of the Public Parties prior to such sale, transfer or assignment of such shares or membership interests shall be an attempted assignment of this Agreement in violation of this Agreement and shall constitute a breach of this Agreement by the Tract D Developer, or Approved Assignee, provided, however, that any third party investor in the Tract D Developer that is not an Affiliate of the Developer may exercise its right to remove and replace the manager or managing member of the Tract D Developer without the prior consent of the Public Parties and, after such removal and replacement of such manager or managing member, the Public Parties will give the third party investor a copy of any notices of default to be provided to the Tract D Developer under the terms of this Agreement and the third party investor will have the same cure rights provided to the Tract D Developer under the terms of this Agreement provided the third party investor has given the Public Parties prior written notice of the removal and replacement of such manager or managing member and the name and address of the third party investor. In the event the Tract D Developer, or Approved Assignee, is a partnership, the sale, transfer or assignment of a controlling interest in the shares of a corporation or the membership interests of a limited liability company or the partnership interests of a partnership that is the Tract D Developer's, or Approved Assignee's, general or managing partner shall constitute an assignment of this Agreement and the failure of the Tract D Developer, or Approved Assignee, to obtain the prior written consent of the Public Parties prior to such sale, transfer or assignment of such shares, membership interests or partnership interests shall be an attempted assignment of this Agreement in violation of this Agreement and shall constitute a breach of this Agreement by the Tract D Developer or Approved Assignee provided, however, that any third party investor in the Tract D Developer that is not an Affiliate of Developer may exercise its right to remove and replace the manager or managing member of the Tract D Developer without the prior consent of the Public Parties and, after such removal and replacement of such manager or managing member, the Public Parties will give the third party investor a copy of any notices of default to be provided to the Tract D Developer under the terms of this Agreement and the third party investor will have the same cure rights provided to the Tract D Developer under the terms of this Agreement provided the third party investor has given the Public Parties prior written notice of the removal and replacement of such manager or managing member and the name and address of the third party investor.

B. Collateral Assignment of Receivables. The Tract D Developer, and any Approved Assignee, shall have the right to collaterally assign, mortgage, pledge, grant a lien or security interest in, or otherwise encumber any receivables or other sums due under the terms of this Agreement (each a "**Collateral Assignment**") to up to a maximum of two (2) lender(s) of the Tract D Developer, or Approved Assignee, providing financing for the development and construction of the Project (individually a "**Lender**" and collectively the "**Lenders**") provided: (i) the Tract D Developer, or Approved Assignee, provides written notice of such Collateral Assignment to the Public Parties within ten (10) days from the effective



date of such assignment; (ii) if there is more than one Lender, the notice of Collateral Assignment is executed by both Lender(s) and identifies the percentage of each payment to be made to each Lender upon a default by the Tract D Developer or Approved Assignee to such Lender(s); and (iii) the Collateral Assignment provides that the Public Parties shall have the right to pay any sums owed under the terms of this Agreement to the Tract D Developer, or any Approved Assignee until the Public Parties are in actual receipt of a written notice by each Lender that the Tract D Developer, or Approved Assignee is in default of its obligations to such Lender (each a “**Lender Notice of Default**”). The Parties agree that the Tract D Developer may assign any receivables or other sums due under the terms of this Agreement to the Developer without the consent of the Public Parties provided the Tract D Developer has not assigned, mortgaged, pledged, granted a lien or security interest in, or otherwise encumbered such receivables or other sums to any Lender(s). Upon any such assignment to the Developer, the Tract D Developer shall no longer have the right to collaterally assign, mortgage, pledge, grant a lien or security interest in, or otherwise encumber any receivables or other sums due under the terms of this Agreement to any Lender(s). The Parties agree that in no event shall the Public Parties be required to make partial payments due under the terms of this Agreement to more than two (2) Lenders and in no event shall the Public Parties be required to approve or consent to any Collateral Assignment. Neither the Tract D Developer, nor any Approved Assignee shall, by operation of law or otherwise, collaterally assign, mortgage, pledge, grant a lien or security interest in, or otherwise encumber any interest in any receivables or other sums due under this Agreement to any Person other than a Lender without obtaining the Public Parties’ prior written consent, which may be withheld in the Public Parties’ sole discretion. If the Tract D Developer assigns its interest in any receivables or other sums due under this Agreement to the Developer, the Developer shall not further assign, mortgage, pledge, grant a lien or security interest in, or otherwise encumber any receivables or other sums due under the terms of this Agreement to any Person other than a maximum of two (2) Lenders without obtaining the Public Parties’ prior written consent, which may be withheld in the Public Parties’ sole discretion. A Collateral Assignment shall not obligate any Lender to perform any obligation or incur any liability under this Agreement unless the Lender agrees in writing to perform such obligations or incur such liability provided, however, notwithstanding the foregoing, no Person including, without limitation, a Lender, acquiring an interest in this Agreement through the foreclosure or exercise of any rights of a Lender pursuant to a Collateral Assignment, whether judicial or non-judicial, shall be entitled to any reimbursements or any other rights or benefits under this Agreement, unless and until: (i) all defaults under this Agreement have been cured; and (ii) such Person has provided the Public Parties with an agreement executed by such Person agreeing to assume and timely keep and perform all terms, provisions, agreements, covenants, conditions and obligations of the Tract D Developer, or Approved Assignee, under the terms of this Agreement.

C. General Conditions to Assignment. Any consent by the Public Parties to any assignment of this Agreement shall be held to apply only to the specific transaction thereby authorized and shall not constitute a waiver of the necessity for such consent to any subsequent assignment. No assignment of this Agreement shall contain any terms in contravention of any provisions of this Agreement. No assignment by the Tract D Developer shall release the Tract D Developer, or any Approved Assignee, from any liability that resulted from an act or omission by the Tract D Developer, or any Approved Assignee, that occurred prior to the effective date of the assignment unless the Public Parties approve the release in writing. No assignment of this Agreement shall be effective unless: (i) the assignment is in writing signed by the assignor and the assignee; (ii) the assignee assumes the assignor’s obligation to timely keep and perform all terms, provisions, agreements, covenants, conditions and obligations of the assignor under the terms of this Agreement; (iii) a true and correct copy of such assignment has been provided to the Public Parties; and (iv) the Public Parties have consented to such assignment in writing. Each Approved Assignee shall be considered a “**Party**” and the “**Tract D Developer**” under the terms of this Agreement, shall be subject to and bound by all the provisions, covenants, and conditions of this Agreement, and shall be required to obtain the prior written consent of the Public Parties with respect to any future or further assignment. Provided the

Public Parties have been given a copy of a Collateral Assignment creating a Lender's interest, including notice information for the Lender, then that Lender shall have the right, but not the obligation, to cure any default under this Agreement that by the express terms of this Agreement is curable by the Tract D Developer within thirty (30) days after written notice to the Lender as if offered by the Tract D Developer. A Lender is not a party to this Agreement unless this Agreement is amended, with the consent of the Lender, to add the Lender as a Party. Notwithstanding the foregoing, however, this Agreement shall continue to bind the Property and shall survive any transfer, conveyance, or assignment occasioned by the exercise of foreclosure or other rights by a Lender, whether judicial or non-judicial. Any purchaser from or successor owner through a Lender of any portion of the Property shall be bound by this Agreement and shall not be entitled to the rights and benefits of this Agreement until all defaults under this Agreement have been cured. Any attempted assignment in violation of the terms and provisions of this Agreement shall be void and shall constitute a material breach of this Agreement by the Tract D Developer, or any Approved Assignee, and in the event the Tract D Developer, or any Approved Assignee, attempts to assign this Agreement in violation of this Section 6.03, the Public Parties shall have the right to terminate this Agreement by written notice to the Tract D Developer, or Approved Assignee.

Section 6.04 Right to Offset. The Public Parties shall have the right to offset any amounts due and payable by the Public Parties under this Agreement against any debt (including taxes) lawfully due and owing by the Tract D Developer to one or both of the Public Parties, regardless of whether the amount due arises pursuant to the terms of this Agreement or otherwise, and regardless of whether or not the debt has been reduced to judgment by a court.

Section 6.05 Limited Recourse. No elected official, officer, director, partner, employee, agent, attorney, or representative of the Tract D Developer or the Public Parties shall be deemed to be a Party to this Agreement or shall incur any liability hereunder in their individual capacities by reason of this Agreement, or their acts or omissions under this Agreement.

Section 6.06 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes.

Section 6.07 No Acceleration. Any amounts due pursuant to this Agreement and any remedies under this Agreement are not subject to acceleration.

Section 6.08 Captions. The titles of the articles and the headings and descriptive captions of this Agreement are for convenience of reference only and shall in no way define, describe, limit, expand, or affect the scope, terms, conditions, or intent of this Agreement.

Section 6.09 Modification. This Agreement may only be revised, modified, or amended by a written document signed by the Public Parties and the Tract D Developer. Oral revisions, modifications or amendments of this Agreement are not permitted.

Section 6.10 Interpretation. Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any Party.

Section 6.11 Waivers. All waivers, to be effective, must be in writing and signed by the waiving Party. No failure by any Party to insist upon the strict or timely performance of any covenant, duty, agreement, term, or condition of this Agreement shall constitute a waiver of any such covenant, duty, agreement, term, or condition. No delay or omission in the exercise of any right or remedy accruing to any

Party shall impair such right or remedy or be construed as a waiver of any such breach or a waiver of any breach theretofore or thereafter occurring.

Section 6.12 Governing Law; Venue. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Texas (without giving effect to any conflict of law principles that would result in the application of the laws of any state other than Texas). The Parties agree that venue of any suit to construe or enforce this Agreement shall lie exclusively in state courts in Dallas County, Texas and the Parties agree to submit to the personal and subject matter jurisdiction of such courts.

Section 6.13 Severability. The sections, paragraphs, sentences, clauses, and phrases of this Agreement are severable and, if any phrase, clause, sentence, paragraph, or section of this Agreement should be declared invalid, illegal or unenforceable by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect the validity or enforceability of any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Agreement and such remaining provisions shall remain in full force and effect and shall be construed and enforced as if the invalid provision had never been included in the Agreement.

Section 6.14 No Partnership or Joint Venture. Nothing contained in this Agreement, or any other agreement between the Public Parties and the Tract D Developer, is intended by the Parties to create a partnership or joint venture between the Public Parties and the Tract D Developer. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint any Party as an agent of any other Party for any purpose whatsoever. This Agreement shall not be deemed or construed by the Parties hereto, nor by any third party, as creating the relationship of partnership or joint venture between the Parties.

Section 6.15 No Third-Party Beneficiaries. The Parties to this Agreement do not intend to create any third-party beneficiaries of the contract rights contained herein. This Agreement shall not create any rights in any individual or entity that is not a signatory hereto. No Person who is not a party to this Agreement may bring a cause of action pursuant to this Agreement as a third-party beneficiary.

Section 6.16 Number and Gender. Whenever used herein, unless the context otherwise provides, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all other genders.

Section 6.17 Counterparts. This Agreement may be executed in any number of original, facsimile, or electronically scanned counterparts, each of which shall be considered an original and all of which shall be considered one and the same instrument.

Section 6.18 Entire Agreement. This Agreement and the MDA set forth the entire agreement between the Parties with respect to the subject matter hereof, and all prior discussions, representations, proposals, offers, and oral or written communications of any nature are entirely superseded hereby and extinguished by the execution of this Agreement. There are no oral agreements between the Parties. In the event of a conflict between this Agreement and the MDA, the MDA shall control.

Section 6.19 Authority. The Tract D Developer represents that it is duly formed, validly existing and in good standing under the laws of the State of its formation and is duly authorized to transact business in the State of Texas. The Tract D Developer represents that it has the full power and authority to enter into and fulfill its obligations under this Agreement and that the Person signing this Agreement on behalf of the Tract D Developer has the authority to sign this Agreement on behalf of the Tract D Developer.

Section 6.20 Public Parties Authorization. This Agreement was authorized by resolution of the TIRZ Board approved at a meeting of the TIRZ and by resolution approved by the City Council at a City Council meeting.

Section 6.21 Usury Savings Clause. The Tract D Developer and the Public Parties intend to conform strictly to all applicable usury laws. All agreements of the Public Parties and the Tract D Developer are hereby limited by the provisions of this Section 6.21 which shall override and control all such agreements, whether now existing or hereafter arising and whether written or oral. In no event shall any interest contracted for, charged, received, paid, or collected under the terms of this Agreement exceed the Maximum Lawful Rate or amount of non-usurious interest that may be contracted for, taken, reserved, charged, or received under applicable law. If, from any possible development of any document, interest would otherwise be payable to the Public Parties in excess of the Maximum Lawful Rate, any such construction shall be subject to the provisions of this Section 6.21 and such document shall be automatically reformed and the interest payable to the Public Parties shall be automatically reduced to the Maximum Lawful Rate, without the necessity of execution of any amendment or new document. If the Public Parties shall ever receive anything of value which is characterized as interest under applicable law and which would apart from this provision be in excess of the Maximum Lawful Rate, an amount equal to the amount which would have been excessive interest shall at the option of the Public Parties be refunded to the Tract D Developer or applied to the reduction of any amount owing by the Tract D Developer to the Public Parties under this Agreement in the inverse order of its maturity and not to the payment of interest. The right to accelerate any indebtedness does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and the Public Parties do not intend to charge or receive any unearned interest in the event of acceleration. All interest paid or agreed to be paid to the Public Parties shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full stated term (including any renewal or extension) of such indebtedness so that the amount of interest on account of such indebtedness does not exceed the Maximum Lawful Rate.

Section 6.22 Anti-Boycott Verification. The Tract D Developer hereby verifies that it and its parent company, wholly-or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, if and to the extent this Agreement is construed to be a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, but only to the extent such section is applicable, and to the extent such section does not contravene applicable federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Tract D Developer understands "affiliate" as used in this Section 6.22 to mean an entity that controls, is controlled by, or is under common control with the Tract D Developer and exists to make a profit.

Section 6.23 Iran, Sudan and Foreign Terrorist Organizations. The Tract D Developer represents that neither the Tract D Developer, nor their parent company, wholly-or majority-owned subsidiaries, and other affiliates are a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such section does not contravene applicable federal law and excludes the Tract D Developer and each of the Tract D Developer's parent

company, wholly-or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Tract D Developer understands “affiliate” as used in this Section 6.23 to mean any entity that controls, is controlled by, or is under common control with the Tract D Developer and exists to make a profit.

Section 6.24 Form 1295 Certificate. The Tract D Developer represents that it has complied with Texas Government Code, Section 2252.908 and in connection therewith, the Tract D Developer has completed a Texas Ethics Commission Form 1295 Certificate generated by the Texas Ethics Commission’s electronic filing system and in accordance with the rules promulgated by the Texas Ethics Commission. The Tract D Developer further agrees to print the completed certificate and execute the completed certificate in such form as is required by Texas Government Code, Section 2252.908 and the rules of the Texas Ethics Commission and provide to the Public Parties, at the time of delivery of an executed counterpart of this Agreement, a duly executed completed Form 1295 Certificate. The Parties agree that, except for the information identifying the Public Parties and the contract identification number, the Public Parties are not responsible for the information contained in the Form 1295 completed by the Tract D Developer. The information contained in the Form 1295 completed by the Tract D Developer has been provided solely by the Tract D Developer and the Public Parties have not verified such information.

Section 6.25 Legislative Discretion. The Parties agree that by execution of this Agreement, the Public Parties do not waive or surrender any of their governmental powers, immunities or rights and, notwithstanding any provision of this Agreement, this Agreement does not control, waive, limit or supplant the legislative authority or discretion of the City Council or the TIRZ Board.

Section 6.26 Execution of Agreement by Parties. If this Agreement is not executed by all Parties on or before July 2, 2021, this Agreement will be null and void and of no force or effect.

Section 6.27 Time is of the Essence. THE PARTIES SPECIFICALLY AGREE THAT TIME IS OF THE ESSENCE OF EACH AND EVERY PROVISION OF THIS AGREEMENT AND EACH PARTY HEREBY WAIVES ANY RULE OF LAW OR EQUITY WHICH WOULD OTHERWISE GOVERN TIME OF PERFORMANCE.

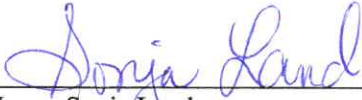
[Rest of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Effective Date.

**CITY:**

**CITY OF MESQUITE, TEXAS**

**ATTEST:**



\_\_\_\_\_  
Name: Sonja Land  
Title: City Secretary

By: \_\_\_\_\_  
Name: Cliff Keheley  
Title: City Manager

Executed this 29 day of June 2021

**APPROVED AS TO LEGAL FORM:**

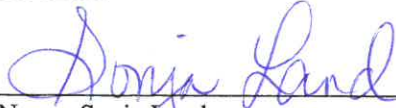


\_\_\_\_\_  
Name: David L. Paschall  
Title: City Attorney

**TIRZ BOARD:**


Board of Directors of Reinvestment Zone Number  
Fourteen, City of Mesquite, Texas (Alcott Logistics  
Station)

ATTEST:



Name: Sonja Land  
Title: City Secretary

By: \_\_\_\_\_

  
Name: Bruce Archer  
Title: Chairman

Executed this 29 day of June 2021

APPROVED AS TO LEGAL FORM:



Name: David L. Paschall  
Title: City Attorney

**TRACT D DEVELOPER:**

ALCOTT LOGISTICS STATION TRACT D, LP,  
a Delaware limited partnership

By: Alcott Logistics Station Tract D GP, LLC,  
a Texas limited liability company,  
Its general partner

By: Urban Commercial Realty  
Partners, LLC  
a Texas limited liability company,  
Its Manager

By:   
Name: Adam Herrin  
Title: Manager

Executed this 23 day of June 2021



EXHIBIT A

Legal Description of 50.67364 Acre Tract

TRACT 2:

Being all that certain tract or parcel of land situated in the City of Mesquite, Dallas County, Texas, out of the JAMES M. SEWELL SURVEY, ABSTRACT NO. 1358 and the THOMAS J. SEWELL SURVEY, ABSTRACT NO. 1359, and being part of that property conveyed to Phil L. Hudson by Catherine Yates Payne and husband Phillip M. Payne by Deed recorded in Volume 2329, Page 210 of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod for corner in the Southerly line of Scyene Road (60 Foot R.O.W.) said point being the Northeast corner of a certain tract of land conveyed by Gertrude Kenney Hudson to Wilburn Leon Ladyman and Mildred B. Ladyman by Deed recorded in Volume 85007, Page 5277 of the Deed Records of Dallas County, Texas;

THENCE South 53 degrees 34 minutes 30 seconds East with said line of Scyene Road, a distance of 2744.65 feet to a 1/2 inch iron rod in the East line of said Hudson tract;

THENCE South 0 degrees 55 minutes 10 seconds West with the East line of said Hudson property, a distance of 660 feet to a 1/2 inch iron rod for the Northeast corner of that certain tract of land conveyed to the County of Dallas Texas, by Deed from Gertrude Kenney Hudson, a widow, recorded in Volume 75112, Page 1271 Deed Records of Dallas County, Texas, said Dallas County tract being known as East Glen Boulevard (100 foot R. O. W.);

THENCE North 89 degrees 45 minutes 51 seconds West with the North line of East Glen Boulevard, a distance of 2732.18 feet to a 1/2 inch iron rod at the Southeast corner of a tract of land conveyed to Wilburn Leon Ladyman and Mildred B. Ladyman by Deed recorded in Volume 85007, Page 5279 Deed Records of Dallas County, Texas;

THENCE North 0 degrees 55 minutes 10 seconds East, a distance of 955.93 feet to the PLACE OF BEGINNING and containing 50.67364 acres of land, more or less.

EXHIBIT B

Legal Description of 23.03668 Acre Tract

TRACT 3:

Being all that certain tract or parcel of land situated in the City of Mesquite, Dallas County, Texas, out of the JAMES M. SEWELL SURVEY, ABSTRACT NO. 1358 and the THOMAS J. SEWELL SURVEY, ABSTRACT NO. 1359, and being part of that property conveyed to Phil L. Hudson by Catherine Yates Payne and husband Phillip M. Payne by Deed recorded in Volume 2329, Page 310 of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod for corner in the South line of a tract of land conveyed to the County of Dallas, Texas, by Gertrude Kennay Hudson, a widow, by Deed recorded in Volume 75112, Page 1271 of the Deed Records, Dallas County, Texas, said tract being known as East Glen Boulevard (100 foot R.O.W.), said point also being in the East line of a certain tract of land conveyed to Hollis Boone Memorial Post by Deed recorded in Volume 77211, Page 1265 Deed Records, Dallas County, Texas;

THENCE South 89 degrees 45 minutes 51 seconds East with the South line of East Glen Boulevard, a distance of 2931.36 feet to a 1/2 inch iron rod in the East line of said Hudson tract;

THENCE South 0 degrees 55 minutes 10 seconds West with the East line of said Hudson tract, a distance of 720 feet to a "P.K." nail for corner in Newsome Road (variable width R.O.W.) said point being in the common line of the James M. Sewell Survey and the R. W. Rowe Survey, being the Southeast corner of said Hudson tract;

THENCE North 89 degrees 45 minutes 15 seconds West with said survey line, a distance of 825.94 feet to a "P.K." nail for corner at the intersection of said Survey line with the Northerly line of a tract of land conveyed to the County of Dallas, September 14, 1939, said tract being known as the Old Terrell Interurban R.O.W.;

THENCE North 77 degrees 33 minutes 40 seconds West with the North line of said Dallas County Tract a distance of 2148.54 feet to a 1/2 inch iron rod at the Southeast corner of said Hollis Boone Memorial Post tract;

THENCE North 0 degrees 55 minutes 10 seconds East with the East line of said Boone tract, a distance of 263.19 feet to the PLACE OF BEGINNING and containing 37.41726 gross acres of land, less 0.40058 acres in Newsome Road, leaving 37.01668 Net Acres of land.

SAVE AND EXCEPT that certain fourteen (14) acre tract of real property legally described as follows:

BEING all that certain tract or parcel of land situated in the City of Mesquite, Dallas County, Texas, out of the James M. Sewell Survey, Abstract No. 1358 and the Thomas J. Sewell Survey, Abstract No. 1359, and being part of that property conveyed to Phil L.

Hudson by Catherine Yates Payne and husband, Phillip M. Payne by Deed recorded in Volume 2329, Page 110, of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod for corner in the South line of a tract of land conveyed to the County of Dallas, Texas, by Gertrude Kenney Hudson, a widow, by Deed recorded in Volume 75112, Page 1271, of the Deed Records of Dallas County, Texas, said tract being known as East Glen Boulevard (a 100' ROW), said point also being in the East line of a certain tract of land conveyed to Hollis Boone Memorial Post of Deed recorded in Volume 77211, Page 1263, Deed Records of Dallas County, Texas;

THENCE: S 89°45'51" E, with the South line of East Glen Boulevard, a distance of 1447.54 feet to a point for corner;

THENCE: S 00°55'10" W, a distance of 577.46 feet to a point for corner in the Northerly line of a tract of land conveyed to the County of Dallas, September 14, 1939, said tract being known as the Old Terrell Interurban ROW;

THENCE: N 77°33'40" W, with the North line of said Dallas County tract, a distance of 1477.19 feet to a point for corner, being the Southeast corner of said Hollis Boone Memorial Post tract;

THENCE: N 00°55'10" E, with the East line of said Boone tract, a distance of 265.19 feet to the PLACE OF BEGINNING and containing 14.000 acres of land, more or less.

EXHIBIT C

Legal Description of Tract B  
[17.37 Acre Tract]

**LEGAL DESCRIPTION**  
**TRACT B**

BEING an 17.37 acre tract of land situated in the Thomas J. Sewell Survey, Abstract Number 1359 in the City of Mesquite, Dallas County, Texas, and being part of a called 50.67364 acre tract of land described as "Tract 2" in General Warranty Deed to City of Mesquite, as recorded in Volume 95083, Page 253 of the Deed Records of Dallas County, Texas (D.R.D.C.T.), and being more particularly described as follows:

**COMMENCING** at a 5/8-inch found iron rod with cap stamped "KHA" for the northeast corner of a called 1.417 acre tract of land described in Special Warranty Deed with Vendor's Lien to MCR Logistics, as recorded in Instrument Number 201700126943, of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and the northwest corner of said 50.67364 acre tract, said corner being on the south right-of-way line of Scyene Road (a 60-foot wide right-of-way);

THENCE South 00 degrees 00 minutes 33 seconds West, departing said south right-of-way line and with the west line of said 50.67364 acre tract and the east line of 2.997 acre tract, a distance of 40.18 feet to the **POINT OF BEGINNING**;

THENCE South 84 degrees 32 minutes 03 seconds East, over and across said 50.67364 acre tract, a distance of 874.66 feet to a corner (not monumented);

THENCE South 00 degrees 41 minutes 47 seconds East, over and across said 50.67364 acre tract, a distance of 817.18 feet to a corner (not monumented), said corner being on the south line of said 50.67364 acre tract and the north right-of-way line of Eastglen Boulevard (a 100-foot wide right-of-way);

THENCE South 89 degrees 18 minutes 13 seconds West, with the south line of said 50.67364 acre tract and the north right-of-way line of said Eastglen Boulevard, a distance of 880.82 feet to a 1/2-inch found iron rod with cap stamped "TXHS" for the southwest corner of said 50.67364 acre tract and the southeast corner of a called 2.997 acre tract of

land described in Warranty Deed with Vendor's Lien to Sudi Corporation, as recorded in Instrument Number 201600284293, O.P.R.D.C.T.;

THENCE North 00 degrees 00 minutes 33 seconds East, departing said south line and with the west line of said 50.67364 acre tract and the east line of 2.997 acre tract, a distance of 911.13 feet to the **POINT OF BEGINNING AND CONTAINING** 17.37 acres (756,552 square feet) of land, more or less.

EXHIBIT D

Legal Description of Tract C  
[18.01 Acre Tract]

**LEGAL DESCRIPTION  
TRACT C**

BEING an 18.01 acre tract of land situated in the Thomas J. Sewell Survey, Abstract Number 1359 in the City of Mesquite, Dallas County, Texas, and being part of a called 50.67364 acre tract of land described as "Tract 2" and part of a called 23.03668 acre tract of land described as "Tract 3" in General Warranty Deed to City of Mesquite, as recorded in Volume 95083, Page 253 of the Deed Records of Dallas County, Texas (D.R.D.C.T.), and part of a called 6.73 acre tract of land described as "Tract 1" in Quitclaim Deed to City of Mesquite, as recorded in Instrument Number 202100054586 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being more particularly described as follows:

**COMMENCING** at the northeast corner of said 50.67364 acre tract and the northwest corner of a called 11.004 acre tract of land described as "Tract One" in Special Warranty Deed to Wintergreen/HS Partners, LTD., as recorded in Instrument Number 202000358596, O.P.R.D.C.T., said corner being on the south right-of-way line of Scyene Road (a 60-foot wide right-of-way), from which a 5/8-inch found iron rod with cap stamped "KHA" bears South 84 degrees 32 minutes 03 seconds East, a distance of North 83 degrees 16 minutes 20 seconds West, a distance of 0.51 of a foot;

THENCE North 84 degrees 32 minutes 03 seconds West, with the north line of said 50.67364 acre tract and the south right-of-way line of said E. Scyene Road, a distance of 973.67 feet to a corner (not monumented);

THENCE South 00 degrees 41 minutes 47 seconds East, departing said north and south lines, and over and across said 50.67364 acre tract, a distance of 40.23 feet to a corner (not monumented) for the **POINT OF BEGINNING**;

THENCE South 00 degrees 41 minutes 47 seconds East, over and across said 50.67364 acre tract, the aforementioned 23.03668 acre tract, and the aforementioned 6.73 acre tract, a distance of 1,513.58 feet to a corner (not monumented), said corner being on the south line of said 23.03668 acre tract and the north line of a called 42,901 square foot

tract of land described in Special Warranty Deed to City of Mesquite, Texas, as recorded in Volume 2001166, Page 93, D.R.D.C.T.;

THENCE North 78 degrees 29 minutes 36 seconds West, with the south line of said 23.03668 acre tract and the northeast line of said 42,901 square foot tract, a distance of 544.42 feet to the northwest corner (not monumented) of said 42,901 square foot tract, said corner being on the east line of Lot 1 of Calvary First Baptist Church Addition, an addition to the City of Mesquite, Dallas County, Texas, as recorded in Instrument Number 201000184580, O.P.R.D.C.T.;

THENCE North 00 degrees 05 minutes 20 seconds West, with the east line of said Lot 1, a distance of 577.61 feet to the northeast corner (not monumented) of said Lot 1, said corner being on the south line of the aforementioned 6.73 acre tract;

THENCE South 89 degrees 18 minutes 13 seconds West, with the north line of said Lot 1 and the south line of said 6.73 acre tract, a distance of 276.25 feet to the point of curvature (not monumented) of a non-tangent circular curve to the left, having a radius of 300.00 feet, whose chord bears North 43 degrees 56 minutes 38 seconds East, a distance of 421.62 feet;

THENCE Northeasterly, departing said north and south lines, over and across said 6.73 acre tract and the aforementioned 50.67364 acre tract, and with said curve, through a central angle of 89 degrees 17 minutes 21 seconds, an arc distance of 467.52 feet to a corner (not monumented);

THENCE North 00 degrees 41 minutes 47 seconds West, over and across said 50.67364 acre tract, a distance of 575.55 feet to a corner (not monumented);

THENCE South 84 degrees 32 minutes 03 seconds East, over and across said 50.67364 acre tract, a distance of 508.94 feet to the **POINT OF BEGINNING AND CONTAINING** 18.01 acres (784,706 square feet) of land, more or less.

EXHIBIT E

Legal Description of Tract D  
[32.34 Acre Tract]

**LEGAL DESCRIPTION  
TRACT D**

BEING an 32.34 acre tract of land situated in the Thomas J. Sewell Survey, Abstract Number 1359 in the City of Mesquite, Dallas County, Texas, and being part of a called 50.67364 acre tract of land described as "Tract 2" and part of a called 23.03668 acre tract of land described as "Tract 3" in General Warranty Deed to City of Mesquite, as recorded in Volume 95083, Page 253 of the Deed Records of Dallas County, Texas (D.R.D.C.T.), and part of a called 6.73 acre tract of land described as "Tract 1" in Quitclaim Deed to City of Mesquite, as recorded in Instrument Number 202100054586 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being more particularly described as follows:

**COMMENCING** at the northeast corner of said 50.67364 acre tract and the northwest corner of a called 11.004 acre tract of land described as "Tract One" in Special Warranty Deed to Wintergreen/HS Partners, LTD., as recorded in Instrument Number 202000358596, O.P.R.D.C.T., said corner being on the south right-of-way line of E. Scylene Road (a 60-foot wide right-of-way), from which a 5/8-inch found iron rod with cap stamped "KHA" bears South 84 degrees 32 minutes 03 seconds East, a distance of North 83 degrees 16 minutes 20 seconds West, a distance of 0.51 of a foot;

THENCE South 00 degrees 00 minutes 46 seconds East, with the east line of said 50.67364 acre tract and the west line of said 11.004 acre tract, a distance of 40.18 feet to a corner (not monumented) for the **POINT OF BEGINNING**;

THENCE South 00 degrees 00 minutes 46 seconds East, with the east line of said 50.67364 acre tract, the east line of the aforementioned 23.03668 acre tract, the east line of the aforementioned 6.73 acre tract, and the west line of said 11.004 acre tract, a distance of 1,416.70 feet to a corner (not monumented), said corner being on the south line of said 23.03668 acre tract and the north right-of-way line of Newsome Road (a variable width right-of-way);



THENCE South 89 degrees 20 minutes 49 seconds West, with the south line of said 23.03668 acre tract and the north right-of-way line of said Newsome Road, a distance of 919.27 feet to corner (not monumented), said corner being on the southwest line of said 23.03668 acre tract and the northeast line of a called 42,901 square foot tract of land described in Special Warranty Deed to City of Mesquite, Texas, as recorded in Volume 2001166, Page 93, D.R.D.C.T.;

THENCE North 78 degrees 29 minutes 36 seconds West, departing said north right-of-way line, and with the south line of said 23.03668 acre tract and the northeast line of said 42,901 square foot tract, a distance of 32.12 feet to corner (not monumented);

THENCE North 00 degrees 41 minutes 47 seconds West, departing said north and south lines, and over and across said 23.03668 acre tract, the aforementioned 6.73 acer tract, and the aforementioned 50.67364 acre tract, a distance of 1,513.58 feet to a corner (not monumented);

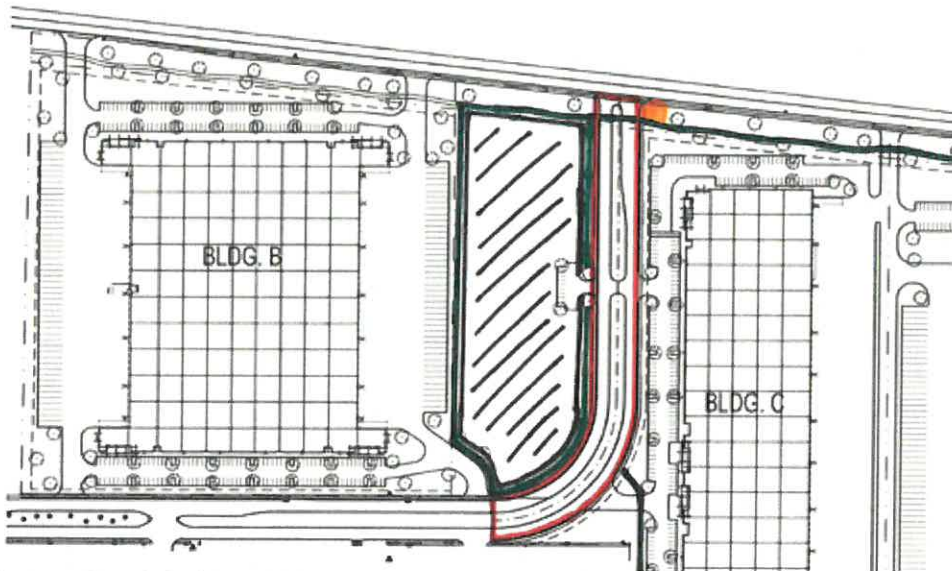
THENCE South 84 degrees 32 minutes 03 seconds East, over and across said 50.67364 acre tract, a distance of 973.19 feet to the **POINT OF BEGINNING AND CONTAINING** 32.34 acres (1,408,765 square feet) of land, more or less.

## EXHIBIT F

### Common Public Improvements

#### Description of Common Public Improvements

Estimated Project Cost	
Description	Cost
Storm Drainage and Detention	240,000
Franchise Utilities	80,000
Mass Grading	160,000
East Glen Removal	240,000
East Glen Realignment (Paving, water line, drainage)	800,000
Trail	320,000
Park	400,000
Landscaping / Irrigation	120,000
Monument / Wayfinding Signage	40,000
Contingency, Interest, Soft Cost, Pre Dev, Dev Fee	800,000
<b>Total</b>	<b>3,200,000</b>



\*concept intended to be a graphic representation. Final plans will be approved by the City prior to construction.

EXHIBIT G

Payment Certificate

PAYMENT CERTIFICATE  
REIMBURSEMENT REQUEST NO. \_\_\_\_\_

Reference is made to that certain TIRZ Reimbursement Agreement by and between the City of Mesquite, Texas, the Board of Directors of Reinvestment Zone Number Fourteen, City of Mesquite, Texas (Alcott Logistics Station) and Alcott Logistics Station Tract D, LP, a Delaware limited partnership dated as of May 26, 2021 (the “**Agreement**”). Unless otherwise defined, any capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

The undersigned is an agent for Alcott Logistics Station Tract D, LP, a Delaware limited partnership (the “**Tract D Developer**”) and requests reimbursement to the Tract D Developer (or, if the receivables under the Agreement have been assigned as permitted under the terms of the Agreement, to the assignee designated below) for the Common Public Improvements Project Costs listed below from TIRZ Revenues in the TIRZ Alcott Subaccount pursuant to the Agreement.

In connection with the above referenced payment, the Tract D Developer represents and warrants to the City of Mesquite, Texas (the “**City**”) and the Board of Directors of Reinvestment Zone Number Fourteen, City of Mesquite, Texas (Alcott Logistics Station) (the “**TIRZ Board**”) as follows:

1. The undersigned is a duly authorized officer of the Tract D Developer, is qualified to execute this Payment Certificate and request this reimbursement on behalf of the Tract D Developer and is knowledgeable as to the matters set forth herein.
2. The Common Public Improvements Project Costs itemized below have not been the subject of any prior Payment Certificate submitted to the City and the TIRZ Board for the same work or, if previously requested, no disbursement was made with respect thereto.
3. The itemized amounts listed below is a true and accurate representation of actual costs incurred by or on behalf of the Tract D Developer in connection with the construction of the Common Public Improvements identified below and such costs (i) are in compliance with the Agreement; and (ii) do not exceed (a) the actual costs and expenses incurred by or on behalf of the Tract D Developer in connection with the construction of the Common Public Improvements listed below; or (b) the Common Public Improvements Project Costs approved by the City Manager, plus (1) any increase of ten percent (10%) or less in any line item included in the Common Public Improvements Project Costs; and (2) any increase exceeding ten percent (10%) in any line item included in the Common Public Improvements Project Costs that has been approved in writing by the City Manager.
4. The reimbursement requested by this Payment Certificate, together with all previous reimbursements paid under the terms of the Agreement, do not exceed the Reimbursement Cap.

5. No Tract D Developer Default exists under the terms of the Agreement and no event exists which, but for notice, the lapse of time, or both, would constitute a Tract D Developer Default under the terms of the Agreement.

6. The Tract D Developer has timely paid all ad valorem and other taxes which are due and payable by the Tract D Developer to the City provided, however, that nothing contained herein shall restrict or prohibit the Tract D Developer from contesting or protesting any ad valorem taxes which are imposed on property owned by the Tract D Developer.

7. All conditions set forth in the Agreement to the reimbursement requested by this Payment Certificate have been satisfied and are continuing.

8. The work with respect to the Common Public Improvements referenced below (or its completed segment) has been completed, and the City has inspected and accepted such Common Public Improvements (or its completed segment).

9. The Tract D Developer agrees to cooperate with the City in conducting its review of the requested payment and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

**Payments requested are as follows:**

Common Public Improvement Designation (i.e. Water, Sewer, Storm Drainage, Road, Park, Trails, Utilities, Signage, etc.)	Description of Common Public Improvement	Amount of Reimbursement Requested for Common Public Improvement	Amount Available for Reimbursement as provided in Common Public Improvements Project Costs	Remaining Amount Available for Reimbursement After Payment of Reimbursement Request

Attached hereto are invoices, receipts, purchase orders, change orders, evidence of payment of invoices and similar instruments which support and validate the above requested payments. Also attached hereto are “bills paid” affidavits and supporting documentation in the standard form for City construction projects.

Attached hereto is a certification by a licensed engineer or architect that the Common Public Improvements identified in this Payment Certificate have been completed in compliance with the City Regulations.

**The Payments requested hereunder shall be made as directed below:**

- a. \$ \_\_\_\_\_ [amount] to \_\_\_\_\_ [Tract D Developer or designated Person]
- b. Payment instructions are: \_\_\_\_\_

The undersigned declares that the above representations and warranties are true and correct.

ALCOTT LOGISTICS STATION TRACT D, LP,  
a Delaware limited partnership

By: Alcott Logistics Station Tract D GP, LLC,  
a Texas limited liability company,  
Its General Partner

By: Urban Commercial Realty Partners,  
LLC,  
a Texas limited liability company,  
Its Manager

By: \_\_\_\_\_  
Name: Adam Herrin  
Title: Manager

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

**APPROVAL OF REQUEST**

The City is in receipt of the attached Payment Certificate and acknowledges the reimbursement requested by such Payment Certificate. After reviewing the Payment Certificate, the City approves the reimbursement requested by the Payment Certificate to the extent set forth below and authorizes and directs payment in such amounts and from the account listed below, to the Tract D Developer or other person designated by the Tract D Developer in writing.

<b>Common Public Improvement Designation (i.e. Water, Sewer, Storm Drainage, Road, Park, Trails, Utilities, Signage, etc.)</b>	<b>Description of Common Public Improvement</b>	<b>Amount Available for Reimbursement as provided in Common Public Improvements Project Costs</b>	<b>Total Amount Approved for Payment from TIRZ Alcott Subaccount</b>	<b>Remaining Amount Available for Reimbursement After Payment</b>

**CITY OF MESQUITE, TEXAS**

By: \_\_\_\_\_

Name: Cliff Keheley

Title: City Manager

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