

**LIMITATION ON APPRAISED
VALUE AGREEMENT**

ELGIN INDEPENDENT SCHOOL DISTRICT

&

RRE AUSTIN SOLAR, LLC

December 12, 2011

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STATE OF TEXAS

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COUNTY OF BASTROP

THIS LIMITATION ON APPRAISED VALUE AGREEMENT, (“Agreement”) is executed and delivered by and between Elgin Independent School District (“District”), with its central administrative office located in Bastrop County, Texas (“County”), a lawfully created independent school district of the State of Texas operating under and subject to the Texas Education Code (“TEC”), and RRE Austin Solar, LLC, a Texas limited liability company, or its successors (“Applicant”), and relates to a limitation of the Appraised Value of property for the District’s maintenance and operation taxes pursuant to the Texas Economic Development Act, Chapter 313 of the Texas Tax Code (“Code”). The District and Applicant are collectively referred to herein as the “Parties”, and each individually as a “Party.”

RECITALS

WHEREAS, the Superintendent of Schools of the District, acting as agent for the District’s Board of Trustees (“Board of Trustees”), received from Applicant, an Application for an Appraised Value Limitation on Qualified Property pursuant to 34 Texas Administrative Code §9.1053, including any agreed and accepted amendments thereto (“Application”), on or about December 3, 2010; and

WHEREAS, the District received the application fee as required by §313.025(a)(1) of the Code and the District Policy, if any, on or about the Application Date, thus establishing the effective filing date of such Application; and

WHEREAS, the District timely delivered the requisite number of copies of the Application to the Texas Comptroller of Public Accounts (“Comptroller”) for review pursuant to §313.025(a-1) and (b) of the Code, and the Comptroller deemed the Application complete on October 10, 2011, and thereafter began its analysis of the Application; and

WHEREAS, the Comptroller conducted an economic impact evaluation of the Application pursuant to §313.025(b) of the Code; and

WHEREAS, pursuant to §313.025(b-1) of the Code, the Comptroller delivered to the Texas Education Agency (“TEA”) a copy of the Application and the TEA then timely submitted a written report, on or about March 24, 2011, addressing the effects of the Application on the number or size of the District’s instructional facilities to the Comptroller; and

- WHEREAS**, pursuant to §313.025(d) of the Code, the Board of Trustees timely received the Comptroller's report evaluating the Application in terms of the Texas Economic Development Act, Code §313.001, *et seq.* ("Recommendation"); and
- WHEREAS**, the District subsequently ordered and conducted a tax rate ratification election pursuant to Texas Tax Code §26.08 on September 17, 2011; and
- WHEREAS**, the tax rate put to vote was approved by Elgin ISD voters; and
- WHEREAS**, the information provided with respect to the previously submitted application was resubmitted to reflect the new changes; and
- WHEREAS**, the Board of Trustees has timely received the Comptroller's report on Application, as amended upon resubmission in in regards to the Texas Economic Development Act; and
- WHEREAS**, the Board of Trustees has carefully considered the school finance information together with the Recommendation and information provided by the Comptroller including the economic impact evaluation; and
- WHEREAS**, pursuant to §313.025(f-1) of the Code, the Board of Trustees at its Board meeting held on December 3, 2010, waived the Qualifying Job creation requirements set forth in §313.051(b) of the Code; and
- WHEREAS**, pursuant to §313.025(e) of the Code, the Board of Trustees at its Board meeting held on December 12, 2011, made written factual findings as required by §313.026 of the Code, and has delivered a copy of such findings to the Applicant; and
- WHEREAS**, pursuant to §313.025(f) of the Code, the Board of Trustees at its Board meeting held on December 12, 2011 further found that: (a) the information in the Application is true and correct; (b) the Board agrees with the Comptroller's Recommendation; (c) this Agreement is in the best interest of the State of Texas and the District; (d) the Application is eligible for the limitation on Appraised Value of the Qualified Property; and (e) the relevant job creation requirement set forth in Chapter 313 of the Code should be waived; and
- WHEREAS**, the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property, and authorized the execution and delivery of such Agreement by the president of the Board of Trustees to the Applicant.

NOW, THEREFORE, for and in consideration of the promises, including the foregoing recitals, and the mutual covenants and agreements herein contained, the Parties hereby agree as follows:

ARTICLE 1. AUTHORITY, TERM & DEFINITIONS

1.1 DISTRICT AUTHORITY

This Agreement is executed by the District as its written agreement with the Applicant pursuant to the provisions and authority granted to the District under §313.051 of the Code.

1.2 DEFINITIONS

Capitalized terms used herein and not specifically defined shall have the definitions as set forth in this Agreement. Wherever used in this Agreement, the following terms shall have the following meanings, unless the context in which the term is used clearly indicated a different meaning:

Aggregate Limit: for any year of this Agreement, the total of the annual limitation amount for the current year and all previous years of the Agreement.

Agreement: this Limitation on Appraised Value Agreement, including all exhibits and schedules.

Application Date: the date as set forth in the Recitals.

Applicant: the company listed in the Caption of this Agreement, who is the owner of a qualified property, who filed its application with the District for a Limitation on Qualified Property on the Application Date, pursuant to Chapter 313 of the Code. The term shall also include the Applicant's permitted successors in interest.

Application: **Application:** means the Application for Appraised Value Limitation on Qualified Property (Chapter 313), Subchapter B or C, Property Tax Code) which filing with the District by Applicant was completed on or about December 3, 2010 (unless otherwise specified in the Recitals) by the tender of its Application fee. The term includes all forms required by the Comptroller, the schedules attached thereto, and all other documentation submitted by Applicant for the purpose of obtaining an Agreement with the District. The term also includes all amendments and supplements thereto submitted by Applicant through the date of this Agreement.

Appraisal District: means the Bastrop County Appraisal District.

Appraised Value: has the same meaning as in §1.04(8) of the Code.

Code: the Texas Tax Code.

Comptroller: the Texas Comptroller of Public Accounts, or a successor agency.

County: Bastrop County which is the county in which the administrative offices are located.

District or School District: the Elgin Independent School District, being a duly incorporated and operating independent school district in the State of Texas, having the power to levy, assess, and collect ad valorem taxes within its boundaries.

District Funding Revenue: those revenues that the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to TEC §45.002 and Article VII §3 of the Texas Constitution. The term also includes all State revenues to which the District is or may be entitled under Chapters 41 and 42 of the TEC or any other statutory provision, as well as any amendment or successor statute to these provisions. The term shall exclude any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 41 of the TEC.

Enterprise Zone: the enterprise zone, if any, created by the City of Pflugerville pursuant to Chapter 2303 of the Texas Government Code and as further described by the legal description attached hereto as Schedule 2.1.

Force Majeure: a failure caused by a provision of law, rules, regulations, or orders of any governmental authority having jurisdiction over the applicant or the Qualified Investment, or any arrest, restraint, or decree of any court, natural disaster, riot, war, labor dispute, act of God, act of terrorism, or any other cause which inhibits performance and over which Applicant has no reasonable control.

Maintain a Viable Presence: the operation of the facility, facilities, or property for which the tax limitation agreement is granted and the retention over the entire term of this Agreement, as defined in Section 1.3 below, of not fewer than the number of Qualifying Jobs and New Jobs required by the Code, or as found by the District's Board of Trustees to exceed the industry standard for number of jobs. Applicant shall be deemed to have maintained a viable presence in the event of a temporary interruption in operations due to strike, judicial decision, weather, or other act of God. In the event a fire, flood, windstorm or other disaster shuts down facility operations, applicant will be deemed to have maintained a viable presence so long as it commences repairs and/or reconstruction of the damaged areas within one hundred eighty (180) days after the catastrophic event. In the event of a closure due to environmental reasons, Applicant will be deemed to have maintained a viable presence so long as it commences remediation or otherwise acts in accordance with the order of the court or environmental agency.

Maintenance and Operations Revenue: those revenues which the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to §45.002 of the Texas Education Code and Article VII §3 of the Texas Constitution, plus all State revenues to which the District is or may be entitled under Chapter 42 of the Texas

Education Code or any other statutory provision as well as any amendment or successor statute to these provisions.

New Jobs: the jobs defined by Title 34 Texas Administrative Code §9.1051 and which Applicant will create by and through the project which is the subject of its Application. Under the Code §313.024(d), Eighty Percent (80%) of all New Jobs created by Applicant on the project shall also be Qualifying Jobs, as defined below.

Qualified Investment: has the meaning as that term is defined in §313.021(1) of the Code.

Qualified Property: has the meaning as that term is defined in §313.021(2) of the Code.

Qualifying Job: the number of New Jobs Applicant will create by and through the project that is the subject of this Application and which meet the requirements of the Code 313.021(3).

Qualifying Time Period: has the meaning as that term is defined in §313.021(4) of the Code.

Reinvestment Zone: the District's Reinvestment Zone created pursuant to the Code §312.0025 by action of the Board of Trustees or by the City and as further described by the legal description of said Reinvestment Zone attached hereto as Schedule 2.1, which is incorporated herein by reference for all purposes.

School Finance Law: Chapters 41 and 42 of the Texas Education Code, the Texas Economic Development Act (Chapter 313, Code), Chapter 403, Subchapter M, Texas Government Code applicable to the District, and the Constitution and general laws of the State applicable to the independent school districts of the State, including specifically, the applicable rules and regulations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school district of the state, and judicial decisions construing or interpreting any of the above. The Term also includes any amendments or successor statutes that may be adopted in the future that could impact or alter the calculation of Applicant's ad valorem tax obligation to the District either with or without the limitation of property values made pursuant to this Agreement.

State: the State of Texas.

Tax Credit: means the credit to be received by the applicant as computed under the provisions of Subchapter D of the Texas Economic Development Act and Title 34 Texas Administrative Code §9.1056, provided that the Applicant timely complies with the requirements under such provisions, including the filing of a completed application under §313.103 of the Code and Title 34 Texas Administration Code §9.1054.

Tax Limitation Amount: the amount of the appraised value for District Maintenance and Operation ad valorem tax purposes, which shall be Ten Million Dollars (\$10,000,000.00), for the purposes of this Agreement and §313.027 of the Code.

Taxable Value: has the same meaning as in Section 1.04(10) of the Texas Tax Code.

Texas Education Agency or TEA: the state agency responsible for the oversight of public primary and secondary education in the state of Texas, or its successor agency.

1.3 TERM

- 1.3.1 This Agreement shall commence on the first day of the Qualifying Time Period for the ad valorem property valuations assessed against the Qualified Property and investments made pursuant to this Agreement (the “Commencement Date”). The limitation on the local ad valorem property values shall terminate on December 31 of the tenth (10th) calendar year of this Agreement, unless sooner terminated as herein provided. The early termination of this Agreement shall not release any obligation, right, or remedy arising from any failure to comply with any term of this Agreement prior to such termination. Each Party shall have the right to enforce the payment of any amount owed before the termination of this Agreement.
- 1.3.2 The Parties acknowledge that the limitation on the local ad valorem property values shall not commence until January 1 following the end of the second tax year that begins after the Commencement Date or such later date as reflected herein. The period that begins on the Commencement Date and ends on December 31 of the second tax year that begins after the Commencement Date shall be referred to herein as the “Qualifying Time Period” as that term is defined in §313.021(4) of the Code.
- 1.3.3 For three (3) years after December 31 of the tenth (10th) year of this Agreement, Applicant shall Maintain a Viable Presence in the District, as that term is defined herein. Unless sooner terminated, this Agreement shall end on December 31 of the thirteenth (13th) year of this Agreement. Nothing contained in the Agreement shall extend the tax limitation beyond ten (10) calendar years from the Commencement Date.
- 1.3.4 The tax years for which this Agreement is effective, unless sooner terminated, are set forth in Schedule 1.2 of this Agreement, which is incorporated herein by reference.

ARTICLE 2. PROPERTY & USE DESCRIPTIONS

2.1 REINVESTMENT ZONE OR ENTERPRISE ZONE

The property upon which the Qualified Investment will be located will be located entirely within a Reinvestment Zone, so designated under Chapter 311 or 312 of the Code, or an Enterprise Zone under Chapter 2303 of the Texas Government Code. The metes and bounds description of the Reinvestment Zone or Enterprise Zone, and maps showing the location thereof, are attached to this Agreement as Schedule 2.1, which is incorporated herein by reference.

2.2 QUALIFIED PROPERTY

Applicant's Qualified Property is described in Schedule 2.3, which is incorporated herein by reference. The Parties expressly agree that the location of the Qualified Property shall be within the Reinvestment Zone and such location may not be materially changed from its current configuration without the express written authorization of the Parties.

2.3 QUALIFIED INVESTMENT

2.3.1 Applicant's Qualified Investment is described in Schedule 2.3, which is incorporated herein by reference. Property not specifically referenced in Schedule 2.3, and not otherwise meeting the requirements of Chapter 313 and this Agreement, shall not be considered to be a Qualified Investment for purposes of this Agreement and will not be subject to this Agreement.

2.3.2 Schedule 2.3 may be amended by adding or removing Qualified Property pursuant to: (a) the provisions of Comptroller's Rule 9.1055; and (b) approval by the District's Board of Trustees pursuant to §313.027(e) of the Code.

2.3.3 Property owned by Applicant which is not described in Schedule 2.3 may not be considered to be Qualified Property unless the Applicant: (a) submits to the District and the Comptroller a written request to add property to the Agreement, which request shall include a specific description of the additional property to which the Applicant requests that the limitation apply; (b) notifies the District and the Comptroller of any other changes to the information that was provided in the Application approved by the District; and (c) provides any additional information reasonably requested by the District or the Comptroller for the purpose of re-evaluating the new or changed conditions.

2.3.4 In the event that Applicant fails to make a Qualified Investment of at least Ten Million Dollars (\$10,000,000.00) during the Qualifying Time Period, this Agreement shall become *null and void* on December 31, 2013.

2.4 EXISTING IMPROVEMENTS & PERSONAL PROPERTY

Certain improvements and personal property may have existed in the Reinvestment Zone or Enterprise Zone prior to the Application Date. The Parties understand and agree that the Taxable Value of real estate improvements and/or business personal property that existed prior to the submission of a complete Application on October 10, 2011, may not be considered as Qualified Investment or Qualified Property under Chapter 313 of the Code or this Agreement.

2.5 INVENTORY OF QUALIFIED PROPERTY

2.5.1 Upon any change to the Qualified Property, or upon the reasonable request of the District, the Comptroller, or the Appraisal District, Applicant shall provide to the District, the Comptroller, and the Appraisal District a specific and detailed description of the tangible personal property, buildings, or permanent, non-removable building components on the Qualified Property to which the value limitation applies. Such description shall include maps or surveys detailed enough to locate all such property within the boundaries of the real property subject to the Agreement.

2.5.2 At the end of the Qualifying Time Period, Applicant shall provide to the District, the Comptroller, and the Appraisal District a specific and detailed description of the tangible personal property, buildings or permanent, non-removable building components (including any affixed to or incorporated into real property) on the Qualified Property to which the value limitation applies, including maps or surveys of sufficient detail and description to locate all such described property within the boundaries of the real property which is subject to this Agreement.

2.6 QUALIFYING USE

Applicant's property that is the subject of a limitation on the local ad valorem property values under this Agreement is eligible for a tax limitation as a renewable energy electric generation facility under §313.024(b)(5) of the Code.

2.7 APPRAISAL LIMITATION

Upon Applicant's Qualified Investment in the amount of Ten Million Dollars (\$10,000,000.00) or more during the Qualifying Time Period, and unless this Agreement is terminated as herein provided, the Appraised Value of the Applicant's Qualified Investment and/or Qualified Property for the District's maintenance and operations ad valorem tax purposes shall not exceed the lesser of: (a) the Market Value of the Qualified Investment and/or Qualified Property, or (b) Ten Million Dollars (\$10,000,000.00) for

the third (3rd) through the tenth (10th) calendar years of the tax limitation under this Agreement, as provided in Chapter 313 of the Code.

ARTICLE 3. PROTECTION OF DISTRICT REVENUES

3.1 INTENT OF THE PARTIES

The Parties understand and agree that the Applicant shall compensate the District for any loss in District Funding Revenue incurred because of District's participation in this Agreement. APPLICANT UNDERSTANDS AND AGREES THAT IT SHALL BEAR ANY NEGATIVE FINANCIAL CONSEQUENCE SUFFERED BY THE DISTRICT AS A DIRECT RESULT OF THE DISTRICT ENTERING INTO THIS AGREEMENT. THE PURPOSE OF THIS SECTION 3.1 IS TO ENSURE THAT THE RISK OF ANY NEGATIVE FINANCIAL CONSEQUENCE TO THE DISTRICT IS BORNE BY THE APPLICANT AND NOT BY THE DISTRICT.

3.2 CALCULATING LOSS OF DISTRICT REVENUES

Any compensation paid by the Applicant to the District for loss of District Funding Revenues shall be determined in accordance with then-current School Finance Law. Any calculation to make the District whole after a loss under this Article 3 shall be made in accordance with Schedule 3.2 of this Agreement, which is incorporated herein by reference, and subject to the provisions of Article 4 herein.

3.3 COMPENSATION FOR LOSS OF OTHER REVENUES

To the extent not included in the amounts calculated pursuant to Schedule 3.2, Applicant, on an annual basis, shall also pay to the District all non-reimbursed costs incurred in paying or otherwise crediting amounts for the benefit of Applicant, including, but not limited to: (a) any Maintenance and Operations Revenue or Tax Credit to which the Applicant may be entitled pursuant to Chapter 313 of the Code for which the District does not receive reimbursement from the State, whether pursuant to TEC §42.2515 or otherwise; (b) any loss incurred by the District resulting from successful judicial challenge to this Agreement; (c) any reasonable attorneys' fees or other costs incurred by the District due to any legal defense of this Agreement, irrespective of whether or not this Agreement is ultimately determined to be valid; and (d) any non-reimbursed costs incurred by the District and directly related to this Agreement.

3.4 THIRD PARTY CALCULATIONS

All calculations made pursuant to this Agreement shall be verified annually by an independent third party ("Consultant") selected by the District with the Applicant's written consent, which consent shall not be unreasonably withheld, delayed or conditioned. Applicant will be solely responsible for the payment of Third Party fees each year of the Agreement. The Third Party fees shall be no more than Four Thousand

Dollars (\$4,000.00) for the first year of the Agreement. This amount may be increased each year of this Agreement by not more than Five Percent (5%) from the prior year. All calculations shall initially be based upon good-faith estimates using all available information and shall be adjusted to reflect “near final” or “actual” data for the applicable year as the data becomes available.

3.5 DATA FOR CALCULATIONS

The initial calculations for any payments owing under this Agreement shall be based upon the valuations placed upon the Qualified Investment and/or Qualified Property by the Appraisal District in its annual certified tax roll submitted to the District pursuant to §26.01 of the Code on or about July 25 of each year of this Agreement. The certified tax roll data shall form the basis from which any and all amounts due under this Agreement are calculated, and the data utilized by the Consultant will be adjusted as necessary to reflect any subsequent adjustments by the Appraisal District to the District’s tax roll. Any estimates used by the Consultant to make calculations as required by this Agreement shall be based on the best and most current information available. The Consultant shall from time to time adjust the data utilized to reflect actual amounts, subsequent adjustments by the Bastrop County Appraisal District to the District’s certified tax roll, or any other relevant changes to material items such as student counts or tax collections.

3.6 DELIVERY OF CALCULATIONS

3.6.1 All calculations required under Article 3 shall be made by the Consultant on or before November 1 of each year for which this Agreement is effective. The Consultant shall forward such calculations to the Parties in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Consultant shall maintain supporting data consistent with generally accepted accounting practices. The Consultant shall preserve all documents and data related to all calculations required under this Agreement for a period of three (3) years. Employees and agents of the Parties shall have reasonable access to the Consultant’s offices, personnel, books, and records pertaining to all calculations and fees.

3.6.2 In the event the District receives the Consultant’s invoice for services rendered, the District shall forward to Applicant such invoice, which Applicant shall pay within thirty (30) days of receipt.

3.7 PAYMENT BY APPLICANT

On or before the January 31 next following the tax levy for each year for which this Agreement is effective, and subject to the limitations contained in Section 4.1, the Applicant shall pay any amount determined to be due and owing to the District (subject

to final settle up), any amount billed by the Consultant, and any reasonable and necessary expenses paid by the District to its attorneys, auditors, or financial consultants for work directly resulting from the District's participation in this Agreement.

3.8 CHALLENGING CALCULATION RESULTS

The Applicant may appeal the Consultant's results, in writing, within fifteen (15) days of receipt of such results. The Consultant will issue a final determination of the calculations (the "Final Determination") within fifteen (15) days of receiving Applicant's appeal. The Applicant may appeal the Final Determination to the District within fifteen (15) days of its receipt, pursuant to District policy.

3.9 EFFECT OF PROPERTY VALUE APPEAL OR ADJUSTMENT

In the event that the Taxable Value of the Qualified Investment and/or Qualified Property is changed after an appeal of its valuation, or the Taxable Value is otherwise altered for any reason, the calculations required under Article 3 of this Agreement shall be recalculated by the Consultant at Applicant's sole expense using the revised property values. The Consultant shall transmit the revised calculations to the Parties and any Party owning funds to the other Party shall pay such funds within thirty (30) days after receipt of the new calculations.

3.10 EFFECT OF STATUTORY OR OTHER LEGAL CHANGES

If the District will receive less District Funding Revenue, or, if applicable, will be required to increase its payment of funds to the State due to the District's participation in this Agreement because of changes to School Finance Law or administrative or legal interpretations by the office of the Comptroller, the Commissioner of Education, the Texas Education Agency, the Courts of the State of Texas or any other authority having proper jurisdiction over the District or Texas school finance, then the Applicant shall make payments to the District within thirty (30) days of receipt of written notice, up to the limit on the revenue protection amount set forth in Section 4.1 below. The Parties understand and agree that the foregoing payments to the District are necessary to: (a) offset any negative impact on the District as a result of its participation in this Agreement; and (b) secure for the District an amount of District Funding Revenue not less than that which the District would have received from State and local funds had the District not entered into this Agreement.

ARTICLE 4. LIMITATION OF PAYMENTS BY APPLICANT

4.1 LIMITATION AFTER FIRST THREE YEARS

- 4.1.1 For each of the tax years and notwithstanding anything to the contrary in this Agreement, in no event shall the sum of the maintenance and operations ad valorem taxes paid by the Applicant to the District plus the sum of all payments otherwise due from the Applicant under Article 3 with respect to such Tax Year exceed the amount of the maintenance and operations ad valorem taxes that the Applicant would have paid to the District for such Tax Year if the Parties had not entered into this Agreement.
- 4.1.2 The Consultant's calculations made pursuant to Section 3.4 of this Agreement shall include comparison of: (a) the sum of the maintenance and operations ad valorem taxes paid by the Applicant to the District plus the sum of all payments otherwise due from the Applicant under Article 3 with respect to such Tax Year; and (b) the taxes Applicant would have paid to the District if this Agreement had not been entered into. The Consultant shall include a credit for the amount of taxes actually paid by the Applicant on the Qualified Property when making this comparison.
- 4.1.3 During Tax Years four (4) through ten (10), should the sum of the Applicant's maintenance and operations ad valorem taxes plus the sum of all payments otherwise due from the Applicant under Article 3 exceed the maintenance and operations ad valorem taxes that the Applicant would have paid if the Parties had not entered into this Agreement, then the payments due from the Applicant to the District under Article 3 shall be reduced until such excess is eliminated. District shall deposit funds owed to Applicant in an escrow account to ensure sufficient revenue for any required payments to Applicant.

4.2 CALCULATION OF PAYMENTS IN LIEU OF TAXATION

- 4.2.1 Subject to Section 4.1, for the 2014-2015 and 2015-2016 school years, the District shall be entitled to receive from Applicant payments in lieu of taxation in an amount of One Hundred Dollars (\$100.00) per Student in Average Daily Attendance (ADA), as determined by the 2014-2015 school year, not to exceed Seven Hundred and Fifty Thousand Dollars (\$750,000.00) total for that two-year period. On or before October 1, 2014, the District shall notify the Applicant of the form and timing of this two-time payment in lieu of taxation. In the event Chapter 313 is modified or amended to allow the District to receive payments in lieu of taxation in excess of the foregoing ADA limitation, Applicant agrees to cooperate with District in amending this Agreement to allow District to receive

the maximum amount of payments in lieu of taxation; provided however, Applicant's tax saving under this Agreement shall not be less than Sixty Percent (60%) of the amount of tax which would have been paid if this Agreement had not been entered into.

- 4.2.2 Payment of amounts due under this Section shall be made as set forth in Section 3.7 of this Agreement, and is subject to the limitations contained in Section 4.1. Payments made under this Article 4 shall not exceed the Aggregate Limit.
- 4.2.3 District shall have the right to perform an independent audit of the proposed payments in lieu of taxation to confirm/support the purported value of the proposed payments. Should the value purported by Applicant be unsupported by the District's audit, Applicant shall remedy the issue to provide the value or the District may terminate the Agreement without penalty to District.

ARTICLE 5. OPTION TO CANCEL AGREEMENT

5.1 PROVISIONS FOR CANCELLATION

- 5.1.1 For years four (4) through ten (10) of this Agreement, in the event that payments by Applicant to the District become limited as described in Section 4.1 above, the Applicant shall have the option to terminate this Agreement. Applicant may exercise such option by notifying the District of its election in writing not later than July 31 of any year next following the tax year in which the payments were limited. The cancellation of this Agreement under this Subsection shall be effective as of the commencement of the second tax year next following the year in which the limitation giving rise to the option occurred.
- 5.1.2 For years three (3) through ten (10) of this Agreement, the Applicant shall have the option to terminate this Agreement in the event that the Appraised Value of the Qualified Property falls below the Tax Limitation Amount. The Applicant may exercise such option by notifying the District and the Appraisal District of its election in writing not later than October 31 of any year. The cancellation of this Agreement under this Subsection shall be effective immediately.
- 5.1.3 The Applicant shall have the right to terminate this Agreement in the event of a change in the School Finance Law, administrative interpretations by the Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other statutory or regulatory change which materially reduces the benefits to Applicant under this Agreement. Applicant may exercise such option by notifying the District and the Appraisal District of its election in writing. Upon receipt of such written notice, this Agreement shall terminate effective December 31 of the year in which the notice is received by the District.
- 5.1.4 The rights and obligations of the Parties under this Agreement through and including the tax year during which notice of termination of this Agreement is delivered shall survive such termination and remain until satisfied.

ARTICLE 6. TAX CREDITS

6.1 TAX CREDIT DESCRIPTION & ELIGIBILITY

- 6.1.1 Upon the Applicant's compliance with all requirements of Chapter 313 of the Code and the Comptroller, and in addition to the limitation on the Appraised Value of the Qualified Property as described in Article 4 above, the Applicant shall be entitled to a Tax Credit from the District in an amount equal to the amount of ad valorem taxes paid to the District on that portion of the Appraised Value of the Qualified Property that exceeds the amount of the limitation agreed to by the Parties in each year of the Qualifying Time Period. District shall deposit funds owed to Applicant in an escrow account to ensure sufficient funds for any required payments to Applicant.
- 6.1.2 The application for a Tax Credit as described in this Article 6 shall be made in accordance with §313.103 of the Code.

6.2 DISTRICT OBLIGATIONS REGARDING TAX CREDITS

- 6.2.1 The District shall timely comply with and, to the extent possible, cause the timely compliance by the Appraisal District of all District obligations regarding Tax Credits under the Code and Comptroller Rules.
- 6.2.2 The Board of Trustees shall grant Applicant's application for the tax credit as provided in §313.104 of the Code as well as Comptroller and/or TEA rules.

6.3 TAX CREDIT PROTECTION REVENUE LOSS

If the District does not receive aid pursuant to TEC §42.215 of the Texas Education Code (or similar or successor statute) after Applicant receives a Tax Credit as described under this Article 6, and such failure is not the result of District's failure to comply with the requirements of obtaining such aid, then the District shall so notify the Applicant in writing. The Applicant shall, within thirty (30) days after notice, pay to the District the amount of such Tax Credit the District did not receive. Conversely, the District shall pay to the Applicant the amount of state aid the District received that was solely attributable for any portion of a Tax Credit paid by Applicant to the District.

ARTICLE 7. ADDITIONAL OBLIGATIONS OF APPLICANT

7.1 INFORMATION REQUESTS

- 7.1.1 Upon written request, Applicant shall be obligated to provide the District and the Appraisal District with all information and data necessary to determine whether all obligations under this Agreement are being met. In the event that the District requests information which the Applicant regards as being technical or business information which is proprietary, a trade secret or confidential in nature or is subject to a confidentiality agreement with any third party, and subject to §313.028 of the Code, Applicant shall inform the District of its concerns and suitable arrangements shall be made for the District to have access to the information in a manner which does not compromise the confidentiality of the information to other third parties.
- 7.1.2 Applicant shall be obligated to provide the Comptroller or other governmental agency with all information required for such agency to complete any reports or analysis pursuant to Chapter 313 of the Code, Comptroller or TEA rule, or other law or administrative regulation.
- 7.1.3 Applicant shall allow authorized employees of the District and Appraisal District access to all property that is subject to a limitation on the local ad valorem property values called for under this Agreement during the term of this Agreement for the purposes of appraisal or determination of compliance with this Agreement. All inspections or appraisals will be made at a mutually agreeable time after no less than forty-eight (48) hours prior written notice.
- 7.1.4 Applicant shall timely make any reports that may be required under law or administrative regulation, including but not limited to the annual report or certifications that may be required by the Comptroller under the provisions of §313.032 of the Code. Applicant shall forward a copy of all such required reports or certifications to the District at the time of such filing. Timely performance of all required filings shall be a material obligation under this Agreement.

7.2 MAINTAINING VIABLE PRESENCE

By entering into this Agreement, Applicant represents, covenants and warrants that it will abide by all of the terms of this Agreement and that it will Maintain a Viable Presence (as defined in this Agreement) in the District for a period of at least three (3) years after the termination of the limitation on the local ad valorem property values called for under this Agreement and as demonstrated in Schedule 1.2. Applicant shall not be in breach of this covenant to Maintain a Viable Presence to the extent such failure is caused by an event of

Force Majeure, provided Applicant makes commercially reasonable efforts to Maintain a Viable Presence at the conclusion of any period of Force Majeure.

7.3 EDUCATION AND EMPLOYMENT

7.3.1 Training Program: Applicant shall support the District's efforts to prepare students to pursue careers in the solar energy arena by cooperating with the District to formulate a training program for students interested in careers in the solar industry. Specifically, for the 2014-15 school year the Applicant will provide the following:

- Funding for employment of a qualified instructor (to be selected by the District with input from Applicant).
- Funding for course-related Software (SCADA).
- Curriculum development for training up to twenty (20) students of the District to obtain a Certificate of Renewable Energy.
- Dissemination of certain technical information, including appropriate software and hardware, to enhance the relevance of the District's training program.

7.3.2 Facility Tours: Applicant will support the District's educational efforts and opportunities by providing a reasonable opportunity for groups of students to tour the Applicant's facilities. Allowing organized, pre-arranged visits by groups of students supervised by the District will continue through year thirteen (13) of the LAV Agreement (i.e., will be ongoing until the end of the credit settle-up period in 2025).

7.3.3 Employment Consideration: Applicant will support the District's efforts to encourage students to pursue careers in the solar energy arena through Applicant's recruitment and consideration of qualified graduates from the District's above-mentioned job training program for available positions within the Applicant's organization. Although the Applicant anticipates a continuing desire to recruit qualified potential employees from the District's training program, for purposes of this Agreement, the Applicant is committed to granting enhanced review of the District's qualified graduates through year thirteen (13) of the LAV Agreement (i.e., will be ongoing until the end of the credit settle-up period in 2025).

ARTICLE 8. BREACH

As stated in Section 2.3.4 above, the failure by Applicant to make a Qualified Investment of at least Ten Million Dollars \$10,000,000.00 during the Qualifying Time Period shall result in this Agreement being null and void as of December 31, 2013. This Article 8 shall control in all other instances of Applicant's failure to perform according to the terms of this Agreement.

8.1 DISTRICT'S DETERMINATION OF BREACH

- 8.1.1 In the event Applicant terminates this Agreement without the consent of the District, except as provided in Section 5.1, or should Applicant or Applicant's successor in interest fail to comply with any material term or meet any material obligation of this Agreement, after the notice and cure provided herein. District shall be entitled to: (a) the recapture of all ad valorem tax revenue that would have been due from Applicant without the benefit of this Agreement; and (b) all penalty and interest as calculated under Section 8.4. For purposes of the recapture calculation, the Applicant shall be entitled to a credit for all payments made under Article 3.
- 8.1.2 Notwithstanding Section 8.1.1, in the event the District determines that the Applicant has failed to Maintain a Viable Presence and provides written notice of termination, Applicant shall pay to District liquidated damages equal to the total of the District ad valorem taxes that would have been due from Applicant without the benefit of this Agreement for all of the Tax Years for which a Tax Limitation was granted pursuant to this Agreement, Plus penalty and interest. Applicant shall be entitled to a credit for all payments made to the District pursuant to Article 3.
- 8.1.3 Prior to making a determination that Applicant has committed a material breach of this Agreement, the District shall provide the Applicant with a written notice of the facts which the District believes constitute the material breach and, if a cure is feasible, the cure proposed by the District. After receipt of the notice, Applicant shall have ninety (90) days to present any facts or argument to the Board of Trustees showing that it is not in material breach of its obligations under this Agreement or that it has cured any such material breach.
- 8.1.4 Upon the expiration of the Applicant's opportunity to respond, the Board of Trustees shall conduct a hearing to determine whether or not a material breach of this Agreement has occurred and, if so, the date such material breach occurred. Applicant shall have the opportunity to be heard before the Board of Trustees at such hearing. In the event that the Board of Trustees determines that a material breach has occurred, it shall also determine the amounts of recaptured taxes to be paid by Applicant to District under Section 8.2 below.

- 8.1.5 After a determination under Section 8.1.2, the Board of Trustees shall notify Applicant, in writing, of its determination and the amount of recaptured taxes owed by Applicant, if any.

8.2 REMEDIES AFTER BREACH

- 8.2.1 In the event of default or breach by Applicant, the District's damages shall not exceed the greater of: (a) any amounts of recaptured taxes plus penalty and interest; or (b) the sum of the difference between the payments and credits due and owing to the applicant at the time of default and the District taxes that would have been payable to the District had this Agreement not be executed.
- 8.2.2 The District's sole right of equitable relief under this Agreement shall be its right to terminate this Agreement.
- 8.2.3 The Parties understand and agree that the damages and remedies set forth in this Section 8.2 shall be the sole and exclusive remedies, both legal and equitable, available to the District.
- 8.2.4 In accordance with §313.0275 of the Code, for any full tax year which beginning after the project has become operational, Applicant shall cure those material breaches defined in 8.3(d), 8.3(e), or 8.3(f), below, without the termination of this Agreement. In order to cure its noncompliance with 8.3(d), 8.3(e), or 8.3(f) for the particular Tax Year of noncompliance only, Applicant may pay liquidated damages as required by §313.0275(b) of the Code, in accordance with §313.0275(c).

8.3 MATERIAL BREACH BY APPLICANT

Any one of the following acts or omissions shall constitute a material breach of this Agreement by Applicant:

- (a) Applicant is determined to have failed to meet its obligations to have made accurate representations of fact in submission of its Application.
- (b) Applicant fails to Maintain a Viable Presence in the District, as required by this Agreement, through the final termination date of this agreement.
- (c) Applicant fails to timely make any payment required under Articles 3 or 4 of this Agreement.
- (d) Applicant fails to create and maintain, at a minimum, the number of New Jobs it committed to create in its Application.

- (e) Applicant fails to create and maintain, at a minimum, the number of Qualifying Jobs set forth it committed to create and maintain on Schedule C, Column E of its application.
- (f) Applicant fails to create and maintain at least Eighty Percent (80%) of all New Jobs created on the project as Qualifying Jobs as required by the Code §313.024(d).
- (g) Applicant makes any payments to the District or to any other person or entity in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of or consideration for this Agreement for Limitation on Appraised Value made pursuant to Chapter 313 of the Code, in excess of the amounts set forth in Article 3. Voluntary donations made by applicant to the District after the date of execution of this Agreement, and not mandated by this Agreement or made in recognition of or consideration for this Agreement are not barred by this provision.
- (h) Applicant fails to comply with any other term of this Agreement, or Applicant fails to meet its obligations under the applicable Comptroller's rules or Chapter 313 of the Code.

8.4 CALCULATION OF PENALTY & INTEREST

In determining the amount of penalty and interest due in the event of a breach of this Agreement, the District shall determine the base amount of taxes owed less any Tax Credit under Article 6 of the Agreement for each Tax Year during the term of this Agreement since the Commencement Date. The District shall calculate penalty or interest for each Tax Year during the term of this Agreement since the Commencement Date in accordance with the methodology set forth in Chapter 33 of the Code, as if the base amount calculated for such Tax Years less all credits under Article 6 had become due and payable on February 1 of the calendar year following such Tax Year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in the Code §33.01(a) or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in the Code §33.01(c), or its successor statute.

8.5 DISPUTE RESOLUTION

After the Applicant receives notice of breach from District, the Applicant shall have ninety (90) days to: (a) tender payment; (b) submit evidence of its efforts to cure; or (c) submit to the District written notice of dispute mediation. The mediation shall be conducted by a mutually agreeable mediator at a mutually convenient time and place. If no mediator is agreed upon by the Parties, a mediator shall be appointed by the judge of the district court in the judicial district containing the administrative offices of the District. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the Texas Civil Practice

and Remedies Code and such other rules as the mediator shall prescribe. The Parties shall each bear one-half of the mediation fees and expenses.

In the event that any mediation is not successful in resolving the dispute or that payment is not received before the expiration of such ninety (90) days, the District shall have the remedies for the collection of the amounts determined under Section 8.2 and as set forth in Chapter 33, Subchapters B and C of the Code. In the event that the District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney's fees and a tax lien on the Applicant's Qualified Property and the Applicant's Qualified Investment pursuant to §6.30 and §33.07 of the Code.

In any event where a dispute between the Parties cannot be resolved by the Parties, and after completing the mediation procedures required above, either the District or the Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in any judicial proceeding, assert any rights or defenses, or seek any remedy in law or in equity, against the other Party with respect to any claim relating to any breach, default, or non-performance of any covenant, agreement or undertaking made by a Party pursuant to this Agreement.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 NOTICES

All notices required to be sent under this Agreement shall be given in writing via certified mail, return receipt requested to the Parties hereto as follows:

To the District:

With a copy to:

Name:	Elgin Independent School District	Walsh, Anderson, Brown, Gallegos & Green, PC
Attn:	Bill Graves, Superintendent	Ann Greenberg, Attorney
Address:	1002 N. Avenue C	P. O. Box 2156
City/Zip:	Elgin, TX 78621	Austin, TX 78768-2156
Phone #:	(512)281-3434	(512) 454-6864
Fax #:	(512)285-9933	
Email:	bgraves@elginisd.net	agreenberg@wabsa.com

To the Applicant:

Name:	RRE Austin Solar, LLC	Bojorquez Law Firm, PLLC
Attn:	Daven Mehta, CEO	Alan J. Bojorquez, Special Counsel
Address:	8121 Bee Cave Rd., Suite 100	12325 Hymeadow Dr., Suite 2-100
City/Zip:	Austin, TX 78746	Austin, TX 78750
Phone #:	(512)382-5316	(512)250-0411
Fax #:	(512)225-9283	(512)250-0749
Email:	daven@rresolar.com	alan@texasmunicipallawyers.com

9.2 AMENDMENT

This Agreement may not be modified, amended, or terminated except by written mutual agreement of the District and the Applicant. No amendments to this Agreement shall be effective until the same are approved, accepted, and signed by the Parties.

9.3 ASSIGNMENT

Applicant may assign this Agreement, or a portion of this Agreement, to a new Applicant or lessee of the Qualified Property upon the written approval of the District, which shall not be unreasonably withheld. It shall not be unreasonable for the District to withhold approval if the Applicant is liable to the District for outstanding taxes or other obligations arising under this Agreement or if the assignee is not deemed creditworthy.

9.4 ENTIRE AGREEMENT

This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof and all prior negotiations, discussions, correspondence, and preliminary understandings between the parties and other relating hereto are superseded by this Agreement.

9.5 MAINTENANCE OF APPRAISAL DISTRICT RECORDS

When appraising an Applicant's Qualified Property subject to a limitation on Appraised Value under this Agreement, the chief appraiser of the Appraisal District shall determine the market value of the property and include both the market value and the appropriate value under the Agreement in its appraisal records.

9.6 GOVERNING LAW & VENUE

This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law rules that would direct the application of the laws of another jurisdiction. The exclusive venue for any action between the Parties shall be *Bastrop County* of the District's central administrative office.

9.7 AUTHORITY TO EXECUTE AGREEMENT

Each of the Parties signing below expressly warrants that he or she has been authorized to execute this Agreement for and on behalf of the respective Party.

9.8 SEVERABILITY

Every provision of this Agreement is intended to be severable. If any term or provision of this Agreement is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement unless the invalidity of any provision(s) would have a material adverse effect on the purpose and intent of this Agreement. If the invalidity has a material adverse effect, the Parties shall make a good faith effort to renegotiate the terms of this Agreement consistent with the purpose and intent of the Parties prior to bringing any action.

9.9 EXECUTION OF COUNTERPARTS

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute one and the same instrument.

9.10 ACCURACY OF REPRESENTATIONS IN APPLICATIONS

The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application. Applicant warrants that all information, facts, and representations contained therein are true and correct, to the best of Applicant's knowledge. The parties agree that the Application and all related attachments are included by reference in this Agreement as if fully set forth herein. It is expressly understood and agreed that this Agreement shall be void and of no further effect if any material misrepresentations were made in the Application.

9.11 BINDING ON SUCCESSORS

In the event the District should merge or consolidate with another school district or other governmental entity, this Agreement shall be binding on the successor school district or governmental entity.

9.12 PUBLICATION

The Parties hereby acknowledge that certain documentation relating to the Application, including this Agreement and all economic analyses submitted to the District, are to be published for public inspection.

IN WITNESS WHEREOF, this Agreement has been executed by the District and the Applicant in duplicate originals on this, the ____ day of _____, 2011.

RRE AUSTIN SOLAR, LLC:
Texas Taxpayer ID No. 32040958400

by: 
Daven Mehta, CEO

Date: 12-15-2011

ELGIN INDEPENDENT SCHOOL DISTRICT:

by: Byron Mitchell
Byron Mitchell, President,
Board of Trustees

Date: 12-12-11

ATTEST:

by: Kim Christensen
Kim Christensen, Secretary,
Board of Trustees

Date: 12-12-11

SCHEDULE 1.2

**APPRAISAL LIMITATION SUMMARY
&
ELGIN ISD FINANCIAL IMPACT ANALYSIS**

Year of Agreement	Date of Appraisal	School Year	Tax Year	Summary Description
1	January 1, 2012	2012-13	2012	No appraisal limitation.
2	January 1, 2013	2013-14	2013	No appraisal limitation.
3	January 1, 2014	2014-15	2014	\$10 million appraisal limitation
4	January 1, 2015	2015-16	2015	\$10 million appraisal limitation. Possible tax credit for Applicant.
5	January 1, 2016	2016-17	2016	\$10 million appraisal limitation. Possible tax credit for Applicant.
6	January 1, 2017	2017-18	2017	\$10 million appraisal limitation. Possible tax credit for Applicant.
7	January 1, 2018	2018-19	2018	\$10 million appraisal limitation. Possible tax credit for Applicant.
8	January 1, 2019	2019-20	2019	\$10 million appraisal limitation. Possible tax credit for Applicant.
9	January 1, 2020	2020-21	2020	\$10 million appraisal limitation. Possible tax credit for Applicant.
10	January 1, 2021	2021-22	2021	\$10 million appraisal limitation. Possible tax credit for Applicant.
11	January 1, 2022	2022-23	2022	No appraisal limitation. Possible tax credit for Applicant. Applicant must maintain a Viable Presence.
12	January 1, 2023	2023-24	2023	No appraisal limitation. Possible tax credit for Applicant. Applicant must maintain a Viable Presence.
13	January 1, 2024	2024-25	2024	No appraisal limitation. Possible tax credit for Applicant. Applicant must maintain a Viable Presence.
14	January 1, 2025	2025-26	2025	Post Settle-up Period
15	January 1, 2026	2026-27	2026	Post Settle-up Period

**Summary of Elgin ISD Financial Impact
of the Limited Appraised Value Application
from
RRE Austin Solar, LLC
October 3, 2011**

**Prepared by
Public Financial Management, Inc.
School Financial Consultant**

Elgin ISD Financial Impact of Chapter 313 Agreement

Summary of Elgin ISD Financial Impact of the Limited Appraised Value Application from RRE Austin Solar, LLC

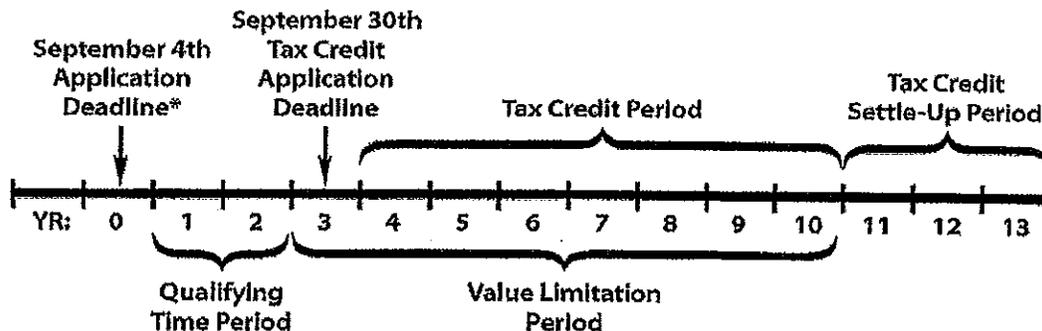
Introduction

RRE Austin Solar, LLC applied for a property value limitation from Elgin Independent School District under Chapter 313 of the Tax Code. The application was submitted on December 3, 2010 and subsequently approved for consideration by the Elgin ISD Board of Trustees. RRE Austin Solar, LLC, is requesting the property value limitation as a "renewable energy electric generation" company as listed in Sec. 313.024.(b) of the Tax Code. "The Economic Development Act", Tax Code Chapter 313, was created by House Bill 1200 of the 77th Texas Legislature in 2001. Further amendments were made to Chapter 313 as a result of House Bill 1470 from the 80th Texas Legislative Session in 2007.

The Economic Development Act was created to attract qualifying businesses to Texas by allowing school districts the option of approving a property value limitation of these qualifying entities. The purpose of the property value limitation is to reduce the maintenance and operations taxes paid by the company, to a school district during the applicable years as displayed below.

Timeline for Companies Applying for Tax Credit (in 3rd Year) After June 15, 2007

Appraised Value Limitation and Credit Under Tax Code Chapter 313



* Companies may apply throughout the year by agreement with the school district.
Sept. 4th is the deadline for applications with agreements commencing in the following tax year.

Elgin ISD Financial Impact of Chapter 313 Agreement

The company must file an application with the school district to qualify for consideration of a Limited Appraised Value Agreement ("LAVA" or "Agreement"). The first two years of the agreement are considered the qualifying time period and the company's school district taxes will be levied at one-hundred percent of the appraised value. The applicant may then file a separate application with the school district to request tax credits (for taxes paid during the qualifying time period) to be applied during years four through ten of the LAVA, but not to exceed 50% of their tax levy for those years. Any tax credit balance remaining after this period can then be applied during years eleven through thirteen of the agreement, but cannot exceed the actual amount of taxes paid to the school district during the Settle-Up Period. After year thirteen, any leftover credits will not be applied and will expire.

During years three through ten of the LAVA, the qualifying entity's taxable value will be reduced to the minimum qualified investment for the applicable school district as determined by the State Comptroller's Office. Elgin ISD is considered a Rural category 3 District as categorized with total taxable value of industrial property of greater than \$1 million and less than \$90 million, thus Elgin ISD has a minimum qualified investment amount of \$10 million. A qualifying entity's taxable value would be reduced to \$10 million during years three through ten of the agreement for the purposes of computing the tax levy for the maintenance and operations (M&O) tax of Elgin ISD. The entire appraised value will be used for computing the interest and sinking (I&S) tax levy.

Taxable Value Impact from LAVA

The "Additional Value from RRE Austin Solar" represents the values that the company estimated as their taxable values in the application that was filed with the district. During years three through ten, the company's taxable value will be limited to the \$10,000,000 minimum qualified investment of Elgin ISD.

Tax Year	Additional Value from Project	Minimum Qualified Investment	Abated Value	Taxable Value
2012	\$ 42,930,000	\$ -	\$ -	\$ 42,930,000
2013	88,730,000	-	-	88,730,000
2014	115,400,000	(10,000,000)	105,400,000	10,000,000
2015	13,260,000	(10,000,000)	10,260,000	10,000,000
2016	110,760,000	(10,000,000)	100,760,000	10,000,000
2017	107,210,000	(10,000,000)	97,210,000	10,000,000
2018	103,580,000	(10,000,000)	93,580,000	10,000,000
2019	99,960,000	(10,000,000)	89,960,000	10,000,000
2020	94,360,000	(10,000,000)	84,360,000	10,000,000
2021	88,840,000	(10,000,000)	78,840,000	10,000,000
2022	82,890,000	-	-	82,890,000
2023	77,720,000	-	-	77,720,000
2024	72,750,000	-	-	72,750,000

Elgin ISD Financial Impact of Chapter 313 Agreement

RRE Austin Solar, LLC Tax Benefit from Agreement

The projected amount of the net tax savings for RRE Austin Solar, LLC is in excess of \$8.38 million over the life of the Agreement. This net savings is after all tax credits have been applied and after estimated payments have been made to the district to offset their revenue losses that were a direct result of entering into this Agreement.

School Year	Taxes w/o Agreement	Tax Savings w/ Agreement	Tax Credits	Payment of District Revenue Losses	Net Tax Savings
2012-13	\$ 661,122	\$ -	\$ -	\$ -	\$ -
2013-14	1,366,427	-	-	-	-
2014-15	1,777,160	1,096,160	-	(745,312)	350,848
2015-16	1,740,204	1,076,204	186,632	-	1,260,836
2016-17	1,705,704	1,047,904	186,632	-	1,234,536
2017-18	1,651,032	1,010,984	186,632	-	1,197,016
2018-19	1,595,132	973,232	186,632	-	1,159,864
2019-20	1,531,632	930,384	186,632	-	1,147,016
2020-21	1,453,144	877,344	186,632	-	1,063,976
2021-22	1,165,416	817,856	186,632	-	1,004,488
2022-23	1,276,506	-	-	-	-
2023-24	1,196,808	-	-	-	-
2024-25	1,120,350	-	-	-	-
	10,117,206	7,822,384	1,806,422	(745,312)	8,380,490

Financial Impact Study

This Financial Impact Study was performed to determine the financial impact of the Limited Appraised Value Agreement on Elgin ISD. First, a thirteen year financial forecast was prepared to establish a baseline without the added values of the renewable energy electric generation company. Second, a thirteen year financial forecast was prepared that incorporated the additional taxable value of the company without a LAVA in effect. Third, a thirteen year financial forecast was prepared that incorporates the additional taxable value of the company with an approved LAVA. The following assumptions were used to compare the financial impact of the LAVA:

- This report is a minor update to a previously approved analysis utilizing state funding formulas (in effect for 2009-2010 fiscal year) which were used for state aid and recapture calculation purposes.
 - Level 2 of Tier II yield - \$59.97 per weighted student in average daily attendance (WADA) per penny of tax effort

Elgin ISD Financial Impact of Chapter 313 Agreement

- The District's tax rate for maintenance & operations (M&O) will remain at the same rate as for tax year 2009, except in school year(s) 2012-2013 and 2013-2014, where a special ratified tax rate of \$1.17 was used.
- A tax collection rate of 100% on current year tax levy with no projected delinquent taxes
- A constant taxable value was used with no projected increase or decrease, except as it related to the requested LAVA. The District's 2009 taxable value was used as a baseline for all projections.
- The District's enrollment is projected to remain constant: therefore, the projected ADA and WADA for school year 2009-2010 was used for the life of the agreement.

Although these assumptions were used to develop a baseline scenario for comparison purposes, many of these factors will not remain constant for the thirteen years of this proposed agreement. Also, Legislative changes to the school finance formulas are likely during the near future and almost certain during the life of this agreement.

The tables displayed below (Table III, IV ,V) are provided to show the school's financial impact as a result of the LAVA. These scenarios were computed to compare the District's revenue without the additional taxable value of RRE Austin Solar (Table III), the addition of RRE Austin Solar taxable values without a Chapter 313 Agreement (Table IV), and the addition of RRE Austin Solar taxable values with a Chapter 313 Agreement (Table V).

School Year	Total Taxable Value	M&O Taxes Compressed Rate	State Revenue	Recapture Amount	Hold Harmless Revenue	M&O Taxes > Comp Rate	Total District Revenue
2012-13	\$ 860,000,000	\$ 8,600,000	\$ 16,397,515	\$ -	\$ 25,278,541	\$ 1,462,000	\$ 26,459,515
2013-14	860,000,000	8,600,000	16,397,515	-	25,278,541	1,462,000	26,459,515
2014-15	860,000,000	8,600,000	17,515,515	-	25,278,541	344,000	26,459,515
2015-16	860,000,000	8,600,000	17,515,515	-	25,278,541	344,000	26,459,515
2016-17	860,000,000	8,600,000	17,515,515	-	25,278,541	344,000	26,459,515
2017-18	860,000,000	8,600,000	17,515,515	-	25,278,541	344,000	26,459,515
2018-19	860,000,000	8,600,000	17,515,515	-	25,278,541	344,000	26,459,515
2019-20	860,000,000	8,600,000	17,515,515	-	25,278,541	344,000	26,459,515
2020-21	860,000,000	8,600,000	17,515,515	-	25,278,541	344,000	26,459,515
2021-22	860,000,000	8,600,000	17,515,515	-	25,278,541	344,000	26,459,515
2022-23	860,000,000	8,600,000	17,515,515	-	25,278,541	344,000	26,459,515
2023-24	860,000,000	8,600,000	17,515,515	-	25,278,541	344,000	26,459,515
2024-25	860,000,000	8,600,000	17,515,515	-	25,278,541	344,000	26,459,515

Elgin ISD Financial Impact of Chapter 313 Agreement

Table IV: District Revenues w/ RRE Austin Solar, LLC w/out Chapter 313 Agreement

School Year	Total Taxable Value	M&O Taxes Compressed Rate	State Revenue	Recapture Amount	Hold Harmless Revenue	M&O Taxes > Comp Rate	Total District Revenue
2012-13	\$ 902,930,000	\$ 9,029,300	\$ 16,324,534	\$ -	\$ 25,278,541	\$ 1,534,981	\$ 26,888,815
2013-14	948,740,000	9,487,800	15,800,202	-	25,278,541	1,622,884	26,900,343
2014-15	975,400,000	9,754,000	16,545,840	-	25,278,541	390,160	26,690,000
2015-16	873,260,000	9,732,600	16,270,051	-	25,278,541	389,804	26,324,955
2016-17	970,760,000	9,707,600	16,293,307	-	25,278,541	388,304	26,389,211
2017-18	967,710,000	9,677,100	16,820,727	-	25,278,541	386,884	26,379,711
2018-19	963,580,000	9,635,800	16,359,099	-	25,278,541	385,432	26,380,331
2019-20	989,460,000	9,594,600	16,398,499	-	25,278,541	383,734	26,376,883
2020-21	954,360,000	9,543,600	16,443,387	-	25,278,541	381,744	26,368,731
2021-22	973,040,000	9,486,400	16,483,740	-	25,278,541	379,486	26,365,741
2022-23	942,890,000	9,428,900	16,560,503	-	25,278,541	377,156	26,366,559
2023-24	937,720,000	9,377,200	16,622,377	-	25,278,541	375,088	26,374,659
2024-25	932,750,000	9,327,500	16,678,127	-	25,278,541	373,100	26,378,727

Table V: District Revenue w/ RRE Austin Solar, LLC w/ Chapter 313 Agreement

School Year	Total Taxable Value	M&O Taxes Compressed Rate	State Revenue	Recapture Amount	Hold Harmless Revenue	M&O Taxes > Comp Rate	Payment For District Losses	Total District Revenue
2012-13	\$ 902,930,000	\$ 9,029,300	\$ 16,324,534	\$ -	\$ 25,278,541	\$ 1,534,981	\$ -	\$ 26,888,815
2013-14	948,740,000	9,487,800	15,800,202	-	25,278,541	1,622,884	-	26,900,343
2014-15	870,000,000	8,700,000	16,545,840	-	25,278,541	348,000	745,312	26,339,152
2015-16	870,000,000	8,700,000	17,407,515	-	25,278,541	348,000	-	26,455,515
2016-17	870,000,000	8,700,000	17,407,515	-	25,278,541	348,000	-	26,455,515
2017-18	870,000,000	8,700,000	17,407,515	-	25,278,541	348,000	-	26,455,515
2018-19	870,000,000	8,700,000	17,407,515	-	25,278,541	348,000	-	26,455,515
2019-20	870,000,000	8,700,000	17,407,515	-	25,278,541	348,000	-	26,455,515
2020-21	870,000,000	8,700,000	17,407,515	-	25,278,541	348,000	-	26,455,515
2021-22	870,000,000	8,700,000	17,407,515	-	25,278,541	348,000	-	26,455,515
2022-23	942,890,000	9,428,900	17,407,515	-	25,278,541	377,156	-	27,213,571
2023-24	937,720,000	9,377,200	16,622,377	-	25,278,541	375,088	-	26,374,659
2024-25	932,750,000	9,327,500	16,678,127	-	25,278,541	373,100	-	26,378,727

Current School Finance Law

A major overhaul of the school finance formulas was implemented as a result of House Bill 1 of the 79th Legislative Session and became effective for the 2006-2007 school year. These formula changes have had an effect on the District's financial impact from granting a property value limitation. Due to the district's "Hold Harmless" provision that was enacted in the new funding formulas, it is presumed that the majority of the district's revenue losses in year three of the LAVA will be offset with additional state funding. Prior to these recent formula changes, school districts felt a significant loss in revenues in year three because the state funding formulas considered the district more property wealthy based on their prior year taxable value. However, districts were only able to tax on the lower value that was a result of the LAVA. Districts are currently "held harmless" for the majority amount of the loss in year three; however, it is possible that a future legislative session could eliminate this provision. If the "hold

Elgin ISD Financial Impact of Chapter 313 Agreement

harmless" provision is eliminated, then the company would be required to offset the district's losses as computed in Article III of the Agreement.

Impact of Projected Student Growth on District Facilities

TABLE VI - Campus Capacity and Available Growth				
Campus	# of Regular Classrooms	Building Capacity	Current Enrollment	Enrollment Growth Available
Elgin Elem. N. (PK-2)	29	634	485	149
Elgin Elem. S. (3-5)	38	832	281	551
BTW Elem. (K-5)	28	614	576	38
Neldig Elem. (K-5)	29	653	602	51
Elgin JMS (6-8)	45	990	870	120
Elgin HS (9-12)	57	1260	1149	111
Total	226	4983	3963	1,020

The building capacities are based on 22 students per classroom as of October 2010.

RRE Austin Solar provided supplemental information with their application that projected the number of full-time employees that are expected for permanent employment after construction of the project is completed. They projected that five full-time employees are expected. It is not known whether these would be new employees to the Elgin ISD, or if current residents would occupy these positions; however, it is assumed that these employees would be new residents to the district.

Based on average state wide figures provided by a demographer, it is projected that each new household would produce 0.5 students. Thus the new five positions equates to 2.5 new students.

This minimal projected student growth can easily be accommodated with the current facilities of Elgin ISD as displayed in Table VII above.

Elgin ISD Financial Impact of Chapter 313 Agreement

Conclusion

This Financial Impact Study displays that entering into a Limited Appraised Value Agreement with RRE Austin Solar LLC, would be beneficial to both RRE Austin Solar and Elgin ISD under the current school finance system.

RRE Austin Solar would benefit from reduced property taxes during years three through ten of the LAVA. Although some of the tax savings would be used to offset District's revenue losses and payments in lieu of taxes to the District, RRE Austin Solar is projected to benefit from in excess of \$8.38 million in tax savings over the thirteen year period of this agreement. RRE Austin Solar also has the option of terminating the Agreement if the amount paid to the District during a tax year is greater than the amount of taxes that would have been paid without the agreement; therefore, there is no inherent risk for the company from entering into the Agreement.

Elgin ISD would also have no inherent risk under the current school finance system and with the provisions in the LAVA that require RRE Austin Solar to offset any district losses caused by the LAVA.

An annual calculation will be performed each year to determine if a loss to the District has been incurred. The revenue impact to the District will be computed by comparing the District's revenues with and without the LAVA in effect.

SCHEDULE 2.1

DESCRIPTION OF REINVESTMENT ZONE AND/OR ENTERPRISE ZONE

The reinvestment zone shall be comprised of the following parcels. In the event of discrepancy between this legal description and the map which follows, the map shall control.

Tract 1: That certain 319.09 acres of land described in Exhibit A attached hereto.

Tract 2: That certain 211.51 acres of land described in Exhibit B attached hereto.

Tract 3: That certain 78.130 acres of land described in Exhibit C, SAVE AND EXCEPT that certain 11.331 acres of land described in Exhibit C-1 attached hereto.

Tract 4: That certain 71.247 acres of land described in Exhibit D attached hereto.

Tract 5: That certain 56.05 acres of land described in Exhibit E attached hereto.

Tract 6: That certain 3.942 acres of land described in Exhibit F attached hereto.

Tract 7: That certain 17.667 acres of land described in Exhibit G and attached hereto.

Tract 8: That certain 1.79 acres of land described in Exhibit H and attached hereto.

ORDINANCE NO. 1083-11-08-23

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PFLUGERVILLE, TEXAS, DESIGNATING A CERTAIN AREA AS THE PFLUGERVILLE RENEWABLE ENERGY REINVESTMENT ZONE #2 FOR THE CITY OF PFLUGERVILLE, TEXAS; ESTABLISHING THE BOUNDARIES THEREOF AND OTHER MATTERS RELATING THERETO; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Pflugerville, Texas (hereinafter referred to as the "City"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone, as authorized by chapter 312 of the Texas Tax Code, cited as the Property Re-development and Tax Abatement Act; and

WHEREAS, a public hearing before the City Council was set for 7:00 p.m. on the 23rd day of August, 2011, such date being at least seven (7) days after the date of publication of the notice of such public hearing, pursuant to Section 312.201(d) of the Texas Tax Code; and

WHEREAS, the City held such public hearing after publishing notice of such public hearing, and giving written notice to all taxing units overlapping the territory inside the proposed reinvestment zone; and

WHEREAS, the City at such hearing invited any interested person, or his attorney, to appear and contend for or against the creation of the reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory should be included in such proposed reinvestment zone, the concept of tax abatement; and

WHEREAS, upon full review and consideration of the all matters attendant and related thereto, the City Council is of the opinion that the area described in *Exhibit A, B, C, D, E, F, G & H* of this Ordinance, which is attached hereto and incorporated herein, meets the criteria for designating an area as tax abatement reinvestment zone, pursuant to Section 312.202(a)(6) of the Texas Tax Code, because the designation of the area as described in *Exhibit A, B, C, D, E, F, G & H* as a reinvestment zone is "reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the" City of Pflugerville, Texas.

NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE CITY COUNCIL OF THE CITY OF PFLUGERVILLE, TEXAS, THAT:

Section 1. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

Section 2. **Definitions.**

- (a) *Improvements* - Improvements shall include any activity at the location, including but not limited to new construction.
- (b) *Taxable Real Property* - Taxable real property shall be as defined in the Texas Tax Code and shall not include personal property as defined in said Code.
- (c) *Base Year* - The base year for determining increased value shall be the taxable real property value assessed the year in which the agreement is executed.
- (d) *Personal Property* - Personal property shall be as defined in the Texas Tax Code and shall include all equipment, office furnishings, and inventory, and other items contained within the confines of the reinvestment zone.

Section 3. **Findings and Determinations.** The City, after conducting such public hearings, and having heard such evidence and testimony, has made the following findings and determinations based upon the testimony presented:

- (a) That a public hearing on the adoption of the reinvestment zone has been properly called, held and conducted, and that notices of such hearings have been published at least seven (7) days before the hearing in a newspaper of general circulation within the City, and mailed to all taxing units overlapping the territory inside the proposed reinvestment zone at least seven (7) days prior to the hearing; and
- (b) That the boundaries of the reinvestment zone should be the areas as described and depicted on the attached *Exhibit A, B, C, D, E, F, G & H*; and
- (c) That creation of the reinvestment zone for renewable energy production with boundaries as described in *Exhibit A, B, C, D, E, F, G & H* will result in benefits to the City, and to the land included within the zone, and the improvements sought are feasible and practical; and
- (d) That the investment zone as defined in *Exhibit A, B, C, D, E, F, G & H* meets the criteria for the creation of a reinvestment zone as set forth in Section 312.202(a)(6) of the Texas Tax Code in that it is "reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the City"; and
- (e) That the reinvestment zone as defined in *Exhibit A, B, C, D, E, F, G & H* meets the criteria for the creation of a reinvestment zone as set forth in the City of Pflugerville Tax Abatement Guidelines and Criteria.

Section 4. **Zone Designation.** Pursuant to Section 312.201 of the Texas Tax Code,

the City hereby creates a reinvestment zone for renewable energy production encompassing only the area described and depicted on the attached *Exhibit A, B, C, D, E, F, G & H*, and such reinvestment zone is hereby designated and shall hereafter be designated as the Pflugerville Renewable Energy Reinvestment Zone, City of Pflugerville, Texas. The Pflugerville Renewable Energy Reinvestment Zone, City of Pflugerville, Texas is effective for thirty (30) years and may be renewed for periods not to exceed fifteen (15) years. The expiration of the designation does not affect an existing tax abatement agreement.

Section 5. Conditions for Application for Tax Abatement. To be considered for execution of an agreement for tax abatement, the commercial-industrial project shall:

- (a) Be located wholly within the zone as established herein.
- (b) Not include property that is owned or leased by a member of the City Council of the City of Pflugerville, Texas, or by a member of the Planning and Zoning Commission of the City of Pflugerville.
- (c) Conform to the requirements of the City's Zoning Ordinance and all other applicable laws and regulations.
- (d) Have and maintain all land located within the designated zone, appraised at market value for tax purposes.

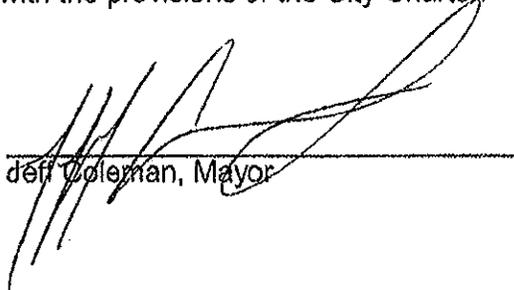
Section 6. Terms of Exemption. A written agreement with property owner located within the zone shall provide the terms regarding duration of exemption and share of eligible taxable real and personal property value from taxation.

Section 7. Criteria for Written Agreements. Written agreements under Section 312.205 of the Texas Tax Code must include provisions for:

- (a) Listing the kind, number, and location of all proposed improvements of the property.
- (b) Access to and inspection of property by municipal employees to ensure that the improvements or repairs are made according to the specification and conditions of the agreements.
- (c) Limiting the use of the property consistent with the general purpose of encouraging development or redevelopment of the zone during the period that property tax exemptions are in effect.
- (d) Recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements as provided by the agreement.

Section 8. Severability. The provisions of this ordinance are severable. If any section, paragraph, sentence, subdivision, clause, or phrase of this ordinance or the application thereof to any person or circumstance is held invalid or held unconstitutional, such invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application.

Section 9. Effective. This Ordinance will take effect after the second reading and its passage by three affirmative votes on August 23, 2011; provided that this Ordinance will be posted and published in accordance with the provisions of the City Charter.



Jeff Coleman, Mayor

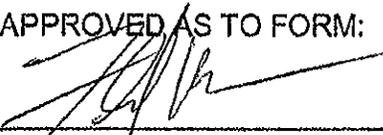
ATTESTED TO:



Karen Thompson
City Secretary

DATE: August 23, 2011

APPROVED AS TO FORM:



Floyd Akers
City Attorney

**Description and Depiction of the
Pflugerville Renewable Energy Reinvestment
Zone #2
for the
City of Pflugerville, Texas**

Legal Descriptions of Eight (8) Parcels of Land

Tract 1: That certain 319.09 acres of land described in Exhibit A attached hereto.

Tract 2: That certain 211.51 acres of land described in Exhibit B attached hereto.

Tract 3: That certain 78.130 acres of land described in Exhibit C, SAVE AND EXCEPT that certain 11.331 acres of land described in Exhibit C-1 attached hereto.

Tract 4: That certain 71.247 acres of land described in Exhibit D attached hereto.

Tract 5: That certain 56.05 acres of land described in Exhibit E attached hereto.

Tract 6: That certain 3.942 acres of land described in Exhibit F attached hereto.

Tract 7: That certain 17.667 acres of land described in Exhibit G and attached hereto.

Tract 8: That certain 1.79 acres of land described in Exhibit H and attached hereto.

EXHIBIT "A"

HOLT CARSON INCORPORATED
1904 FORTVIEW ROAD
AUSTIN, TX 78704
TELEPHONE: (512) 442-0900
FACSIMILE: (512) 442-1084

January 29, 2007

FIELD NOTE DESCRIPTION OF 319.089 ACRES OF LAND OUT OF ISAAC LINDSAY SURVEY NO. 87, ABSTRACT NO. 476, THE WALTON, HILL AND WALTON SURVEY NO. 77, ABSTRACT NO. 2328, AND THE STYLES FOWLER SURVEY NO. 42, ABSTRACT NO. 302, ALL IN TRAVIS COUNTY, TEXAS, AND BEING A PORTION OF THAT CERTAIN (319.834 ACRE) TRACT OF LAND AS CONVEYED TO CARRIAGE OAKS ESTATES, INC. BY DEED RECORDED IN VOLUME 13302, PAGE 5198 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a ½" iron rod found in the Northwest right-of-way line of Carlson Road, also known as "Manda Road and/or Manda Carlson Road", same being a point in the approximate Southwest line of the Walton, Hill and Walton Survey No. 77, Abstract No. 2328 and the Northeast line of the Styles Fowler Survey No. 42, Abstract No. 302, also being the most Eastern corner of that certain (319.834 acre) tract of land as conveyed to Carriage Oaks Estates, Inc. by deed recorded in Volume 13302, Page 5198 of the Real Property records of Travis County, Texas, and also being the most Southern corner of that certain (80.60 acre) tract of land as conveyed to Nina Covington, et al. by deed recorded in Volume 5180, Page 688 of the Deed Records of Travis County, Texas and the PLACE OF BEGINNING of the herein described tract, from which a ½" iron rod found at the most Northern corner of that certain (12.07 acre) tract of land as conveyed to Marvin Ammann by deed recorded in Volume 12003, Page 477 of the Real Property Records of Travis County, Texas bears, N 40 deg, 31'44" E 208.60 ft.;

THENCE with the Northwest right-of-way line of Carlson Road, same being a Southeast line of said Carriage Oaks Estates, Inc. (319.834 acre) tract, S 29 deg, 49' 09" W 1764.44 ft. to a ½" iron rod found at the most Southern corner of said Carriage Oaks Estates, Inc. (319.834 acre) tract, same being the East corner of that certain (68.06 acre) tract of land as conveyed to Leonard E. Anderson by deed recorded in Volume 1449, Page 476 of the Deed Records of Travis County, Texas and defined by Boundary Line Agreement recorded in Volume 13305, Page 2264 of the Real Property Records of Travis County, Texas;

THENCE leaving the Northwest right-of-way line of Carlson Road with the Northeast line of said Anderson (68.06 acre) tract, same being the Southwest line of said Carriage Oaks Estates, Inc. (319.834 acre) tract, as defined by said Boundary Line Agreement, N 60 deg, 13' 32" W 2616.10 ft. to a 2" iron pipe found at the North corner of said Anderson (68.06 acre) tract, same being the East corner of that certain (80.16 acre) tract of land as conveyed to W.C. Roundtree and wife, Dorothy Anna Roundtree by deed recorded in Volume 12121, Page 172 of the Real Property Records of Travis County, Texas;

THENCE with the Northeast line of said Roundtree (80.16 acre) tract, same being the Southwest line of said Carriage Oaks Estates, Inc. (319.834 acre) tract, N 60 deg, 33' 32" W 2653.35 ft. to a calculated point in the Southeast line of that certain (12.0 acre) tract of land as conveyed to John R. Rowland by deed recorded in Volume 12741, Page 947 of the Real Property Records of Travis County, Texas, for the West corner of the herein described tract, from which a bent 2" iron pipe found in concrete, on the interior of said Rowland (12.0 acre) tract, at the West corner of said Carriage Oaks Estates, Inc. (319.834 acre) tract, same being the North corner of said Roundtree (80.16 acre) tract bears, N 60 deg, 33'32" W 7.21 ft.;

THENCE entering the interior of said Carriage Oaks Estates, Inc. (319.834 acre) tract with the Southeast line of said Rowland (12.0 acre) tract, N 30 deg, 28'58" E 186.13 ft. to a ½" iron rod found at the East corner of said Rowland (12.0 acre) tract, same being the South corner of that certain (12.0 acre) tract of land as conveyed to Benigno J. Valdez and wife, Irma Valdez by deed recorded in Document No. 2002080232 of the Official Public Records of Travis County, Texas;

THENCE continuing through the interior of said Carriage Oaks Estates, Inc. (319.834 acre) tract, with the Southeast line of said Valdez (12.0 acre) tract, N 30 deg, 29'47" E 406.56 ft. to a ½" iron rod found at the East corner of said Valdez (12.0 acre) tract;

Page 1 of 2

EXHIBIT A

THENCE continuing through the interior of said Carriage Oaks Estates, Inc. (319.834 acre) tract, with the record Northeast line of said Valdez (12.0 acre) tract, N 69 deg. 52'00" W 7.93 ft. to a calculated point in a Northwest line of said Carriage Oaks Estates, Inc. (319.834 acre) tract;

THENCE leaving the Northeast line of said Valdez (12.0 acre) tract, with a Northwest line of said Carriage Oaks Estates, Inc. (319.834 acre) tract, N 30 deg. 24' 24" E, 1748.94 ft. to a 1/2" iron rod found at the base of an old wood post in an approximate Northeast line of the Walton, Hill and Winton Survey No. 77, Abstract No. 2326, same being an approximate Southwest line of the Isaac Lindsay Survey No. 67, Abstract No. 476 and an angle corner of said Carriage Oaks Estates, Inc. (319.834 acre) tract;

THENCE with a Southwest line of said Carriage Oaks Estates, Inc. (319.834 acre) tract, N 60 deg. 16' 28" W 138.43 ft. to a 1 1/2" iron pipe found at the South corner of that certain (76.886 acre) tract of land as conveyed to Kenneth Schmidt and wife, Irene F. Holms by deed recorded in Document No. 2000083124 of the Official Public Records of Travis County, Texas, from which a 1/2" iron rod found for the East corner of said Schmidt (76.886 acre) tract bears, N 30 deg. 42'43" E 3207.19 ft.;

THENCE with a Northwest line of said Carriage Oaks Estates, Inc. (319.834 acre) tract, N 30 deg. 59' 22" E 802.63 ft. to a 1/2" iron rod found at the North corner of said Carriage Oaks Estates, Inc. (319.834 acre) tract, from which a 2" iron pipe found at the North corner of that certain (132.18 acre) tract of land as conveyed to Nina Covington, et al. by deed recorded in Volume 6180, Page 666 of the Deed Records of Travis County, Texas bears, N30 deg. 59'45" E 1086.90 ft. (direct line);

THENCE entering the interior of said Carriage Hills Estates, Inc. (319.834 acre) tract, S 59 deg. 58' 43" E, passing a calculated point at the South corner of said Covington (80.69 acre) tract, same being an exterior angle corner of said Covington (80.69 acre) tract, at a distance of 3063.63 ft., continuing along said bearing for a total distance of 3407.83 ft. to a 1" iron pipe found at an interior angle corner of said Covington (80.69 acre) tract, from which a 1" iron rod set an Easterly exterior angle corner of said Carriage Oaks Estates, Inc. (319.834 acre) tract bears, N 83 deg. 48' E 5.78 ft.;

THENCE continuing through the interior of said Carriage Hills Estates, Inc. (319.834 acre) tract, with a Northwest line of said Covington (80.69 acre) tract, S 34 deg. 07' 37" W 1309.07 ft. to a 1" hex bolt found at the most Westerly corner of said Covington (80.69 acre) tract;

THENCE continuing through the interior of said Carriage Hills Estates, Inc. (319.834 acre) tract, with a Northeast line of said Covington (80.69 acre) tract, S 59 deg. 52' 35" E 27.44 ft. to a 1/2" iron rod found at an interior angle corner of said Carriage Hills Estates, Inc. (319.834 acre) tract;

THENCE with a Northeast line of said Carriage Hills Estates, Inc. (319.834 acre) tract, same being a Southwest line of said Covington (80.69 acre) tract, S 59 deg. 52' 35" E 1660.33 ft. to the PLACE OF BEGINNING and containing 319.889 acres of land.

Surveyed January 29th, 2007
BY:

Holt Carson



Holt Carson
Registered Professional Land Surveyor No. 5166

ccc survey map B 792012

Page 2 of 2

EXHIBIT A

FIELD NOTES TO ACCOMPANY MAP OF SURVEY
211.51 ACRES OF LAND
ISAAC LINDSEY SURVEY NO. 67, A-476
WALTON HILL & WALTON SURVEY NO. 77
TRAVIS COUNTY, TEXAS

FIELD NOTE DESCRIPTION OF 211.51 ACRES OF LAND OUT OF THE ISAAC LINDSEY SURVEY NO. 67, ABSTRACT NO. 476 AND THE WALTON HILL & WALTON SURVEY NO. 77, TRAVIS COUNTY, TEXAS, BEING ALL OF THAT CERTAIN FIRST TRACT-TRACT II, CALLED TO CONTAIN 132.18 ACRES, AND ALL OF THAT CERTAIN SECOND TRACT, CALLED TO CONTAIN 80.89 ACRES, DESCRIBED IN A DEED TO NINA COVINGTON, VAL. C. COVINGTON-BUCK, MARY ELIZABETH BUCK VANCE, ROSEMARY COVINGTON DIAZ AND SARAH ANN COVINGTON FENLEY RECORDED IN VOLUME 5180, PAGE 668 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS, SAVE AND EXCEPT THAT CERTAIN 1 ACRE PORTION OF THE SAID SECOND TRACT DESCRIBED IN A DEED TO DEBRA SUE SRNESKY RECORDED IN DOCUMENT NUMBER 2001184869 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, BEING THE SAME 1 ACRE TRACT PREVIOUSLY DESCRIBED IN A DEED TO EDMOND A. SRNESKY AND WIFE, GLADYS SRNESKY RECORDED IN VOLUME 5373, PAGE 1835 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS. THE SAID 211.51 ACRES OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at an iron pipe found at the northwest corner of the said First Tract-TRACT II, being on the east line of that certain 76.086 acre tract described in a deed to Kenneth Schmidt and wife, Elizabeth Schmidt by deed recorded in Document Number 2000083124 of the Official Public Records of Travis County, Texas, and being at an angle point in Felder Lane;

THENCE, S 60°56'55" E, along the south line of Felder Lane, at 3030.97 feet passing a ½ inch diameter steel pin found 0.56 feet south of line and continuing a total distance of 3280.94 feet to an iron pipe found at the northerly northeast corner of the said Second Tract, the same being the northwest corner of that certain 19.806 acre tract described in a deed to Homer L. Johnson recorded in Volume 7799, Page 697 of the Deed Records of Travis County, Texas;

THENCE, S 30°20'58" W, along the west line of the said 19.806 acre Johnson tract, then the west line of that certain 30.001 acre tract described in a deed to Homer L. Johnson recorded in Volume 5335, Page 1624 of the Deed Records of Travis County, Texas, and then the west line of that certain 25.005 acre tract described in a deed to Richard Row Weaver recorded in Volume 11939, Page 87 of the Real Property Records of Travis County, Texas, at 428.58 feet passing an iron pipe found 0.21 feet east of line, at 1076.12 feet passing an iron pipe found 0.41 feet west of line, continuing a total distance of 1611.02 feet to an iron pipe found at the southwest corner of the said 25.005 acre Weaver tract, being an interior corner of the said Second Tract;

THENCE S 61°03'24" E, a distance of 2035.33 feet to a ½ inch diameter steel pin found on the west line of Manda-Carlson Road at the southeast corner of the said 25.005 acre Weaver tract, the same being an exterior corner of the said Second Tract;

THENCE, S 29°06'58" W, a distance of 776.96 feet along the west line of Manda-Carlson Road, the same being the east line of the said Second Tract, to an iron pipe found at the northeast corner of the said 1 acre tract described in a deed to Debra Sue Srnesky recorded in Document Number 2001184869 of the Official Public Records of Travis County, Texas, being the same 1 acre tract described in Volume 5373, Page 1835 of the Deed Records of Travis County, Texas;

EXHIBIT B

THENCE, traversing the interior of the said Second Tract, along the north, west and south lines of the said 1 acre tract, the following three (3) courses and distances:

- 1) N 00°53'45" W, 215.16 feet to a ½ inch diameter steel pin found with cap;
- 2) S 29°08'48" W, 194.87 feet to a ½ inch diameter steel pin found with cap;
- 3) S 60°48'35" E, a distance of 253.38 feet to an iron pipe found on the west line of Manda-Carlson Road at the southeast corner of the said 1 acre tract;

THENCE, along the west line of Manda-Carlson Road, the same being the east line of the said Second Tract, the following two (2) courses and distances:

- 1) S 05°44'49" W, 70.92 feet to a ½ inch diameter steel pin set with cap stamped Lenz & Assoc;
- 2) S 28°19'58" W, 544.51 feet to a ½ inch diameter steel pin found at the southeast corner of the said Second Tract, the same being the easterly most northeast corner of that certain 319.834 acre tract described in a deed to Carriage Oaks Estates, Inc. recorded in Volume 13902, Page 5198 of the Real Property Records of Travis County, Texas, from which a ½ inch diameter steel pin found at the southeast corner of the said 319.834 acre tract bears S 28°42'52" W, 1784.44 feet;

THENCE, N 60°58'24" W, at 1966.40 feet passing a ½ inch diameter steel pin found at an interior corner of the said 319.834 acre Carriage Oaks Estates, Inc. tract, and continuing a total distance of 1993.85 feet to an iron pipe found at the southerly southwest corner of the said Second Tract in the interior of the said 319.834 acre Carriage Oaks Estates, Inc. tract;

THENCE, N 30°01'22" E, a distance of 1312.15 feet along a line of the said Second Tract, being in conflict with the said 319.834 acre Carriage Oaks Estates, Inc. tract, to a ½ inch diameter steel pin set with cap stamped Lenz & Assoc. on a common line between the said Second Tract and the said 319.834 acre Carriage Oaks Estates, Inc. tract, for an interior corner of the said Second tract, from which an iron pipe found at an exterior corner of the said 319.834 acre Carriage Oaks Estates, Inc. tract bears S 61°06'00" E, 4.48 feet;

THENCE, N 61°06'00" W, along the north line of the said 319.834 acre Carriage Oaks Estates, Inc. tract, at 344.20 feet passing the record location of an exterior corner of the said Second Tract, the same being the southeast corner of the said First Tract - Tract II, continuing a total distance of 3407.81 feet to a ½ inch diameter steel pin found on the east line of the said 76.058 acre Schmidt tract at the southwest corner of the said First Tract - Tract II, the same being the northwest corner of the said 319.834 acre Carriage Oaks Estates, Inc. tract, from which an iron pipe found at an exterior corner of the said 319.834 acre Carriage Oaks Estates, Inc. tract bears S 29°53'24" W, 802.78 feet;

EXHIBIT B
Pg. 2 of 3

211.51 Acres
Page 3 of 3

THENCE, N 29°03'24" E, a distance of 1886.72 feet along the common line between the said First Tract - Tract II and the said 76.066 acre Schmidt tract to the PLACE OF BEGINNING, containing 211.51 acres of land, of which 0.48 acres is in conflict with the said 319.834 acre Carriage Oaks Estates, Inc. tract as depicted on the map of survey attached hereto.

I HEREBY CERTIFY THAT THIS METES AND BOUNDS DESCRIPTION WAS PREPARED FROM AN ACTUAL SURVEY PERFORMED UNDER MY SUPERVISION.


TIMOTHY A. LENZ, R.P.L.S. No. 4893
Lenz & Associates, Inc
1714 Fort View Road, Suite 200
Austin, Texas 78704
(2007-0551.doc)

7-14-07

DATE



FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

2007 Aug 16 03:57 PM 2007153486

MORALES \$32.00

DANA DEBEAUVOIR COUNTY CLERK
TRAVIS COUNTY TEXAS

EXHIBIT B
Pg 3 of 3

DALE L. OLSON
Registered Professional Land Surveyor
711 Water Street
Bastrop, TX 78602
Phone (512) 321-5476 * Fax (512) 303-5476

FIELD NOTES FOR A 78.130 ACRE TRACT IN THE ROBERT FLETCHER SURVEY NO. 69
IN TRAVIS COUNTY, TEXAS.

BEING a 78.130 acre tract or parcel of land out of and being a part of the Robert Fletcher Survey No. 69, A-287, in Travis County, Texas, and being all of that certain tract said to contain 78.133 acres described in a deed from Edwin S. Magnuson and wife, Anna Magnuson to Kevin Keshvari, et ux, dated June 5, 1995, recorded in Vol. 12349, Page 2127, Travis County Deed Records. Said tract being a part of that certain 80 acre tract described in a deed from Mrs. Hattie Schiller to Edwin S. Magnuson, et ux, recorded in Vol. 5358, Page 801, Travis County Deed Records. Herein described tract or parcel of land being more particularly described by metes and bounds as follows:

BEGINNING at the southeast corner of the said 80 acre tract, a 5/8 inch iron rod found near a fence corner in the occupied north line of the James P. Kempa Survey NO. 27 and north line of that certain 142 acre tract described in a deed from Lester C. Nelson to The Lester C. Nelson Living Trust, recorded in Vol. 11917, Page 243, Travis County Deed Records, the southwest corner of the William Smith Survey No. 39, and that certain 44.19 acre tract described in a deed from Lester C. Nelson to The Lester C. Nelson Living Trust, recorded in Vol. 11917, Page 241, Travis County Deed Records, the southeast corner of the said Robert Fletcher Survey, for the southeast corner of this tract.

THENCE with the south line of the Robert Fletcher Survey and 80 acre tract, the north line of the James P. Kempa Survey and Nelson 142 acre tract, N 62 deg. 30 min. 00 sec. W, 2613.81 feet to a 5/8 inch iron rod found where same intersects the east line of Manda-Carlson Road, for the southwest corner of this tract.

THENCE with the east line of Manda-Carlson Road, N 27 deg. 07 min. 15 sec. E, 1307.07 feet to a 5/8 inch iron rod with aluminum cap found where same intersects the north line of the 80 acre tract, the southwest corner of that certain 23,704 acre tract described as Tract II in a deed from Marjorie Carlson Kerwin, et al, to Carl G. Strubbe, et ux, recorded in Vol. 12011, Page 0897, Travis County Deed Records, for the northwest corner of this tract.

THENCE with the north line of the 80 acre tract and south line of the Strubbe 23,704 acre tract, S 62 deg. 15 min. 07 sec. E, 2613.41 feet to a 5/8 inch iron rod found at a fence corner in the east line of the Robert Fletcher Survey, the west line of the William Smith Survey and that certain 44.57 acre tract described in a deed from Viola Maurine Ekeristam to Carl Carlson, recorded in Doc. No. 200205340, Travis County Deed Records, the southeast corner of the Strubbe 23,704 acre tract and northeast corner of the 80 acre tract, for the northeast corner of this tract.

THENCE with the east line of the Robert Fletcher Survey and 80 acre tract, the west line of the Carlson 44.57 acre tract and before mentioned Nelson 44.19 acre tract, S 27 deg. 05 min. 56 sec. W, 1296.56 feet to the POINT OF BEGINNING, containing 78.130 acres of land.

Dale L. Olson
Reg. Pro. Land Surveyor 1753

OR Michael D. Olson
Reg. Pro. Land Surveyor 5386

Order #: 121210

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Date Created: 08/27/10

EXHIBIT C
Pg. 1 of 1

TRAVIS COUNTY, TEXAS
ROBERT FLETCHER SURVEY No. 69, ABSTRACT No. 287
LOWER COLORADO RIVER AUTHORITY
KIMBRO SUBSTATION

KIMBRO SUBSTATION TITLE SURVEY
11.331 ACRES

EXHIBIT 'C-1'

DESCRIPTION FOR A 11.331 ACRE TRACT OF LAND SITUATED IN THE ROBERT FLETCHER SURVEY No. 69, ABSTRACT No. 287, TRAVIS COUNTY, TEXAS; SAID 11.331 ACRE TRACT BEING A PORTION OF A 78.133 ACRE TRACT DESCRIBED IN THE DEED FROM EDWIN S. MAGNUSON AND WIFE, ANNA MAGNUSON, TO KEYVAN KESHVARI AND WIFE, REGINA HOOTEN-KESHVARI, DATED JANUARY 5, 1995 AND RECORDED IN VOLUME 12349, PAGE 2127 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS; THE PERIMETER OF SAID 11.331 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 5/8 inch iron rod with aluminum cap found (Grid Coordinates: N10126421.75 USft; E3202102.42 USft) in the easterly right-of-way line of Manda Carlson Road (60' R.O.W.), being the northwesterly corner of that certain 142 acre tract of land described in the deed from Lester C. Nelson, to Lester C. Nelson, as Trustee of the Lester C. Nelson Revocable Living Trust, with life estate reserved to the grantor, dated April 5, 1993 and recorded in Volume 11917, Page 243 of the Real Property Records of Travis County, Texas and the southwestly corner of said 78.133 acre tract of land, for the southwestly corner hereof;

THENCE N 27°05'50" E, along the easterly right-of-way line of Manda Carlson Road, being a portion of the westerly line of said 78.133 acre tract of land, a distance of 75.00 feet to the most westerly northwest corner hereof, from which a 5/8 inch iron rod with aluminum cap found in the easterly right-of-way line of Manda Carlson Road, being the southwestly corner of that certain 23.704 acre tract of land called "Tract II" described in the deed from Marjorie Carlson Kerwin and Adelee Carlson Almqvist to Carl G. Strubbe and wife, Mary B. Strubbe, dated October 31, 1996 and recorded in Volume 12811, Page 897 of the Real Property Records of Travis County, Texas and the northwesterly corner of said 78.133 acre tract of land bears, N 27°05'50" E, a distance of 1232.77 feet;

THENCE leaving the easterly right-of-way line of Manda Carlson Road, being the westerly line of said 78.133 acre tract of land, through the interior of said 78.133 Acre Tract, the following four (4) courses and distances:

1. S 62°30'53" E, a distance of 814.07 feet to a point for a calculated point, and
2. N 27°29'07" E, a distance of 735.00 feet to the most northerly northwest corner hereof, and
3. S 62°30'53" E, a distance of 534.00 feet to the northeasterly corner hereof, and
4. S 27°29'07" W, a distance of 810.00 feet to a point in the northerly line of said 142 acre tract of land, being the southerly line of said 78.133 acre tract of land for the southeasterly corner hereof, from which a 5/8 inch iron rod with aluminum cap found in the northerly line of said 142 acre tract of land, being the southwestly corner of that certain 44.19 acre tract of land described in the deed from Lester C. Nelson, to Lester C. Nelson, as Trustee of the Lester C. Nelson Revocable Living Trust, with life estate reserved to the grantor, dated April 5, 1993 and recorded in Volume 11917, Page 241 of the Real Property Records of Travis County, Texas and also being the southeasterly corner of said 78.133 acre tract of land bears, S 62°30'53" E, a distance of 1266.07 feet;

THENCE N 62°30'53" W, with the common boundary line of said 142 acre tract of land and said 78.133 acre tract of land, for the southerly line hereof, a distance of 1347.56 feet to the POINT OF BEGINNING and containing 11.331 acres of land within the bearing and distance calls contained herein.

BEARING BASIS: Texas Lambert Grid, Central Zone, NAD 83/NSRS 2007

All distances are surface values, to obtain grid distances multiply surface values by a combined scale factor of 0.99991.

EXHIBIT C-1
Pg 1 of 1

FIELD NOTES FOR CLAUD BAUGHNAGE:

BEING a 71.274 acre tract of land situated in the Styles J. Fowler Survey, Abstract No. 304, Travis County, Texas, and being the remainder of that certain 100.00 acre tract of land conveyed by deed to Rudolph K. Carlson as recorded in Volume 1414, Page 379, Deed Records, Travis County, Texas. Surveyed on the ground in the month of September, 1994, under the supervision of R. T. Magness, Jr., Registered Professional Land Surveyor, and being more particularly described as follows:

BEGINNING at an iron pin found in the West line of Wanda Road, marking the occupied Northeast corner of the said 100.00 acre Carlson tract for the Northeast corner hereof;

TRENCHE S 28° 30' 30" W, 1615.60 feet with the said West line of the Wanda Road to an iron pin set at the intersection of the North line of the Sandeen Road for the Southeast corner hereof;

TRENCHE S 60° 27' 45" W, 1927.66 feet with the said North line of the Sandeen Road to cur-off "r" post, marking the Southwest corner hereof, said corner also being the Southeast corner of that certain 24.563 acre survey performed for Steven A. and Dawn E. Cooper in the month of June, 1994;

TRENCHE N 29° 56' 30" W, 1616.68 feet with the East line of the said Cooper survey to an iron pin found set in concrete, marking the Northeast corner of said Cooper survey for the Northwest corner hereof;

TRENCHE S 60° 28' 15" E, 1915.38 feet to the place of BEGINNING and containing 71.274 acres of land.

NOTE: Also included is that certain 20 foot right-of-way for road purposes as described in deed to Rudolph K. Carlson as recorded in Volume 3097, Page 1743, Deed Records, Travis County, Texas.

STATE OF TEXAS §
COUNTY OF WILLIAMSON § KNOW ALL MEN BY THESE PRESENTS:

I, R. T. Magness, Jr., Registered Professional Land Surveyor, do hereby certify that this survey was made on the ground of the property legally described hereon and in error, and that there are no apparent discrepancies, conflicts, overlapping of improvements, visible utility lines or roads in place, except as shown on the accompanying plat, and that said property has access to and from a dedicated roadway, to the best of my knowledge and belief.

SO CERTIFY WHICH, WITNESS my hand and seal at Taylor, Williamson County, Texas, this 16th day of September, 1994, A.D.

R. T. Magness, Jr.
R. T. Magness, Jr.
Registered Professional Land Surveyor, No. 1433
State of Texas

Job No. S-17007-01
cb/2

EXHIBIT D



1991
Steger & Mizell Engineering, Inc.
Consulting Engineers Surveyors
P.O. Box 850 Taylor, Texas 78422
1011 N. Main St. Taylor, Texas 78422

Property (including any improvements):

BEING all that certain tract or parcel of land being situated about 20 miles North East of the City of Austin, Travis County, Texas, and being out of and a portion of the Styles Fowler Survey No. 42, in the County of Travis and State of Texas, and being a portion of that tract of 80 acres of land conveyed to Axel Zahn, et us, Esther Zahn, by K.T. Williamson, et ux, Ruby Williamson, by deed dated the 23rd day of August, A.D. 1951, of record in Book No. 1182, Pages 460 to 461, of the Deed Records of Travis County, Texas, to which said deed reference is here made to aid in the description hereof; and BEING more particularly described as follows, to-wit:

BEGINNING at the N W corner of said Zahn tract, an iron water pipe driven into the ground under a wire fence in the south line of the Arnhem 160 acre tract, said beginning point being also the N E corner of the Mrs. C.O. Carlson 80 acre tract;

THENCE along the west line of the said Zahn tract, which is the east line of the aforementioned Carlson tract, S 30 deg. W 336.2 varas to a pipe in the ground for the S W corner of this tract, and the N W corner of a 21.59 acre tract this day conveyed out of said Zahn tract;

THENCE along the north line of said 21.59 acre tract, S 60 deg. E 940.8 varas to a pipe in the West margin of the public road which bounds this tract on the East, for the N E corner of said 21.59 acre tract and the S E corner thereof;

THENCE along the West margin of said road, N. 30 deg. 08' E 336.2 varas to an iron pipe at the S E corner of the aforementioned Arnhem tract and the N E corner thereof;

THENCE along a wire fence that is the south line of the said Arnhem tract and the North line thereof, N 60 deg W 941.5 varas to the PLACE OF BEGINNING, and containing 56.05 acres of land, as surveyed by Sidney Perrin, Licensed State Land Surveyor, on November 21, A. D. 1953.

EXHIBIT E
Pg 1 of 1

DALE L. OLSON
 Registered Professional Land Surveyor
 711 Water Street
 Bastrop, TX 78602
 Phone (512) 821-5476 * Fax (512) 303-3476

FIELD NOTES FOR A 3.942 ACRE TRACT IN THE STYLES FOWLER SURVEY IN TRAVIS COUNTY, TEXAS.

BEGINNING a 3.942 acre tract or parcel of land out of and being a part of the Styles Fowler Survey No. 42, in Travis County, Texas, and being a part of that certain 21.59 acre tract described in a deed from the Veterans Land Board of Texas to Howard C. Anderson, recorded in Vol. 5275, Page 137, Travis County Deed Records. Herein described tract or parcel of land being more particularly described by metes and bounds as follows:

BEGINNING at the southeast corner of the said 21.59 acre tract, a 5/8 inch iron rod set in the west line of the Manda-Carlson Road and northeast corner of that certain 20 foot strip described in a deed to Mrs. Lucy Rivers, recorded in Vol. 416, Page 301, Travis County Deed Records, for the southeast corner of this tract.

THENCE with the south line of the 21.59 acre tract and north line of the 20 foot strip, N 60 deg. 01 min. 19 sec. W, 940.74 feet to a 5/8 inch iron rod set for the southwest corner of this tract from which the southwest corner of the said 21.59 acre tract, a 5/8 inch iron rod set bears N 60 deg. 01 min. 19 sec. W, 1673.73 feet.

THENCE N 27 deg. 55 min. 59 sec. E, 174.77 feet to a 5/8 inch iron rod set in the center of a driveway for the northwest corner of this tract.

THENCE with the center of said driveway, S 61 deg. 52 min. 57 sec. E, 339.04 feet to a 5/8 inch iron rod set; S 60 deg. 14 min. 01 sec. E, 73.28 feet to a 5/8 inch iron rod set; S 59 deg. 15 min. 41 sec. E, 535.18 feet to a 5/8 inch iron rod set where same intersects the west line of Manda-Carlson Road and east line of the 21.59 acre tract, for the northeast corner of this tract.

THENCE with the west line of said road and east line of the 21.59 acre tract, S 30 deg. 04 min. 18 sec. W, 178.84 feet to the POINT OF BEGINNING, containing 3.942 acres of land.

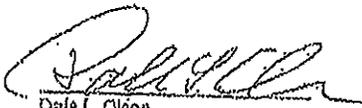
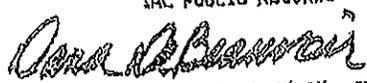

 Dale L. Olson OR Michael D. Olson
 Reg. Pro. Land Surveyor 1753 Reg. Pro. Land Surveyor 5386
 ©2009 Dale L. Olson Surveying Co.
 Order #: 115009 Date Created: 06/12/09

EXHIBIT F

Pg 1 of 1

AND RECORDED

TAL PUBLIC RECORDS



2010 May 10 11:48 AM 2810065611

FERGUSON LI. \$24.00

DANA DEBEAUVOIR COUNTY CLERK

TRAVIS COUNTY TEXAS

DALE L. OLSON
Registered Professional Land Surveyor
711 Water Street
Bastrop, TX 78602
Phone (512) 321-5476 * Fax (512) 303-5476

FIELD NOTES FOR A 17.667 ACRE TRACT IN THE STYLES FOWLER SURVEY IN TRAVIS COUNTY, TEXAS.

BEING a 17.667 acre tract or parcel of land out of and being a part of the Styles Fowler Survey No. 42, in Travis County, Texas, and being a part of that certain 21.59 acre tract described in a deed from the Veterans Land Board of Texas to Howard C. Anderson, recorded in Vol. 5275, Page 137, Travis County Deed Records. Herein described tract or parcel of land being more particularly described by metes and bounds as follows:

COMMENCING for referene at the southeast corner of the said 21.59 acre tract, a 5/8 inch iron rod set in the west line of the Manda-Carlson Road and northeast corner of that certain 20 foot strip described in a deed to Mrs. Lucy Rivers, recorded in Vol. 416, Page 301, Travis County Deed Records, for the southeast corner of this tract.

THENCE with the west line of Manda- Carlson Road and east line of the 21.59 acre tract, N 30 deg. 04 min. 18 sec. E, 178.84 feet to a 5/8 inch iron rod set where same intersects the center of a driveway, the northeast corner of a 3.942 acre tract surveyed out of said 21.59 acre tract for the POINT OF BEGINNING, the southeast corner of this tract.

THENCE with the center of said driveway and north line of the surveyed 3.942 acre tract, N 59 deg. 15 min. 41 sec. W, 535.18 feet to a 5/8 inch iron rod set; N 60 deg. 14 min. 01 sec. W, 73.28 feet to a 5/8 inch iron rod set; N 61 deg. 52 min. 57 sec. W, 339.04 feet to a 5/8 inch iron rod set for the northwest corner of the 3.942 acre tract, for an interior corner of this tract.

THENCE with the west line of the 3.942 acre tract, S 27 deg. 55 min. 59 sec. W, 174.77 feet to the southwest corner of same, a 5/8 inch iron rod set in the south line of the 21.59 acre tract and north line of the 20 foot strip, for an angle corner of this tract.

THENCE with the south line of the 21.59 acre tract and north line of the 20 foot strip, N 60 deg. 01 min. 19 sec. W, 1673.73 feet to a 5/8 inch iron rod set in the east line of that certain 80.16 acre tract described in a deed from Rudolph R. Carlson to W.C. Roundtree, et ux, recorded in Vol. 12121, Page 172, Travis County Deed Records, the northwest corner of the 20 foot strip and southwest corner of the 21.59 acre tract, for the southwest corner of this tract.

THENCE with the west line of the 21.59 acre tract and east line of the Roundtree 80.16 acre tract, N 30 deg. 00 min. 00 sec. E, 360.00 feet to a 5/8 inch iron rod set for the northwest corner of the 21.59 acre tract and southwest corner of that certain 56.05 acre tract described in a deed to Leonard A.E. Anderson, recorded in Vol. 1449, Page 476, Travis County Deed Record, for the northwest corner of this tract.

THENCE with the north line of the 21.59 acre tract and south line of the 56.05 acre tract, S 60 deg. 01 min. 19 sec. E, 2614.92 feet to a 5/8 inch iron rod set in the west line of the Manda-Carlson Road, for the southeast corner of the 56.05 acre tract and northeast corner of he 21.59 acre tract, for the northeast corner of this tract.

THENCE with the west line of the said road and east line of the 21.509 acre tract, S 30 deg. 04 min. 18 sec. W, 181.16 feet to the POINT OF BEGINNING, containing 17.667 acres of land.



Dale L. Olson
Reg. Pro. Land Surveyor 1753

OR Michael D. Olson
Reg. Pro. Land Surveyor 5386

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Order #: 115009-1

Date Created: 06/12/09

Exhibit G *page 1 of 2*

DALE L. OLSON
Registered Professional Land Surveyor
711 Water Street
Bastrop, TX 78602
Phone (512) 321-5476 * Fax (512) 303-5476

FIELD NOTES FOR A 3.942 ACRE TRACT IN THE STYLES FOWLER SURVEY IN TRAVIS COUNTY, TEXAS.

BEING a 3.942 acre tract or parcel of land out of and being a part of the Styles Fowler Survey No. 42, in Travis County, Texas, and being a part of that certain 21.59 acre tract described in a deed from the Veterans Land Board OF Texas to Howard C. Anderson, recorded in Vol. 5275, Page 137, Travis County Deed Records. Herein described tract or parcel of land being more particularly described by metes and bounds as follows:

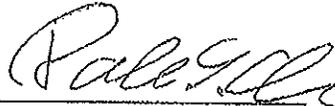
BEGINNING at the southeast corner of the said 21.59 acre tract, a 5/8 inch iron rod set in the west line of the Manda-Carlson Road and northeast corner of that certain 20 foot strip described in a deed to Mrs. Lucy Rivers, recorded in Vol. 416, Page 301, Travis County Deed Records, for the southeast corner of this tract.

THENCE with the south line of the 21.59 acre tract and north line of the 20 foot strip, N 60 deg. 01 min. 19 sec. W, 940.74 feet to a 5/8 inch iron rod set for the southwest corner of this tract from which the southwest corner of the said 21.59 acre tract, a 5/8 inch iron rod set bears N 60 deg. 01 min. 19 sec. W, 1673.73 feet.

THENCE N 27 deg. 55 min. 59 sec. E, 174.77 feet to a 5/8 inch iron rod set in the center of a driveway for the northwest corner of this tract.

THENCE with the center of said driveway, S 61 deg. 52 min. 57 sec. E, 339.04 feet to a 5/8 inch iron rod set; S 60 deg. 14 min. 01 sec. E, 73.28 feet to a 5/8 inch iron rod set; S 59 deg. 15 min. 41 sec. E, 535.18 feet to a 5/8 inch iron rod set where same intersects the west line of Manda- Carlson Road and east line of the 21.59 acre tract, for the northeast corner of this tract.

THENCE with the west line of said road and east line of the 21.59 acre tract, S 30 deg. 04 min. 18 sec. W, 178.84 feet to the POINT OF BEGINNING, containing 3.942 acres of land.



Dale L. Olson
Reg. Pro. Land Surveyor 1753

OR

Michael D. Olson
Reg. Pro. Land Surveyor 5386

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Order #: 115009

Date Created: 06/12/09

Exhibit G 2 of 2

EXHIBIT "A"

DESCRIPTION FOR A 1.79 ACRE TRACT OF LAND SITUATED WITHIN THE STYLES J. FOWLER SURVEY No. 42, ABSTRACT No. 302, TRAVIS COUNTY, TEXAS; BEING A PORTION OF MANDA CARLSON ROAD, A VARIABLE WIDTH PUBLIC RIGHT-OF-WAY, NO DEED RECORD INFORMATION AVAILABLE; SAID 1.79 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 5/8 inch iron rod with an aluminum cap found on the easterly margin of Manda Carlson Road, being the monumented northwesterly corner of a called 78.130 acre tract described in a deed from Keivan Keshvari and Regina Hooten-Keshvari to Sarvi Yajat Partnership, A Texas General Partnership, dated October 19, 2010 and recorded as Document No. 2010154832 in the Official Public Records of Travis County, Texas (O.P.R.T.C.T.), same being the southwesterly corner of that certain 23.704 acre tract of land called "Tract II" described in the deed from Marjorie Carlson Kerwin and Adelee Carlson Almquist to Carl G. Strubbe and wife, Mary B. Strubbe, dated October 31, 1996 and recorded in Volume 12811, Page 897 of the Real Property Records of Travis County, Texas, same being the most northeasterly corner of the herein described tract;

THENCE S 27°06'59" W, along the easterly margin of said Manda Carlson Road, with the westerly line of said 78.130 acre tract of land, a distance of 1,281.34 feet to calculated point being the most southeasterly corner of the herein described tract, from which a 5/8 inch iron rod with aluminum cap found on the easterly margin of Manda Carlson Road, monumenting the southwesterly corner of said 78.130 acre tract of land, same being the northwesterly corner of that certain 142 acre tract of land described in the deed from Lester C. Nelson, to Lester C. Nelson, as Trustee of the Lester C. Nelson Revocable Living Trust, with life estate reserved to the grantor, dated April 5, 1993 and recorded in Volume 11917, Page 243 of the Real Property Records of Travis County, Texas, bears S 27°06'59" W at a distance of 26.38 feet;

THENCE N 62°53'01" W, crossing the said Manda Carlson Road right-of-way, for a distance of 60.59 feet to a calculated point being the intersection of the westerly margin of said Manda Carlson Road with the northerly margin of Sandeen Road, a variable width public right-of-way, no deed record information available, same being the southeasterly corner of a 71.272 acre tract described in a deed to Betty Baumbach recorded in Document No. 2000059548, O.P.R.T.C.T., same being the most southwesterly corner of the herein described tract;

THENCE N 27°05'31" E, along the westerly margin of said Manda Carlson Road, with the easterly line of said 71.272 acre tract of land, for a distance of 1,282.01 feet to calculated point being the most northwesterly corner of the herein described tract;

THENCE S 62°15'37" E, crossing the said Manda Carlson Road right-of-way, for a distance of 61.14 feet to the POINT OF BEGINNING containing 1.79 acres of land, more or less.

Exhibit H

1 of 2

This description and the accompanying sketch were made under my direct supervision.

BEARING BASIS: Texas State Plane Coordinate Grid, Central Zone 4203, NAD 83/NSRS 2007. All distances shown are surface values.

William A. Forshey

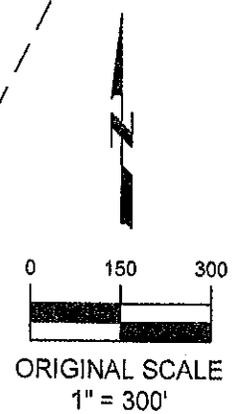
07/14/11

William A. Forshey
Registered Professional Land Surveyor #5097
Baker-Aicklen & Associates, Inc.
405 Brushy Creek Road, Cedar Park, Texas 78613
(512) 260-3700

Date



SKETCH TO ACCOMPANY DESCRIPTION



STYLES J. FOWLER SURVEY NO. 42
 ABSTRACT NO. 302
 TRAVIS COUNTY, TEXAS

71.272 ACRES
 BETTY BAUMBACH
 DOC. NO. 2000059548

TRACT II - 23.704 ACRES
 CARL G. AND MARY B STRUBBE
 VOL. 12811, PG. 897

POINT OF BEGINNING

ROBERT FLETCHER SURVEY
 NO. 69, ABSTRACT NO. 287

78.130 ACRES
 SARVI YAJAT PARTNERSHIP
 DOC. NO. 2010154832

MANDA CARLSON ROAD

TRACT 1 -
 1.79 ACRE

APPROXIMATE
 SURVEY LINE

SANDEEN ROAD

APPROXIMATE
 SURVEY LINE

JOHN W. HANN
 SURVEY NO. 26

142 ACRES
 LESTER C. NELSON
 (LIFE ESTATES)
 VOL. 11917, PG. 243

JAMES KEMPE
 SURVEY NO. 27

TRACT 1 - 1.79 ACRE
 MANDA CARLSON ROAD
 REINVESTMENT ZONE
 DESCRIPTION

DATE: JULY 14, 2011
 JOB NO.: 1946-2-001-28
 BY: WAF
 CHK: MAN
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BAKER-AICKLEN
 & ASSOCIATES, INC.
 Engineers • Surveyors • GIS • Planning

405 BRUSHY CREEK RD.
 CEDAR PARK, TX 78613
 (512) 260-3700



Legend

-  Subject Properties
- ETJ

Exhibit G

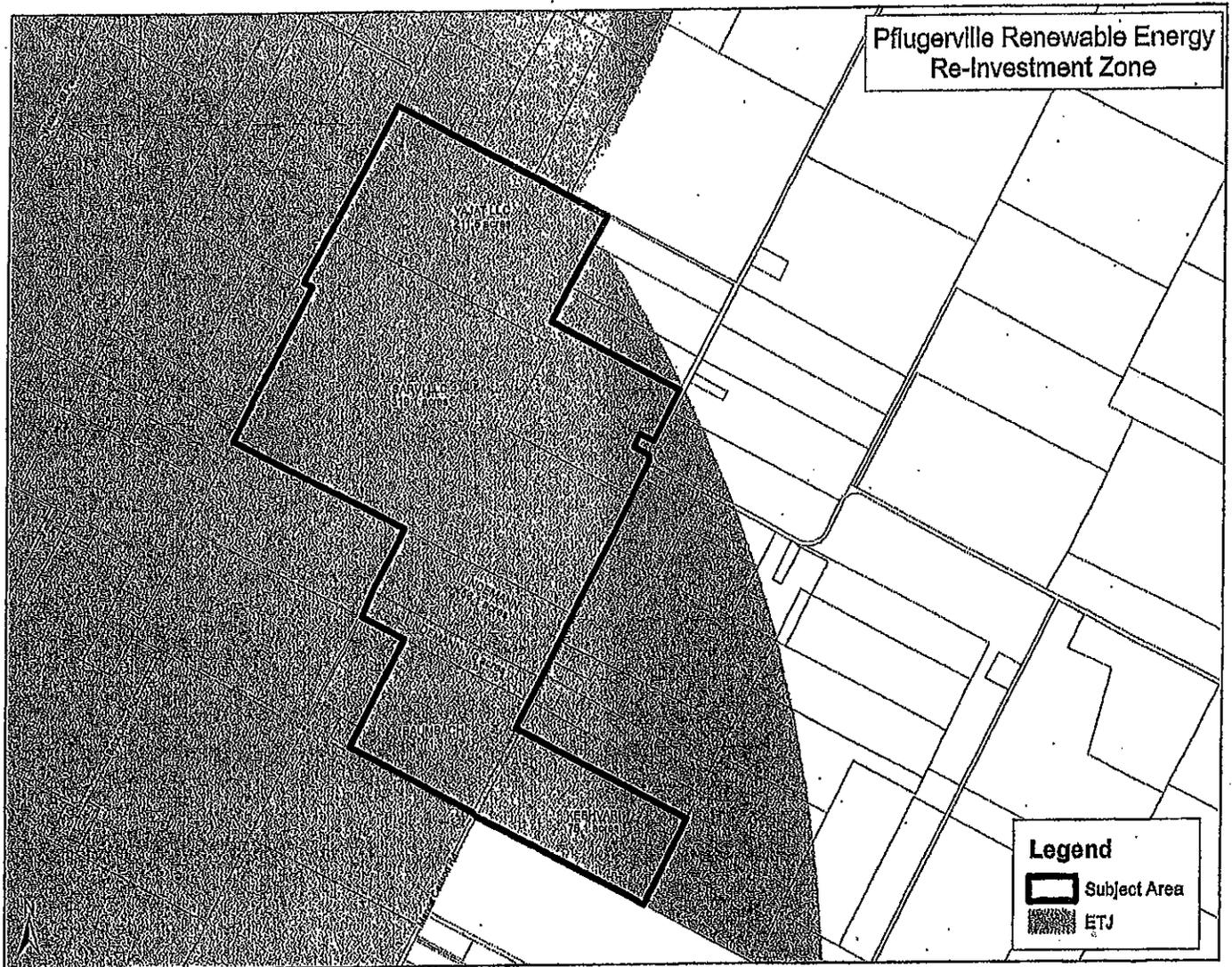
Felder Ln

LINDEMANN
56.1 acres

BAUMBACH
71.3

SCHEDULE 2.1.1

**MAP OF
REINVESTMENT ZONE AND/OR ENTERPRISE ZONE**



SCHEDULE 2.3

DESCRIPTION OF QUALIFIED INVESTMENT OR QUALIFIED PROPERTY

The Qualified Investment and/or Qualified Property includes all property constructed or placed upon the real property described in Schedule 2.3 as the Reinvestment Zone and/or Enterprise Zone. The project area lies entirely within the current reinvestment zone.

The Project is a solar farm development known as the Pflugerville Solar Farm, located on the Property described above in Schedule 2.1, and consisting of the installation and operation of approximately 400,000 solar panels. Upon completion, the Project is expected to generate approximately 60 Megawatts of renewable electricity.

PROPERTY IMPROVEMENTS:

- installation of the solar panels, including foundations for the panels
- installation of inverters
- construction of service roads
- construction of storm water drainage
- construction of a substation
- installation of underground cabling for connectivity to the LCRA substation
- construction of a maintenance warehouse
- construction of a site office/operations center, including the monitoring system and operations software
- construction of a security tower, security gates and lighting
- installation of fencing
- installation of berming
- construction of parking areas
- construction of a visitor center, including bathrooms and guest house

SCHEDULE 2.3.1

**MAP OF QUALIFIED INVESTMENT OR QUALIFIED PROPERTY AS DESCRIBED
ON SCHEDULE 2.3**

RRE SOLAR FARM

CONCEPT PLAN



SCHEDULE 3.2

CALCULATIONS FOR LOSS OF REVENUES BY DISTRICT

The District Funding Revenue amount owed by Applicant to District will equal:

- (a) Original District funding Revenue minus New District Funding Revenue, where;
 - 1. "Original District Funding Revenue" means the total State and local District Funding Revenue that the District would have received for the school year under the School Finance Law absent this Agreement, effective for said school year.
 - 2. "New District Funding Revenue" means the total State and local District Funding Revenue that the District actually received under the School Finance Law for said school year.

- (b) In making the calculations required by this Schedule 3.2:
 - 1. The Taxable Value of property for each school year will be determined under the School Finance law.
 - 2. All calculations using the Original District Funding Revenue and the New District Funding Revenue made for years three (3) through ten (10) of this Agreement shall be based upon the limitation of value on the Qualified Investment and/or Qualified Property using the Tax Limitation Amount so that Applicant is not responsible for protecting the District against any decrease in the amount of local ad valorem taxes collected except as to the Qualified Property as set forth in this Agreement.
 - 3. All calculations made under this Schedule shall be made by a methodology that isolates only the revenue impact caused by this Agreement. Applicant shall not be responsible to reimburse the District for other revenue losses created by other agreements or any other factors.
 - 4. The calculation made under this Schedule cannot result in a negative number. In the event that the calculation is a negative number, the loss to the District under this Schedule will be considered to be zero.