O'HANLON, MCCOLLOM & DEMERATH

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

KEVIN O'HANLON
CERTIFIED, CIVIL APPELLATE
CERTIFIED, CIVIL TRIAL

LESLIE MCCOLLOM
CERTIFIED, CIVIL APPELLATE
CERTIFIED, LABOR AND EMPLOYMENT
TEXAS BOARD OF LEGAL SPECIALIZATION

JUSTIN DEMERATH

May 28, 2014

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Amended Application to the Hillsboro Independent School District from IKO SOUTHWEST INC

(**First Qualifying Year 2015; First Year of Value Limitation 2017**)

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter transmitting the application for review to the Comptroller's Office, the Hillsboro Independent School District is notifying IKO SOUTHWEST INC of its intent to consider the application for appraised value limitation on qualified property should a positive certificate be issued by the Comptroller. The Applicant has used the form of the application posted on the Comptroller's Texas Ahead website. The company has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered.

The Applicant submitted the Original Application to the school district on April 7, 2014. The Board voted to accept the application on April 22, 2014. The application has been determined complete as of May 6, 2014. The Amended Application, amended to include an anticipated school district created reinvestment zone, is accompanied by a new signature page, executed by the Superintendent and the company. Please prepare the economic impact report.

A copy of the application will be submitted to the Hill County Appraisal District.

Sincerely,

Kevin O'Hanlon
School District Consultant

Cc: Hill County Appraisal District

IKO SOUTHWEST INC LNG, LLC

Hillsboro Independent School District

TAB 1

Pages 1 through 11 of application.

Application for Appraised Value Limitation on Qualified Property
(Tax Code, Chapter 313, Subchapter B or C)

Economic Development and Analysis
Form 50-296-A

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
  - the date on which the school district received the application;
  - the date the school district determined that the application was complete;
  - the date the school board decided to consider the application; and
  - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application before the 151st day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links on this Web page to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School DIstrict Information

1. Authorized School District Representative

April 7, 2014
Date Application Received by District

Dr. James
First Name

Gilcrease
Last Name

Superintendent
Title

Hillsboro ISD
School District Name

121 East Franklin Street
Street Address

121 East Franklin Street
Mailing Address

Hillsboro,
City

TX
State

76645
ZIP

254-582-8585
Phone Number

254-582-4165
Fax Number

Mobile Number *(optional)*

gilcrease@hillsboroisd.org
Email Address

2. Does the district authorize the consultant to provide and obtain information related to this application? . . . . . ☑ Yes ☐ No

SECTION 1: School DIstrict Information *(continued)*

3. Authorized School District Consultant *(If Applicable)*

First Name: Dan
Last Name: Casey
Title: Partner
Firm Name: Moak, Casey & Associates
Phone Number: 512-485-7878
Fax Number: 512-485-7888
Mobile Number *(optional)*: 512-426-6662
Email Address: dcasey@moakcasey.com

4. On what date did the district determine this application complete? 5/26/14

5. Has the district determined that the electronic copy and hard copy are identical? . . . . . ☑ Yes ☐ No

SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

First Name: Ron
Last Name: Healey
Title: Treasurer
Organization: IKO Southwest Inc.
Street Address: 6 Denny Road, Suite 200
Mailing Address: 6 Denny Road, Suite 200
City: Wilmington
State: DE
ZIP: 19809
Phone Number: 302-764-3107 X-3260
Fax Number:
Mobile Number *(optional)*:
Business Email Address: ron.healey@iko.com

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? . . . . . ☑ Yes ☐ No

2a. If yes, please fill out contact information for that person.

First Name: John
Last Name: Anhang
Title: Director of Special Projects
Organization: IKO Southwest, Inc.
Street Address: 6 Denny Road, Suite 200
Mailing Address: 6 Denny Road, Suite 200
City: Wilmington
State: DE
ZIP: 19809
Phone Number: 416-781-5545 x-5840
Fax Number: 416-781-8411
Mobile Number *(optional)*:
Business Email Address: john.anhang@iko.com

3. Does the applicant authorize the consultant to provide and obtain information related to this application? . . . . . ☑ Yes ☐ No

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant *(If Applicable)*

First Name: Wes
Last Name: Jackson
Title: Partner
Firm Name: Cummings Westlake LLC
Phone Number: 713-266-4456 x2
Fax Number: 713-266-2333
Business Email Address: wjackson@cwlp.net

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? ☑ Yes ☐ No

The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☑ No ☐ N/A

3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☑ No ☐ N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? IKO Southwest Inc.

2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 *(11 digits)* 10206360074

3. List the NAICS code 324122

4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☑ No

4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant *(corporation, limited liability corporation, etc)* Corporation

2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☐ Yes ☑ No

2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.

3. Is the applicant current on all tax payments due to the State of Texas? ☑ Yes ☐ No

4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☐ Yes ☐ No ☑ N/A

5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. *(If necessary, attach explanation in **Tab 3**)*

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? ☑ Yes ☐ No
2. The property will be used for one of the following activities:
   - (1) manufacturing ☑ Yes ☐ No
   - (2) research and development ☐ Yes ☑ No
   - (3) a clean coal project, as defined by Section 5.001, Water Code ☐ Yes ☑ No
   - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code ☐ Yes ☑ No
   - (5) renewable energy electric generation ☐ Yes ☑ No
   - (6) electric power generation using integrated gasification combined cycle technology ☐ Yes ☑ No
   - (7) nuclear electric power generation ☐ Yes ☑ No
   - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) ☐ Yes ☑ No
   - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 ☐ Yes ☑ No
3. Are you requesting that any of the land be classified as qualified investment? ☐ Yes ☑ No
4. Will any of the proposed qualified investment be leased under a capitalized lease? ☐ Yes ☑ No
5. Will any of the proposed qualified investment be leased under an operating lease? ☐ Yes ☑ No
6. Are you including property that is owned by a person other than the applicant? ☐ Yes ☑ No

   at time of application, no land has been acquired. An option exists pending successful development of project
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? ☐ Yes ☑ No

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:
   - ☑ Land has no existing improvements
   - ☐ Land has existing improvements *(complete Section 13)*
   - ☐ Expansion of existing operation on the land *(complete Section 13)*
   - ☐ Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? ☐ Yes ☑ No
2. Has the applicant entered into any agreements or contracts for work to be performed related to the proposed project? ☐ Yes ☑ No
3. Does the applicant have current business activities at the location where the proposed project will occur? ☐ Yes ☑ No
4. Has the applicant made public statements in SEC filings or other official documents regarding its intentions regarding the proposed project location? ☐ Yes ☑ No
5. Has the applicant received any local or state permits for activities on the proposed project site? ☐ Yes ☑ No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? ☐ Yes ☑ No
7. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? ☐ Yes ☑ No
8. Has the applicant considered or is the applicant considering other locations not in Texas for the proposed project? ☑ Yes ☐ No
9. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? ☐ Yes ☑ No
10. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? ☐ Yes ☑ No

If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

SECTION 9: Projected Timeline

1. Application approval by school board . . . . . September 2014
2. Beginning of qualifying time period . . . . . September 2014
3. First year of limitation 2017
4. Begin hiring new employees . . . . . Q3 - 2016
5. Commencement of commercial operations . . . . . Q4 - 2016
6. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date *(date your application is finally determined to be complete)*? . . . . . ☑ Yes ☐ No

   Note: Improvements made before that time may not be considered qualified property.
7. When do you anticipate the new buildings or improvements will be placed in service? . . . . . Q4 - 2016

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Hill
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Hill
3. Will this CAD be acting on behalf of another CAD to appraise this property? . . . . . ☐ Yes ☑ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

County:	Hill, $0.54131 100% *(Name, tax rate and percent of project)*	City:	Hillsboro, $0.81833 100% *(Name, tax rate and percent of project)*
Hospital District:	n/a *(Name, tax rate and percent of project)*	Water District:	*(Name, tax rate and percent of project)*
Other *(describe)*:	Hill Co Jr. College, $0.09151 100% *(Name, tax rate and percent of project)*	Other *(describe)*:	*(Name, tax rate and percent of project)*

5. Is the project located entirely within the ISD listed in Section 1? . . . . . ☑ Yes ☐ No

   5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? . . . . . ☐ Yes ☑ No

   6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at **www.texasahead.org/tax_programs/chapter313/**.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 20,000,000.00
2. What is the amount of appraised value limitation for which you are applying?. 20,000,000.00

   Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? . . . . . ☑ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
   a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
   b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
   c. a detailed map of the qualified investment showing location of new buildings or new improvements with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? . . . . . ☑ Yes ☐ No

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
   - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 8**);
   - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (**Tab 8**); and
   - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (**Tab 11**).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? . . . . . ☑ Yes ☐ No
   - 2a. If yes, attach complete documentation including:
     - a. legal description of the land (**Tab 9**);
     - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (**Tab 9**);
     - c. owner (**Tab 9**);
     - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (**Tab 9**); and
     - e. a detailed map showing the location of the land with vicinity map (**Tab 11**).
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? . . . . ☐ Yes ☑ No
   - 3a. If yes, attach the applicable supporting documentation:
     - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (**Tab 16**);
     - b. legal description of reinvestment zone (**Tab 16**);
     - c. order, resolution or ordinance establishing the reinvestment zone (**Tab 16**);
     - d. guidelines and criteria for creating the zone (**Tab 16**); and
     - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (**Tab 11**)
   - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? . . . . . September 2014

SECTION 13: Information on Property Not Eligible to Become Qualified Property

1. In **Tab 10**, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In **Tab 10**, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in **Tab 10**:
   - a. maps and/or detailed site plan;
   - b. surveys;
   - c. appraisal district values and parcel numbers;
   - d. inventory lists;
   - e. existing and proposed property lists;
   - f. model and serial numbers of existing property; or
   - g. other information of sufficient detail and description.
4. Total estimated market value of existing property (that property described in response to question 1): . . . . . $ 0.00
5. In **Tab 10**, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property *(that property described in response to question 2)*: . . . . . $ 0.00

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

2. What is the last complete calendar quarter before application review start date:

   ☑ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of 2014 (year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0

   Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).

4. What is the number of new qualifying jobs you are committing to create? 25

5. What is the number of new non-qualifying jobs you are estimating you will create? 15

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? . . . . . ☐ Yes ☑ No

   6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

   a. Average weekly wage for all jobs (all industries) in the county is 663.50

   b. 110% of the average weekly wage for manufacturing jobs in the county is 806.00

   c. 110% of the average weekly wage for manufacturing jobs in the region is 839.00

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? . . . . . ☑ §313.021(5)(A) or ☐ §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 41,899.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 42,000.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? . . . . . ☑ Yes ☐ No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.024(d-2)? . . . . . ☐ Yes ☑ No

    12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? . . . . . ☐ Yes ☑ No

    13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. *(not required)*

3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17. NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here ▶ Dr. James Gilcrease
Print Name *(Authorized School District Representative)*

Superintendent
Title

sign here ▶
Signature *(Authorized School District Representative)*

05-28-14
Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here ▶ Ron Healey
Print Name *(Authorized Company Representative (Applicant))*

Treasurer
Title

sign here ▶
Signature *(Authorized Company Representative (Applicant))*

5/27/14
Date

GIVEN under my hand and seal of office this, the

28th day of May, 2014

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

(Notary Seal)

My Commission expires: June 20, 2014

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

***** JAIME R. RABIN ****
MY COMMISSION EXPIRES ON
JUNE 20, 2014
NOTARY PUBLIC
STATE OF DELAWARE

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS	
TAB	**ATTACHMENT**
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation *(if applicable)*
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor *(if applicable)*
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property *(if applicable)*
11	Maps that clearly show: a) Project vicinity b) Qualified investment including location of new buildings or new improvements c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size **Note:** Electronic maps should be high resolution files. Include map legends/markers.
12	Request for Waiver of Job Creation Requirement and supporting information *(if applicable)*
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact *(if applicable)*
15	Economic Impact Analysis, other payments made in the state or other economic information *(if applicable)*
16	Description of Reinvestment or Enterprise Zone, including: a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* *** To be submitted with application or before date of final application approval by school board**
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative *(applicant)*

TAB 2

Proof of Payment of Application Fee

Please find on the attached page, copy of the check for the $75,000 application fee to Hillsboro Independent School District.

Proof of payment of filing fee received by the Comptroller of Public Accounts per TAC Rule §9.1054 (b)(5)

(Page Inserted by Office of Texas Comptroller of Public Accounts)

TAB 3

Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation (if applicable)

IKO Southwest Inc. is currently in the process of registering with the Secretary of the State of Texas. They will not file their first Texas franchise tax return until May of 2015 (for calendar year 2014). IKO Southwest Inc. anticipates filing as a combined group on future Texas franchise tax returns, but it is unable to provide a list of the affiliated group at this time as no combined group exist and no returns have been filed at the time of this application.

TAB 4

Detailed Description of the Project

Provide a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.

IKO Southwest Inc (IKO) is requesting an appraised value limitation from Hillsboro Independent School District (ISD) for their proposed state-of-the-art world class factory to manufacture asphalt roofing shingles (the "Project"), in Hillsboro, TX. The proposed Project (this application) would be constructed within an Enterprise Zone established by the City of Hillsboro. Maps showing the location of the project, the tract of land and proposed improvements are included as TAB 11.

IKO and its parent company Goldis Enterprises Inc. are privately-owned companies that are part of the IKO group of companies. The IKO group of companies was founded in 1951, and has been owned and managed by the same family since that time. The IKO group of companies currently owns and operates three shingle manufacturing factories in the USA: in Wilmington, Delaware, in Kankakee, Illinois, and in Sumas, Washington. The company is just finishing the construction of a new factory in Sylacauga, Alabama, which will start operations in mid-2014. The Hillsboro Texas factory would be the company's fifth shingle manufacturing factory in the USA. In addition, IKO currently owns and operates four shingle manufacturing factories in Canada, and two in Europe.

IKO would invest approximately $80 million in capital to construct the factory. In addition, IKO would invest between $15 million and $25 million in working capital at the factory (as detailed in Column C on Schedules A1 & A2), depending upon the time of year. This working capital would be primarily in the form of raw material inventories and finished goods inventories.

IKO is committed to employing at least 40 employees at the factory. These would all be new jobs for the City of Hillsboro and for the State of Texas. The factory would also create many indirect jobs in Texas. As well, IKO would create many direct and indirect jobs during the 24-month construction period for the factory. The factory is expected to operate for at least 30 years.

The proposed site of the factory is a 60-acre greenfield site near the eastern end of Old Dallas Highway North, County Road 4343, in the industrial park in the northern part of Hillsboro.

The factory would include the following facilities:

- The main manufacturing building, would be approximately 110,000 square feet in size. This building would house the main production and packaging line. It would also contain:
    - Warehouse space for raw materials
    - 18 large silos for raw materials
    - Tanks, heaters, blenders, and other equipment to prepare the raw materials for use on the main production line

    - Large amounts of piping and many pumps, conveyor belts and bucket elevators to convey raw materials from the storage and preparation areas to the main production line
    - Maintenance shops and store-rooms for spare parts
    - Control room and laboratory
- Facilities to receive, store, and prepare asphalt for use in the factory
- Facilities to receive, store, and prepare limestone for use in the factory
- A warehouse for finished goods, which would be approximately 100,000 square feet in size
- An office building about 4,000 square feet in size, which would include an employee training room, locker room and lunchroom
- Five railroad spurs to bring in raw materials and ship out finished goods
- Roadways, truck loading and unloading areas, truck weigh-scales, and parking lots

IKO would start construction of the factory in the fourth quarter of 2014. Construction would take 2 years, and the factory would start operations in the fourth quarter of 2016.

TAB 5

Documentation to assist in determining if limitation is a determining factor.

IKO Southwest Inc (IKO) and its parent company Goldis Enterprises Inc. are privately-owned companies that are part of the IKO group of companies. Founded in 1951, IKO owns and operates three other asphalt shingle manufacturing plants in the US, four in Canada, and two in Europe. IKO is actively seeking to expand their market share in the US by developing and constructing this project in Hillsboro, TX. IKO is also considering, and has received offers from the State of Oklahoma to locate this proposed facility in that state.

"The State of Oklahoma, Choctaw County, and the City of Hugo have offered extensive incentives to IKO to build its new factory in the City of Hugo. These incentives include:

- property tax abatements
- a cash rebate of a portion of the company's payroll for a period of ten years
- exemption of sales/use taxes for machinery, equipment, raw materials, and energy used in manufacturing
- reimbursement of sales/use tax paid on construction materials
- training and recruitment incentives
- extensive investment in infrastructure for the factory, including public roads, private roads on the factory site, rail spur with switches and crossing, water line, sewer line, site preparation, and engineering

The total value of all the state, county, and city incentives is approximately $18 million."

IKO Southwest Inc has the ability to invest, locate and develop new (asphalt roofing shingle) manufacturing factories in numerous locations throughout the United States, Canada, and Europe.

TAB 6

Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor (if applicable)

1) Hill County – 100%
2) City of Hillsboro – 100%
3) Hillsboro ISD – 100%
4) Hill Junior College District – 100%

TAB 7

Description of Qualified Investment

IKO Southwest Inc plans to construct a factory to manufacture asphalt roofing shingles.

This application covers all qualified property within Hillsboro ISD necessary for the commercial operations of the proposed manufacturing facility described in Tab 4. Qualified property includes, but is not limited to real estate, site preparation, roads and paving, office, warehouse, and manufacturing buildings, silos, storage facilities, rail spur and rail car loading and unloading facilities, truck loading and unloading facilities, docks, scales, pumps piping, tanks heaters, blenders and related production equipment, conveyors and elevators, control rooms, and shops and all related and necessary facilities and equipment for the manufacturing of roofing materials; including but not limited to:

- 110' and 90' diameter asphalt storage tanks
- Asphalt unloading system from trains
- 2 asphalt flux storage tanks
- 6 asphalt coating storage tanks
- 2 oxidizer tanks
- Knock-out tank
- Incinerator
- 2 Oxidizer air blowers
- F.C. tank
- 3 Hot oil heaters
- 1 steam heat exchanger
- Hot oil expansion tank
- Primary transformers
- Emergency generator
- 1-2 Limestone Pulveriser systems
- Filler storage silo
- 2 Granule unloading systems from trains
- Granule unloading elevator
- 17 granule storage silos
- 7 dust collectors
- Filler heater
- Main production equipment:
    - Coating preheater
    - 2 blend elevators
    - HL elevator
    - Fiesta elevator
    - BS elevator
    - Blend reclaim elevator
    - Filler mixer

    - Top Surge tank
    - Bottom surge tank
    - Unwind stand
    - DMA accumulator
    - Coater
    - Slating section
    - Press section
    - Cooling section
    - Finish product loopier
    - Carry over section
    - 3-tab section
    - Laminator section
    - Slitter section
    - Cut to length section
    - Take off section
    - Catchers section
    - Hi lug section
    - 2 Packaging ends
    - 2 Arpacs
- 2 SBS mixing tanks
- 2 SBS storage tanks
- Machine shop equipment
- Parts storage systems
- Pallet dispensing systems
- Water storage and purifier systems
- Compressed air systems
- 6 Mist Eliminators
    - 1 large for Shingle Line
    - 3 small for Laminator/Adhesive Mixing and Storage
    - 2 small for Asphalt Storage Tanks

The map in TAB 11 shows the proposed project area with the preliminary improvement locations. The exact placement of these buildings and manufacturing equipment is subject to ongoing planning, soil studies, and engineering and will be determined before construction begins.

TAB 8

Description of Qualified Property

(See Tab 7)

TAB 9

Description of Land

IKO currently has an option to purchase land, but at this time has not purchased any land. The three land tracts described in this tab represent the land they would likely acquire as their proposed plant site.

SZURGOT & PEEDE LAND SURVEYORS, LTD
125 N. COVINGTON STREET, P.O. BOX 533
HILLSBORO, TEXAS 76645
PHONE: (254) 582-3231
FAX: (254) 582-3234

LEGAL DESCRIPTION
58.91 Acres
In the
Benjamin Sanders Survey, Abstract No. 836
City of Hillsboro, Hill County, Texas

All that certain tract or parcel of land located in the Benjamin Sanders Survey, Abstract No. 836, City of Hillsboro, Hill County, Texas, and being a part of a called 94.72 acre tract of land (Tract A) conveyed by Welca Jean Farr and William Ray Allen to Lee Roy Jordan, D/B/A as Lee Roy Jordan Interests, dated August 27, 1997, and being recorded in Volume 944, Page 192, of the Official Public Records of Hill County, Texas, and being more particularly described as follows:

BEGINNING at a mag-nail found in Old Highway No. 77 (Hill County Road 4343), called to be in the northerly line of said Benjamin Sanders Survey and the southerly line of the Ewen Cameron Survey, Abstract No. 131 and being the northwest corner of a tract of land conveyed to Percy Lee Curtis (First Tract) by deed recorded in Volume 346, Page 214, of the Deed Records of Hill County, Texas, and being the northeast corner of said 94.72 acre tract;

THENCE South 30 degrees 54 minutes 07 seconds East (Directional Control Line), along the common line between said Curtis tract and said 94.72 acre tract, for a distance of 1599.85 feet to a 5/8" steel rebar found at a corner on the westerly line of Interstate Highway No. 35 (variable width right-of-way), being the most easterly northeast corner of said 94.72 acre tract;

THENCE South 03 degrees 57 minutes 41 seconds West, along the westerly line of said Interstate Highway No. 35, for a distance of 620.22 feet to a brass TXT-DOT monument found at a corner on the northerly line of the old SF&L Railway (100 foot right-of-way) that is conveyed to the City of Hillsboro by Quitclaim Deed recorded in Volume 912, Page 359, of the Official Public Records of Hill County, Texas, and being the southeast corner of said 94.72 acre tract;

THENCE South 79 degrees 25 minutes 53 seconds West, along the common line between said Railway tract and said 94.72 acre tract, for a distance of 968.58 feet to a 1/2" steel rebar set at a corner, being the southeast corner of Lot 4, Block 1, of Lee Roy Jordan Industrial Park, an addition to the City of Hillsboro according to the plat recorded in Slide 197-A, of the Plat Records of Hill County, Texas, and being in the southerly line of said 94.72 acre tract and from which a 1/2" steel rebar found at the southwest corner of said 94.72 acre tract bears South 79 degrees 25 minutes 53 seconds West at a distance of 1202.75 feet;

THENCE North 28 degrees 55 minutes 01 seconds West, along the easterly line of said Lot 4, for a distance of 593.98 feet to a 5/8" steel rebar found at a corner, being the northeast corner of said Lot 4;

THENCE South 59 degrees 39 minutes 48 seconds West, along the northerly line of said Lot 4, passing the southeast corner of a tract of land described as Easement #1 recorded in Volume 1392, Page 772, of the Official Public Records of Hill County, Texas, continuing and passing the northeasterly corner of a tract of land described as Easement #2 recorded in Volume 1392, Page 772, of the Official Public Records of Hill County, Texas, continuing in all for a total distance of 187.87 feet to a 5/8" steel rebar found at a corner on the northerly line of said Lot 4, being the southeast corner of Lot 3, of said Block 1, the southwest corner of said Easement #1 and being in a curve to the left having a radius of 399.57 feet;

THENCE in a northwesterly direction along said curve to the left, for an arc distance of 35.63 feet and having a chord bearing of North 29 degrees 56 minutes 26 seconds West and a chord distance of 35.62 feet to a 5/8" steel rebar found at a corner at the end of said curve;

THENCE North 29 degrees 40 minutes 05 seconds West, along the easterly line of said Lot 3 and the westerly line of said Easement #1, for a distance of 669.02 feet to an "X" cut in concrete set at a corner on the southerly line of Lot 2, of said Block 1, and being the northwest corner of said Easement #1;

THENCE North 61 degrees 29 minutes 02 seconds East, along the southerly line of said Lot 2 and the northerly line of said Easement #1, passing the southeast corner of said Lot 2, continuing in all for a total distance of 82.30 feet to a 5/8" steel rebar found at a corner, being the northeast corner of said Easement #1, and the southeast corner of the proposed Replat of Lot 2;

THENCE North 30 degrees 18 minutes 31 seconds West, partially along a fence line and the easterly line of said proposed Replat of Lot 2, at 437.02 feet passing an "X" cut found in a concrete flume for the northeast corner of said proposed Replat of Lot 2 and the southerly line of the aforementioned Old Highway No. 77, continuing in all for a total distance of 487.70 feet to a mag-nail set in said Old Highway No. 77 and the northerly line of the aforementioned 94.72 acre tract;

THENCE North 59 degrees 36 minutes 59 seconds East, along said Old Highway No. 77 and the northerly line of said 94.72 acre tract, for a distance of 1327.81 feet to the point of beginning, and containing 58.91 aces of land, of which approximately 1.55 acres of land lies within said Old Highway No. 77, as surveyed by Szurgot & Peede Land Surveyors, LTD., in March and April of 2013.

Bears for this survey are based on Texas State Plain North Central Zone Coordinates.

_____

Donny Peede, Texas RPLS No. 5137

SZURGOT & PEEDE LAND SURVEYORS, LTD
125 N. COVINGTON STREET, P.O. BOX 533
HILLSBORO, TEXAS 76645
PHONE: (254) 582-3231
FAX: (254) 582-3234

LEGAL DESCRIPTION
2.43 Acres
In the
Benjamin Sanders Survey, Abstract No. 836
City of Hillsboro, Hill County, Texas

All that certain tract or parcel of land located in the Benjamin Sanders Survey, Abstract No. 836, City of Hillsboro, Hill County, Texas, and being a part of Lot 4, Block 1, of Lee Roy Jordan Industrial Park, an addition to the City of Hillsboro, Hill County, Texas, according to the plat recorded in Slide 197-A, of the Plat Records of Hill County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" steel rebar set at a corner on the northerly line of the old SF&L Railway (100 foot right-of-way) that is conveyed to the City of Hillsboro by Quitclaim Deed recorded in Volume 912, Page 359, of the Official Public Records of Hill County, Texas, from which a 1/2" steel rebar found at the southeast corner of said Lot 4 bears North 79 degrees 25 minutes 53 seconds East at a distance of 87.69 feet;

THENCE South 79 degrees 25 minutes 53 seconds West, along the northerly line of said Railway tract and the southerly line of said Lot 4, for a distance of 492.03 feet to a 1/2" steel rebar set at a corner on the easterly side of a tract of land described as Easement #2 in a deed recorded in Volume 1392, Page 772, of the Official Public Records of Hill County, Texas, and being in a curve to the left, having a radius of 507.50 feet;

THENCE in a northeasterly direction along said curve to the left, for an arc distance of 609.30 feet and having a chord bearing of North 15 degrees 44 minutes 26 seconds East and a chord distance of 573.36 feet to a 1/2" steel rebar set at a corner on the northerly line of said Lot 4, and the southerly line of a tract of land described as Easement #1, recorded in Volume 1392, Page 772, of the Official Public Records of Hill County, Texas, and from which a 5/8" steel rebar found at the southeast corner of Lot 3, of said Block 1 bears South 59 degrees 39 minutes 48 seconds West at a distance of 40.58 feet;

THENCE North 59 degrees 39 minutes 48 seconds East, along the northerly line of said Lot 4, for a distance of 49.91 feet to a 1/2" steel rebar set at a corner from which a 5/8" steel rebar found at the southeast corner of said Lot 4 bears North 59 degrees 39 minutes 48 seconds East at a distance of 97.38 feet;

THENCE South 30 degrees 21 minutes 04 seconds East, partially along fence line, for a distance of 564.14 feet to the point of beginning, and containing 2.43 acres of land, as surveyed by Szurgot & Peede Land Surveyors, LTD., in March and April of 2013.

Bears for this survey are based on Texas State Plain North Central Zone Coordinates.

_____
Donny Peede, Texas RPLS No. 5137
Job No. 030913B DRP

SZURGOT & PEEDE LAND SURVEYORS, LTD
125 N. COVINGTON STREET, P.O. BOX 533
HILLSBORO, TEXAS 76645
PHONE: (254) 582-3231
FAX: (254) 582-3234

LEGAL DESCRIPTION
1.20 Acres
In the
Benjamin Sanders Survey, Abstract No. 836
City of Hillsboro, Hill County, Texas

All that certain tract or parcel of land located in the Benjamin Sanders Survey, Abstract No. 836, City of Hillsboro, Hill County, Texas, and being a part of Lot 4, Block 1, of Lee Roy Jordan Industrial Park, an addition to the City of Hillsboro, Hill County, Texas, according to the plat recorded in Slide 197-A, of the Plat Records of Hill County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" steel rebar found at a corner on the northerly line of the old SF&L Railway (100 foot right-of-way) that is conveyed to the City of Hillsboro by Quitclaim Deed recorded in Volume 912, Page 359, of the Official Public Records of Hill County, Texas, being the southeast corner of said Lot 4 and the southwest corner of the remainder tract (Tract A) conveyed to Lee Roy Jordan by deed recorded in Volume 944, Page 192, of the Official Public Records of Hill County, Texas;

THENCE South 79 degrees 25 minutes 53 seconds West, along the northerly line of said Railway tract and the southerly line of said Lot 4, for a distance of 87.69 feet to a 1/2" steel rebar set at a corner;

THENCE North 30 degrees 21 minutes 04 seconds West, partially along a fence line, for a distance of 564.14 feet to a 1/2" steel rebar set at a corner on the northerly line of said Lot 4, being the southeast corner of an easement tract, described as Easement #1, recorded in Volume 1392, Page 772, of the Official Public Records of Hill County, Texas;

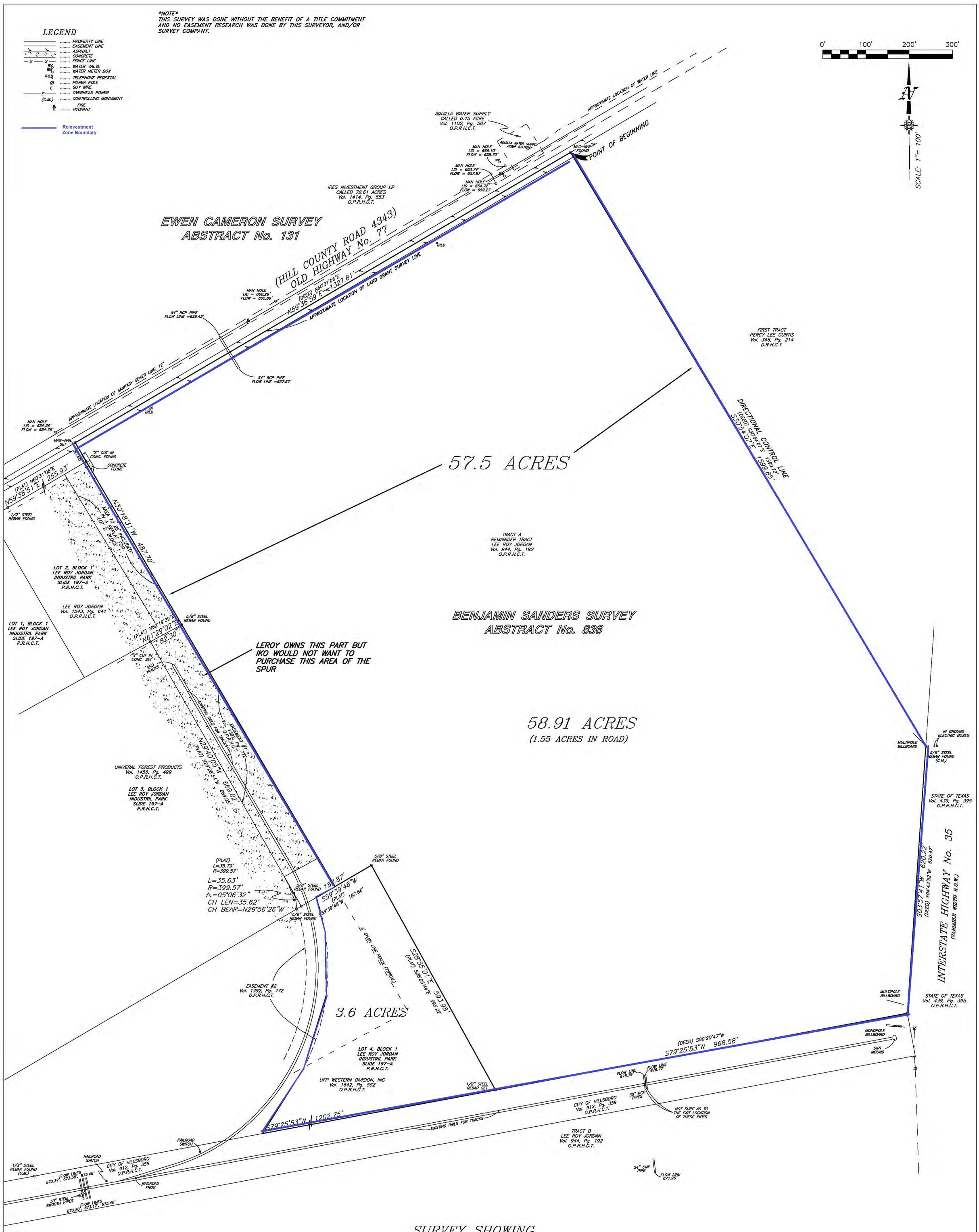
THENCE North 59 degrees 39 minutes 48 seconds East, along the northerly line of said Lot 4, for a distance of 97.38 feet to a 5/8" steel rebar found at a corner, being the northeast corner of said Lot 4;

THENCE South 28 degrees 55 minutes 01 seconds East, along the easterly line of said Lot 4, for a distance of 593.98 feet to the point of beginning, and containing 1.20 acres of land, as surveyed by Szurgot & Peede Land Surveyors, LTD., in March and April of 2013.

Bears for this survey are based on Texas State Plain North Central Zone Coordinates.

_____
Donny Peede, Texas RPLS No. 5137
Job No. 030913A DRP

NOTE
THIS SURVEY WAS DONE WITHOUT THE BENEFIT OF A TITLE COMMITMENT AND NO EASEMENT RESEARCH WAS DONE BY THIS SURVEYOR, AND/OR SURVEY COMPANY.



SURVEY SHOWING
58.91 ACRES
in the
BENJAMIN SANDERS SURVEY, ABSTRACT No. 836
CITY OF HILLSBORO, HILL COUNTY, TEXAS

SEE ATTCHED FIELD NOTES

Flood Statement

According to the Flood Insurance Rate Map for Hill County, Texas and Incorporated Areas, Community Panel No.480351-0265-C, effective date June 02, 2011, this property is not located in any special flood hazard area.

SURVEYOR'S DECLARATION

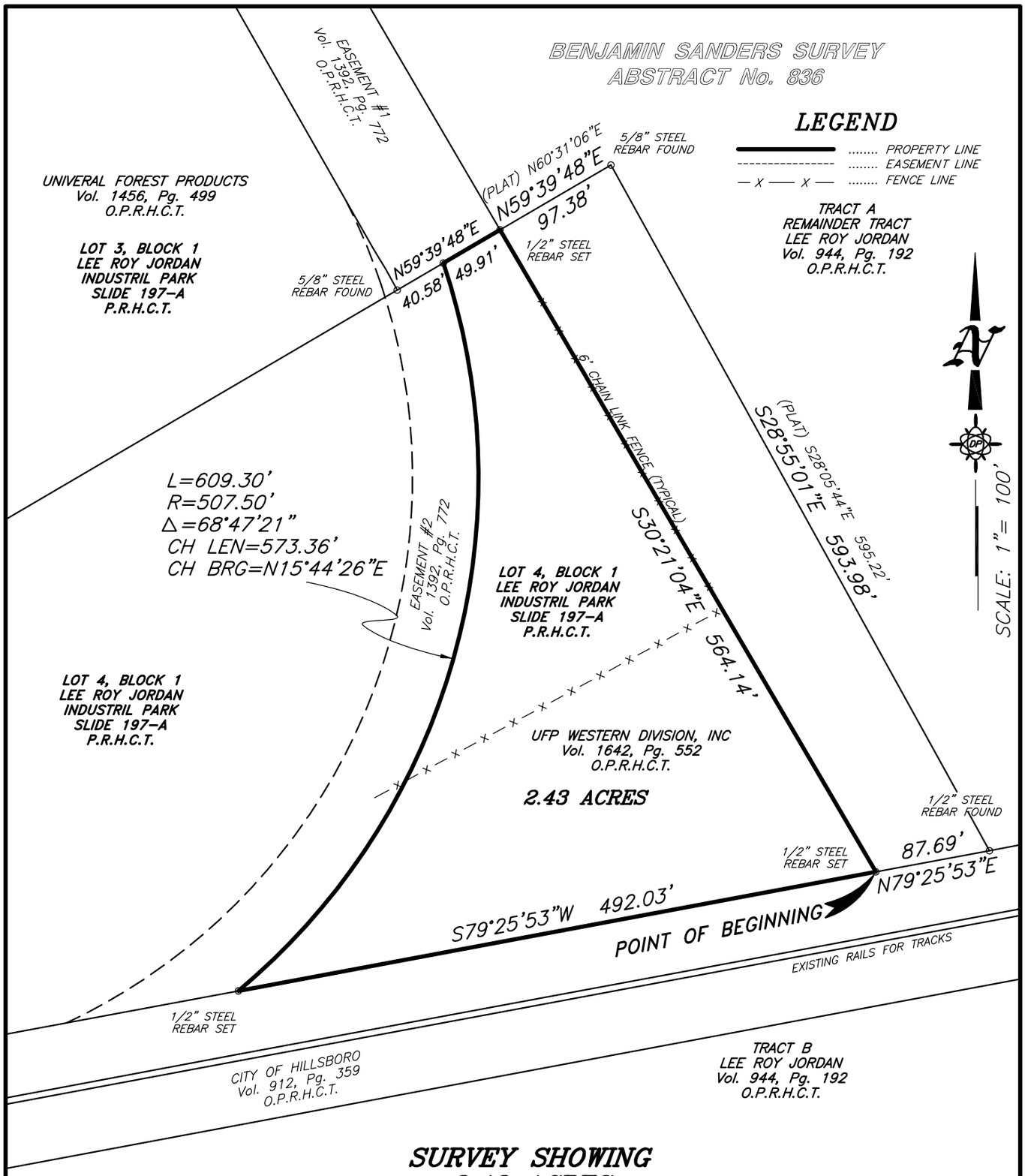
This plat represents an actual survey made on the ground under my supervision in March & April of 2013, and is correct to the best of my knowledge and belief.

Donny Peede, RPLS No. 5137

BEARINGS BASED ON TEXAS STATE PLAIN NORTH CENTRAL ZONE.

JOB# 030913 DRP

SZURGOT & PEEDE LAND SURVEYORS, LTD
125 N. COVINGTON STREET
P.O. BOX 533
HILLSBORO, TEXAS 76645
PHONE: (254) 582-3231
FAX: (254) 582-3234



SURVEY SHOWING
2.43 ACRES
in the
BENJAMIN SANDERS SURVEY, ABSTRACT No. 836
CITY OF HILLSBORO, HILL COUNTY, TEXAS

SEE ATTCHED FIELD NOTES

JOB# 030913B DRP

SURVEYOR'S DECLARATION

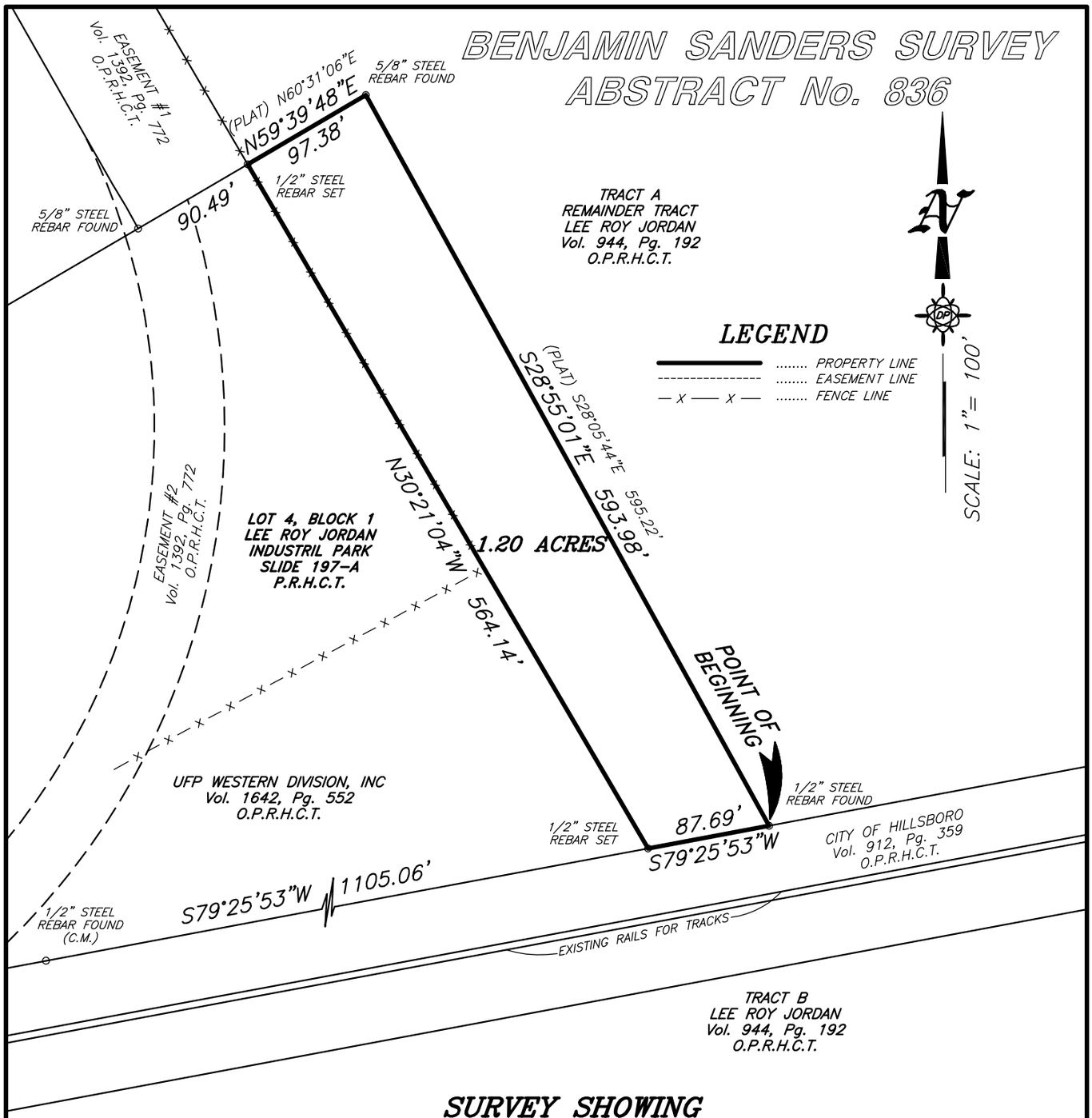
This plat represents an actual survey made on the ground under my supervision in March & April of 2013, and is correct to the best of my knowledge and belief.

Donny Peede, RPLS No. 5137

SURVEY REVISED MARCH 28, 2014.

BEARINGS BASED ON TEXAS STATE PLAIN NORTH CENTRAL ZONE.

SZURGOT & PEEDE
LAND SURVEYORS, LTD
125 N. COVINGTON STREET
P.O. BOX 533
HILLSBORO, TEXAS 76645
PHONE: (254) 582-3231
FAX: (254) 582-3234



SURVEY SHOWING
1.20 ACRES
in the
BENJAMIN SANDERS SURVEY, ABSTRACT No. 836
CITY OF HILLSBORO, HILL COUNTY, TEXAS

SEE ATTCHED FIELD NOTES

JOB# 030913A DRP

SURVEYOR'S DECLARATION

This plat represents an actual survey made on the ground under my supervision in March & April of 2013, and is correct to the best of my knowledge and belief.

Donny Peede, RPLS No. 5137

SURVEY REVISED MARCH 28, 2014.

BEARINGS BASED ON TEXAS STATE PLAIN NORTH CENTRAL ZONE.

SZURGOT & PEEDE
LAND SURVEYORS, LTD
125 N. COVINGTON STREET
P.O. BOX 533
HILLSBORO, TEXAS 76645
PHONE: (254) 582-3231
FAX: (254) 582-3234

Hill CAD

Property Search Results > 240094 JORDAN MARY B for Year 2013

Property

Account

Property ID:	240094	Legal Description:	B SANDERS A-836 TR 1 59.63 AC
Geographic ID:	11610-83600-00010-000000	Agent Code:	
Type:	Real		
Property Use Code:			
Property Use Description:			

Location

Address:	INDUSTRIAL LP HILLSBORO, TX 76645	Mapsco:	
Neighborhood:	I-35 FRONTAGE (CITY HILLSBORO)	Map ID:	
Neighborhood CD:	1616		

Owner

Name:	JORDAN MARY B	Owner ID:	2317411
Mailing Address:	7710 CARUTH BLVD DALLAS, TX 75225	% Ownership:	100.0000000000%
		Exemptions:	

Values

(+) Improvement Homesite Value:	+	$0		
(+) Improvement Non-Homesite Value:	+	$0		
(+) Land Homesite Value:	+	$0		
(+) Land Non-Homesite Value:	+	$2,140	Ag / Timber Use Value	
(+) Agricultural Market Valuation:	+	$132,980		$4,910
(+) Timber Market Valuation:	+	$0		$0

(=) Market Value:	=	$135,120		
(–) Ag or Timber Use Value Reduction:	–	$128,070		

(=) Appraised Value:	=	$7,050		
(–) HS Cap:	–	$0		

(=) Assessed Value:	=	$7,050		

Taxing Jurisdiction

Owner: JORDAN MARY B
% Ownership: 100.0000000000%
Total Value: $135,120

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
CAD	HILL COUNTY APPRAISAL DISTRICT	0.000000	$7,050	$7,050	$0.00
CHI	CITY OF HILLSBORO	0.818331	$7,050	$7,050	$57.69
GHI	HILL COUNTY	0.466088	$7,050	$7,050	$32.86
JCH	HILL COLLEGE	0.091514	$7,050	$7,050	$6.45

Hill CAD

IKO is currently in discussions to acquire 3.63 acres of this parcel out of the southeast corner. There are no improvements on the 3.63 acres

Property Search Results > 240097 ... r Year 2013

Property

Account

Property ID:	240097	Legal Description:	LEE ROY JORDAN IND ADDN BLK 1 LT 4 10.169 AC
Geographic ID:	11612-10600-00010-004000	Agent Code:	ID:2302480
Type:	Real		
Property Use Code:			
Property Use Description:			

Location

Address:	55 LEE ROY JORDAN DR HILLSBORO, TX 76645	Mapsco:	
Neighborhood:	HILLSBORO CITY	Map ID:	
Neighborhood CD:	1600		

Owner

Owner ID:	2318058
% Ownership:	100.0000000000%
Exemptions:	

Values

(+) Improvement Homesite Value:	+	$0		
(+) Improvement Non-Homesite Value:	+	$803,130		
(+) Land Homesite Value:	+	$0		
(+) Land Non-Homesite Value:	+	$53,490	Ag / Timber Use Value	
(+) Agricultural Market Valuation:	+	$0		$0
(+) Timber Market Valuation:	+	$0		$0

(=) Market Value:	=	$856,620		
(–) Ag or Timber Use Value Reduction:	–	$0		

(=) Appraised Value:	=	$856,620		
(–) HS Cap:	–	$0		

(=) Assessed Value:	=	$856,620		

Taxing Jurisdiction

Owner:	UFP WESTERN DIVISION INC
% Ownership:	100.0000000000%
Total Value:	$856,620

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
CAD	HILL COUNTY APPRAISAL DISTRICT	0.000000	$856,620	$856,620	$0.00
CHI	CITY OF HILLSBORO	0.818331	$856,620	$856,620	$7,009.99
GHI	HILL COUNTY	0.466088	$856,620	$856,620	$3,992.61
JCH	HILL COLLEGE	0.091514	$856,620	$856,620	$783.93
RDL	LATERAL ROAD	0.075224	$856,620	$856,620	$644.38

TAB 10

Description of all property not eligible to become qualified property (if applicable)

None, not applicable

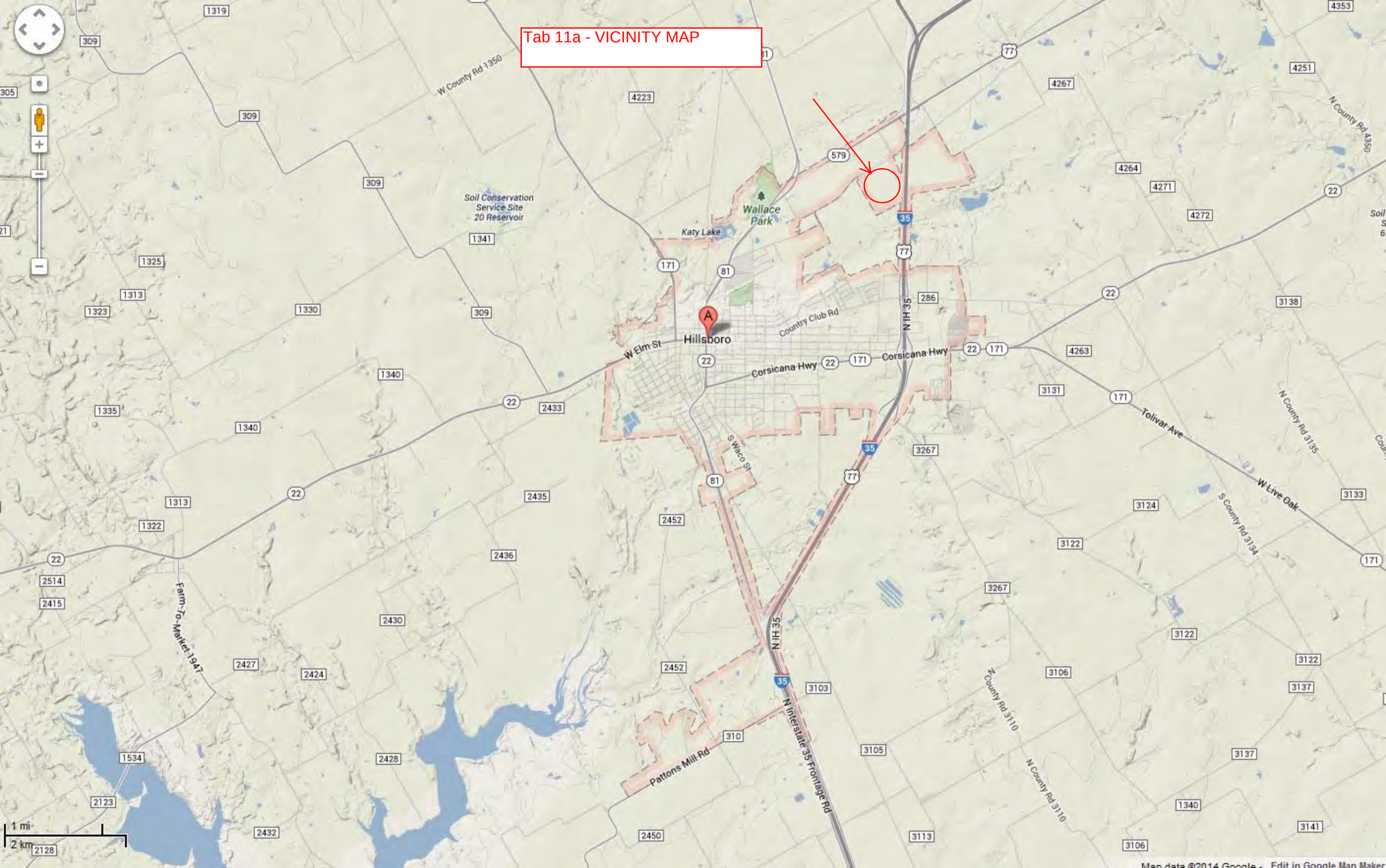
TAB 11

Maps that clearly show:

a) *Project vicinity*
b) *Qualified investment including location of new building or new improvements*
c) *Qualified property including location of new building or new improvements*
d) *Existing property* THERE IS NO EXISING PROPERTY
e) *Land location within vicinity map*
f) *Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size*

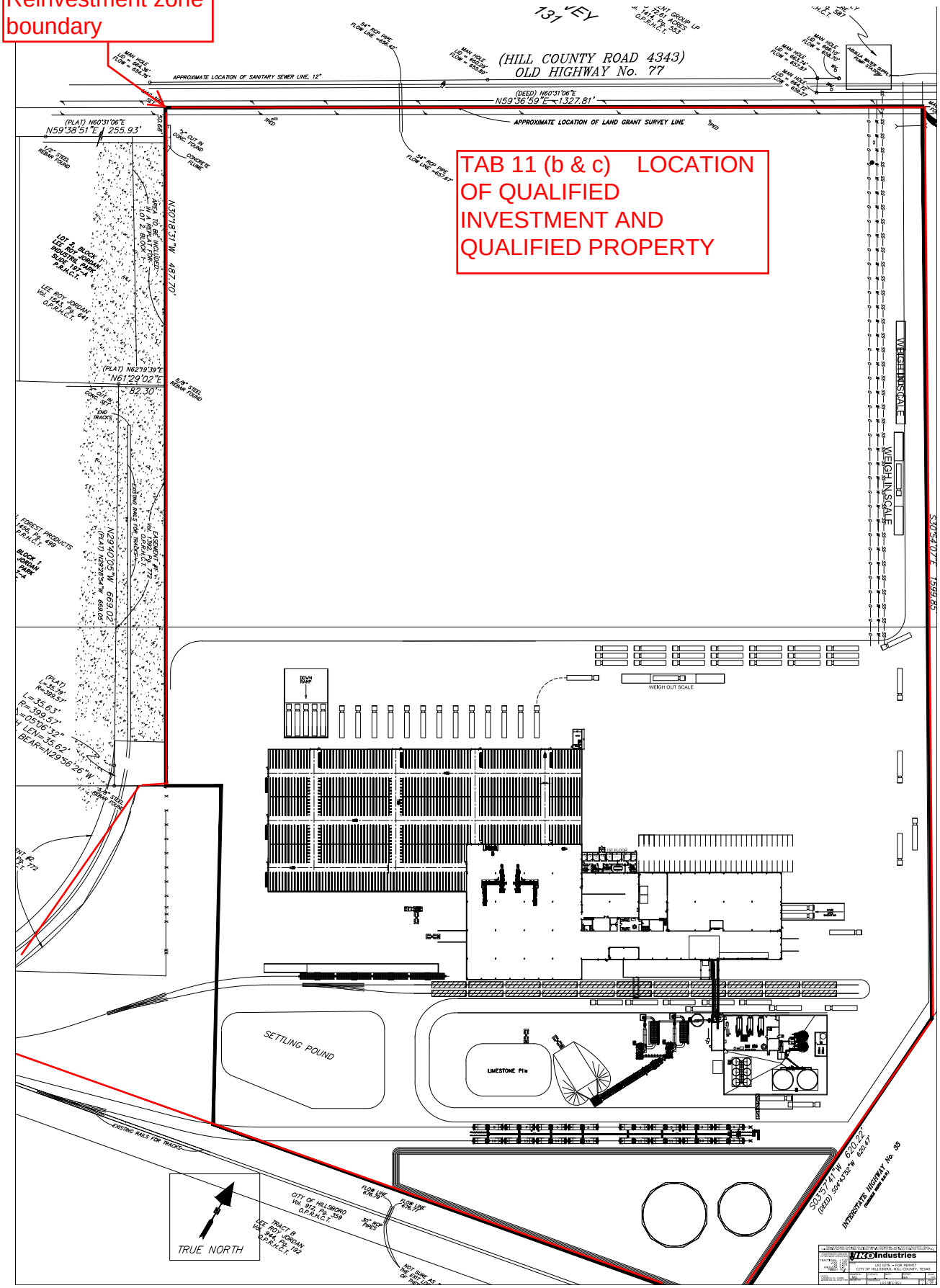
11 d) THERE IS NO EXISTING PROPERTY

Tab 11a - VICINITY MAP



Reinvestment zone boundary

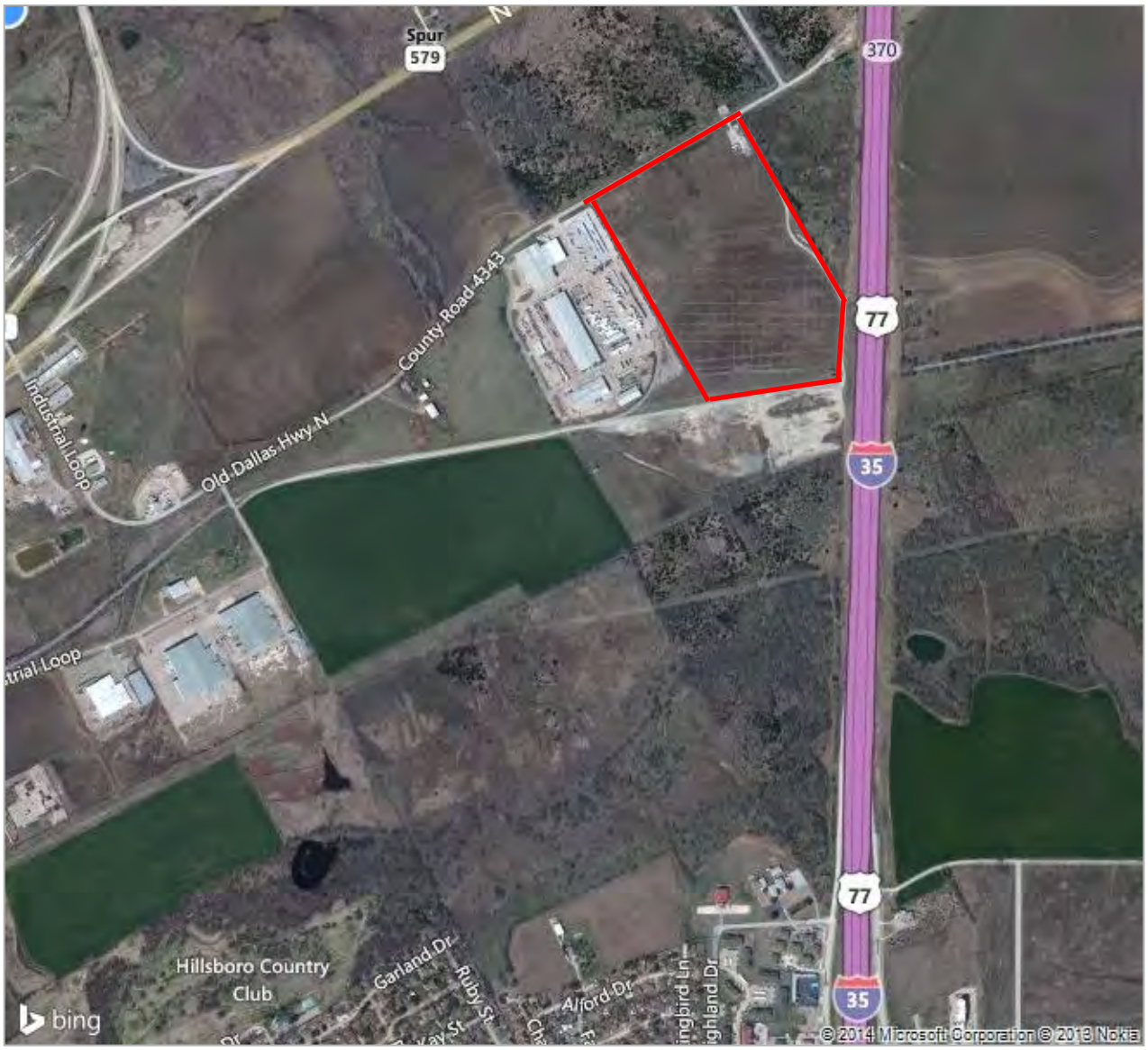
TAB 11 (b & c) LOCATION OF QUALIFIED INVESTMENT AND QUALIFIED PROPERTY



bing Maps

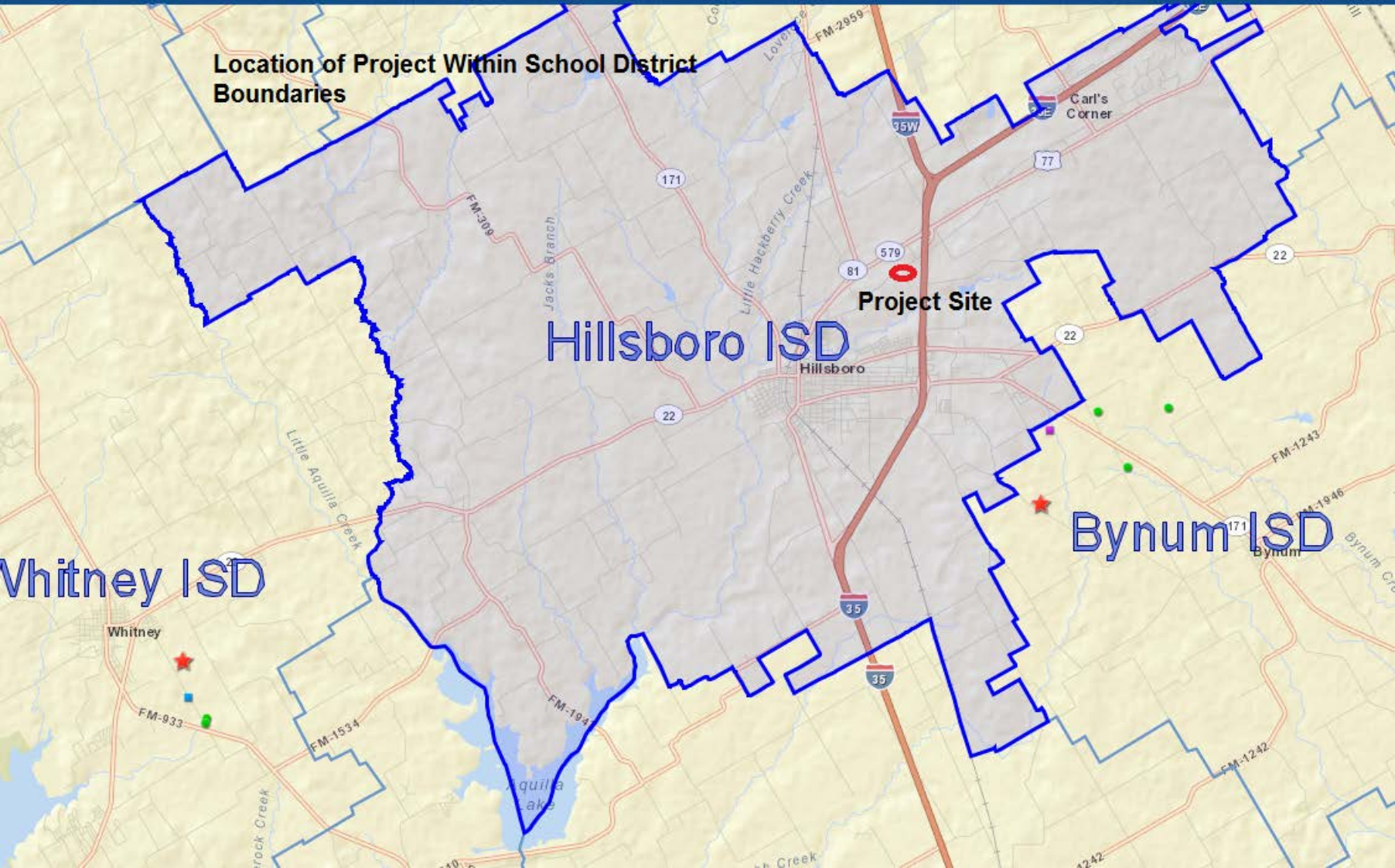
Hillsboro, TX

The property that IKO Southwest Inc. has an option to purchase is outlined in red.



Bird's eye view maps can't be printed, so another map view has been substituted.

Texas School District Locator



TAB 12

Request for Waiver of Job Creation Requirement and supporting information (if applicable)

Not applicable. There is no job waiver request.

TAB 13

Calculation of three possible wage requirements with TWC documentation

- Hill County average weekly wage for all jobs (all industries)
- Hill County average weekly wage for all jobs (manufacturing)
- See attached Council of Governments Regional Wage Calculation and Documentation

IKO Southwest Inc.
TAB 13 TO CHAPTER 313 APPLICATION

HILL COUNTY
CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES

QUARTER	YEAR	AVG WEEKLY WAGES*		ANNUALIZED	
FOURTH	2012	$	626	$	32,552
FIRST	2013	$	682	$	35,464
SECOND	2013	$	671	$	34,892
THIRD	2013	$	675	$	35,100
	AVERAGE	$	664	$	34,502

HILL COUNTY
CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS

QUARTER	YEAR	AVG WEEKLY WAGES*		ANNUALIZED	
FOURTH	2012	$	779	$	40,508
FIRST	2013	$	712	$	37,024
SECOND	2013	$	746	$	38,792
THIRD	2013	$	693	$	36,036
	AVERAGE	$	733	$	38,090
	X		110%		110%
		$	806	$	41,899

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

	YEAR	AVG WEEKLY WAGES*		ANNUALIZED	
	2012	$	763	$	39,670
	X		110%		110%
		$	839	$	43,637

**** SEE ATTACHED TWC DOCUMENTATION***

Quarterly Employment and Wages (QCEW)

Back

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2013	1st Qtr	Hill County	Total All	00	0	10	Total, All Industries	$682
2013	2nd Qtr	Hill County	Total All	00	0	10	Total, All Industries	$671
2013	3rd Qtr	Hill County	Total All	00	0	10	Total, All Industries	$675
2012	4th Qtr	Hill County	Total All	00	0	10	Total, All Industries	$626

Quarterly Employment and Wages (QCEW)

Back

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2012	1st Qtr	Hill County	Private	31	2	31-33	Manufacturing	$713
2013	1st Qtr	Hill County	Private	31	2	31-33	Manufacturing	$712
2012	2nd Qtr	Hill County	Private	31	2	31-33	Manufacturing	$755
2013	2nd Qtr	Hill County	Private	31	2	31-33	Manufacturing	$746
2012	3rd Qtr	Hill County	Private	31	2	31-33	Manufacturing	$730
2013	3rd Qtr	Hill County	Private	31	2	31-33	Manufacturing	$693
2012	4th Qtr	Hill County	Private	31	2	31-33	Manufacturing	$779

2012 Manufacturing Wages by Council of Government Region
Wages for All Occupations

COG	Wages Hourly	Wages Annual
Texas	**$23.56**	**$48,996**
1. Panhandle Regional Planning Commission	$20.12	$41,850
2. South Plains Association of Governments	$16.18	$33,662
3. NORTEX Regional Planning Commission	$17.83	$37,076
4. North Central Texas Council of Governments	$24.68	$51,333
5. Ark-Tex Council of Governments	$16.84	$35,032
6. East Texas Council of Governments	$19.61	$40,797
7. West Central Texas Council of Governments	$18.24	$37,941
8. Rio Grande Council of Governments	$16.17	$33,631
9. Permian Basin Regional Planning Commission	$21.93	$45,624
10. Concho Valley Council of Governments	$16.33	$33,956
11. Heart of Texas Council of Governments	$19.07	$39,670
12. Capital Area Council of Governments	$26.03	$54,146
13. Brazos Valley Council of Governments	$16.55	$34,424
14. Deep East Texas Council of Governments	$16.20	$33,698
15. South East Texas Regional Planning Commission	$29.38	$61,118
16. Houston-Galveston Area Council	$26.59	$55,317
17. Golden Crescent Regional Planning Commission	$21.03	$43,742
18. Alamo Area Council of Governments	$18.40	$38,280
19. South Texas Development Council	$13.54	$28,170
20. Coastal Bend Council of Governments	$22.97	$47,786
21. Lower Rio Grande Valley Development Council	$16.33	$33,961
22. Texoma Council of Governments	$22.57	$46,949
23. Central Texas Council of Governments	$17.16	$35,689
24. Middle Rio Grande Development Council	$18.93	$39,380

Source: Texas Occupational Employment and Wages
Data published: July 2013
Data published annually, next update will be July 31, 2014

Note: Data is not supported by the Bureau of Labor Statistics (BLS).
Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.
Data intended for TAC 313 purposes only.

TAB 14

Schedules A1, A2, B, C and D completed and signed Economic Impact (if applicable)

See attached Schedules A1, A2, B, C and D

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

Applicant Name IKO Southwest Inc
ISD Name HILLSBORO

Form 50-296A
Revised Feb 2014

PROPERTY INVESTMENT AMOUNTS

(Estimated Investment in each year. Do not put cumulative totals.)

				Column A	Column B	Column C	Column D	Column E
	Year	**School Year** (YYYY-YYYY)	**Tax Year** (Fill in actual tax year below) YYYY	New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	**Total Investment** (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	--	2014-2015	2014	Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application							500,000	
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period		2014-2015	2014	0	0	0	0	-
Complete tax years of qualifying time period	QTP1	2015-2016	2015	30,000,000	18,000,000	0	1,500,000	49,500,000
	QTP2	2016-2017	2016	30,000,000	0	23,450,000	0	53,450,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				60,000,000	18,000,000	23,450,000	2,000,000	102,950,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				78,000,000				

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

Schedule A2: Total Investment for Economic Impact (including Qualified Property and other investments)

Applicant Name **IKO Southwest Inc**
ISD Name **HILLSBORO**

Form 50-296A
Revised Feb 2014

PROPERTY INVESTMENT AMOUNTS

(Estimated Investment in each year. Do not put cumulative totals.)

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in **tangible personal property** placed in service during this year that will become Qualified Property	Column B New investment made during this year in **buildings or permanent nonremovable components of buildings** that will become Qualified Property	Column C Other investment made during this year that will not become Qualified Property [SEE NOTE]	Column D Other investment made during this year that will become Qualified Property {SEE NOTE]	Column E **Total Investment** (A+B+C+D)
				Enter amounts from TOTAL row in Schedule A1 in the row below				
Total Investment from Schedule A1*	--	**TOTALS FROM SCHEDULE A1**		60,000,000	18,000,000	23,450,000	2,000,000	103,450,000
Each year prior to start of value limitation period** *Insert as many rows as necessary*	0	2014-2015	2014				500,000	500,000
	0	2015-2016	2015	30,000,000	18,000,000	-	-	48,000,000
	0	2016-2017	2016	30,000,000	-	23,450,000	1,500,000	54,950,000
Value limitation period***	1	2017-2018	2017		-	4,000,000	-	4,000,000
	2	2018-2019	2018		-	4,000,000	-	4,000,000
	3	2019-2020	2019	-	-	4,000,000	-	4,000,000
	4	2020-2021	2020	-	-	4,000,000	-	4,000,000
	5	2021-2022	2021	-	-	4,000,000	-	4,000,000
	6	2022-2023	2022	-	-	4,500,000	-	4,500,000
	7	2023-2024	2023	-	-	4,500,000	-	4,500,000
	8	2024-2025	2024	-	-	4,500,000	-	4,500,000
	9	2025-2026	2025	-	-	4,500,000	-	4,500,000
	10	2026-2027	2026	-	-	4,500,000	-	4,500,000
Total Investment made through limitation				60,000,000	18,000,000	65,950,000	2,000,000	145,950,000
Continue to maintain viable presence	11	2027-2028	2027			5,000,000		5,000,000
	12	2028-2029	2028			5,000,000		5,000,000
	13	2029-2030	2029			5,000,000		5,000,000
	14	2030-2031	2030			5,000,000		5,000,000
	15	2031-2032	2031			5,000,000		5,000,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2032-2033	2032			5,500,000		5,500,000
	17	2033-2034	2033			5,500,000		5,500,000
	18	2034-2035	2034			5,500,000		5,500,000
	19	2035-2036	2035			5,500,000		5,500,000
	20	2036-2037	2036			5,500,000		5,500,000
	21	2037-2038	2037			6,000,000		6,000,000
	22	2038-2039	2038			6,000,000		6,000,000
	23	2039-2040	2039			6,000,000		6,000,000
	24	2040-2041	2040			6,000,000		6,000,000
	25	2041-2042	2041			6,000,000		6,000,000

* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row.**

** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

*** If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

Applicant Name IKO Southwest Inc

ISD Name HILLSBORO

Form 50-296A

Revised Feb 2014

				Qualified Property			Estimated Taxable Value		
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*	0	2014-2015	2014	0	0	0	0	0	0
	0	2015-2016	2015	500,000	-	-	500,000	500,000	500,000
	0	2016-2017	2016	2,000,000	9,000,000	15,000,000	24,500,000	24,500,000	24,500,000
Value Limitation Period	1	2017-2018	2017	2,000,000	18,000,000	60,000,000	78,552,500	78,552,500	20,000,000
	2	2018-2019	2018	2,000,000	17,460,000	58,200,000	76,263,163	76,263,163	20,000,000
	3	2019-2020	2019	2,000,000	16,936,200	56,454,000	74,042,252	74,042,252	20,000,000
	4	2020-2021	2020	2,000,000	16,428,114	54,760,380	71,887,724	71,887,724	20,000,000
	5	2021-2022	2021	2,000,000	15,935,271	53,117,569	69,791,092	69,791,092	20,000,000
	6	2022-2023	2022	2,000,000	15,457,212	51,524,042	67,757,360	67,757,360	20,000,000
	7	2023-2024	2023	2,000,000	14,993,496	49,978,320	65,784,639	65,784,639	20,000,000
	8	2024-2025	2024	2,000,000	14,543,691	48,478,971	63,871,100	63,871,100	20,000,000
	9	2025-2026	2025	2,000,000	14,107,380	47,024,602	62,014,967	62,014,967	20,000,000
	10	2026-2027	2026	2,000,000	13,684,159	45,613,864	60,214,518	60,214,518	20,000,000
Continue to maintain viable presence	11	2027-2028	2027	2,000,000	13,273,634	44,245,448	58,468,082	58,468,082	58,468,082
	12	2028-2029	2028	2,000,000	12,875,425	42,918,084	56,774,040	56,774,040	56,774,040
	13	2029-2030	2029	2,000,000	12,489,162	41,630,542	55,130,818	55,130,818	55,130,818
	14	2030-2031	2030	2,000,000	12,114,488	40,381,625	53,536,894	53,536,894	53,536,894
	15	2031-2032	2031	2,000,000	11,751,053	39,170,177	51,990,787	51,990,787	51,990,787
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2032-2033	2032	2,000,000	11,398,521	37,995,071	50,491,063	50,491,063	50,491,063
	17	2033-2034	2033	2,000,000	11,056,566	36,855,219	49,036,332	49,036,332	49,036,332
	18	2034-2035	2034	2,000,000	10,724,869	35,749,563	47,625,242	47,625,242	47,625,242
	19	2035-2036	2035	2,000,000	10,403,123	34,677,076	46,256,484	46,256,484	46,256,484
	20	2036-2037	2036	2,000,000	10,091,029	33,636,763	44,928,790	44,928,790	44,928,790
	21	2037-2038	2037	2,000,000	9,788,298	32,627,661	43,640,926	43,640,926	43,640,926
	22	2038-2039	2038	2,000,000	9,494,649	31,648,831	42,391,698	42,391,698	42,391,698
	23	2039-2040	2039	2,000,000	9,209,810	30,699,366	41,179,947	41,179,947	41,179,947
	24	2040-2041	2040	2,000,000	8,933,515	29,778,385	40,004,549	40,004,549	40,004,549
	25	2041-2042	2041	2,000,000	8,665,510	28,885,033	38,864,412	38,864,412	38,864,412

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.

Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Applicant Name IKO Southwest Inc

ISD Name HILLSBORO

Form 50-296A

Revised Feb 2014

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	**Column B**	**Column C**	**Column D**	**Column E**
	Year	**School Year** (YYYY-YYYY)	**Tax Year** (Actual tax year) YYYY	Number of Construction FTE's or man-hours (specify)	**Average** annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	**Average** annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period *Insert as many rows as necessary*	0	2014-2015	2014	0	-	0		
	0	2015-2016	2015	150 FTE's	35,000			
	0	2016-2017	2016	56 FTE's	35,000	15	25	42,000
Value Limitation Period *The qualifying time period could overlap the value limitation period.*	1	2017-2018	2017	0	0	15	25	42,000
	2	2018-2019	2018	0	0	15	25	42,000
	3	2019-2020	2019	0	0	15	25	42,420
	4	2020-2021	2020	0	0	15	25	42,844
	5	2021-2022	2021	0	0	15	25	43,273
	6	2022-2023	2022	0	0	15	25	43,705
	7	2023-2024	2023	0	0	15	25	44,142
	8	2024-2025	2024	0	0	15	25	44,584
	9	2025-2026	2025	0	0	15	25	45,030
	10	2026-2027	2026	0	0	15	25	45,480
Years Following Value Limitation Period	11 through 25	2026-2041	2026-2040	0	0	15	25	47,299

Notes: See TAC 9.1051 for definition of non-qualifying jobs.
Only include jobs on the project site in this school district.

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts) ☐ Yes ☑ No

If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)? ☐ Yes ☐ No

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)? ☐ Yes ☐ No

Schedule D: Other Incentives (Estimated)

Applicant Name IKO Southwest Inc

ISD Name HILLSBORO

Form 50-296A

Revised Feb 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	**Taxing Entity (as applicable)**	**Beginning Year of Benefit**	**Duration of Benefit**	**Annual Tax Levy without Incentive**	**Annual Incentive**	**Annual Net Tax Levy**
Tax Code Chapter 311	County: N/A					
	City: N/A					
	Other: N/A					
Tax Code Chapter 312	County: HILL	2017	2017-2026	406,000	90%	40,600
	City: HILLSBORO	2017	2017-2026	613,750	90%	61,375
	Other: HILL COLLEGE	2017	2017-2026	68,650	90%	6,865
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions	yes for those jurisdiction which offer Freeport = City & HISD	2017	Perpetuity	515,000	145,000	370,000
Non-Annexation Agreements	N/A					
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund		2016	2016		210,000	
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
			TOTAL	1,603,400		478,840

Additional information on incentives for this project:

TAB 15

Economic Impact Analysis, other payments made in the state or other economic information (if applicable)

None

TAB 16

Description of Reinvestment Zone or Enterprise Zone, including:

Á) *Legal description of reinvestment zone**

Â) *Order, resolution, or ordinance established the* reinvestment zone*

Ã) *Guidelines and criteria for creating the zone*

N/A for school district zone

See attached.

SZURGOT & PEEDE LAND SURVEYORS, LTD
125 N. COVINGTON STREET, P.O. BOX 533
HILLSBORO, TEXAS 76645
PHONE: (254) 582-3231
FAX: (254) 582-3234

LEGAL DESCRIPTION
58.91 Acres
In the
Benjamin Sanders Survey, Abstract No. 836
City of Hillsboro, Hill County, Texas

All that certain tract or parcel of land located in the Benjamin Sanders Survey, Abstract No. 836, City of Hillsboro, Hill County, Texas, and being a part of a called 94.72 acre tract of land (Tract A) conveyed by Welca Jean Farr and William Ray Allen to Lee Roy Jordan, D/B/A as Lee Roy Jordan Interests, dated August 27, 1997, and being recorded in Volume 944, Page 192, of the Official Public Records of Hill County, Texas, and being more particularly described as follows:

BEGINNING at a mag-nail found in Old Highway No. 77 (Hill County Road 4343), called to be in the northerly line of said Benjamin Sanders Survey and the southerly line of the Ewen Cameron Survey, Abstract No. 131 and being the northwest corner of a tract of land conveyed to Percy Lee Curtis (First Tract) by deed recorded in Volume 346, Page 214, of the Deed Records of Hill County, Texas, and being the northeast corner of said 94.72 acre tract;

THENCE South 30 degrees 54 minutes 07 seconds East (Directional Control Line), along the common line between said Curtis tract and said 94.72 acre tract, for a distance of 1599.85 feet to a 5/8" steel rebar found at a corner on the westerly line of Interstate Highway No. 35 (variable width right-of-way), being the most easterly northeast corner of said 94.72 acre tract;

THENCE South 03 degrees 57 minutes 41 seconds West, along the westerly line of said Interstate Highway No. 35, for a distance of 620.22 feet to a brass TXT-DOT monument found at a corner on the northerly line of the old SF&L Railway (100 foot right-of-way) that is conveyed to the City of Hillsboro by Quitclaim Deed recorded in Volume 912, Page 359, of the Official Public Records of Hill County, Texas, and being the southeast corner of said 94.72 acre tract;

THENCE South 79 degrees 25 minutes 53 seconds West, along the common line between said Railway tract and said 94.72 acre tract, for a distance of 968.58 feet to a 1/2" steel rebar set at a corner, being the southeast corner of Lot 4, Block 1, of Lee Roy Jordan Industrial Park, an addition to the City of Hillsboro according to the plat recorded in Slide 197-A, of the Plat Records of Hill County, Texas, and being in the southerly line of said 94.72 acre tract and from which a 1/2" steel rebar found at the southwest corner of said 94.72 acre tract bears South 79 degrees 25 minutes 53 seconds West at a distance of 1202.75 feet;

THENCE North 28 degrees 55 minutes 01 seconds West, along the easterly line of said Lot 4, for a distance of 593.98 feet to a 5/8" steel rebar found at a corner, being the northeast corner of said Lot 4;

THENCE South 59 degrees 39 minutes 48 seconds West, along the northerly line of said Lot 4, passing the southeast corner of a tract of land described as Easement #1 recorded in Volume 1392, Page 772, of the Official Public Records of Hill County, Texas, continuing and passing the northeasterly corner of a tract of land described as Easement #2 recorded in Volume 1392, Page 772, of the Official Public Records of Hill County, Texas, continuing in all for a total distance of 187.87 feet to a 5/8" steel rebar found at a corner on the northerly line of said Lot 4, being the southeast corner of Lot 3, of said Block 1, the southwest corner of said Easement #1 and being in a curve to the left having a radius of 399.57 feet;

THENCE in a northwesterly direction along said curve to the left, for an arc distance of 35.63 feet and having a chord bearing of North 29 degrees 56 minutes 26 seconds West and a chord distance of 35.62 feet to a 5/8" steel rebar found at a corner at the end of said curve;

THENCE North 29 degrees 40 minutes 05 seconds West, along the easterly line of said Lot 3 and the westerly line of said Easement #1, for a distance of 669.02 feet to an "X" cut in concrete set at a corner on the southerly line of Lot 2, of said Block 1, and being the northwest corner of said Easement #1;

THENCE North 61 degrees 29 minutes 02 seconds East, along the southerly line of said Lot 2 and the northerly line of said Easement #1, passing the southeast corner of said Lot 2, continuing in all for a total distance of 82.30 feet to a 5/8" steel rebar found at a corner, being the northeast corner of said Easement #1, and the southeast corner of the proposed Replat of Lot 2;

THENCE North 30 degrees 18 minutes 31 seconds West, partially along a fence line and the easterly line of said proposed Replat of Lot 2, at 437.02 feet passing an "X" cut found in a concrete flume for the northeast corner of said proposed Replat of Lot 2 and the southerly line of the aforementioned Old Highway No. 77, continuing in all for a total distance of 487.70 feet to a mag-nail set in said Old Highway No. 77 and the northerly line of the aforementioned 94.72 acre tract;

THENCE North 59 degrees 36 minutes 59 seconds East, along said Old Highway No. 77 and the northerly line of said 94.72 acre tract, for a distance of 1327.81 feet to the point of beginning, and containing 58.91 aces of land, of which approximately 1.55 acres of land lies within said Old Highway No. 77, as surveyed by Szurgot & Peede Land Surveyors, LTD., in March and April of 2013.

Bears for this survey are based on Texas State Plain North Central Zone Coordinates.

_____

Donny Peede, Texas RPLS No. 5137

SZURGOT & PEEDE LAND SURVEYORS, LTD
125 N. COVINGTON STREET, P.O. BOX 533
HILLSBORO, TEXAS 76645
PHONE: (254) 582-3231
FAX: (254) 582-3234

LEGAL DESCRIPTION
2.43 Acres
In the
Benjamin Sanders Survey, Abstract No. 836
City of Hillsboro, Hill County, Texas

All that certain tract or parcel of land located in the Benjamin Sanders Survey, Abstract No. 836, City of Hillsboro, Hill County, Texas, and being a part of Lot 4, Block 1, of Lee Roy Jordan Industrial Park, an addition to the City of Hillsboro, Hill County, Texas, according to the plat recorded in Slide 197-A, of the Plat Records of Hill County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" steel rebar set at a corner on the northerly line of the old SF&L Railway (100 foot right-of-way) that is conveyed to the City of Hillsboro by Quitclaim Deed recorded in Volume 912, Page 359, of the Official Public Records of Hill County, Texas, from which a 1/2" steel rebar found at the southeast corner of said Lot 4 bears North 79 degrees 25 minutes 53 seconds East at a distance of 87.69 feet;

THENCE South 79 degrees 25 minutes 53 seconds West, along the northerly line of said Railway tract and the southerly line of said Lot 4, for a distance of 492.03 feet to a 1/2" steel rebar set at a corner on the easterly side of a tract of land described as Easement #2 in a deed recorded in Volume 1392, Page 772, of the Official Public Records of Hill County, Texas, and being in a curve to the left, having a radius of 507.50 feet;

THENCE in a northeasterly direction along said curve to the left, for an arc distance of 609.30 feet and having a chord bearing of North 15 degrees 44 minutes 26 seconds East and a chord distance of 573.36 feet to a 1/2" steel rebar set at a corner on the northerly line of said Lot 4, and the southerly line of a tract of land described as Easement #1, recorded in Volume 1392, Page 772, of the Official Public Records of Hill County, Texas, and from which a 5/8" steel rebar found at the southeast corner of Lot 3, of said Block 1 bears South 59 degrees 39 minutes 48 seconds West at a distance of 40.58 feet;

THENCE North 59 degrees 39 minutes 48 seconds East, along the northerly line of said Lot 4, for a distance of 49.91 feet to a 1/2" steel rebar set at a corner from which a 5/8" steel rebar found at the southeast corner of said Lot 4 bears North 59 degrees 39 minutes 48 seconds East at a distance of 97.38 feet;

THENCE South 30 degrees 21 minutes 04 seconds East, partially along fence line, for a distance of 564.14 feet to the point of beginning, and containing 2.43 acres of land, as surveyed by Szurgot & Peede Land Surveyors, LTD., in March and April of 2013.

Bears for this survey are based on Texas State Plain North Central Zone Coordinates.

_____
Donny Peede, Texas RPLS No. 5137
Job No. 030913B DRP

SZURGOT & PEEDE LAND SURVEYORS, LTD
125 N. COVINGTON STREET, P.O. BOX 533
HILLSBORO, TEXAS 76645
PHONE: (254) 582-3231
FAX: (254) 582-3234

LEGAL DESCRIPTION
1.20 Acres
In the
Benjamin Sanders Survey, Abstract No. 836
City of Hillsboro, Hill County, Texas

All that certain tract or parcel of land located in the Benjamin Sanders Survey, Abstract No. 836, City of Hillsboro, Hill County, Texas, and being a part of Lot 4, Block 1, of Lee Roy Jordan Industrial Park, an addition to the City of Hillsboro, Hill County, Texas, according to the plat recorded in Slide 197-A, of the Plat Records of Hill County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" steel rebar found at a corner on the northerly line of the old SF&L Railway (100 foot right-of-way) that is conveyed to the City of Hillsboro by Quitclaim Deed recorded in Volume 912, Page 359, of the Official Public Records of Hill County, Texas, being the southeast corner of said Lot 4 and the southwest corner of the remainder tract (Tract A) conveyed to Lee Roy Jordan by deed recorded in Volume 944, Page 192, of the Official Public Records of Hill County, Texas;

THENCE South 79 degrees 25 minutes 53 seconds West, along the northerly line of said Railway tract and the southerly line of said Lot 4, for a distance of 87.69 feet to a 1/2" steel rebar set at a corner;

THENCE North 30 degrees 21 minutes 04 seconds West, partially along a fence line, for a distance of 564.14 feet to a 1/2" steel rebar set at a corner on the northerly line of said Lot 4, being the southeast corner of an easement tract, described as Easement #1, recorded in Volume 1392, Page 772, of the Official Public Records of Hill County, Texas;

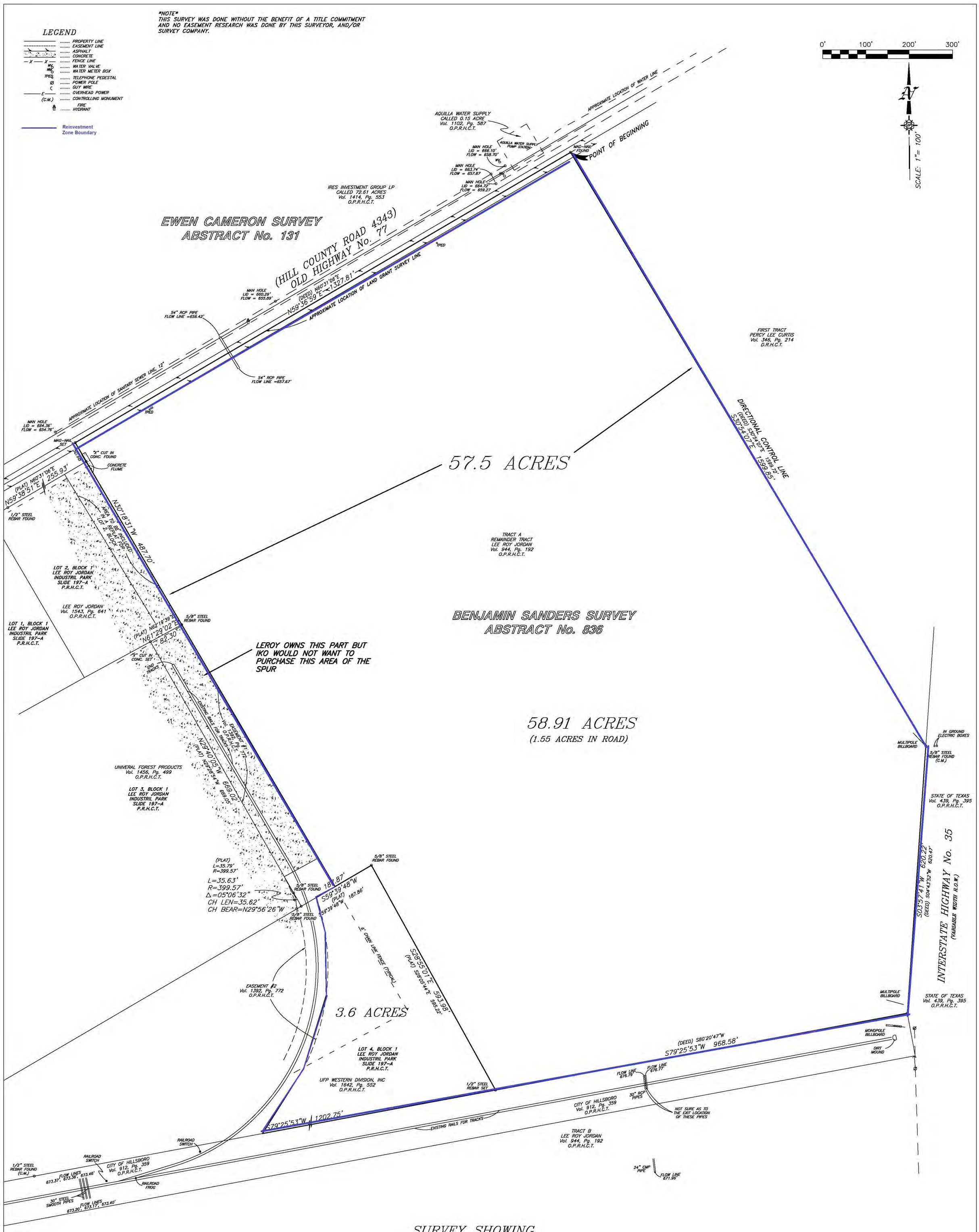
THENCE North 59 degrees 39 minutes 48 seconds East, along the northerly line of said Lot 4, for a distance of 97.38 feet to a 5/8" steel rebar found at a corner, being the northeast corner of said Lot 4;

THENCE South 28 degrees 55 minutes 01 seconds East, along the easterly line of said Lot 4, for a distance of 593.98 feet to the point of beginning, and containing 1.20 acres of land, as surveyed by Szurgot & Peede Land Surveyors, LTD., in March and April of 2013.

Bears for this survey are based on Texas State Plain North Central Zone Coordinates.

_____
Donny Peede, Texas RPLS No. 5137
Job No. 030913A DRP

NOTE
THIS SURVEY WAS DONE WITHOUT THE BENEFIT OF A TITLE COMMITMENT AND NO EASEMENT RESEARCH WAS DONE BY THIS SURVEYOR, AND/OR SURVEY COMPANY.



SURVEY SHOWING
58.91 ACRES
in the
BENJAMIN SANDERS SURVEY, ABSTRACT No. 836
CITY OF HILLSBORO, HILL COUNTY, TEXAS

SEE ATTCHED FIELD NOTES

Flood Statement

According to the Flood Insurance Rate Map for Hill County, Texas and Incorporated Areas, Community Panel No.480351-0265-C, effective date June 02, 2011, this property is not located in any special flood hazard area.

SURVEYOR'S DECLARATION

This plat represents an actual survey made on the ground under my supervision in March & April of 2013, and is correct to the best of my knowledge and belief.

Donny Peede, RPLS No. 5137

BEARINGS BASED ON TEXAS STATE PLAIN NORTH CENTRAL ZONE.

JOB# 030913 DRP

SZURGOT & PEEDE LAND SURVEYORS, LTD
125 N. COVINGTON STREET
P.O. BOX 533
HILLSBORO, TEXAS 76645
PHONE: (254) 582-3231
FAX: (254) 582-3234

TAB 17

Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative (applicant)

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17. NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here ▶ Dr. James Gilcrease
Print Name *(Authorized School District Representative)*

Superintendent
Title

sign here ▶
Signature *(Authorized School District Representative)*

05-28-14
Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here ▶ Ron Healey
Print Name *(Authorized Company Representative (Applicant))*

Treasurer
Title

sign here ▶
Signature *(Authorized Company Representative (Applicant))*

5/27/14
Date

GIVEN under my hand and seal of office this, the

28th day of May, 2014

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

(Notary Seal)

My Commission expires: June 20, 2014

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

***** JAIME R. RABIN ****
MY COMMISSION EXPIRES ON
JUNE 20, 2014
NOTARY PUBLIC
STATE OF DELAWARE