

# 15,048 (a)

FILED FOR RECORD  
at 2:07 o'clock P M

**TAX ABATEMENT AGREEMENT**

APR 10 2018

JENNIFER LINDENZWEIG  
County Clerk, Hunt County, TX  
By *Jennifer Lindenzweig*

STATE OF TEXAS §  
COUNTY OF HUNT §

This Tax Abatement Agreement (hereinafter "Agreement") is entered into by and between Hunt County, Texas (hereinafter "County") and Leon Solar, LLC (hereinafter "Company") on the 14th day of November 2017 ("Effective Date").

**WHEREAS**, the County is authorized to enter into Tax Abatement Agreements pursuant to Chapter 312 of the *Texas Property Tax Code* (the "Tax Code"), and

**WHEREAS**, the County has adopted tax abatement guidelines which provide criteria governing tax abatement agreements to be entered into by the County as contemplated by the Tax Code; and

**WHEREAS**, the County has adopted a resolution stating that it elects to be eligible to participate in tax abatement in accordance with the Tax Code; and

**WHEREAS**, the County Commissioners Court has established Leon Solar Reinvestment Zone ("Reinvestment Zone") in accordance with Section 312.401 of the Tax Code; and

**WHEREAS**, Company is the owner of certain real property located at CR 1119, Greenville, TX 75401

**WHEREAS**, Company intends to locate their new facility on such property; and

**WHEREAS**, the Company's land is located within the Reinvestment Zone; and

**WHEREAS**, the County Commissioners Court finds that the improvements and additions proposed by the Company will benefit the economy of the County and the State of Texas and increase the local tax base; and

**WHEREAS**, a copy of this Agreement has been furnished, in the manner prescribed by the Tax Code, to the presiding officers of the governing bodies of each of the taxing units in which the Company's land is located; and

**WHEREAS**, the Commissioners Court finds that the Company's project is feasible and practicable and would be of benefit to the Land included in the Reinvestment Zone, and the taxing units with jurisdiction over the land after expiration of this Agreement.

NOW THEREFORE; in consideration of the recitals set forth above and the mutual obligations and promises set forth below, and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, and the mutual obligations and promises set for the County and Company agree as follows:

SECTION 1. Recitations. The parties agree that the recitations above in this Agreement are true and correct and shall be incorporated into this Agreement.

SECTION 2. Term. This Agreement shall remain in force and effect for a period of ten (10) years from the Effective Date, and shall expire and be of no further force and effect after said date.

SECTION 3. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

- a. "Abatement" means the full or partial exemption from ad valorem taxes of the Improvements on certain property in a zone designated for economic development purposes pursuant to the Act.
- b. "Abatement Year" means a tax year covered by the Abatement Period.
- c. "Added Value" means the increase in the assessed value of the Eligible Property as a result of "expansion" or "modernization" of an existing facility or construction of a "new facility". It does not mean or include "deferred maintenance".
- d. "Base Year" means the 2016 tax year.
- e. "Base Year Taxable Value" under this Agreement must be deemed to be the market value of the Property on January 1, 2018, and not its taxable value as agricultural land. The value is expected to be \$12MM.
- f. "Community Entities" means Hunt County, Texas, Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and any other similar organization within the City of Greenville, Texas which extends to Owner one or more incentives pursuant to this or other agreements.
- g. "Completion Agreement" means the Agreement by and between Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and Leon Solar, LLC containing agreements with respect to the Property and the Facility.
- h. "Completion Date" means the date that the construction and installation of the Project is substantially complete as certified by the Company to the County.
- i. "Eligible Property" means the abatement may be extended to the value of buildings, structures, fixed machinery and equipment, and site improvements, installed, constructed, or added between November 14, 2017 and December 31, 2017, plus that office space and related fixed improvements necessary to the operation and administration of the facility.
- j. "Facility" means a Basic Manufacturing Facility, Petrochemical Facility, Regional Distribution Facility, or other Authorized Facility approved by the Governmental Unit(s) as set forth in the Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit(s).
- k. "Force Majeure" means any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public

enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action (unless caused by acts or omissions of such party), fires, explosions or floods, strikes, slowdowns or work stoppages.

- l. "Improvements" means the buildings or portions thereof and other improvements used for commercial or industrial purposes on the Property.
- m. "Ineligible Property" means the following types of property shall be fully taxable and ineligible for abatement: Land; inventories; supplies; tools; furnishings and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel accommodations; retail facilities deferred maintenance; investments; property to be rented or leased, except as provided; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
- n. "Land" means the tract(s) of land described in Exhibit "A" attached hereto and incorporated herein for all purposes.
- o. "Project" means development and construction/installation of facilities, equipment, fixtures and personal property additions on the Land to create a renewable energy project using solar panels (solar farm) for the generation of electricity as further detailed in Exhibit "B."
- p. "Property" means the Land and any improvements, equipment, fixtures and tangible personal property thereon.
- q. "Reinvestment Zone" means the Leon Solar Reinvestment Zone created by the Order of the Hunt County Commissioners court dated November 14, 2017.
- r. "Start Date" means January 1 of the calendar year immediately following the Completion Date.
- s. "Taxable Value" means the appraised value, for property tax purposes, as certified by the Hunt Central Appraisal District.
- t. "Term of Abatement" or "Abatement Period", unless terminated sooner as provided elsewhere herein, means the 10-year period from and after the Start Date during which partial tax abatement for County ad valorem taxes is granted.

SECTION 4. Abatement Limited and Guidelines Incorporated. The tax abatement provided in this Agreement is only for County property taxes, and is only for increases in Taxable Value created by the improvements and additions made by the Project. Any increases to the Taxable Value of the real property by virtue of natural appreciation or due to change in use are not eligible for abatement.

Additionally, the Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit are incorporated as a part of this Agreement. Except as the same may be modified herein, all definitions set forth therein are applicable to this Agreement.

SECTION 5. Company Obligations. As a condition precedent to the granting of the partial tax abatement as set forth in this Agreement, the Company shall, subject to events of Force Majeure and casualty where applicable:

- a. Acquire legal title to the Land;
- b. On or before December 31, 2017, erect, construct, install and add to the Land the Project;
- c. Provide the Appraisal District with documentation and information reasonably requested for each Tax Year that will assist in determining the Taxable Value. This information shall be provided no later than April 15, subject to extension as allowed by law;
- d. Comply with all certification and reporting requirements set forth in this Agreement; and
- e. Timely pay all unabated property taxes and rollback taxes.

SECTION 6. Abatement.

6.1 Beginning on January 1 of the year next following the year in which the Owner issues its Certificate and ending upon the conclusion of ten full Calendar Years thereafter (10 tax years total), the Abatement is 50%.

6.2 During the period that the Abatement is effective, except as herein agreed, taxes shall be payable as follows:

- The value of the land comprising the Property shall be fully taxable;
- The value of Ineligible Property shall be fully taxable;
- The Base Year Value of existing Improvements comprising the Property shall be fully taxable;
- The value of the personal property comprising the Property shall be fully taxable; and
- The Added Value of the Eligible Property made a part of the Property shall be abated as set forth in this Section.

SECTION 7. Limitation on Use. Company agrees to limit the use of the Property to the proposed Commercial uses and to limit the uses of the property to uses consistent with the general purpose of encouraging development of the designated Reinvestment Zone during the term of this Agreement.

SECTION 8. Discontinued or Reduced Operation During Term of Agreement. In the event that the facility is completed and begins operation but subsequently discontinues operation for any reason except fire, explosion or other casualty or accident or natural disaster for a period of one year during the term of the Agreement, the Agreement may be terminated by the Governmental Unit and all taxes previously abated by virtue of the Agreement will be recaptured and paid within 60 days of the termination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty-day notice, at

which time penalty and interest shall accrue in accord with the laws of the State of Texas.

SECTION 9. Certification. The Company agrees to certify annually to the governing body of each taxing unit that the Company is in compliance with the terms of the Agreement.

SECTION 10. Default and Remedies. The County may declare a default if the Company breaches any material term or condition of this Agreement. If the County declares a default of this Agreement, this Agreement shall terminate, after notice and opportunity to cure as provided for below, or the County may modify the Agreement upon mutual agreement with the Company. The County shall notify (i) the Company and (ii) any lender of record then holding a security interest in the Land of any default in writing in the manner prescribed herein. All contact information for purposes of a notice default shall be provided to the County Judge. The Notice shall specify the basis for the declaration of default, and the Company shall have ninety (90) days from the date of such notice to cure any default, except that where the default is incapable of being cured within ninety (90) days using reasonable business efforts, the Company shall commence performance of the cure within thirty (30) days after receipt of notice and diligently pursue those efforts until the default is cured. The Company and any lender of which the County has notice shall maintain the right to cure any defect, including any defect caused by an assignee or contractor of the Company during the same cure period identified in the foregoing sentence.

SECTION 11. Adjustment. Owner represents that it will expand and/or renovate a facility at the cost, for the purpose, and in the manner as set forth in the Project Description attached as Exhibit "B". During the Construction Phase, the Owner may make such change orders as to the project as are reasonably necessary, provided that no such change order may be made which will change the qualification of the project as a "Facility" under the Guidelines for Granting Tax Abatement approved by the Governmental Unit. All improvements shall be completed in accordance with all applicable laws, ordinances, rules or regulations. During the term of this Agreement, use of the Property shall be limited to operation of the Facility described in the Project Description consistent with the general purpose of encouraging development or redevelopment of the zone during the period of this Agreement.

Upon completion of the Project, the Reinvestment Advisory Committee shall review the Added Value, as determined by the Hunt County Appraisal District. If the Added Value is less than Estimated Added Value have been added, the Reinvestment Advisory Committee may recommend to the Governmental Unit that the amount of Abatement be immediately adjusted or extinguished.

SECTION 12. Ineligible Property. Removal of Eligible Property. In the event that fixed machinery or equipment is installed and becomes eligible property, but is subsequently removed from the facility or becomes ineligible property during the abatement period, and is not replaced with fixed machinery or equipment of like value within a reasonable time, then all taxes previously abated by virtue of the agreement for said machinery or equipment will be recaptured and paid within sixty (60) days from the date the machinery or equipment is removed from the facility or becomes ineligible property.

SECTION 13. Delinquent Taxes. In the event that the company or individual (1) allows its ad valorem taxes owed the Governmental Unit or any affected jurisdiction to become

delinquent and fails to timely and properly file the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

SECTION 14. Actual Added Value. Annually, the Chief of the Hunt County Appraisal District or his/her designee, shall assess the real and personal property comprising the reinvestment zone. Should the Hunt County Appraisal District determine that the total level of Added Value during any year of the term of this Agreement after completion of the Construction Phase is lower than the Estimated Added Value such that a lower percentage of Abatement is applicable, for each year during which an Abatement has been granted the difference between the tax abated and the tax which should have been abated based upon, the actual Added Value shall be determined and each Governmental Unit owner shall be notified. The taxes shall be paid within sixty (60) days of notification to the Owner of such determination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty (60) days' notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.

SECTION 15. Continuation of Tax Lien. The amount of tax abated each year under the terms of this agreement shall be secured by a first and prior tax lien which shall continue in existence from year to year until such time as this Agreement between the Governmental Unit and Owner is fully performed by Owner, or until all taxes, whether assessed or recaptured, are paid in full.

If the Governmental Unit terminated this Agreement pursuant to this paragraph VIII, it shall provide Owner written notice of such termination. If Owner believes that such termination was improper, Owner may file suit in the Hunt County district courts appealing such termination within sixty (60) days after the written notice of the termination by the Governmental Unit. If an appeal suit is filed, Owner shall remit to the Governmental Unit(s), within sixty (60) days after the notice of termination, and additional and/or recaptured taxes as may be payable during the pendency of the litigation pursuant to the payment provision of Section 42.08, Texas Tax Code. If the final determination of the appeal increases Owner's tax liability above the amount of tax paid, Owner shall remit the additional tax to the Governmental unit(s) pursuant to Section 42.42, Texas Tax Code. If the final determination of the appeal decreases Owner's tax liability, the Governmental Unit(s) shall refund the Owner the difference between the amount of tax paid and the amount of tax for which owner is liable pursuant to Section 42.43, Texas Tax Code.

SECTION 16. The Owner shall allow employees and/or representative(s) of the Governmental Unit to have access to the Property during the term of this Agreement to inspect the facility to determine compliance with the terms and conditions of this Agreement. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the Owner and in accordance with Owner's safety standards.

Upon completion of construction, the affected jurisdiction shall annually evaluate each facility and report possible violations of the contract and agreement to the governing body and its attorney.

The Chief Appraiser of the Hunt County Appraisal District shall annually determine (i) the taxable value of the real and personal property comprising the Property taking in to consideration the Abatement provided by this Agreement, and (ii) the full taxable value without Abatement of the real and personal property comprising the Property. The Chief Appraiser shall record both the abated taxable value and the full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. Each year the Owner shall furnish the Chief Appraiser with such information outlined in Chapter 22, Texas Tax Code, as amended, as may be necessary for the administration of the Agreement specified herein.

SECTION 17. Notices. Notices required to be given by this Agreement shall be mailed, certified mail return receipt requested, to the following addresses:

HUNT COUNTY JUDGE  
Hunt County Courthouse  
2500 Lee Street  
Greenville, TX 75401

and

Leon Solar, LLC  
c/o Chief Financial Officer  
3250 Ocean Park Blvd., Suite 355  
Santa Monica, CA 90405

SECTION 18. Assignment. This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement shall not be transferred by Company to subsequent owners or lessees of without prior written notice to the County, which shall not be unreasonably withheld, and pursuant a binding agreement in which the Company's assignee assumes all terms and obligations of this Agreement; provided, that the County's consent shall not be required for the collateral assignment or other assignment pursuant to the financing of the Project. It shall not be unreasonable for County to refuse to consent in the event that the proposed assignee would be exempt from property taxation or where it reasonably appears that the proposed assignee may not have the financial capability to own and operate the project. The parties agree that it shall be deemed that the assignee has the financial capability to own and operate the project in the event that the assignee has a net worth at least as great as the net worth of Company at the time of the proposed assignment. If an assignment is made in whole or in part during the term of this Agreement to an entity exempt from property taxation, Company must repay to the County all property taxes that

have been abated to the date of the assignment, and, if the assignment occurs during the Abatement Period, no further abatements will be given.

SECTION 19. Severability. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be declared or held to be invalid or unenforceable by any county, governmental authority or agency having jurisdiction over the subject matter of this Agreement, the remaining terms of this Agreement and the application of such terms or provision to any other person or circumstance shall not be affected by such declaration or holding and shall remain valid and enforceable as allowed by law, and the parties shall negotiate in good faith to modify this Agreement to reform the invalid or unenforceable provisions hereof. If a court ruling or change in law affects the Company's eligibility for abatement, the County shall recapture so much of the abated taxes as required, but no penalties or interest shall be assessed against Company unless required by law.

EXECUTED this 10 day of April 2018.

LEON SOLAR, LLC

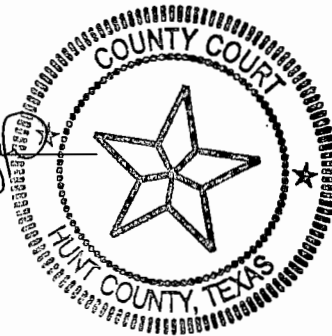
By: \_\_\_\_\_ (Print Name)

Manager, Leon Solar LLC



John L. Horn  
Hunt County Judge  
HUNT COUNTY, TEXAS

ATTEST:   
Hunt County Clerk





### **Exhibit A. Property Description**

Being a certain lot, tract, or parcel of land lying and being situated in the County of Hunt, State of Texas, and being 100 acres of land, more or less, out of the Enos Murphy Survey, also known as the "meadow", and being the South one-half (½) of the following described 200 acre tract of land:

BEGINNING at the Southeast corner of a 200 acre tract of land and being a part of the Enos Murphy Survey and deeded by I. L. Brin and B. S. Roberts and wife as shown by Deed recorded in Book 318, Page 565, Deed Records, Hunt County, Texas, and to which record reference is here made for description of the 200 acres;

THENCE West 634.36 yards to the Southwest corner of the said 200 acres;

THENCE North 763 yards to the Southwest corner of a tract deeded to W. R. Younger;

THENCE East 634.36 yards to the East boundary line of the said 200 acres;

THENCE South 726.5 yards to the Place of Beginning, and intending to convey the South one-half of the 200 acres deeded by I. L. Brin and B. R. Roberts and wife to W. H. H. Younger.

### **Exhibit B. Project Description.**

Leon Solar is a proposed 10mw solar facility in Hunt County, Texas. The proposed project is located at CR 1119, Greenville, TX 75401, and would be sited on a 100-acre tract of undeveloped land. The project is estimated to cost \$12MM to construct.

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APR 10 2018

SERVICES FOR LAND OWNERS  
COUNTY CLERK HUNT COUNTY TX  
By *[Signature]*

STATE OF TEXAS §

COUNTY OF HUNT §

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**WHEREAS**, Company intends to locate their new facility on such property; and

**WHEREAS**, the Company's land is located within the Reinvestment Zone; and

**WHEREAS**, the County Commissioners Court finds that the improvements and additions proposed by the Company will benefit the economy of the County and the State of Texas and increase the local tax base; and

**WHEREAS**, a copy of this Agreement has been furnished, in the manner prescribed by the Tax Code, to the presiding officers of the governing bodies of each of the taxing units in which the Company's land is located; and

**WHEREAS**, the Commissioners Court finds that the Company's project is feasible and practicable and would be of benefit to the Land included in the Reinvestment Zone, and the taxing units with jurisdiction over the land after expiration of this Agreement.

NOW THEREFORE; in consideration of the recitals set forth above and the mutual obligations and promises set forth below, and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, and the mutual obligations and promises set for the County and Company agree as follows:

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- b. "Abatement Year" means a tax year covered by the Abatement Period.
- c. "Added Value" means the increase in the assessed value of the Eligible Property as a result of "expansion" or "modernization" of an existing facility or construction of a "new facility". It does not mean or include "deferred maintenance".
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enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action (unless caused by acts or omissions of such party), fires, explosions or floods, strikes, slowdowns or work stoppages.

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SECTION 13. Delinquent Taxes. In the event that the company or individual (1) allows its ad valorem taxes owed the Governmental Unit or any affected jurisdiction to become

delinquent and fails to timely and properly file the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

SECTION 14. Actual Added Value. Annually, the Chief of the Hunt County Appraisal District or his/her designee, shall assess the real and personal property comprising the reinvestment zone. Should the Hunt County Appraisal District determine that the total level of Added Value during any year of the term of this Agreement after completion of the Construction Phase is lower than the Estimated Added Value such that a lower percentage of Abatement is applicable, for each year during which an Abatement has been granted the difference between the tax abated and the tax which should have been abated based upon, the actual Added Value shall be determined and each Governmental Unit owner shall be notified. The taxes shall be paid within sixty (60) days of notification to the Owner of such determination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty (60) days' notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.

SECTION 15. Continuation of Tax Lien. The amount of tax abated each year under the terms of this agreement shall be secured by a first and prior tax lien which shall continue in existence from year to year until such time as this Agreement between the Governmental Unit and Owner is fully performed by Owner, or until all taxes, whether assessed or recaptured, are paid in full.

If the Governmental Unit terminated this Agreement pursuant to this paragraph VIII, it shall provide Owner written notice of such termination. If Owner believes that such termination was improper, Owner may file suit in the Hunt County district courts appealing such termination within sixty (60) days after the written notice of the termination by the Governmental Unit. If an appeal suit is filed, Owner shall remit to the Governmental Unit(s), within sixty (60) days after the notice of termination, and additional and/or recaptured taxes as may be payable during the pendency of the litigation pursuant to the payment provision of Section 42.08, Texas Tax Code. If the final determination of the appeal increases Owner's tax liability above the amount of tax paid, Owner shall remit the additional tax to the Governmental unit(s) pursuant to Section 42.42, Texas Tax Code. If the final determination of the appeal decreases Owner's tax liability, the Governmental Unit(s) shall refund the Owner the difference between the amount of tax paid and the amount of tax for which owner is liable pursuant to Section 42.43, Texas Tax Code.

SECTION 16. The Owner shall allow employees and/or representative(s) of the Governmental Unit to have access to the Property during the term of this Agreement to inspect the facility to determine compliance with the terms and conditions of this Agreement. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the Owner and in accordance with Owner's safety standards.

Upon completion of construction, the affected jurisdiction shall annually evaluate each facility and report possible violations of the contract and agreement to the governing body and its attorney.

The Chief Appraiser of the Hunt County Appraisal District shall annually determine (i) the taxable value of the real and personal property comprising the Property taking in to consideration the Abatement provided by this Agreement, and (ii) the full taxable value without Abatement of the real and personal property comprising the Property. The Chief Appraiser shall record both the abated taxable value and the full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. Each year the Owner shall furnish the Chief Appraiser with such information outlined in Chapter 22, Texas Tax Code, as amended, as may be necessary for the administration of the Agreement specified herein.

SECTION 17. Notices. Notices required to be given by this Agreement shall be mailed, certified mail return receipt requested, to the following addresses:

HUNT COUNTY JUDGE  
Hunt County Courthouse  
2500 Lee Street  
Greenville, TX 75401

and

Leon Solar, LLC  
c/o Chief Financial Officer  
3250 Ocean Park Blvd., Suite 355  
Santa Monica, CA 90405

SECTION 18. Assignment. This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement shall not be transferred by Company to subsequent owners or lessees of without prior written notice to the County, which shall not be unreasonably withheld, and pursuant a binding agreement in which the Company's assignee assumes all terms and obligations of this Agreement; provided, that the County's consent shall not be required for the collateral assignment or other assignment pursuant to the financing of the Project. It shall not be unreasonable for County to refuse to consent in the event that the proposed assignee would be exempt from property taxation or where it reasonably appears that the proposed assignee may not have the financial capability to own and operate the project. The parties agree that it shall be deemed that the assignee has the financial capability to own and operate the project in the event that the assignee has a net worth at least as great as the net worth of Company at the time of the proposed assignment. If an assignment is made in whole or in part during the term of this Agreement to an entity exempt from property taxation, Company must repay to the County all property taxes that



have been abated to the date of the assignment, and, if the assignment occurs during the Abatement Period, no further abatements will be given.

SECTION 19. Severability. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be declared or held to be invalid or unenforceable by any county, governmental authority or agency having jurisdiction over the subject matter of this Agreement, the remaining terms of this Agreement and the application of such terms or provision to any other person or circumstance shall not be affected by such declaration or holding and shall remain valid and enforceable as allowed by law, and the parties shall negotiate in good faith to modify this Agreement to reform the invalid or unenforceable provisions hereof. If a court ruling or change in law affects the Company's eligibility for abatement, the County shall recapture so much of the abated taxes as required, but no penalties or interest shall be assessed against Company unless required by law.

EXECUTED this 10 day of April 2018.

LEON SOLAR, LLC

DocuSigned by:

Groff Fallon

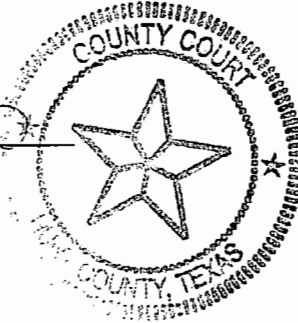
By: Groff Fallon (Print Name)

Manager, Leon Solar LLC

John L. Horn

John L. Horn  
Hunt County Judge  
HUNT COUNTY, TEXAS

ATTEST: Jennifer Lindenzweigs  
Hunt County Clerk



FILED FOR RECORD  
at 9:25 o'clock a M

MAY 03 2018

JENAIKER LINDENZWEIGS  
County Clerk Hunt County, TX  
By: Jennifer Lindenzweigs

**Exhibit A. Property Description**

Being a certain lot, tract, or parcel of land lying and being situated in the County of Hunt, State of Texas, and being 100 acres of land, more or less, out of the Enos Murphy Survey, also known as the "meadow", and being the South one-half (½) of the following described 200 acre tract of land:

BEGINNING at the Southeast corner of a 200 acre tract of land and being a part of the Enos Murphy Survey and deeded by I. L. Brin and B. S. Roberts and wife as shown by Deed recorded in Book 318, Page 565, Deed Records, Hunt County, Texas, and to which record reference is here made for description of the 200 acres;

THENCE West 634.36 yards to the Southwest corner of the said 200 acres;

THENCE North 763 yards to the Southwest corner of a tract deeded to W. R. Younger;

THENCE East 634.36 yards to the East boundary line of the said 200 acres;

THENCE South 726.5 yards to the Place of Beginning, and intending to convey the South one-half of the 200 acres deeded by I. L. Brin and B. R. Roberts and wife to W. H. H. Younger.

**Exhibit B. Project Description.**

Leon Solar is a proposed 10mw solar facility in Hunt County, Texas. The proposed project is located at CR 1119, Greenville, TX 75401, and would be sited on a 100-acre tract of undeveloped land. The project is estimated to cost \$12MM to construct.

#15,048(b)

**TAX ABATEMENT AGREEMENT**

FILED FOR RECORD  
at 2:09 o'clock P M

APR 10 2018

JENNIFER LINDENZWEIG  
County Clerk, Hunt County, TX  
By *[Signature]*

STATE OF TEXAS §

COUNTY OF HUNT §

This Tax Abatement Agreement (hereinafter "Agreement") is entered into by and between Hunt County, Texas (hereinafter "County") and Sterling Solar, LLC (hereinafter "Company") on the 14th day of November 2017 ("Effective Date").

**WHEREAS**, the County is authorized to enter into Tax Abatement Agreements pursuant to Chapter 312 of the *Texas Property Tax Code* (the "Tax Code"), and

**WHEREAS**, the County has adopted tax abatement guidelines which provide criteria governing tax abatement agreements to be entered into by the County as contemplated by the Tax Code; and

**WHEREAS**, the County has adopted a resolution stating that it elects to be eligible to participate in tax abatement in accordance with the Tax Code; and

**WHEREAS**, the County Commissioners Court has established Sterling Solar Reinvestment Zone ("Reinvestment Zone") in accordance with Section 312.401 of the Tax Code; and

**WHEREAS**, Company holds a leasehold interest in certain real property located at 2001 CR 1061, Greenville, TX 75401

**WHEREAS**, Company intends to locate their new facility on such property; and

**WHEREAS**, the Company's land is located within the Reinvestment Zone; and

**WHEREAS**, the County Commissioners Court finds that the improvements and additions proposed by the Company will benefit the economy of the County and the State of Texas and increase the local tax base; and

**WHEREAS**, a copy of this Agreement has been furnished, in the manner prescribed by the Tax Code, to the presiding officers of the governing bodies of each of the taxing units in which the Company's land is located; and

**WHEREAS**, the Commissioners Court finds that the Company's project is feasible and practicable and would be of benefit to the Land included in the Reinvestment Zone, and the taxing units with jurisdiction over the land after expiration of this Agreement.

NOW THEREFORE; in consideration of the recitals set forth above and the mutual obligations and promises set forth below, and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, and the mutual obligations and promises set for the County and Company agree as follows:

SECTION 1. Recitations. The parties agree that the recitations above in this Agreement are true and correct and shall be incorporated into this Agreement.

SECTION 2. Term. This Agreement shall remain in force and effect for a period of ten (10) years from the Effective Date, and shall expire and be of no further force and effect after said date.

SECTION 3. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

- a. "Abatement" means the full or partial exemption from ad valorem taxes of the Improvements on certain property in a zone designated for economic development purposes pursuant to the Act.
- b. "Abatement Year" means a tax year covered by the Abatement Period.
- c. "Added Value" means the increase in the assessed value of the Eligible Property as a result of "expansion" or "modernization" of an existing facility or construction of a "new facility". It does not mean or include "deferred maintenance".
- d. "Base Year" means the 2016 tax year.
- e. "Base Year Taxable Value" under this Agreement must be deemed to be the market value of the Property on January 1, 2019, and not its taxable value as agricultural land. The value is expected to be \$12MM.
- f. "Community Entities" means Hunt County, Texas, Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and any other similar organization within the City of Greenville, Texas which extends to Owner one or more incentives pursuant to this or other agreements.
- g. "Completion Agreement" means the Agreement by and between Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and Sterling Solar, LLC containing agreements with respect to the Property and the Facility.
- h. "Completion Date" means the date that the construction and installation of the Project is substantially complete as certified by the Company to the County.
- i. "Eligible Property" means the abatement may be extended to the value of buildings, structures, fixed machinery and equipment, and site improvements, installed, constructed, or added between November 14, 2017 and December 31, 2018, plus that office space and related fixed improvements necessary to the operation and administration of the facility.
- j. "Facility" means a Basic Manufacturing Facility, Petrochemical Facility, Regional Distribution Facility, or other Authorized Facility approved by the Governmental Unit(s) as set forth in the Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit(s).
- k. "Force Majeure" means any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public

enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action (unless caused by acts or omissions of such party), fires, explosions or floods, strikes, slowdowns or work stoppages.

- l. "Improvements" means the buildings or portions thereof and other improvements used for commercial or industrial purposes on the Property.
- m. "Ineligible Property" means the following types of property shall be fully taxable and ineligible for abatement: Land; inventories; supplies; tools; furnishings and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel accommodations; retail facilities deferred maintenance; investments; property to be rented or leased, except as provided; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
- n. "Land" means the tract(s) of land described in Exhibit "A" attached hereto and incorporated herein for all purposes.
- o. "Project" means development and construction/installation of facilities, equipment, fixtures and personal property additions on the Land to create a renewable energy project using solar panels (solar farm) for the generation of electricity as further detailed in Exhibit "B."
- p. "Property" means the Land and any improvements, equipment, fixtures and tangible personal property thereon.
- q. "Reinvestment Zone" means the Sterling Solar Reinvestment Zone created by the Order of the Hunt County Commissioners court dated November 14, 2017.
- r. "Start Date" means January 1 of the calendar year immediately following the Completion Date.
- s. "Taxable Value" means the appraised value, for property tax purposes, as certified by the Hunt Central Appraisal District.
- t. "Term of Abatement" or "Abatement Period", unless terminated sooner as provided elsewhere herein, means the 10-year period from and after the Start Date during which partial tax abatement for County ad valorem taxes is granted.

SECTION 4. Abatement Limited and Guidelines Incorporated. The tax abatement provided in this Agreement is only for County property taxes, and is only for increases in Taxable Value created by the improvements and additions made by the Project. Any increases to the Taxable Value of the real property by virtue of natural appreciation or due to change in use are not eligible for abatement.

Additionally, the Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit are incorporated as a part of this Agreement. Except as the same may be modified herein, all definitions set forth therein are applicable to this Agreement.

SECTION 5. Company Obligations. As a condition precedent to the granting of the partial tax abatement as set forth in this Agreement, the Company shall, subject to events of Force Majeure and casualty where applicable:

- a. Acquire a leasehold interest in the Land;
- b. On or before December 31, 2018, erect, construct, install and add to the Land the Project;
- c. Provide the Appraisal District with documentation and information reasonably requested for each Tax Year that will assist in determining the Taxable Value. This information shall be provided no later than April 15, subject to extension as allowed by law;
- d. Comply with all certification and reporting requirements set forth in this Agreement; and
- e. Timely pay all unabated property taxes and rollback taxes.

SECTION 6. Abatement.

6.1 Beginning on January 1 of the year next following the year in which the Owner issues its Certificate and ending upon the conclusion of ten full Calendar Years thereafter (10 tax years total), the Abatement is 50%.

6.2 During the period that the Abatement is effective, except as herein agreed, taxes shall be payable as follows:

- The value of the land comprising the Property shall be fully taxable;
- The value of Ineligible Property shall be fully taxable;
- The Base Year Value of existing Improvements comprising the Property shall be fully taxable;
- The value of the personal property comprising the Property shall be fully taxable; and
- The Added Value of the Eligible Property made a part of the Property shall be abated as set forth in this Section.

SECTION 7. Limitation on Use. Company agrees to limit the use of the Property to the proposed Commercial uses and to limit the uses of the property to uses consistent with the general purpose of encouraging development of the designated Reinvestment Zone during the term of this Agreement.

SECTION 8. Discontinued or Reduced Operation During Term of Agreement. In the event that the facility is completed and begins operation but subsequently discontinues operation for any reason except fire, explosion or other casualty or accident or natural disaster for a period of one year during the term of the Agreement, the Agreement may be terminated by the Governmental Unit and all taxes previously abated by virtue of the Agreement will be recaptured and paid within 60 days of the termination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty-day notice, at

which time penalty and interest shall accrue in accord with the laws of the State of Texas.

SECTION 9. Certification. The Company agrees to certify annually to the governing body of each taxing unit that the Company is in compliance with the terms of the Agreement.

SECTION 10. Default and Remedies. The County may declare a default if the Company breaches any material term or condition of this Agreement. If the County declares a default of this Agreement, this Agreement shall terminate, after notice and opportunity to cure as provided for below, or the County may modify the Agreement upon mutual agreement with the Company. The County shall notify (i) the Company and (ii) any lender of record then holding a security interest in the Land of any default in writing in the manner prescribed herein. All contact information for purposes of a notice default shall be provided to the County Judge. The Notice shall specify the basis for the declaration of default, and the Company shall have ninety (90) days from the date of such notice to cure any default, except that where the default is incapable of being cured within ninety (90) days using reasonable business efforts, the Company shall commence performance of the cure within thirty (30) days after receipt of notice and diligently pursue those efforts until the default is cured. The Company and any lender of which the County has notice shall maintain the right to cure any defect, including any defect caused by an assignee or contractor of the Company during the same cure period identified in the foregoing sentence.

SECTION 11. Adjustment. Owner represents that it will expand and/or renovate a facility at the cost, for the purpose, and in the manner as set forth in the Project Description attached as Exhibit "B". During the Construction Phase, the Owner may make such change orders as to the project as are reasonably necessary, provided that no such change order may be made which will change the qualification of the project as a "Facility" under the Guidelines for Granting Tax Abatement approved by the Governmental Unit. All improvements shall be completed in accordance with all applicable laws, ordinances, rules or regulations. During the term of this Agreement, use of the Property shall be limited to operation of the Facility described in the Project Description consistent with the general purpose of encouraging development or redevelopment of the zone during the period of this Agreement.

Upon completion of the Project, the Reinvestment Advisory Committee shall review the Added Value, as determined by the Hunt County Appraisal District. If the Added Value is less than Estimated Added Value have been added, the Reinvestment Advisory Committee may recommend to the Governmental Unit that the amount of Abatement be immediately adjusted or extinguished.

SECTION 12. Ineligible Property. Removal of Eligible Property. In the event that fixed machinery or equipment is installed and becomes eligible property, but is subsequently removed from the facility or becomes ineligible property during the abatement period, and is not replaced with fixed machinery or equipment of like value within a reasonable time, then all taxes previously abated by virtue of the agreement for said machinery or equipment will be recaptured and paid within sixty (60) days from the date the machinery or equipment is removed from the facility or becomes ineligible property.

SECTION 13. Delinquent Taxes. In the event that the company or individual (1) allows its ad valorem taxes owed the Governmental Unit or any affected jurisdiction to become

delinquent and fails to timely and properly file the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

SECTION 14. Actual Added Value. Annually, the Chief of the Hunt County Appraisal District or his/her designee, shall assess the personal property comprising the reinvestment zone. Should the Hunt County Appraisal District determine that the total level of Added Value during any year of the term of this Agreement after completion of the Construction Phase is lower than the Estimated Added Value such that a lower percentage of Abatement is applicable, for each year during which an Abatement has been granted the difference between the tax abated and the tax which should have been abated based upon, the actual Added Value shall be determined and each Governmental Unit owner shall be notified. The taxes shall be paid within sixty (60) days of notification to the Owner of such determination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty (60) days' notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.

SECTION 15. Continuation of Tax Lien. The amount of tax abated each year under the terms of this agreement shall be secured by a first and prior tax lien which shall continue in existence from year to year until such time as this Agreement between the Governmental Unit and Owner is fully performed by Owner, or until all taxes, whether assessed or recaptured, are paid in full.

If the Governmental Unit terminated this Agreement pursuant to this paragraph VIII, it shall provide Owner written notice of such termination. If Owner believes that such termination was improper, Owner may file suit in the Hunt County district courts appealing such termination within sixty (60) days after the written notice of the termination by the Governmental Unit. If an appeal suit is filed, Owner shall remit to the Governmental Unit(s), within sixty (60) days after the notice of termination, and additional and/or recaptured taxes as may be payable during the pendency of the litigation pursuant to the payment provision of Section 42.08, Texas Tax Code. If the final determination of the appeal increases Owner's tax liability above the amount of tax paid, Owner shall remit the additional tax to the Governmental unit(s) pursuant to Section 42.42, Texas Tax Code. If the final determination of the appeal decreases Owner's tax liability, the Governmental Unit(s) shall refund the Owner the difference between the amount of tax paid and the amount of tax for which owner is liable pursuant to Section 42.43, Texas Tax Code.

SECTION 16. The Owner shall allow employees and/or representative(s) of the Governmental Unit to have access to the Property during the term of this Agreement to inspect the facility to determine compliance with the terms and conditions of this Agreement. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the Owner and in accordance with Owner's safety standards.



Upon completion of construction, the affected jurisdiction shall annually evaluate each facility and report possible violations of the contract and agreement to the governing body and its attorney.

The Chief Appraiser of the Hunt County Appraisal District shall annually determine (i) the taxable value of the personal property comprising the Property taking in to consideration the Abatement provided by this Agreement, and (ii) the full taxable value without Abatement of the personal property comprising the Property. The Chief Appraiser shall record both the abated taxable value and the full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. Each year the Owner shall furnish the Chief Appraiser with such information outlined in Chapter 22, Texas Tax Code, as amended, as may be necessary for the administration of the Agreement specified herein.

SECTION 17. Notices. Notices required to be given by this Agreement shall be mailed, certified mail return receipt requested, to the following addresses:

HUNT COUNTY JUDGE  
Hunt County Courthouse  
2500 Lee Street  
Greenville, TX 75401

and

Sterling Solar, LLC  
c/o Chief Financial Officer  
3250 Ocean Park Blvd., Suite 355  
Santa Monica, CA 90405

SECTION 18. Assignment. This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement shall not be transferred by Company to subsequent owners or lessees of without prior written notice to the County, which shall not be unreasonably withheld, and pursuant a binding agreement in which the Company's assignee assumes all terms and obligations of this Agreement; provided, that the County's consent shall not be required for the collateral assignment or other assignment pursuant to the financing of the Project. It shall not be unreasonable for County to refuse to consent in the event that the proposed assignee would be exempt from property taxation or where it reasonably appears that the proposed assignee may not have the financial capability to own and operate the project. The parties agree that it shall be deemed that the assignee has the financial capability to own and operate the project in the event that the assignee has a net worth at least as great as the net worth of Company at the time of the proposed assignment. If an assignment is made in whole or in part during the term of this Agreement to an entity exempt from property taxation, Company must repay to the County all property taxes that have been abated to the date of the assignment, and, if the assignment occurs during the

Abatement Period, no further abatements will be given.

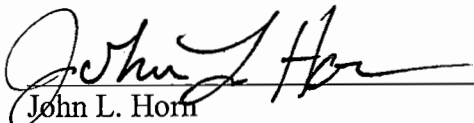
SECTION 19. Severability. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be declared or held to be invalid or unenforceable by any county, governmental authority or agency having jurisdiction over the subject matter of this Agreement, the remaining terms of this Agreement and the application of such terms or provision to any other person or circumstance shall not be affected by such declaration or holding and shall remain valid and enforceable as allowed by law, and the parties shall negotiate in good faith to modify this Agreement to reform the invalid or unenforceable provisions hereof. If a court ruling or change in law affects the Company's eligibility for abatement, the County shall recapture so much of the abated taxes as required, but no penalties or interest shall be assessed against Company unless required by law.

EXECUTED this 10 day of April 2018.

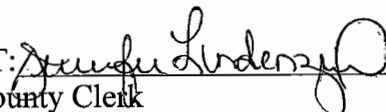
STERLING SOLAR, LLC

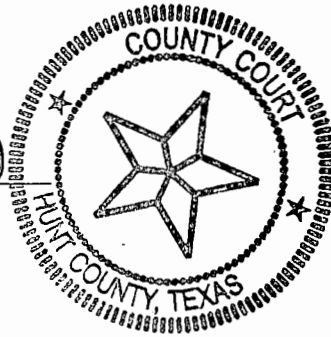
\_\_\_\_\_  
By: \_\_\_\_\_ (Print Name)

Manager, Sterling Solar LLC



John L. Horn  
Hunt County Judge  
HUNT COUNTY, TEXAS

ATTEST:   
Hunt County Clerk



### **Exhibit A. Property Description**

Being a tract or parcel of land situated in Hunt County, Texas being a part of the William Hopkins Survey, Abstract No. 407, also being all of a 33 acre tract of land as described in a Warranty Deed from Kenneth A. Young to Freida H. Young as recorded in Volume 164, Page 321, Real Property Records, Hunt County, Texas, and being all of a 66.625 acre tract of land as described in a Warranty Deed from Kenneth A. Young to Freida H. Young as recorded in Volume 164, Page 323, Real Property Records, Hunt County, Texas and being further described as follows:

BEGINNING at a point for a corner at the Northwest corner of said 33 acre tract, said corner being at the intersection of the center of Hunt County Road No. 1061 and the center of Hunt County Road No. 1060;

THENCE S. 87 deg. 44' 54" E. along the North line of said 33 acre tract and the center of Hunt County Road No. 1061, a distance of 1258.78 feet to a point for a corner, said corner being further marked by a t-post on the South side of Hunt County Road No. 1061 bearing S. 02 deg. 19' 45" W. at a distance of 25.84 feet;

THENCE S. 02 deg. 19' 45" W. a distance of 1701.94 feet to a ½ inch iron rod found for a corner;

THENCE S. 86 deg. 51' 43" E. along the Easternmost North line of said 66.625 acre tract a distance of 1198.61 feet to a capped ½ inch iron rod found for a corner at the Easternmost Northeast corner of said 66.625 acre tract;

THENCE S. 01 deg. 29' 51" W. along the Southernmost East line of said 66.625 acre tract, a distance of 878.43 feet to a ½ inch iron rod set for a corner at the Southeast corner of said 66.625 acre tract;

THENCE N. 87 deg. 48' 21" W. joining and along the center of Hunt County Road No. 1057 and along the South line of said 66.625 acre tract, a distance of 2470.83 feet to point for a corner at the Southwest corner of said 66.625 acre tract, said corner being at the intersection of the center of Hunt County Road No. 1057 and the center of Hunt County Road No. 1060;

THENCE N. 02 deg. 20' 49" E. along the center of Hunt County Road No. 1060, a distance of 2601.32 feet returning to the Point of Beginning and containing 99.745 acres of land.

### **Exhibit B. Project Description.**

Sterling Solar is a proposed 10mw solar facility in Hunt County, Texas. The proposed project is located at 2001 CR 1061, Greenville, TX 75401, and would be sited on a 97-acre tract of undeveloped land. The project is estimated to cost \$12MM to construct.

#15,048(b)

**TAX ABATEMENT AGREEMENT**

FILED FOR RECORD  
at 2:01 o'clock P M  
APR 18 2018  
COUNTY CLERK HUNT COUNTY  
By [Signature]

STATE OF TEXAS §

COUNTY OF HUNT §

This Tax Abatement Agreement (hereinafter "Agreement") is entered into by and between Hunt County, Texas (hereinafter "County") and Sterling Solar, LLC (hereinafter "Company") on the 14th day of November 2017 ("Effective Date").

**WHEREAS**, the County is authorized to enter into Tax Abatement Agreements pursuant to Chapter 312 of the *Texas Property Tax Code* (the "Tax Code"), and

**WHEREAS**, the County has adopted tax abatement guidelines which provide criteria governing tax abatement agreements to be entered into by the County as contemplated by the Tax Code; and

**WHEREAS**, the County has adopted a resolution stating that it elects to be eligible to participate in tax abatement in accordance with the Tax Code; and

**WHEREAS**, the County Commissioners Court has established Sterling Solar Reinvestment Zone ("Reinvestment Zone") in accordance with Section 312.401 of the Tax Code; and

**WHEREAS**, Company holds a leasehold interest in certain real property located at 2001 CR 1061, Greenville, TX 75401

**WHEREAS**, Company intends to locate their new facility on such property; and

**WHEREAS**, the Company's land is located within the Reinvestment Zone; and

**WHEREAS**, the County Commissioners Court finds that the improvements and additions proposed by the Company will benefit the economy of the County and the State of Texas and increase the local tax base; and

**WHEREAS**, a copy of this Agreement has been furnished, in the manner prescribed by the Tax Code, to the presiding officers of the governing bodies of each of the taxing units in which the Company's land is located; and

**WHEREAS**, the Commissioners Court finds that the Company's project is feasible and practicable and would be of benefit to the Land included in the Reinvestment Zone, and the taxing units with jurisdiction over the land after expiration of this Agreement.

NOW THEREFORE; in consideration of the recitals set forth above and the mutual obligations and promises set forth below, and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, and the mutual obligations and promises set for the County and Company agree as follows:

SECTION 1. Recitations. The parties agree that the recitations above in this Agreement are true and correct and shall be incorporated into this Agreement.

SECTION 2. Term. This Agreement shall remain in force and effect for a period of ten (10) years from the Effective Date, and shall expire and be of no further force and effect after said date.

SECTION 3. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

- a. "Abatement" means the full or partial exemption from ad valorem taxes of the Improvements on certain property in a zone designated for economic development purposes pursuant to the Act.
- b. "Abatement Year" means a tax year covered by the Abatement Period.
- c. "Added Value" means the increase in the assessed value of the Eligible Property as a result of "expansion" or "modernization" of an existing facility or construction of a "new facility". It does not mean or include "deferred maintenance".
- d. "Base Year" means the 2016 tax year.
- e. "Base Year Taxable Value" under this Agreement must be deemed to be the market value of the Property on January 1, 2019, and not its taxable value as agricultural land. The value is expected to be \$12MM.
- f. "Community Entities" means Hunt County, Texas, Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and any other similar organization within the City of Greenville, Texas which extends to Owner one or more incentives pursuant to this or other agreements.
- g. "Completion Agreement" means the Agreement by and between Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and Sterling Solar, LLC containing agreements with respect to the Property and the Facility.
- h. "Completion Date" means the date that the construction and installation of the Project is substantially complete as certified by the Company to the County.
- i. "Eligible Property" means the abatement may be extended to the value of buildings, structures, fixed machinery and equipment, and site improvements, installed, constructed, or added between November 14, 2017 and December 31, 2018, plus that office space and related fixed improvements necessary to the operation and administration of the facility.
- j. "Facility" means a Basic Manufacturing Facility, Petrochemical Facility, Regional Distribution Facility, or other Authorized Facility approved by the Governmental Unit(s) as set forth in the Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit(s).
- k. "Force Majeure" means any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public

enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action (unless caused by acts or omissions of such party), fires, explosions or floods, strikes, slowdowns or work stoppages.

- l. "Improvements" means the buildings or portions thereof and other improvements used for commercial or industrial purposes on the Property.
- m. "Ineligible Property" means the following types of property shall be fully taxable and ineligible for abatement: Land; inventories; supplies; tools; furnishings and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel accommodations; retail facilities deferred maintenance; investments; property to be rented or leased, except as provided; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
- n. "Land" means the tract(s) of land described in Exhibit "A" attached hereto and incorporated herein for all purposes.
- o. "Project" means development and construction/installation of facilities, equipment, fixtures and personal property additions on the Land to create a renewable energy project using solar panels (solar farm) for the generation of electricity as further detailed in Exhibit "B."
- p. "Property" means the Land and any improvements, equipment, fixtures and tangible personal property thereon.
- q. "Reinvestment Zone" means the Sterling Solar Reinvestment Zone created by the Order of the Hunt County Commissioners court dated November 14, 2017.
- r. "Start Date" means January 1 of the calendar year immediately following the Completion Date.
- s. "Taxable Value" means the appraised value, for property tax purposes, as certified by the Hunt Central Appraisal District.
- t. "Term of Abatement" or "Abatement Period", unless terminated sooner as provided elsewhere herein, means the 10-year period from and after the Start Date during which partial tax abatement for County ad valorem taxes is granted.

SECTION 4. Abatement Limited and Guidelines Incorporated. The tax abatement provided in this Agreement is only for County property taxes, and is only for increases in Taxable Value created by the improvements and additions made by the Project. Any increases to the Taxable Value of the real property by virtue of natural appreciation or due to change in use are not eligible for abatement.

Additionally, the Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit are incorporated as a part of this Agreement. Except as the same may be modified herein, all definitions set forth therein are applicable to this Agreement.

SECTION 5. Company Obligations. As a condition precedent to the granting of the partial tax abatement as set forth in this Agreement, the Company shall, subject to events of Force Majeure and casualty where applicable:

- a. Acquire a leasehold interest in the Land;
- b. On or before December 31, 2018, erect, construct, install and add to the Land the Project;
- c. Provide the Appraisal District with documentation and information reasonably requested for each Tax Year that will assist in determining the Taxable Value. This information shall be provided no later than April 15, subject to extension as allowed by law;
- d. Comply with all certification and reporting requirements set forth in this Agreement; and
- e. Timely pay all unabated property taxes and rollback taxes.

SECTION 6. Abatement.

6.1 Beginning on January 1 of the year next following the year in which the Owner issues its Certificate and ending upon the conclusion of ten full Calendar Years thereafter (10 tax years total), the Abatement is 50%.

6.2 During the period that the Abatement is effective, except as herein agreed, taxes shall be payable as follows:

- The value of the land comprising the Property shall be fully taxable;
- The value of Ineligible Property shall be fully taxable;
- The Base Year Value of existing Improvements comprising the Property shall be fully taxable;
- The value of the personal property comprising the Property shall be fully taxable; and
- The Added Value of the Eligible Property made a part of the Property shall be abated as set forth in this Section.

SECTION 7. Limitation on Use. Company agrees to limit the use of the Property to the proposed Commercial uses and to limit the uses of the property to uses consistent with the general purpose of encouraging development of the designated Reinvestment Zone during the term of this Agreement.

SECTION 8. Discontinued or Reduced Operation During Term of Agreement. In the event that the facility is completed and begins operation but subsequently discontinues operation for any reason except fire, explosion or other casualty or accident or natural disaster for a period of one year during the term of the Agreement, the Agreement may be terminated by the Governmental Unit and all taxes previously abated by virtue of the Agreement will be recaptured and paid within 60 days of the termination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty-day notice, at

which time penalty and interest shall accrue in accord with the laws of the State of Texas.

SECTION 9. Certification. The Company agrees to certify annually to the governing body of each taxing unit that the Company is in compliance with the terms of the Agreement.

SECTION 10. Default and Remedies. The County may declare a default if the Company breaches any material term or condition of this Agreement. If the County declares a default of this Agreement, this Agreement shall terminate, after notice and opportunity to cure as provided for below, or the County may modify the Agreement upon mutual agreement with the Company. The County shall notify (i) the Company and (ii) any lender of record then holding a security interest in the Land of any default in writing in the manner prescribed herein. All contact information for purposes of a notice default shall be provided to the County Judge. The Notice shall specify the basis for the declaration of default, and the Company shall have ninety (90) days from the date of such notice to cure any default, except that where the default is incapable of being cured within ninety (90) days using reasonable business efforts, the Company shall commence performance of the cure within thirty (30) days after receipt of notice and diligently pursue those efforts until the default is cured. The Company and any lender of which the County has notice shall maintain the right to cure any defect, including any defect caused by an assignee or contractor of the Company during the same cure period identified in the foregoing sentence.

SECTION 11. Adjustment. Owner represents that it will expand and/or renovate a facility at the cost, for the purpose, and in the manner as set forth in the Project Description attached as Exhibit "B". During the Construction Phase, the Owner may make such change orders as to the project as are reasonably necessary, provided that no such change order may be made which will change the qualification of the project as a "Facility" under the Guidelines for Granting Tax Abatement approved by the Governmental Unit. All improvements shall be completed in accordance with all applicable laws, ordinances, rules or regulations. During the term of this Agreement, use of the Property shall be limited to operation of the Facility described in the Project Description consistent with the general purpose of encouraging development or redevelopment of the zone during the period of this Agreement.

Upon completion of the Project, the Reinvestment Advisory Committee shall review the Added Value, as determined by the Hunt County Appraisal District. If the Added Value is less than Estimated Added Value have been added, the Reinvestment Advisory Committee may recommend to the Governmental Unit that the amount of Abatement be immediately adjusted or extinguished.

SECTION 12. Ineligible Property. Removal of Eligible Property. In the event that fixed machinery or equipment is installed and becomes eligible property, but is subsequently removed from the facility or becomes ineligible property during the abatement period, and is not replaced with fixed machinery or equipment of like value within a reasonable time, then all taxes previously abated by virtue of the agreement for said machinery or equipment will be recaptured and paid within sixty (60) days from the date the machinery or equipment is removed from the facility or becomes ineligible property.

SECTION 13. Delinquent Taxes. In the event that the company or individual (1) allows its ad valorem taxes owed the Governmental Unit or any affected jurisdiction to become



delinquent and fails to timely and properly file the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

SECTION 14. Actual Added Value. Annually, the Chief of the Hunt County Appraisal District or his/her designee, shall assess the personal property comprising the reinvestment zone. Should the Hunt County Appraisal District determine that the total level of Added Value during any year of the term of this Agreement after completion of the Construction Phase is lower than the Estimated Added Value such that a lower percentage of Abatement is applicable, for each year during which an Abatement has been granted the difference between the tax abated and the tax which should have been abated based upon, the actual Added Value shall be determined and each Governmental Unit owner shall be notified. The taxes shall be paid within sixty (60) days of notification to the Owner of such determination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty (60) days' notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.

SECTION 15. Continuation of Tax Lien. The amount of tax abated each year under the terms of this agreement shall be secured by a first and prior tax lien which shall continue in existence from year to year until such time as this Agreement between the Governmental Unit and Owner is fully performed by Owner, or until all taxes, whether assessed or recaptured, are paid in full.

If the Governmental Unit terminated this Agreement pursuant to this paragraph VIII, it shall provide Owner written notice of such termination. If Owner believes that such termination was improper, Owner may file suit in the Hunt County district courts appealing such termination within sixty (60) days after the written notice of the termination by the Governmental Unit. If an appeal suit is filed, Owner shall remit to the Governmental Unit(s), within sixty (60) days after the notice of termination, and additional and/or recaptured taxes as may be payable during the pendency of the litigation pursuant to the payment provision of Section 42.08, Texas Tax Code. If the final determination of the appeal increases Owner's tax liability above the amount of tax paid, Owner shall remit the additional tax to the Governmental unit(s) pursuant to Section 42.42, Texas Tax Code. If the final determination of the appeal decreases Owner's tax liability, the Governmental Unit(s) shall refund the Owner the difference between the amount of tax paid and the amount of tax for which owner is liable pursuant to Section 42.43, Texas Tax Code.

SECTION 16. The Owner shall allow employees and/or representative(s) of the Governmental Unit to have access to the Property during the term of this Agreement to inspect the facility to determine compliance with the terms and conditions of this Agreement. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the Owner and in accordance with Owner's safety standards.

Upon completion of construction, the affected jurisdiction shall annually evaluate each facility and report possible violations of the contract and agreement to the governing body and its attorney.

The Chief Appraiser of the Hunt County Appraisal District shall annually determine (i) the taxable value of the personal property comprising the Property taking in to consideration the Abatement provided by this Agreement, and (ii) the full taxable value without Abatement of the personal property comprising the Property. The Chief Appraiser shall record both the abated taxable value and the full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. Each year the Owner shall furnish the Chief Appraiser with such information outlined in Chapter 22, Texas Tax Code, as amended, as may be necessary for the administration of the Agreement specified herein.

SECTION 17. Notices. Notices required to be given by this Agreement shall be mailed, certified mail return receipt requested, to the following addresses:

HUNT COUNTY JUDGE  
Hunt County Courthouse  
2500 Lee Street  
Greenville, TX 75401

and

Sterling Solar, LLC  
c/o Chief Financial Officer  
3250 Ocean Park Blvd., Suite 355  
Santa Monica, CA 90405

SECTION 18. Assignment. This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement shall not be transferred by Company to subsequent owners or lessees of without prior written notice to the County, which shall not be unreasonably withheld, and pursuant a binding agreement in which the Company's assignee assumes all terms and obligations of this Agreement; provided, that the County's consent shall not be required for the collateral assignment or other assignment pursuant to the financing of the Project. It shall not be unreasonable for County to refuse to consent in the event that the proposed assignee would be exempt from property taxation or where it reasonably appears that the proposed assignee may not have the financial capability to own and operate the project. The parties agree that it shall be deemed that the assignee has the financial capability to own and operate the project in the event that the assignee has a net worth at least as great as the net worth of Company at the time of the proposed assignment. If an assignment is made in whole or in part during the term of this Agreement to an entity exempt from property taxation, Company must repay to the County all property taxes that have been abated to the date of the assignment, and, if the assignment occurs during the

Abatement Period, no further abatements will be given.

SECTION 19. Severability. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be declared or held to be invalid or unenforceable by any county, governmental authority or agency having jurisdiction over the subject matter of this Agreement, the remaining terms of this Agreement and the application of such terms or provision to any other person or circumstance shall not be affected by such declaration or holding and shall remain valid and enforceable as allowed by law, and the parties shall negotiate in good faith to modify this Agreement to reform the invalid or unenforceable provisions hereof. If a court ruling or change in law affects the Company's eligibility for abatement, the County shall recapture so much of the abated taxes as required, but no penalties or interest shall be assessed against Company unless required by law.

EXECUTED this 10 day of April 2018.

STERLING SOLAR, LLC

DocuSigned by:

Goff Fallon

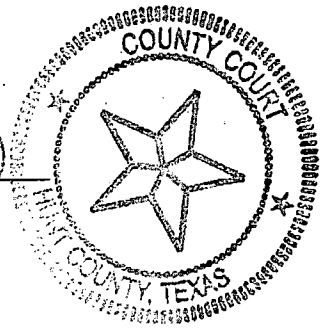
By: Geoff Fallon (Print Name)

Manager, Sterling Solar LLC

John L. Horn  
John L. Horn

Hunt County Judge  
HUNT COUNTY, TEXAS

ATTEST: Jennifer Lindenzweig  
Hunt County Clerk



FILED FOR RECORD  
at 9:25 o'clock 2 M

MAY 03 2018

JENNIFER LINDENZWEIG  
County Clerk, Hunt County, TX  
By: Jennifer Lindenzweig

**Exhibit A. Property Description**

Being a tract or parcel of land situated in Hunt County, Texas being a part of the William Hopkins Survey, Abstract No. 407, also being all of a 33 acre tract of land as described in a Warranty Deed from Kenneth A. Young to Freida H. Young as recorded in Volume 164, Page 321, Real Property Records, Hunt County, Texas, and being all of a 66.625 acre tract of land as described in a Warranty Deed from Kenneth A. Young to Freida H. Young as recorded in Volume 164, Page 323, Real Property Records, Hunt County, Texas and being further described as follows:

BEGINNING at a point for a corner at the Northwest corner of said 33 acre tract, said corner being at the intersection of the center of Hunt County Road No. 1061 and the center of Hunt County Road No. 1060;

THENCE S. 87 deg. 44' 54" E. along the North line of said 33 acre tract and the center of Hunt County Road No. 1061, a distance of 1258.78 feet to a point for a corner, said corner being further marked by a t-post on the South side of Hunt County Road No. 1061 bearing S. 02 deg. 19' 45" W. at a distance of 25.84 feet;

THENCE S. 02 deg. 19' 45" W. a distance of 1701.94 feet to a ½ inch iron rod found for a corner;

THENCE S. 86 deg. 51' 43" E. along the Easternmost North line of said 66.625 acre tract a distance of 1198.61 feet to a capped ½ inch iron rod found for a corner at the Easternmost Northeast corner of said 66.625 acre tract;

THENCE S. 01 deg. 29' 51" W. along the Southernmost East line of said 66.625 acre tract, a distance of 878.43 feet to a ½ inch iron rod set for a corner at the Southeast corner of said 66.625 acre tract;

THENCE N. 87 deg. 48' 21" W. joining and along the center of Hunt County Road No. 1057 and along the South line of said 66.625 acre tract, a distance of 2470.83 feet to point for a corner at the Southwest corner of said 66.625 acre tract, said corner being at the intersection of the center of Hunt County Road No. 1057 and the center of Hunt County Road No. 1060;

THENCE N. 02 deg. 20' 49" E. along the center of Hunt County Road No. 1060, a distance of 2601.32 feet returning to the Point of Beginning and containing 99.745 acres of land.

**Exhibit B. Project Description.**

Sterling Solar is a proposed 10mw solar facility in Hunt County, Texas. The proposed project is located at 2001 CR 1061, Greenville, TX 75401, and would be sited on a 97-acre tract of undeveloped land. The project is estimated to cost \$12MM to construct.

#15,048 (c)

**TAX ABATEMENT AGREEMENT**

FILED FOR RECORD  
at 2:07 o'clock P M

APR 10 2018

JENNIFER LINDENZWEIG  
County Clerk, Hunt County, TX  
By Jennifer Lindenzweig

STATE OF TEXAS §

COUNTY OF HUNT §

This Tax Abatement Agreement (hereinafter "Agreement") is entered into by and between Hunt County, Texas (hereinafter "County") and Hallmark Solar, LLC (hereinafter "Company") on the 14th day of November 2017 ("Effective Date").

**WHEREAS**, the County is authorized to enter into Tax Abatement Agreements pursuant to Chapter 312 of the *Texas Property Tax Code* (the "Tax Code"), and

**WHEREAS**, the County has adopted tax abatement guidelines which provide criteria governing tax abatement agreements to be entered into by the County as contemplated by the Tax Code; and

**WHEREAS**, the County has adopted a resolution stating that it elects to be eligible to participate in tax abatement in accordance with the Tax Code; and

**WHEREAS**, the County Commissioners Court has established Hallmark Solar Reinvestment Zone ("Reinvestment Zone") in accordance with Section 312.401 of the Tax Code; and

**WHEREAS**, Company holds a leasehold interest in certain real property located at 1847 HWY 34, Greenville, TX 75401

**WHEREAS**, Company intends to locate their new facility on such property; and

**WHEREAS**, the Company's land is located within the Reinvestment Zone; and

**WHEREAS**, the County Commissioners Court finds that the improvements and additions proposed by the Company will benefit the economy of the County and the State of Texas and increase the local tax base; and

**WHEREAS**, a copy of this Agreement has been furnished, in the manner prescribed by the Tax Code, to the presiding officers of the governing bodies of each of the taxing units in which the Company's land is located; and

**WHEREAS**, the Commissioners Court finds that the Company's project is feasible and practicable and would be of benefit to the Land included in the Reinvestment Zone, and the taxing units with jurisdiction over the land after expiration of this Agreement.

NOW THEREFORE; in consideration of the recitals set forth above and the mutual obligations and promises set forth below, and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, and the mutual obligations and promises set for the County and Company agree as follows:

SECTION 1. Recitations. The parties agree that the recitations above in this Agreement are true and correct and shall be incorporated into this Agreement.

SECTION 2. Term. This Agreement shall remain in force and effect for a period of ten (10) years from the Effective Date, and shall expire and be of no further force and effect after said date.

SECTION 3. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

- a. "Abatement" means the full or partial exemption from ad valorem taxes of the Improvements on certain property in a zone designated for economic development purposes pursuant to the Act.
- b. "Abatement Year" means a tax year covered by the Abatement Period.
- c. "Added Value" means the increase in the assessed value of the Eligible Property as a result of "expansion" or "modernization" of an existing facility or construction of a "new facility". It does not mean or include "deferred maintenance".
- d. "Base Year" means the 2016 tax year.
- e. "Base Year Taxable Value" under this Agreement must be deemed to be the market value of the Property on January 1, 2020, and not its taxable value as agricultural land. The value is expected to be \$35MM.
- f. "Community Entities" means Hunt County, Texas, Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and any other similar organization within the City of Greenville, Texas which extends to Owner one or more incentives pursuant to this or other agreements.
- g. "Completion Agreement" means the Agreement by and between Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and Hallmark Solar, LLC containing agreements with respect to the Property and the Facility.
- h. "Completion Date" means the date that the construction and installation of the Project is substantially complete as certified by the Company to the County.
- i. "Eligible Property" means the abatement may be extended to the value of buildings, structures, fixed machinery and equipment, and site improvements, installed, constructed, or added between November 14, 2017 and December 31, 2019, plus that office space and related fixed improvements necessary to the operation and administration of the facility.
- j. "Facility" means a Basic Manufacturing Facility, Petrochemical Facility, Regional Distribution Facility, or other Authorized Facility approved by the Governmental Unit(s) as set forth in the Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit(s).
- k. "Force Majeure" means any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public

enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action (unless caused by acts or omissions of such party), fires, explosions or floods, strikes, slowdowns or work stoppages.

- l. "Improvements" means the buildings or portions thereof and other improvements used for commercial or industrial purposes on the Property.
- m. "Ineligible Property" means the following types of property shall be fully taxable and ineligible for abatement: Land; inventories; supplies; tools; furnishings and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel accommodations; retail facilities deferred maintenance; investments; property to be rented or leased, except as provided; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
- n. "Land" means the tract(s) of land described in Exhibit "A" attached hereto and incorporated herein for all purposes.
- o. "Project" means development and construction/installation of facilities, equipment, fixtures and personal property additions on the Land to create a renewable energy project using solar panels (solar farm) for the generation of electricity as further detailed in Exhibit "B."
- p. "Property" means the Land and any improvements, equipment, fixtures and tangible personal property thereon.
- q. "Reinvestment Zone" means the Hallmark Solar Reinvestment Zone created by the Order of the Hunt County Commissioners court dated November 14, 2017.
- r. "Start Date" means January 1 of the calendar year immediately following the Completion Date.
- s. "Taxable Value" means the appraised value, for property tax purposes, as certified by the Hunt Central Appraisal District.
- t. "Term of Abatement" or "Abatement Period", unless terminated sooner as provided elsewhere herein, means the 10-year period from and after the Start Date during which partial tax abatement for County ad valorem taxes is granted.

SECTION 4. Abatement Limited and Guidelines Incorporated. The tax abatement provided in this Agreement is only for County property taxes, and is only for increases in Taxable Value created by the improvements and additions made by the Project. Any increases to the Taxable Value of the real property by virtue of natural appreciation or due to change in use are not eligible for abatement.

Additionally, the Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit are incorporated as a part of this Agreement. Except as the same may be modified herein, all definitions set forth therein are applicable to this Agreement.

SECTION 5. Company Obligations. As a condition precedent to the granting of the partial tax abatement as set forth in this Agreement, the Company shall, subject to events of Force Majeure and casualty where applicable:

- a. Acquire a leasehold interest in the Land;
- b. On or before December 31, 2019, erect, construct, install and add to the Land the Project;
- c. Provide the Appraisal District with documentation and information reasonably requested for each Tax Year that will assist in determining the Taxable Value. This information shall be provided no later than April 15, subject to extension as allowed by law;
- d. Comply with all certification and reporting requirements set forth in this Agreement; and
- e. Timely pay all unabated property taxes and rollback taxes.

SECTION 6. Abatement.

6.1 Beginning on January 1 of the year next following the year in which the Owner issues its Certificate and ending upon the conclusion of ten full Calendar Years thereafter (10 tax years total), the Abatement is 50%.

6.2 During the period that the Abatement is effective, except as herein agreed, taxes shall be payable as follows:

- The value of the land comprising the Property shall be fully taxable;
- The value of Ineligible Property shall be fully taxable;
- The Base Year Value of existing Improvements comprising the Property shall be fully taxable;
- The value of the personal property comprising the Property shall be fully taxable; and
- The Added Value of the Eligible Property made a part of the Property shall be abated as set forth in this Section.

SECTION 7. Limitation on Use. Company agrees to limit the use of the Property to the proposed Commercial uses and to limit the uses of the property to uses consistent with the general purpose of encouraging development of the designated Reinvestment Zone during the term of this Agreement.

SECTION 8. Discontinued or Reduced Operation During Term of Agreement. In the event that the facility is completed and begins operation but subsequently discontinues operation for any reason except fire, explosion or other casualty or accident or natural disaster for a period of one year during the term of the Agreement, the Agreement may be terminated by the Governmental Unit and all taxes previously abated by virtue of the Agreement will be



recaptured and paid within 60 days of the termination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty-day notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.

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Upon completion of the Project, the Reinvestment Advisory Committee shall review the Added Value, as determined by the Hunt County Appraisal District. If the Added Value is less than Estimated Added Value have been added, the Reinvestment Advisory Committee may recommend to the Governmental Unit that the amount of Abatement be immediately adjusted or extinguished.

SECTION 12. Ineligible Property. Removal of Eligible Property. In the event that fixed machinery or equipment is installed and becomes eligible property, but is subsequently removed from the facility or becomes ineligible property during the abatement period, and is not replaced with fixed machinery or equipment of like value within a reasonable time, then all taxes previously abated by virtue of the agreement for said machinery or equipment will be recaptured and paid within sixty (60) days from the date the machinery or equipment is removed from the facility or becomes ineligible property.

SECTION 13. Delinquent Taxes. In the event that the company or individual (1) allows its ad valorem taxes owed the Governmental Unit or any affected jurisdiction to become delinquent and fails to timely and properly file the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

SECTION 14. Actual Added Value. Annually, the Chief of the Hunt County Appraisal District or his/her designee, shall assess the personal property comprising the reinvestment zone. Should the Hunt County Appraisal District determine that the total level of Added Value during any year of the term of this Agreement after completion of the Construction Phase is lower than the Estimated Added Value such that a lower percentage of Abatement is applicable, for each year during which an Abatement has been granted the difference between the tax abated and the tax which should have been abated based upon, the actual Added Value shall be determined and each Governmental Unit owner shall be notified. The taxes shall be paid within sixty (60) days of notification to the Owner of such determination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty (60) days' notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.

SECTION 15. Continuation of Tax Lien. The amount of tax abated each year under the terms of this agreement shall be secured by a first and prior tax lien which shall continue in existence from year to year until such time as this Agreement between the Governmental Unit and Owner is fully performed by Owner, or until all taxes, whether assessed or recaptured, are paid in full.

If the Governmental Unit terminated this Agreement pursuant to this paragraph VIII, it shall provide Owner written notice of such termination. If Owner believes that such termination was improper, Owner may file suit in the Hunt County district courts appealing such termination within sixty (60) days after the written notice of the termination by the Governmental Unit. If an appeal suit is filed, Owner shall remit to the Governmental Unit(s), within sixty (60) days after the notice of termination, and additional and/or recaptured taxes as may be payable during the pendency of the litigation pursuant to the payment provision of Section 42.08, Texas Tax Code. If the final determination of the appeal increases Owner's tax liability above the amount of tax paid, Owner shall remit the additional tax to the Governmental unit(s) pursuant to Section 42.42, Texas Tax Code. If the final determination of the appeal decreases Owner's tax liability, the Governmental Unit(s) shall refund the Owner the difference between the amount of tax paid and the amount of tax for which owner is liable pursuant to Section 42.43, Texas Tax Code.

SECTION 16. The Owner shall allow employees and/or representative(s) of the Governmental Unit to have access to the Property during the term of this Agreement to inspect the facility to determine compliance with the terms and conditions of this Agreement. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction

and/or operation of the Facility. All inspections will be made with one or more representatives of the Owner and in accordance with Owner's safety standards.

Upon completion of construction, the affected jurisdiction shall annually evaluate each facility and report possible violations of the contract and agreement to the governing body and its attorney.

The Chief Appraiser of the Hunt County Appraisal District shall annually determine (i) the taxable value of the personal property comprising the Property taking in to consideration the Abatement provided by this Agreement, and (ii) the full taxable value without Abatement of the personal property comprising the Property. The Chief Appraiser shall record both the abated taxable value and the full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. Each year the Owner shall furnish the Chief Appraiser with such information outlined in Chapter 22, Texas Tax Code, as amended, as may be necessary for the administration of the Agreement specified herein.

SECTION 17. Notices. Notices required to be given by this Agreement shall be mailed, certified mail return receipt requested, to the following addresses:

HUNT COUNTY JUDGE  
Hunt County Courthouse  
2500 Lee Street  
Greenville, TX 75401

and

Hallmark Solar, LLC  
c/o Chief Financial Officer  
3250 Ocean Park Blvd., Suite 355  
Santa Monica, CA 90405

SECTION 18. Assignment. This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement shall not be transferred by Company to subsequent owners or lessees of without prior written notice to the County, which shall not be unreasonably withheld, and pursuant a binding agreement in which the Company's assignee assumes all terms and obligations of this Agreement; provided, that the County's consent shall not be required for the collateral assignment or other assignment pursuant to the financing of the Project. It shall not be unreasonable for County to refuse to consent in the event that the proposed assignee would be exempt from property taxation or where it reasonably appears that the proposed assignee may not have the financial capability to own and operate the project. The parties agree that it shall be deemed that the assignee has the financial capability to own and operate the project in the event that the assignee has a net worth at least as great as the net worth of Company at the time of the proposed assignment. If an assignment is made in whole or in part during the term of this Agreement to an entity

exempt from property taxation, Company must repay to the County all property taxes that have been abated to the date of the assignment, and, if the assignment occurs during the Abatement Period, no further abatements will be given.

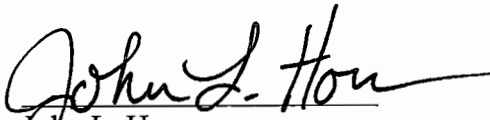
SECTION 19. Severability. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be declared or held to be invalid or unenforceable by any county, governmental authority or agency having jurisdiction over the subject matter of this Agreement, the remaining terms of this Agreement and the application of such terms or provision to any other person or circumstance shall not be affected by such declaration or holding and shall remain valid and enforceable as allowed by law, and the parties shall negotiate in good faith to modify this Agreement to reform the invalid or unenforceable provisions hereof. If a court ruling or change in law affects the Company's eligibility for abatement, the County shall recapture so much of the abated taxes as required, but no penalties or interest shall be assessed against Company unless required by law.

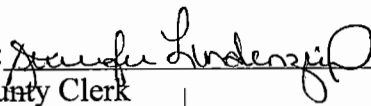
EXECUTED this \_\_\_ day of April 2018.

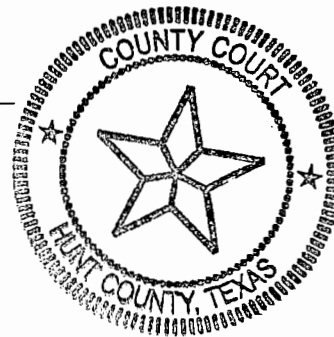
HALLMARK SOLAR, LLC

By: \_\_\_\_\_ (Print Name)

Manager, Hallmark Solar LLC

  
John L. Horn  
Hunt County Judge  
HUNT COUNTY, TEXAS

ATTEST:   
Hunt County Clerk



### **Exhibit A. Property Description**

All that certain lot, tract of parcel of land situated in the J.C. Bates Survey, Abstract No. 35 , the E. Tedwill Survey, Abstract No. 1035, the I. White Survey, Abstract No. 1144, the J. Grilski Survey, Abstract No. 387, the Willie Rogers Survey, Abstract No. 885, the A.J. Hefner Survey, Abstract No. 473 and the Wm. H. Sowell Survey, Abstract No. 996, Hunt County, Texas, and being known as those tracts of land described as the First Tract, Second Tract, Tract One of the Third Tract, Tract Two of the Third Tract, Tract Three of the Third, the Fourth Tract, the Sixth Tract and part of the Seventh Tract in a Deed from Elizabeth Hervey, et al, to William P. Philips as recorded in Volume 550, Page 529 of the Deeds Records of Hunt County, Texas, and being part of that tract of land described in a Deed from J.W. Green, Receiver, to Dr, W.P. Philips as recorded in Volume 519, Page 322 of the Deed Records of Hunt County, Texas, and being known as those tracts of land described as the First Tract and the Second Tract in a Deed from Jo Maier Philips to William D. Philips, Jr, et al, as recorded in Volume 382, Page 810 of the Real Property Records of Hunt County, Texas, and being known as that tract of land described in a Deed from Herbert Spradling to Dr. W.P. Philips as recorded in Volume 574, Page 330 of the Deed Records of Hunt County, Texas, and being known as that tract of land described as Tract II in a Deed from Jo Maier Phillips to William P. Philips, Jr, et al, as recorded in Volume 339, Page 180 of the Real Property Records of Hunt County, Texas, and being known as that tract of land described in a Deed from Albert A, Spradling, et al, to W.P. Philips as recorded in Volume 580, Page 583 of the Deed Records of Hunt County, Texas (hereinafter called Philips Tract Six), and being more particularly described as follows:

BEGINNING at a point for corner at the intersection of the East line of State Highway No. 34 with the North line of that tract of land described in a Deed from Michael E. Taylor to Howard W. New, et al, as recorded in Volume 1493, Page 676 of the Official Public Records of Hunt County, Texas, said point also being at the intersection of the South line of the above cited Seventh Tract with the East line of said highway, from which a ½" Iron rod with cap stamped "STOVAL & ACCOC." found at the Northwest corner of said New tract bears, S. 89 deg. 34 min. 18 sec. W. a distance of 10.57 feet;

THENCE N. 00deg. 27 min. 20 sec. W. with the East line of State Highway No. 34 a distance of 752.68 feet to a broken concrete monument found for corner at the beginning of a curve to the left, from which a broken concrete monument found bears S. 89 deg. 32 min. 40 sec. W. a distance of 10,00 feet;

THENCE In a Northwesterly direction with the East line of State Highway No. 34 and with said curve to the left having a central angle of 26 deg. 22 min. 00 sec., radius of 2924.79 , feet, chord bearing of N. 13 deg. 38 min. 20 sec. W. a chord distance of 1334.10 feet and an arc length of 1345.94 feet to a ½" Iron rod with plastic cap stamped "STOVALL & ASSOC." set (hereinafter called ½" iron rod set) for corner, from which a broken concrete monument found bears S. 63 deg. 10 min. 40 sec. W. a distance of 10.00 feet;

THENCE N. 26 deg. 49 min. 20 sec. W. with the East line of State Highway No. 34 a distance of 1444.99 feet to a ½" iron rod set for corner at the intersection of the East line of said highway with the South line of that tract of land described in a Deed from Robert Quinn to Richard Joseph Van Brunt, et ux, as recorded in

Volume 530, Page 896 of the Real Property Records of the Hunt County, Texas;

THENCE N. 89 deg. 18 min. 05 sec. E. with the South line of said Van Brunt tract a distance of 2362.22 feet to a  $\frac{3}{8}$ " iron rod found for corner at the Southeast corner of said Van Brunt tract;

THENCE N. 00deg. 58 min. 05 sec. W. with the East line of said Van Brunt tract a distance of 739.04 feet to a  $\frac{3}{8}$ " iron rod found for corner at the Northeast corner of said Van Brunt tract, said point also being the Southeast corner of that tract of land described as Tract Two in a Deed from Hoang Hai Nguyen, et al, to Katherine Ha Phan as recorded in Volume 1426, Page 349 of the Official Public Records of Hunt County, Texas;

THENCE N. 01 deg. 05 min. 38 sec. W. with the East line of said Tract Two a distance of 317.07 feet to a  $\frac{3}{8}$ " iron rod found for corner at the Northeast corner of said Tract Two, said point also being the Southeast corner of that tract of land described as Tract One in a Deed from Hoang Hai Nguyen, et al, to Katherine Ha Phan as recorded in Volume 1426, Page 349 of the Official Public Records of Hunt County, Texas;

THENCE N. 00 deg. 21 min. 24 sec. W. with the East line of said Tract One a distance of 312.68 feet to a  $\frac{3}{8}$ " iron rod found for corner at the Northeast corner of said Tract One, said point also being the Southeast corner of that tract of land described in a Deed from Micah Marshall to Fritz-Quinn, L.P, as recorded in Volume 1675, Page 312 of the Official Public Records of Hunt County, Texas;

THENCE N.00 deg. 37 min. 51 sec. W. with the East line of said Fritz-Quinn tract and the East line of that tract of land described in a Deed from the Colonial Bank of Greenville to Richard N. Hartline, et ux, as recorded in Volume 151, Page 816 of the Real Property Records of Hunt County, Texas, a distance of 1117.35 feet to a  $\frac{1}{2}$ " iron rod found for corner at the Northeast corner of said Hartline tract, said point also being the Southeast corner of that tract of land described in a Deed from Roy Lee Wilcox, et ux, to Charles Gardner as recorded in Volume 1709, Page 193 of the Official Public Records of Hunt County, Texas;

THENCE N. 00 deg. 49 min. 12 sec. W. with the East Line of said Gardner tract a distance of 294.00 feet to a point for corner in a creek at the Southeast corner of the above cited First Tract (Volume 382, Page 810) from which a 6" wooden fence corner post found bears S. 00 deg. 49 min. 12 sec. E. a distance of 1.91 feet;

THENCE S. 89 deg. 42 min. 40 sec. W. with the most Easterly South line of said First Tract (Volume 382, Page 810) a distance of 821.00 feet to a  $\frac{1}{2}$ " iron rod found for corner at the most Southerly Southwest corner of said First Tract (Volume 382, Page 810), said point also being an interior corner of said Gardner tract;

THENCE N. 00 deg. 19 min. 36 sec. W. with the most Northerly East Line of said

Gardner tract a distance of 321.70 feet to a ½" iron rod found for corner at the most Northerly Northeast corner of said Gardner tract, said point also being the Southeast corner of that tract of land described in a Deed from J.R. Williams, et ux, to Joe H. Brown, et ux, as recorded in Volume 628, Page 30 of the Deed Records of Hunt County, Texas;

THENCE N. 00 deg. 02 min. 05 sec. W. with the East line of said Brown tract a distance of 486.80 feet to a ½" iron rod found for corner at the Northeast corner at the corner of said Brown tract;

THENCE S. 89 deg. 48 min. 11 sec. W. with the North line of said Brown tract a distance of 824.09 feet to a 10" wooden fence corner post found for corner in the East of line of that tract of land described in a Deed form Mrs. Lula Brown, et al, to J.H. Brown, et ux, as recorded in Volume 518, Page 587 of the Deed Records of Hunt County, Texas at the Northwest corner of said Brown tract (Volume 628, Page 30), said point also being a Southwest corner of said First Tract (Volume 382, Page 810);

THENCE N. 01 deg. 15 min., 48 sec. W. along a fence and with a West line of said First Tract (Volume 382, Page 810), passing an 8" wooden fence corner post at a distance of 562.90 feet, and continuing with a West line of said First Tract (Volume 382, Page 810) for a total distance of 787.28 feet to a point for corner in a washed out area at an interior corner of said First Tract (Volume 382, Page 810);

THENCE S. 89 deg. 03 min. 05 sec. W. with a South Line of said First Tract (Volume 382, Page 810) a distance of 570.85 feet to a ¾" iron rod founded for corner at the Southeast corner of that tract of land described in a Deed from Billy Bert Newsome, et al, to Charles M. Smith, Jr., recorded in Volume 1276, Page 614 of the Official Public Records of Hunt County, Texas;

THENCE N. 00 deg. 54 min. 07 sec. E. with the East line of said Smith tract a distance of 190.65 feet to a ¾" iron rod found for corner at the Northeast corner of said Smith tract, said point also being the Southeast corner of that tract of land described in Deed from Brenda Kay Davis to Markus Perry as recorded in Document No. 2010-10840 of the Real Records of Hunt County, Texas;

THENCE N. 00 deg. 09 min. 03 sec. E. with the East line of said Perry tract a distance of 791.63 feet to a ¾" iron rod found for corner at a Northeast corner of said Perry tract;

THENCE N. 64 deg. 17 min. 46 sec. W. with a Northeast line of said Perry tract a distance of 8.91 feet to a bois d'arc tree (dead) for a fence corner post found for corner at a Northeast corner of said Perry tract;

THENCE S. 89 deg. 33 min. 45 sec. W. with the North line of said Perry tract a distance of 323.26 feet to a ½" iron rod found for corner;

THENCE N. 89 deg. 53 min. 04 sec. W, with the North line of said Perry tract a distance of 208.29 feet to a ½" iron rod found for corner in the East line of State Highway No. 34 at the most Westerly Southwest corner of said First Tract (Volume 382, Page 810);

THENCE N. 01 deg. 13 min. 20 sec. W. with the East line of State Highway No. 34 a distance of 1320.71 feet to a ½" iron rod set for corner at the intersection of the East line of said highway with the South line of that tract of land described in a Deed from Juanita D. Goodwin to Charlie Richard Dickens as recorded in Volume 551, Page 29 of the Official Public Records of Hunt County, Texas;

THENCE N. 87 deg. 17min. 32 sec. E. along a fence and with South line of said Dickens tract a distance of 425.91 feet to a 6" wooden fence corner post found for corner at the Southeast corner of said Dickens tract;

THENCE N. 01 deg. 59 min. 45 sec. E along a fence and with the East line of said Dickens tract, passing a 6" wooden fence corner post at a distance of 168.40 feet, and continuing with the East line of said Dickens tract for a total distance of 185.17 feet to a ½" iron rod set for corner in Private Road No. 4330 at the Northeast corner of said Dickens tract, said point also being in the South line of that tract of land described as Tract One conveyed to Bonnie Lee Tyler by recorded in Volume 389, Page 471 of the Real Property Records of Hunt County, Texas ;

THENCE N. 89 deg. 35 min. 34 sec. E. along Private Road No. 4330 and with the South line of said Tyler tract and the North line of said First Tract (Volume 382, Page 810 ) a distance of 323.01 feet to a ½" iron rod set for corner at the Southwest corner of the above cited Second Tract (Volume 382, Page 810) said point also being the Southeast corner of that tract of land described as Tract Two conveyed to Bonnie Tyler as recorded in Volume 389, Page 471 of the Real Property Records of Hunt County, Texas;

THENCE N. 00 deg. 38 min. 25 sec. W. with the West line of said Second Tract (Volume 382, Page 810), passing a ¾" iron rod found for witness at a distance of 1216.54 feet, and continuing with the West line of said Second Tract (Volume 382, Page 810) for a total distance of 1240.19 feet to a point for corner in County Road No. 4300;

THENCE in an Easterly direction along the center of County Road No. 4300 following:

N. 86 deg. 00 min. 32 sec. E. a distance of 342.23 feet;  
S. 89 deg. 38 min. 23 sec. E. a distance of 171.59 feet;  
S. 85 deg. 20 min. 52 sec. E. a distance of 228.54 feet;  
S. 68 deg. 52 min. 59 sec. E. a distance of 60.99 feet;  
S. 41 deg. 55 min. 07 sec. E. a distance of 66.03 feet;  
S. 25 deg. 11 min 23. sec. E. a distance of 65.39 feet to a point for corner;



THENCE S. 00 deg. 29 min. 25 sec. E. with the East line of said Second Tract (Volume 382, Page 810), passing a ½" iron rod set for witness at a distance of 89.19 feet, and continuing with the East line of said Second Tract (Volume 382, Page 810) for a total distance of 1116.97 feet to a ½" iron rod found for corner in the North line of said First Tract (Volume 382, Page 810) at the Southeast corner of said Second Tract (Volume 382, Page 810), said point also being the Southwest corner of that tract of land described in a Deed from the Veterans Land Board of the State of Texas to Mark Allen Holloway as recorded in Volume 792, Page 563 of the Official Public Records of Hunt County, Texas;

THENCE N. 89 deg. 12 min. 04 sec. E. with the South line of said Holloway tract and the North line of said First Tract (Volume 382, Page 810) a distance of 1322.88 feet to a ½" iron rod found for corner at the Southeast corner at the Southeast corner of said Holloway tract, said point also being the Southwest corner of that tract of land described in a Contract of Sale and Purchase between the Veterans Land Board of the State of Texas and Robert Owen Amaon as recorded in Volume 896, Page 753 of the Deed Records of Hunt county, Texas, said point also being the Northwest corner of that tract of land described in a Deed from Linda Diane Hardin, et al, to Jana Stevens, et al, as recorded in Document No. 2009-15211 of the Real Records of Hunt County, Texas;

THENCE S. 00 deg. 15 min. 59 sec. E. with West line of said Stevens tract and the West line of that tract of land described in a Deed from W.A. Beasley, et al, to Albert A. Spradling as recorded in Volume 856, Page 345 of the Deed Records of Hunt County, Texas, passing a ½" iron rod set for witness at a distance of 892.80 feet and continuing with the West line of said Spradling tract for a total distance of 937.80 feet to a point for corner in the center of the Brushy Branch at the Northwest corner of the above cited Philips Tract Six;

THENCE in a Southeasterly direction with the meanders of the Brushy Branch and with the Northeast line of said Philips Tract Six the following;

S. 72 deg. 14 min. 21 sec. E. a distance of 45.78 feet;  
S. 33 deg. 26 min. 59 sec. E. a distance of 27.02 feet;  
S. 11 deg. 04 min. 25 sec. E. a distance of 29.00 feet;  
N. 89 deg. 21 min. 43 sec. E. a distance of 105.66 feet;  
S. 25 deg. 31 min. 16 sec. E. a distance of 74.13 feet;  
S. 49 deg. 23 min. 15 sec. E. a distance of 58.57 feet;  
S. 03 deg. 18 min. 25 sec. W. a distance of 44.07 feet;  
S. 40 deg. 15 min. 37 sec. E. a distance of 139.07 feet;  
S. 13 deg. 38 min. 08 sec. E. a distance of 183.34 feet;  
S. 05 deg. 52 min. 27 sec. W. a distance of 53.06 feet;  
S. 46 deg. 26 min. 53 sec. E. a distance of 37.87 feet;  
S. 81 deg. 10 min. 05 sec. E. a distance of 89.18 feet;  
S. 40 deg. 52 min. 36 sec. E. a distance of 94.55 feet;  
S. 22 deg. 21 min. 34 sec. E. a distance of 2851.59 feet to a point for corner in the

North line of the above cited Fourth Tract (Volume 550, Page 529) at the Southeast corner of said Philips Tract Six, from which a bois d'arc fence corner post found bears S. 89 deg. 42 min. 26 sec. W. a distance of 24.26 feet;

THENCE N. 89 deg. 42 min. 26 sec. E. with the North line of said Philips Tract Six, passing a ½" iron rod set for witness at a distance of 30.00 feet, and continuing with the North line of said Philips Tract Six, passing a ½" iron rod set for witness at a distance of 559.93 feet, and continuing with the North line of said Philips Tract Six for a total distance of 609.93 feet to a point for corner in the center of Horse Creek at the Northeast corner of said Philips Tract Six;

THENCE in a Southerly direction with the meanders of Horse Creek the following:

S. 04 deg. 29 min. 26 sec. W. a distance of 25.18 feet;  
S. 33 deg. 23 min. 07 sec. W. a distance of 70.77 feet;  
S. 00 deg. 56 min. 10 sec. E. a distance of 166.09 feet;  
S. 35 deg. 48 min. 57 sec. W. a distance of 61.54 feet;  
S. 67 deg. 19 min. 49 sec. W. a distance of 36.23 feet;  
N. 52 deg. 09 min. 15 sec. W. a distance of 19.73 feet;  
S. 69 deg. 26 min. 50 sec. W. a distance of 42.88 feet;  
S. 32 deg. 23 min. 58 sec. W. a distance of 39.90 feet;  
S. 03 deg. 16 min. 07 sec. E. a distance of 49.91 feet;  
S. 21 deg. 29 min. 52 sec. E. a distance of 65.09 feet;  
S. 01 deg. 36 min. 42 sec. W. a distance of 136.42 feet;  
S. 08 deg. 25 min. 37 sec. E. a distance of 77.22 feet;  
S. 08 deg. 22 min. 00 sec. W. a distance of 158.52 feet;  
S. 75 deg. 42 min. 36 sec. W. a distance of 67.64 feet;  
S. 28 deg. 20 min. 21 sec. W. a distance of 33.04 feet;  
S. 43 deg. 14 min. 57 sec. E. a distance of 29.07 feet;  
S. 78 deg. 47 min. 00 sec. E. a distance of 42.05 feet;  
S. 30 deg. 09 min. 35 sec. E. a distance of 90.52 feet;  
S. 13 deg. 59 min. 45 sec. E. a distance of 109.94 feet;  
S. 12 deg. 13 min. 59 sec. W. a distance of 36.54 feet;  
S. 46 deg. 15 min. 41 sec. W. a distance of 23.87 feet;  
S. 69 deg. 50 min. 10 sec. W. a distance of 71.22 feet;  
S. 46 deg. 30 min. 44 sec. W. a distance of 25.98 feet;  
S. 04 deg. 12 min. 47 sec. E. a distance of 20.05 feet;  
S. 44 deg. 56 min. 46 sec. E. a distance of 162.99 feet;  
S. 25 deg. 57 min. 46 sec. E. a distance of 26.40 feet;  
S. 04 deg. 32 min. 39 sec. W. a distance of 83.37 feet;  
S. 23 deg. 28 min. 23 sec. E. a distance of 107.32 feet;  
S. 04 deg. 10 min. 31 sec. E. a distance of 140.82 feet;  
S. 14 deg. 42 min. 35 sec. E. a distance of 52.05 feet to a point for corner at the intersection of center of Horse Creek with the North line of that tract of land described in a Deed from H.G.K. Associates, Ltd., to Charles H. Pope, et ux, as recorded in Volume 777, Page 461 of the Deed Records of Hunt County, Texas;

THENCE S. 89 deg. 37 min. 34 sec. W. with the North line of said Pope tract a distance of 82.22 feet to a ½" iron rod set for corner at the Northwest corner of said Pope tract;

THENCE S. 01 deg. 41 min. 17 sec. E, with the most Northerly West line of said Pope tract a distance of 1488.00 feet to a ½" iron rod found for corner at the most Westerly Southwest corner of said Pope tract;

THENCE S. 86 deg. 19 min. 50 sec. E. with the most Westerly South line of said Pope tract a distance of 646.87 feet to ½" iron rod found for corner in the West line of that tract of land described in a Deed from Anthony Glenn Owens, et al, to George Smalskas, et al, as recorded in Volume 1515, Page 679 of the Official Public Records of Hunt County, Texas, at an interior corner of said Pope tract;

THENCE S. 01 deg. 05 min. 48 sec. E. with the West line of said Smalskas tract a distance of 1385.04 feet to a 2" metal bar found for corner in the North line of that tract of land described in a Deed from C.E. Reisor , et ux, to Billie R. Strawn, et ux, as recorded in Volume 542, Page 216 of the Deed Records of Hunt County, Texas, at the Southwest corner of said Smalskas tract;

THENCE N. 89 deg. 45 min. 49 sec. W. with the North line of said Strawn tract and the South line of the above cited Sixth Tract (Volume 550, Page 529), passing a 10" wooden fence corner post at a distance of 765.18 feet, and continuing with the North line of said Strawn tract and the South line of said Sixth Tract (Volume 550, Page 529), for the total of distance of 819.47 feet to a point for corner in the center of Horse Creek at the Norwest corner of said Strawn tract, said point also being the Southwest corner of said Sixth Tract (Volume 550, Page 529), the Southeast corner of the above cited Tract Three of the Third Tract and the Northeast corner of the above cited Tract Two of the Third Tract;

THENCE in a Southerly direction with the meanders of Horse Creek the following:

S. 56 deg. 57 min. 37 sec. W. a distance of 69.46 feet;  
S. 00deg. 11 min. 46 sec. W. a distance of 226.13 feet;  
S. 35 deg. 26 min. 22 sec. E. a distance of 55.71 feet;  
S. 19 deg. 23 min. 00 sec. E. a distance of 74.84 feet;  
S. 40 deg. 34 min. 04 sec. E. a distance of 54.71 feet;  
S. 07 deg. 54 min. 22 sec. E. a distance of 46.68 feet;  
S. 09 deg. 15 min. 35 sec. W. a distance of 62.39 feet;  
S. 21 deg. 51 min. 56 sec. E. a distance of 21.73 feet;  
S. 46 deg. 15 min. 37 sec. E. a distance of 82.83 feet;  
S. 02 deg. 27 min. 43 sec. E. a distance of 44.46 feet;  
S. 14 deg. 15 min. 42 sec. W. a distance of 46.62 feet;  
S. 32 deg. 05 min. 56 sec. W. a distance of 89.85 feet;

S. 11 deg. 37 min. 20 sec. W. a distance of 39.97 feet;  
S. 23 deg. 15 min. 40 sec. E. a distance of 31.07 feet;  
S. 40 deg. 20 min. 07 sec. E. a distance of 145.23 feet;  
S. 03 deg. 29 min. 57 sec. E. a distance of 63.16 feet;  
S. 41 deg. 05 min. 55 sec. W. a distance of 52.70 feet;  
S. 48 deg. 29 min. 11 sec. W. a distance of 25.81 feet;  
S. 04 deg. 07 min. 34 sec. W. a distance of 27.84 feet;  
S. 17 deg. 17 min. 18 sec. E. a distance of 73.72 feet;  
S. 45 deg. 18 min. 27 sec. E. a distance of 103.01 feet;  
S. 00 deg. 18 min. 12 sec. E. a distance of 45.17 feet;  
S. 31 deg. 46 min 51 sec. W. a distance of 74.10 feet;  
S. 12 deg. 51 min. 44 sec. W. a distance of 15.89 feet to a point for corner at the Southeast corner of said Tract One of the Third, said point also being the Southwest corner of said Strawn tract;

THENCE S. 89 deg. 34 min. 18 sec. W. with the South line of said Tract One of the Third Tract, passing a ½" iron rod found at the Northeast corner of said New tract at a distance of 114.76 feet, and continuing with the North line of said New tract and the South line of said Tract One of the Third Tract and the South line of said Seventh Tract for a total distance of 3654.99 feet to the POINT OF BEGINNING and containing 760.70 acres of land.

Tract 2:

All that certain lot, tract or parcel of land situated in the Lindley Johnson Survey, Abstract No. 537, Hunt County, Texas, and being part of that tract of land described in a Deed from Michael E. Taylor to Howard W. New, et al, as recorded in Volume 1493, Page 646 of the Official Public Records of Hunt County, Texas, (hereinafter called Subject Tract), and being more particularly described as follows:

BEGINNING at a ½" iron rod with plastic cap stamped "STOVALL & ASSOC." set (hereinafter called ½" iron rod set) for corner in the South line of the above cited Subject Tract, said point also being in a North line of that tract of land described in a Deed from T.C. Strickland, et al, to J.E. Baker as recorded in Volume 544, Page 481 of the Deed Records of Hunt County, Texas said point being N. 89 deg. 26 min. 08 sec. E. a distance of 1612.78 feet from a ½" iron rod with cap stamped "STOVALL & ASSOC." found for corner in the East line of State Highway No. 34 at the Southwest corner of said Subject Tract;

THENCE N. 00 deg. 02 min. 17 sec. E. along a fence and distance of 666.40 to a 6" metal fence corner post found for corner;

THENCE N. 27 deg. 40 min. 23 sec. W. along a fence a distance of 264.02 feet to 6" metal fence corner post found for corner;

THENCE N. 36 deg. 06 min. 26 sec. W. along a fence a distance of 95.71 feet to ½" iron rod set for corner at a 6" metal fence corner post;

THENCE N. 00 deg. 35 min. 44 sec. W. along a fence a distance of 74.06 feet to a ½" iron rod set for corner in the North line of said Subject Tract;

THENCE N. 89 deg. 32 min. 05 sec. E. with the North line of said Subject Tract a distance of 2108.82 feet to a ½" iron rod with cap stamped "STOVALL & ASSOC." found for corner at the Northeast corner of said Subject Tract, said Subject Tract, and point being 5.64 feet Northwest of a fence corner post on the West side of House Creek;

THENCE S. 29 deg. 54 min. 46 sec. E. a fence line, a distance of 338.56 feet to a turning point in said fence line;

THENCE S. 39 deg. 59 min. 54 sec. E. with a fence line, a distance of 381.20 feet to a turning point in said fence line;

THENCE S. 06 deg. 56 min. 38 sec. E. with a fence line a distance of 338.56 feet to a ½" iron rod with cap stamped "STOVALL & ASSOC." found for corner at the Southeast corner of said Subject Tract, said point being 6.26 feet South of a fence post and 2.14 feet East of and old bois d' arc post;

THENCE S. 89 deg. 26 min. 08 sec. W. with the South line of said Subject Tract and with a North line of said Baker tract, and along the remains of an old fence line and along a newer fence line, a distance of 2415.68 feet to the POINT OF BEGGINING and containing 54.76 acres of land.

### **Exhibit B. Project Description.**

Hallmark Solar is a proposed 42mw solar facility in Hunt County, Texas. The proposed project is located at 1847 HWY 34, Greenville, TX 75401, and would be sited on a 550-acre tract of undeveloped land. The project is estimated to cost \$35MM to construct.

#15,048 (c)

**TAX ABATEMENT AGREEMENT**

FILED FOR RECORD  
at 2:07 o'clock P M

APR 10 2018

REVENUE ADMINISTRATOR  
COUNTY OF HUNT, TEXAS  
By: [Signature]

**STATE OF TEXAS** §

**COUNTY OF HUNT** §

This Tax Abatement Agreement (hereinafter "Agreement") is entered into by and between Hunt County, Texas (hereinafter "County") and Hallmark Solar, LLC (hereinafter "Company") on the 14th day of November 2017 ("Effective Date").

**WHEREAS**, the County is authorized to enter into Tax Abatement Agreements pursuant to Chapter 312 of the *Texas Property Tax Code* (the "Tax Code"), and

**WHEREAS**, the County has adopted tax abatement guidelines which provide criteria governing tax abatement agreements to be entered into by the County as contemplated by the Tax Code; and

**WHEREAS**, the County has adopted a resolution stating that it elects to be eligible to participate in tax abatement in accordance with the Tax Code; and

**WHEREAS**, the County Commissioners Court has established Hallmark Solar Reinvestment Zone ("Reinvestment Zone") in accordance with Section 312.401 of the Tax Code; and

**WHEREAS**, Company holds a leasehold interest in certain real property located at 1847 HWY 34, Greenville, TX 75401

**WHEREAS**, Company intends to locate their new facility on such property; and

**WHEREAS**, the Company's land is located within the Reinvestment Zone; and

**WHEREAS**, the County Commissioners Court finds that the improvements and additions proposed by the Company will benefit the economy of the County and the State of Texas and increase the local tax base; and

**WHEREAS**, a copy of this Agreement has been furnished, in the manner prescribed by the Tax Code, to the presiding officers of the governing bodies of each of the taxing units in which the Company's land is located; and

**WHEREAS**, the Commissioners Court finds that the Company's project is feasible and practicable and would be of benefit to the Land included in the Reinvestment Zone, and the taxing units with jurisdiction over the land after expiration of this Agreement.

NOW THEREFORE; in consideration of the recitals set forth above and the mutual obligations and promises set forth below, and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, and the mutual obligations and promises set for the County and Company agree as follows:

SECTION 1. Recitations. The parties agree that the recitations above in this Agreement are true and correct and shall be incorporated into this Agreement.

SECTION 2. Term. This Agreement shall remain in force and effect for a period of ten (10) years from the Effective Date, and shall expire and be of no further force and effect after said date.

SECTION 3. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

- a. "Abatement" means the full or partial exemption from ad valorem taxes of the Improvements on certain property in a zone designated for economic development purposes pursuant to the Act.
- b. "Abatement Year" means a tax year covered by the Abatement Period.
- c. "Added Value" means the increase in the assessed value of the Eligible Property as a result of "expansion" or "modernization" of an existing facility or construction of a "new facility". It does not mean or include "deferred maintenance".
- d. "Base Year" means the 2016 tax year.
- e. "Base Year Taxable Value" under this Agreement must be deemed to be the market value of the Property on January 1, 2020, and not its taxable value as agricultural land. The value is expected to be \$35MM.
- f. "Community Entities" means Hunt County, Texas, Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and any other similar organization within the City of Greenville, Texas which extends to Owner one or more incentives pursuant to this or other agreements.
- g. "Completion Agreement" means the Agreement by and between Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and Hallmark Solar, LLC containing agreements with respect to the Property and the Facility.
- h. "Completion Date" means the date that the construction and installation of the Project is substantially complete as certified by the Company to the County.
- i. "Eligible Property" means the abatement may be extended to the value of buildings, structures, fixed machinery and equipment, and site improvements, installed, constructed, or added between November 14, 2017 and December 31, 2019, plus that office space and related fixed improvements necessary to the operation and administration of the facility.
- j. "Facility" means a Basic Manufacturing Facility, Petrochemical Facility, Regional Distribution Facility, or other Authorized Facility approved by the Governmental Unit(s) as set forth in the Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit(s).
- k. "Force Majeure" means any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public

enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action (unless caused by acts or omissions of such party), fires, explosions or floods, strikes, slowdowns or work stoppages.

- l. "Improvements" means the buildings or portions thereof and other improvements used for commercial or industrial purposes on the Property.
- m. "Ineligible Property" means the following types of property shall be fully taxable and ineligible for abatement: Land; inventories; supplies; tools; furnishings and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel accommodations; retail facilities deferred maintenance; investments; property to be rented or leased, except as provided; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
- n. "Land" means the tract(s) of land described in Exhibit "A" attached hereto and incorporated herein for all purposes.
- o. "Project" means development and construction/installation of facilities, equipment, fixtures and personal property additions on the Land to create a renewable energy project using solar panels (solar farm) for the generation of electricity as further detailed in Exhibit "B."
- p. "Property" means the Land and any improvements, equipment, fixtures and tangible personal property thereon.
- q. "Reinvestment Zone" means the Hallmark Solar Reinvestment Zone created by the Order of the Hunt County Commissioners court dated November 14, 2017.
- r. "Start Date" means January 1 of the calendar year immediately following the Completion Date.
- s. "Taxable Value" means the appraised value, for property tax purposes, as certified by the Hunt Central Appraisal District.
- t. "Term of Abatement" or "Abatement Period", unless terminated sooner as provided elsewhere herein, means the 10-year period from and after the Start Date during which partial tax abatement for County ad valorem taxes is granted.

SECTION 4. Abatement Limited and Guidelines Incorporated. The tax abatement provided in this Agreement is only for County property taxes, and is only for increases in Taxable Value created by the improvements and additions made by the Project. Any increases to the Taxable Value of the real property by virtue of natural appreciation or due to change in use are not eligible for abatement.

Additionally, the Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit are incorporated as a part of this Agreement. Except as the same may be modified herein, all definitions set forth therein are applicable to this Agreement.



SECTION 5. Company Obligations. As a condition precedent to the granting of the partial tax abatement as set forth in this Agreement, the Company shall, subject to events of Force Majeure and casualty where applicable:

- a. Acquire a leasehold interest in the Land;
- b. On or before December 31, 2019, erect, construct, install and add to the Land the Project;
- c. Provide the Appraisal District with documentation and information reasonably requested for each Tax Year that will assist in determining the Taxable Value. This information shall be provided no later than April 15, subject to extension as allowed by law;
- d. Comply with all certification and reporting requirements set forth in this Agreement; and
- e. Timely pay all unabated property taxes and rollback taxes.

SECTION 6. Abatement.

6.1 Beginning on January 1 of the year next following the year in which the Owner issues its Certificate and ending upon the conclusion of ten full Calendar Years thereafter (10 tax years total), the Abatement is 50%.

6.2 During the period that the Abatement is effective, except as herein agreed, taxes shall be payable as follows:

- The value of the land comprising the Property shall be fully taxable;
- The value of Ineligible Property shall be fully taxable;
- The Base Year Value of existing Improvements comprising the Property shall be fully taxable;
- The value of the personal property comprising the Property shall be fully taxable; and
- The Added Value of the Eligible Property made a part of the Property shall be abated as set forth in this Section.

SECTION 7. Limitation on Use. Company agrees to limit the use of the Property to the proposed Commercial uses and to limit the uses of the property to uses consistent with the general purpose of encouraging development of the designated Reinvestment Zone during the term of this Agreement.

SECTION 8. Discontinued or Reduced Operation During Term of Agreement. In the event that the facility is completed and begins operation but subsequently discontinues operation for any reason except fire, explosion or other casualty or accident or natural disaster for a period of one year during the term of the Agreement, the Agreement may be terminated by the Governmental Unit and all taxes previously abated by virtue of the Agreement will be

recaptured and paid within 60 days of the termination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty-day notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.

SECTION 9. Certification. The Company agrees to certify annually to the governing body of each taxing unit that the Company is in compliance with the terms of the Agreement.

SECTION 10. Default and Remedies. The County may declare a default if the Company breaches any material term or condition of this Agreement. If the County declares a default of this Agreement, this Agreement shall terminate, after notice and opportunity to cure as provided for below, or the County may modify the Agreement upon mutual agreement with the Company. The County shall notify (i) the Company and (ii) any lender of record then holding a security interest in the Land of any default in writing in the manner prescribed herein. All contact information for purposes of a notice default shall be provided to the County Judge. The Notice shall specify the basis for the declaration of default, and the Company shall have ninety (90) days from the date of such notice to cure any default, except that where the default is incapable of being cured within ninety (90) days using reasonable business efforts, the Company shall commence performance of the cure within thirty (30) days after receipt of notice and diligently pursue those efforts until the default is cured. The Company and any lender of which the County has notice shall maintain the right to cure any defect, including any defect caused by an assignee or contractor of the Company during the same cure period identified in the foregoing sentence.

SECTION 11. Adjustment. Owner represents that it will expand and/or renovate a facility at the cost, for the purpose, and in the manner as set forth in the Project Description attached as Exhibit "B". During the Construction Phase, the Owner may make such change orders as to the project as are reasonably necessary, provided that no such change order may be made which will change the qualification of the project as a "Facility" under the Guidelines for Granting Tax Abatement approved by the Governmental Unit. All improvements shall be completed in accordance with all applicable laws, ordinances, rules or regulations. During the term of this Agreement, use of the Property shall be limited to operation of the Facility described in the Project Description consistent with the general purpose of encouraging development or redevelopment of the zone during the period of this Agreement.

Upon completion of the Project, the Reinvestment Advisory Committee shall review the Added Value, as determined by the Hunt County Appraisal District. If the Added Value is less than Estimated Added Value have been added, the Reinvestment Advisory Committee may recommend to the Governmental Unit that the amount of Abatement be immediately adjusted or extinguished.

SECTION 12. Ineligible Property. Removal of Eligible Property. In the event that fixed machinery or equipment is installed and becomes eligible property, but is subsequently removed from the facility or becomes ineligible property during the abatement period, and is not replaced with fixed machinery or equipment of like value within a reasonable time, then all taxes previously abated by virtue of the agreement for said machinery or equipment will be recaptured and paid within sixty (60) days from the date the machinery or equipment is removed from the facility or becomes ineligible property.

SECTION 13. Delinquent Taxes. In the event that the company or individual (1) allows its ad valorem taxes owed the Governmental Unit or any affected jurisdiction to become delinquent and fails to timely and properly file the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

SECTION 14. Actual Added Value. Annually, the Chief of the Hunt County Appraisal District or his/her designee, shall assess the personal property comprising the reinvestment zone. Should the Hunt County Appraisal District determine that the total level of Added Value during any year of the term of this Agreement after completion of the Construction Phase is lower than the Estimated Added Value such that a lower percentage of Abatement is applicable, for each year during which an Abatement has been granted the difference between the tax abated and the tax which should have been abated based upon, the actual Added Value shall be determined and each Governmental Unit owner shall be notified. The taxes shall be paid within sixty (60) days of notification to the Owner of such determination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty (60) days' notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.

SECTION 15. Continuation of Tax Lien. The amount of tax abated each year under the terms of this agreement shall be secured by a first and prior tax lien which shall continue in existence from year to year until such time as this Agreement between the Governmental Unit and Owner is fully performed by Owner, or until all taxes, whether assessed or recaptured, are paid in full.

If the Governmental Unit terminated this Agreement pursuant to this paragraph VIII, it shall provide Owner written notice of such termination. If Owner believes that such termination was improper, Owner may file suit in the Hunt County district courts appealing such termination within sixty (60) days after the written notice of the termination by the Governmental Unit. If an appeal suit is filed, Owner shall remit to the Governmental Unit(s), within sixty (60) days after the notice of termination, and additional and/or recaptured taxes as may be payable during the pendency of the litigation pursuant to the payment provision of Section 42.08, Texas Tax Code. If the final determination of the appeal increases Owner's tax liability above the amount of tax paid, Owner shall remit the additional tax to the Governmental unit(s) pursuant to Section 42.42, Texas Tax Code. If the final determination of the appeal decreases Owner's tax liability, the Governmental Unit(s) shall refund the Owner the difference between the amount of tax paid and the amount of tax for which owner is liable pursuant to Section 42.43, Texas Tax Code.

SECTION 16. The Owner shall allow employees and/or representative(s) of the Governmental Unit to have access to the Property during the term of this Agreement to inspect the facility to determine compliance with the terms and conditions of this Agreement. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction

and/or operation of the Facility. All inspections will be made with one or more representatives of the Owner and in accordance with Owner's safety standards.

Upon completion of construction, the affected jurisdiction shall annually evaluate each facility and report possible violations of the contract and agreement to the governing body and its attorney.

The Chief Appraiser of the Hunt County Appraisal District shall annually determine (i) the taxable value of the personal property comprising the Property taking in to consideration the Abatement provided by this Agreement, and (ii) the full taxable value without Abatement of the personal property comprising the Property. The Chief Appraiser shall record both the abated taxable value and the full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. Each year the Owner shall furnish the Chief Appraiser with such information outlined in Chapter 22, Texas Tax Code, as amended, as may be necessary for the administration of the Agreement specified herein.

SECTION 17. Notices. Notices required to be given by this Agreement shall be mailed, certified mail return receipt requested, to the following addresses:

HUNT COUNTY JUDGE  
Hunt County Courthouse  
2500 Lee Street  
Greenville, TX 75401

and

Hallmark Solar, LLC  
c/o Chief Financial Officer  
3250 Ocean Park Blvd., Suite 355  
Santa Monica, CA 90405

SECTION 18. Assignment. This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement shall not be transferred by Company to subsequent owners or lessees of without prior written notice to the County, which shall not be unreasonably withheld, and pursuant a binding agreement in which the Company's assignee assumes all terms and obligations of this Agreement; provided, that the County's consent shall not be required for the collateral assignment or other assignment pursuant to the financing of the Project. It shall not be unreasonable for County to refuse to consent in the event that the proposed assignee would be exempt from property taxation or where it reasonably appears that the proposed assignee may not have the financial capability to own and operate the project. The parties agree that it shall be deemed that the assignee has the financial capability to own and operate the project in the event that the assignee has a net worth at least as great as the net worth of Company at the time of the proposed assignment. If an assignment is made in whole or in part during the term of this Agreement to an entity

exempt from property taxation, Company must repay to the County all property taxes that have been abated to the date of the assignment, and, if the assignment occurs during the Abatement Period, no further abatements will be given.

SECTION 19. Severability. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be declared or held to be invalid or unenforceable by any county, governmental authority or agency having jurisdiction over the subject matter of this Agreement, the remaining terms of this Agreement and the application of such terms or provision to any other person or circumstance shall not be affected by such declaration or holding and shall remain valid and enforceable as allowed by law, and the parties shall negotiate in good faith to modify this Agreement to reform the invalid or unenforceable provisions hereof. If a court ruling or change in law affects the Company's eligibility for abatement, the County shall recapture so much of the abated taxes as required, but no penalties or interest shall be assessed against Company unless required by law.

EXECUTED this \_\_\_ day of April 2018.

HALLMARK SOLAR, LLC

DocuSigned by:

*Evan Riley*

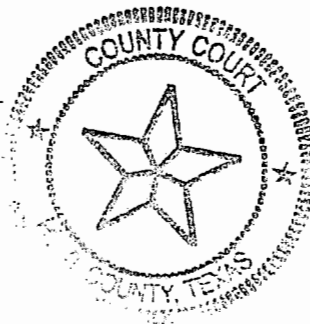
By: Evan Riley (Print Name)

Manager, Hallmark Solar LLC

*John L. Horn*

John L. Horn  
Hunt County Judge  
HUNT COUNTY, TEXAS

ATTEST: *Jennifer Lindenzweig*  
Hunt County Clerk



FILED FOR RECORD  
at 9:25 o'clock a M

MAY 03 2018

JENNIFER LINDENZWEIG  
County Clerk, Hunt County, TX  
By: *Jennifer Lindenzweig*

**Exhibit A. Property Description**

All that certain lot, tract of parcel of land situated in the J.C. Bates Survey, Abstract No. 35 , the E. Tedwill Survey, Abstract No. 1035, the I. White Survey, Abstract No. 1144, the J. Grilski Survey, Abstract No. 387, the Willie Rogers Survey, Abstract No. 885, the A.J. Hefner Survey, Abstract No. 473 and the Wm. H. Sowell Survey, Abstract No. 996, Hunt County, Texas. and being known as those tracts of land described as the First Tract, Second Tract, Tract One of the Third Tract, Tract Two of the Third Tract, Tract Three of the Third, the Fourth Tract, the Sixth Tract and part of the Seventh Tract in a Deed from Elizabeth Hervey, et al, to William P. Philips as recorded in Volume 550, Page 529 of the Deeds Records of Hunt County, Texas, and being part of that tract of land described in a Deed from J.W. Green, Receiver, to Dr, W.P. Philips as recorded in Volume 519, Page 322 of the Deed Records of Hunt County, Texas, and being known as those tracts of land described as the First Tract and the Second Tract in a Deed from Jo Maier Philips to William D. Philips, Jr, et al, as recorded in Volume 382, Page 810 of the Real Property Records of Hunt County, Texas, and being known as that tract of land described in a Deed from Herbert Spradling to Dr. W.P. Philips as recorded in Volume 574, Page 330 of the Deed Records o Hunt County, Texas, and being known as that tract of land described as Tract II in a Deed from Jo Maier Phillips to William P. Philips, Jr, et al, as recorded in Volume 339, Page 180 of the Real Property Records of Hunt County, Texas, and being known as that tract of land described in a Deed from Albert A, Spradling, et al, to W.P. Philips as recorded in Volume 580, Page 583 of the Deed Records of Hunt County, Texas (hereinafter called Philips Tract Six), and being more particularly described as follows:

BEGINNING at a point for corner at the intersection of the East line of State Highway No. 34 with the North line of that tract of land described in a Deed from Michael E. Taylor to Howard W. New, et al, as recorded in Volume 1493, Page 676 of the Official Public Records of Hunt County, Texas, said point also being at the intersection of the South line of the above cited Seventh Tract with the East line of said highway, from which a ½" Iron rod with cap stamped "STOVAL & ACCOC." found at the Northwest corner of said New tract bears, S. 89 deg. 34 min. 18 sec. W. a distance of 10.57 feet;

THENCE N. 00deg. 27 min. 20 sec. W. with the East line of State Highway No. 34 a distance of 752.68 feet to a broken concrete monument found for corner at the beginning of a curve to the left, from which a broken concrete monument found bears S. 89 deg. 32 min. 40 sec. W. a distance of 10,00 feet;

THENCE In a Northwesterly direction with the East line of State Highway No. 34 and with said curve to the left having a central angle of 26 deg. 22 min. 00 sec., radius of 2924.79 , feet, chord bearing of N. 13 deg. 38 min. 20 sec. W. a chord distance of 1334.10 feet and an arc length of 1345.94 feet to a ½" Iron rod with plastic cap stamped "STOVALL & ASSOC." set (hereinafter called ½" iron rod set) for corner, from which a broken concrete monument found bears S. 63 deg. 10 min. 40 sec. W. a distance of 10.00 feet;

THENCE N. 26 deg. 49 min. 20 sec. W. with the East line of State Highway No. 34 a distance of 1444.99 feet to a ½" iron rod set for corner at the intersection of the East line of said highway with the South line of that tract of land described in a Deed from Robert Quinn to Richard Joseph Van Brunt, et ux, as recorded in

Volume 530, Page 896 of the Real Property Records of the Hunt County, Texas;

THENCE N. 89 deg. 18 min. 05 sec. E. with the South line of said Van Brunt tract a distance of 2362.22 feet to a  $\frac{3}{8}$ " iron rod found for corner at the Southeast corner of said Van Brunt tract;

THENCE N. 00deg. 58 min. 05 sec. W. with the East line of said Van Brunt tract a distance of 739.04 feet to a  $\frac{3}{8}$ " iron rod found for corner at the Northeast corner of said Van Brunt tract, said point also being the Southeast corner of that tract of land described as Tract Two in a Deed from Hoang Hai Nguyen, et al, to Katherine Ha Phan as recorded in Volume 1426, Page 349 of the Official Public Records of Hunt County, Texas;

THENCE N. 01 deg. 05 min. 38 sec. W. with the East line of said Tract Two a distance of 317.07 feet to a  $\frac{3}{8}$ " iron rod found for corner at the Northeast corner of said Tract Two, said point also being the Southeast corner of that tract of land described as Tract One in a Deed from Hoang Hai Nguyen, et al, to Katherine Ha Phan as recorded in Volume 1426, Page 349 of the Official Public Records of Hunt County, Texas;

THENCE N. 00 deg. 21 min. 24 sec. W. with the East line of said Tract One a distance of 312.68 feet to a  $\frac{3}{8}$ " iron rod found for corner at the Northeast corner of said Tract One, said point also being the Southeast corner of that tract of land described in a Deed from Micah Marshall to Fritz-Quinn, L.P, as recorded in Volume 1675, Page 312 of the Official Public Records of Hunt County, Texas;

THENCE N.00 deg. 37 min. 51 sec. W. with the East line of said Fritz-Quinn tract and the East line of that tract of land described in a Deed from the Colonial Bank of Greenville to Richard N. Hartline, et ux, as recorded in Volume 151, Page 816 of the Real Property Records of Hunt County, Texas, a distance of 1117.35 feet to a  $\frac{1}{2}$ " iron rod found for corner at the Northeast corner of said Hartline tract, said point also being the Southeast corner of that tract of land described in a Deed from Roy Lee Wilcox, et ux, to Charles Gardner as recorded in Volume 1709, Page 193 of the Official Public Records of Hunt County, Texas;

THENCE N. 00 deg. 49 min. 12 sec. W. with the East Line of said Gardner tract a distance of 294.00 feet to a point for corner in a creek at the Southeast corner of the above cited First Tract (Volume 382, Page 810) from which a 6" wooden fence corner post found bears S. 00 deg. 49 min. 12 sec. E. a distance of 1.91 feet;

THENCE S. 89 deg. 42 min. 40 sec. W. with the most Easterly South line of said First Tract (Volume 382, Page 810) a distance of 821.00 feet to a  $\frac{1}{2}$ " iron rod found for corner at the most Southerly Southwest corner of said First Tract (Volume 382, Page 810), said point also being an interior corner of said Gardner tract;

THENCE N. 00 deg. 19 min. 36 sec. W. with the most Northerly East Line of said

Gardner tract a distance of 321.70 feet to a ½" iron rod found for corner at the most Northerly Northeast corner of said Gardner tract, said point also being the Southeast corner of that tract of land described in a Deed from J.R. Williams, et ux, to Joe H. Brown, et ux, as recorded in Volume 628, Page 30 of the Deed Records of Hunt County, Texas;

THENCE N. 00 deg. 02 min. 05 sec. W. with the East line of said Brown tract a distance of 486.80 feet to a ½" iron rod found for corner at the Northeast corner at the corner of said Brown tract;

THENCE S. 89 deg. 48 min. 11 sec. W. with the North line of said Brown tract a distance of 824.09 feet to a 10" wooden fence corner post found for corner in the East of line of that tract of land described in a Deed from Mrs. Lula Brown, et al, to J.H. Brown, et ux, as recorded in Volume 518, Page 587 of the Deed Records of Hunt County, Texas at the Northwest corner of said Brown tract (Volume 628, Page 30), said point also being a Southwest corner of said First Tract (Volume 382, Page 810);

THENCE N. 01 deg. 15 min., 48 sec. W. along a fence and with a West line of said First Tract (Volume 382, Page 810), passing an 8" wooden fence corner post at a distance of 562.90 feet, and continuing with a West line of said First Tract (Volume 382, Page 810) for a total distance of 787.28 feet to a point for corner in a washed out area at an interior corner of said First Tract (Volume 382, Page 810);

THENCE S. 89 deg. 03 min. 05 sec. W. with a South Line of said First Tract (Volume 382, Page 810) a distance of 570.85 feet to a ¾" iron rod founded for corner at the Southeast corner of that tract of land described in a Deed from Billy Bert Newsome, et al, to Charles M. Smith, Jr., recorded in Volume 1276, Page 614 of the Official Public Records of Hunt County, Texas;

THENCE N. 00 deg. 54 min. 07 sec. E. with the East line of said Smith tract a distance of 190.65 feet to a ¾" iron rod found for corner at the Northeast corner of said Smith tract, said point also being the Southeast corner of that tract of land described in Deed from Brenda Kay Davis to Markus Perry as recorded in Document No. 2010-10840 of the Real Records of Hunt County, Texas;

THENCE N. 00 deg. 09 min. 03 sec. E. with the East line of said Perry tract a distance of 791.63 feet to a ¾" iron rod found for corner at a Northeast corner of said Perry tract;

THENCE N. 64 deg. 17 min. 46 sec. W. with a Northeast line of said Perry tract a distance of 8.91 feet to a bois d'arc tree (dead) for a fence corner post found for corner at a Northeast corner of said Perry tract;

THENCE S. 89 deg. 33 min. 45 sec. W. with the North line of said Perry tract a distance of 323.26 feet to a ½" iron rod found for corner;



THENCE N. 89 deg. 53 min. 04 sec. W, with the North line of said Perry tract a distance of 208.29 feet to a ½" iron rod found for corner in the East line of State Highway No. 34 at the most Westerly Southwest corner of said First Tract (Volume 382, Page 810);

THENCE N. 01 deg. 13 min. 20 sec. W. with the East line of State Highway No. 34 a distance of 1320.71 feet to a ½" iron rod set for corner at the intersection of the East line of said highway with the South line of that tract of land described in a Deed from Juanita D. Goodwin to Charlie Richard Dickens as recorded in Volume 551, Page 29 of the Official Public Records of Hunt County, Texas;

THENCE N. 87 deg. 17min. 32 sec. E. along a fence and with South line of said Dickens tract a distance of 425.91 feet to a 6" wooden fence corner post found for corner at the Southeast corner of said Dickens tract;

THENCE N. 01 deg. 59 min. 45 sec. E along a fence and with the East line of said Dickens tract, passing a 6" wooden fence corner post at a distance of 168.40 feet, and continuing with the East line of said Dickens tract for a total distance of 185.17 feet to a ½" iron rod set for corner in Private Road No. 4330 at the Northeast corner of said Dickens tract, said point also being in the South line of that tract of land described as Tract One conveyed to Bonnie Lee Tyler by recorded in Volume 389, Page 471 of the Real Property Records of Hunt County, Texas ;

THENCE N. 89 deg. 35 min. 34 sec. E. along Private Road No. 4330 and with the South line of said Tyler tract and the North line of said First Tract (Volume 382, Page 810 ) a distance of 323.01 feet to a ½" iron rod set for corner at the Southwest corner of the above cited Second Tract (Volume 382, Page 810) said point also being the Southeast corner of that tract of land described as Tract Two conveyed to Bonnie Tyler as recorded in Volume 389, Page 471 of the Real Property Records of Hunt County, Texas;

THENCE N. 00 deg. 38 min. 25 sec. W. with the West line of said Second Tract (Volume 382, Page 810), passing a ¾" iron rod found for witness at a distance of 1216.54 feet, and continuing with the West line of said Second Tract (Volume 382, Page 810) for a total distance of 1240.19 feet to a point for corner in County Road No. 4300;

THENCE in an Easterly direction along the center of County Road No. 4300 following:

- N. 86 deg. 00 min. 32 sec. E. a distance of 342.23 feet;
- S. 89 deg. 38 min. 23 sec. E. a distance of 171.59 feet;
- S. 85 deg. 20 min. 52 sec. E. a distance of 228.54 feet;
- S. 68 deg. 52 min. 59 sec. E. a distance of 60.99 feet;
- S. 41 deg. 55 min. 07 sec. E. a distance of 66.03 feet;
- S. 25 deg. 11 min 23. sec. E. a distance of 65.39 feet to a point for corner;

THENCE S. 00 deg. 29 min. 25 sec. E. with the East line of said Second Tract (Volume 382, Page 810), passing a ½" iron rod set for witness at a distance of 89.19 feet, and continuing with the East line of said Second Tract (Volume 382, Page 810) for a total distance of 1116.97 feet to a ½" iron rod found for corner in the North line of said First Tract (Volume 382, Page 810) at the Southeast corner of said Second Tract (Volume 382, Page 810), said point also being the Southwest corner of that tract of land described in a Deed from the Veterans Land Board of the State of Texas to Mark Allen Holloway as recorded in Volume 792, Page 563 of the Official Public Records of Hunt County, Texas;

THENCE N. 89 deg. 12 min. 04 sec. E. with the South line of said Holloway tract and the North line of said First Tract (Volume 382, Page 810) a distance of 1322.88 feet to a ½" iron rod found for corner at the Southeast corner at the Southeast corner of said Holloway tract, said point also being the Southwest corner of that tract of land described in a Contract of Sale and Purchase between the Veterans Land Board of the State of Texas and Robert Owen Amaon as recorded in Volume 896, Page 753 of the Deed Records of Hunt county, Texas, said point also being the Northwest corner of that tract of land described in a Deed from Linda Diane Hardin, et al, to Jana Stevens, et al, as recorded in Document No. 2009-15211 of the Real Records of Hunt County, Texas;

THENCE S. 00 deg. 15 min. 59 sec. E. with West line of said Stevens tract and the West line of that tract of land described in a Deed from W.A. Beasley, et al, to Albert A. Spradling as recorded in Volume 856, Page 345 of the Deed Records of Hunt County, Texas, passing a ½" iron rod set for witness at a distance of 892.80 feet and continuing with the West line of said Spradling tract for a total distance of 937.80 feet to a point for corner in the center of the Brushy Branch at the Northwest corner of the above cited Philips Tract Six;

THENCE in a Southeasterly direction with the meanders of the Brushy Branch and with the Northeast line of said Philips Tract Six the following;

S. 72 deg. 14 min. 21 sec. E. a distance of 45.78 feet;  
S. 33 deg. 26 min. 59 sec. E. a distance of 27.02 feet;  
S. 11 deg. 04 min. 25 sec. E. a distance of 29.00 feet;  
N. 89 deg. 21 min. 43 sec. E. a distance of 105.66 feet;  
S. 25 deg. 31 min. 16 sec. E. a distance of 74.13 feet;  
S. 49 deg. 23 min. 15 sec. E. a distance of 58.57 feet;  
S. 03 deg. 18 min. 25 sec. W. a distance of 44.07 feet;  
S. 40 deg. 15 min. 37 sec. E. a distance of 139.07 feet;  
S. 13 deg. 38 min. 08 sec. E. a distance of 183.34 feet;  
S. 05 deg. 52 min. 27 sec. W. a distance of 53.06 feet;  
S. 46 deg. 26 min. 53 sec. E. a distance of 37.87 feet;  
S. 81 deg. 10 min. 05 sec. E. a distance of 89.18 feet;  
S. 40 deg. 52 min. 36 sec. E. a distance of 94.55 feet;  
S. 22 deg. 21 min. 34 sec. E. a distance of 2851.59 feet to a point for corner in the

North line of the above cited Fourth Tract (Volume 550, Page 529) at the Southeast corner of said Philips Tract Six, from which a bois d'arc fence corner post found bears S. 89 deg. 42 min. 26 sec. W. a distance of 24.26 feet;

THENCE N. 89 deg. 42 min. 26 sec. E. with the North line of said Philips Tract Six, passing a ½" iron rod set for witness at a distance of 30.00 feet, and continuing with the North line of said Philips Tract Six, passing a ½" iron rod set for witness at a distance of 559.93 feet, and continuing with the North line of said Philips Tract Six for a total distance of 609.93 feet to a point for corner in the center of Horse Creek at the Northeast corner of said Philips Tract Six;

THENCE in a Southerly direction with the meanders of Horse Creek the following:

S. 04 deg. 29 min. 26 sec. W. a distance of 25.18 feet;  
S. 33 deg. 23 min. 07 sec. W. a distance of 70.77 feet;  
S. 00 deg. 56 min. 10 sec. E. a distance of 166.09 feet;  
S. 35 deg. 48 min. 57 sec. W. a distance of 61.54 feet;  
S. 67 deg. 19 min. 49 sec. W. a distance of 36.23 feet;  
N. 52 deg. 09 min. 15 sec. W. a distance of 19.73 feet;  
S. 69 deg. 26 min. 50 sec. W. a distance of 42.88 feet;  
S. 32 deg. 23 min. 58 sec. W. a distance of 39.90 feet;  
S. 03 deg. 16 min. 07 sec. E. a distance of 49.91 feet;  
S. 21 deg. 29 min. 52 sec. E. a distance of 65.09 feet;  
S. 01 deg. 36 min. 42 sec. W. a distance of 136.42 feet;  
S. 08 deg. 25 min. 37 sec. E. a distance of 77.22 feet;  
S. 08 deg. 22 min. 00 sec. W. a distance of 158.52 feet;  
S. 75 deg. 42 min. 36 sec. W. a distance of 67.64 feet;  
S. 28 deg. 20 min. 21 sec. W. a distance of 33.04 feet;  
S. 43 deg. 14 min. 57 sec. E. a distance of 29.07 feet;  
S. 78 deg. 47 min. 00 sec. E. a distance of 42.05 feet;  
S. 30 deg. 09 min. 35 sec. E. a distance of 90.52 feet;  
S. 13 deg. 59 min. 45 sec. E. a distance of 109.94 feet;  
S. 12 deg. 13 min. 59 sec. W. a distance of 36.54 feet;  
S. 46 deg. 15 min. 41 sec. W. a distance of 23.87 feet;  
S. 69 deg. 50 min. 10 sec. W. a distance of 71.22 feet;  
S. 46 deg. 30 min. 44 sec. W. a distance of 25.98 feet;  
S. 04 deg. 12 min. 47 sec. E. a distance of 20.05 feet;  
S. 44 deg. 56 min. 46 sec. E. a distance of 162.99 feet;  
S. 25 deg. 57 min. 46 sec. E. a distance of 26.40 feet;  
S. 04 deg. 32 min. 39 sec. W. a distance of 83.37 feet;  
S. 23 deg. 28 min. 23 sec. E. a distance of 107.32 feet;  
S. 04 deg. 10 min. 31 sec. E. a distance of 140.82 feet;  
S. 14 deg. 42 min. 35 sec. E. a distance of 52.05 feet to a point for corner at the intersection of center of Horse Creek with the North line of that tract of land described in a Deed from H.G.K. Associates, Ltd., to Charles H. Pope, et ux, as recorded in Volume 777, Page 461 of the Deed Records of Hunt County, Texas;

THENCE S. 89 deg. 37 min. 34 sec. W. with the North line of said Pope tract a distance of 82.22 feet to a ½" iron rod set for corner at the Northwest corner of said Pope tract;

THENCE S. 01 deg. 41 min. 17 sec. E, with the most Northerly West line of said Pope tract a distance of 1488.00 feet to a ½" iron rod found for corner at the most Westerly Southwest corner of said Pope tract;

THENCE S. 86 deg. 19 min. 50 sec. E. with the most Westerly South line of said Pope tract a distance of 646.87 feet to ½" iron rod found for corner in the West line of that tract of land described in a Deed from Anthony Glenn Owens, et al, to George Smalskas, et al, as recorded in Volume 1515, Page 679 of the Official Public Records of Hunt County, Texas, at an interior corner of said Pope tract;

THENCE S.01 deg. 05 min. 48 sec. E. with the West line of said Smalskas tract a distance of 1385.04 feet to a 2" metal bar found for corner in the North line of that tract of land described in a Deed from C.E. Reisor , et ux, to Billie R. Strawn, et ux, as recorded in Volume 542, Page 216 of the Deed Records of Hunt County, Texas, at the Southwest corner of said Smalskas tract;

THENCE N. 89 deg. 45 min. 49 sec. W. with the North line of said Strawn tract and the South line of the above cited Sixth Tract (Volume 550, Page 529), passing a 10" wooden fence corner post at a distance of 765.18 feet, and continuing with the North line of said Strawn tract and the South line of said Sixth Tract (Volume 550, Page 529), for the total of distance of 819.47 feet to a point for corner in the center of Horse Creek at the Norwest corner of said Strawn tract, said point also being the Southwest corner of said Sixth Tract (Volume 550, Page 529), the Southeast corner of the above cited Tract Three of the Third Tract and the Northeast corner of the above cited Tract Two of the Third Tract;

THENCE in a Southerly direction with the meanders of Horse Creek the following:

- S. 56 deg. 57 min. 37 sec. W. a distance of 69.46 feet;
- S. 00deg. 11 min. 46 sec. W. a distance of 226.13 feet;
- S. 35 deg. 26 min. 22 sec. E. a distance of 55.71 feet;
- S. 19 deg. 23 min. 00 sec. E. a distance of 74.84 feet;
- S. 40 deg. 34 min. 04 sec. E. a distance of 54.71 feet;
- S. 07 deg. 54 min. 22 sec. E. a distance of 46.68 feet;
- S. 09 deg. 15 min. 35 sec. W. a distance of 62.39 feet;
- S. 21 deg. 51 min. 56 sec. E. a distance of 21.73 feet;
- S. 46 deg. 15 min. 37 sec. E. a distance of 82.83 feet;
- S. 02 deg. 27 min. 43 sec. E. a distance of 44.46 feet;
- S. 14 deg. 15 min. 42 sec. W. a distance of 46.62 feet;
- S. 32 deg. 05 min. 56 sec. W. a distance of 89.85 feet;

S. 11 deg. 37 min. 20 sec. W. a distance of 39.97 feet;  
S. 23 deg. 15 min. 40 sec. E. a distance of 31.07 feet;  
S. 40 deg. 20 min. 07 sec. E. a distance of 145.23 feet;  
S. 03 deg. 29 min. 57 sec. E. a distance of 63.16 feet;  
S. 41 deg. 05 min. 55 sec. W. a distance of 52.70 feet;  
S. 48 deg. 29 min. 11 sec. W. a distance of 25.81 feet;  
S. 04 deg. 07 min. 34 sec. W. a distance of 27.84 feet;  
S. 17 deg. 17 min. 18 sec. E. a distance of 73.72 feet;  
S. 45 deg. 18 min. 27 sec. E. a distance of 103.01 feet;  
S. 00 deg. 18 min. 12 sec. E. a distance of 45.17 feet;  
S. 31 deg. 46 min 51 sec. W. a distance of 74.10 feet;  
S. 12 deg. 51 min. 44 sec. W. a distance of 15.89 feet to a point for corner at the Southeast corner of said Tract One of the Third, said point also being the Southwest corner of said Strawn tract;

THENCE S. 89 deg. 34 min. 18 sec. W. with the South line of said Tract One of the Third Tract, passing a ½" iron rod found at the Northeast corner of said New tract at a distance of 114.76 feet, and continuing with the North line of said New tract and the South line of said Tract One of the Third Tract and the South line of said Seventh Tract for a total distance of 3654.99 feet to the POINT OF BEGINNING and containing 760.70 acres of land.

Tract 2:

All that certain lot, tract or parcel of land situated in the Lindley Johnson Survey, Abstract No. 537, Hunt County, Texas, and being part of that tract of land described in a Deed from Michael E. Taylor to Howard W. New, et al, as recorded in Volume 1493, Page 646 of the Official Public Records of Hunt County, Texas, (hereinafter called Subject Tract), and being more particularly described as follows:

BEGINNING at a ½" iron rod with plastic cap stamped "STOVALL & ASSOC." set (hereinafter called ½" iron rod set) for corner in the South line of the above cited Subject Tract, said point also being in a North line of that tract of land described in a Deed from T.C. Strickland, et al, to J.E. Baker as recorded in Volume 544, Page 481 of the Deed Records of Hunt County, Texas said point being N. 89 deg. 26 min. 08 sec. E. a distance of 1612.78 feet from a ½" iron rod with cap stamped "STOVALL & ASSOC." found for corner in the East line of State Highway No. 34 at the Southwest corner of said Subject Tract;

THENCE N. 00 deg. 02 min. 17 sec. E. along a fence and distance of 666.40 to a 6" metal fence corner post found for corner;

THENCE N. 27 deg. 40 min. 23 sec. W. along a fence a distance of 264.02 feet to 6" metal fence corner post found for corner;

THENCE N. 36 deg. 06 min. 26 sec. W. along a fence a distance of 95.71 feet to ½" iron rod set for corner at a 6" metal fence corner post;

THENCE N. 00 deg. 35 min. 44 sec. W. along a fence a distance of 74.06 feet to a ½" iron rod set for corner in the North line of said Subject Tract;

THENCE N. 89 deg. 32 min. 05 sec. E. with the North line of said Subject Tract a distance of 2108.82 feet to a ½" iron rod with cap stamped "STOVALL & ASSOC." found for corner at the Northeast corner of said Subject Tract, said Subject Tract, and point being 5.64 feet Northwest of a fence corner post on the West side of House Creek;

THENCE S. 29 deg. 54 min. 46 sec. E. a fence line, a distance of 338.56 feet to a turning point in said fence line;

THENCE S. 39 deg. 59 min. 54 sec. E. with a fence line, a distance of 381.20 feet to a turning point in said fence line;

THENCE S. 06 deg. 56 min. 38 sec. E. with a fence line a distance of 338.56 feet to a ½" iron rod with cap stamped "STOVALL & ASSOC." found for corner at the Southeast corner of said Subject Tract, said point being 6.26 feet South of a fence post and 2.14 feet East of and old bois d' arc post;

THENCE S. 89 deg. 26 min. 08 sec. W. with the South line of said Subject Tract and with a North line of said Baker tract, and along the remains of an old fence line and along a newer fence line, a distance of 2415.68 feet to the POINT OF BEGGINING and containing 54.76 acres of land.

**Exhibit B. Project Description.**

Hallmark Solar is a proposed 42mw solar facility in Hunt County, Texas. The proposed project is located at 1847 HWY 34, Greenville, TX 75401, and would be sited on a 550-acre tract of undeveloped land. The project is estimated to cost \$35MM to construct.