

**Cameron County Commissioners' Court  
Agenda Request Form**

2017C03088

No. 2-UU

Date: March 10, 2017 Meeting Date Request: March 21, 2017  
Deadline for Action: March 21, 2017 Contact Person: Mark Yates  
Department: P.D. & M. (Economic Development) Phone: (956) 544-0828 Fax: \_\_\_\_\_  
Department Head Name: Mark Yates Signature: Mark A. Yates

**Caption: CONSENT**

**CONSIDERATION AND APPROVAL FOR THE ASSIGNMENT OF THE APEX CLEAN ENERGY TAX ABATEMENT AGREEMENT TO THE CURRENT OWNER OF THE WIND FARM THE IKEA ENERGY US, LLC .**

**Background:** *(Briefly summarize your request, if needed use separate sheet(s) or attach supporting documentation).*

Cameron County approved a tax abatement on December 30, 2014, contract Number 2014C12435 with Cameron Wind 1-Apex Clean Energy under Local Government Code 381. The base year of the original agreement and all of the terms regarding the tax abatement and performance measures remain the same as originally approved. Ikea Energy US, LLC is current with the payment in lieu of taxes portion of the agreement.

**PLEASE FILL IN ALL BLANKS WITH REQUIRED INITIALS AND FISCAL DATA INFORMATION OR PLACE N/A IF IS NOT APPLICABLE:**

County Judge N/A Auditor N/A Budget N/A Legal FSM Human Resources N/A Purchasing N/A

1295 Form \_\_\_\_\_

**Fiscal Data:**

**Funds From:**

Dept. Name: \_\_\_\_\_ Fund No. \_\_\_\_\_ Department: Yes \_\_\_ No \_\_\_ Amt. Expended : \$ \_\_\_\_\_  
Funds Available: Yes \_\_\_ No \_\_\_ General: Yes \_\_\_ No \_\_\_ Impact on future budget: Yes \_\_\_ No \_\_\_  
Grant: Yes \_\_\_ No \_\_\_

**Comments:**

**Action taken by Commissioners' Court**

Approved \_\_\_\_\_ Tabled \_\_\_\_\_ Denied \_\_\_\_\_ Motion made by \_\_\_\_\_ Seconded \_\_\_\_\_ Vote \_\_\_\_\_

## Mark A. Yates

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**From:** Felix Narog <felix.narog1@ikea.com>  
**Sent:** Tuesday, June 21, 2016 3:32 PM  
**To:** Mark A. Yates  
**Subject:** Cameron Wind I, LLC Property Taxes - Wind Farm  
**Attachments:** DJL 18 Jun 2016 Cameron Tax abatement agreement (00542093xB616D).doc; Cameron Tax abatement agreement (00542092-2xB616D).docx

Hi Mark,

I want to pass on to you our Attorney's mark ups on the Tax Abatement Agreement. I don't believe there is anything of substance that changed but we wanted to give the appropriate Cameron County officials an opportunity to review for comments/suggestions before our officers sign the document.

Thanks

Felix

**From:** David Larsson [<mailto:DLarsson@larssonlaw.com>]  
**Sent:** Saturday, June 18, 2016 5:45 PM  
**To:** Felix Narog <[felix.narog1@ikea.com](mailto:felix.narog1@ikea.com)>  
**Subject:** RE: Cameron Wind I, LLC Property Taxes - Wind Farm (privileged and confidential advice of counsel and attorney work product)

Felix,

Here are clean and redlined versions of the Cameron County Tax Abatement Agreement, set up for signature by 2 officers of IKEA Energy US, LLC ("*Energy*").

Regarding how I propose to date this document: since 16 Dec 2015 is the date when the Energy acquired 100% of the Membership interest in Cameron Wind I, LLC, that's the date I've used ("as of" 16 Dec 2015), even though there are provisions of the Tax Abatement Agreement that apply dating back to 30 Dec 2014, the date of the original Agreement signed by Apex.

Please feel free to contact me with any questions or comments.

Dave

David J. Larsson  
Larsson & Scheuritzel, P.C.  
Centre Square West, Suite 3510  
1500 Market Street  
Philadelphia, PA 19102  
direct phone: 215.656.4221  
general phone: 215.656.4200  
fax: 215.656.4202  
email: [dlarsson@larssonlaw.com](mailto:dlarsson@larssonlaw.com)

This e-mail and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified any dissemination, distribution or copying of this email, and any attachments thereto, is strictly prohibited. If you receive this email in error please immediately notify me at (215) 656-4200 and permanently delete the original copy and any copy of any e-mail; and any printout thereof.

The contents of any attachment to this e-mail may contain software viruses which may damage your computer system. Reasonable precautions have been taken to minimize such risk, but the sender of this email cannot accept responsibility or liability for any damage which may be sustained as a result of any such viruses. Recipient should conduct its own virus checks before opening any attachment to this e-mail.

CAMERON COUNTY, TEXAS CHAPTER 381  
AMENDED AND RESTATED TAX ABATEMENT AGREEMENT WITH  
CAMERON WIND I, LLC

THIS AMENDED AND RESTATED TAX ABATEMENT AGREEMENT ("Agreement"), dated as of this 16th day of December 2015 is entered into by and between Cameron Wind I, LLC (the "Company") and the County of Cameron, Texas (the "County").

WHEREAS, Article 3 Section 52A. of the Texas Constitution authorizes the state legislature to enable counties to implement programs for purposes of economic development under which counties may make loans and grant public monies for the purposes of stimulating local economic development and business and commercial activity in the County; and

WHEREAS, Section 381 of the Texas Local Government Code authorizes the governing body of the County to establish and provide for the administration of one or more programs, including programs for making loans and grants of public money and for providing property tax abatement to promote local economic development and to stimulate business and commercial activities in the County; and

WHEREAS, the County adopted a Resolution governing Chapter 381 tax abatement agreements within Cameron County on December 4, 2014 and this Agreement is consistent with such Resolution and applicable state laws, including Section 312 of the Texas Tax Code; and

WHEREAS, the County and the Company entered into a Tax Abatement Agreement dated as of the 30th day of December 2014 regarding the Facility located on property described in Exhibit I attached hereto (the "2014 Tax Abatement Agreement"), at which time Apex South Texas Wind, LLC ("Apex Seller"), was the Sole Member of the Company; and

WHEREAS, on December 16, 2015, IKEA Energy US, LLC, a Delaware limited liability company ("IKEA Energy"), acquired 100% of the Membership Interest of the Company from Apex Seller, and the County has consented to such acquisition, and required that IKEA Energy execute this Amended and Restated Agreement on behalf of the Company;

WHEREAS, the County is creating a tax abatement program to assist the Company in establishing an operation at the Company's Facility located on property described in Exhibit I attached hereto.

WHEREAS, the County deems that it is in the best interest of the County to assist the Company in establishing operations in Cameron County;

WHEREAS, the County and the Company wish to amend the 2014 Tax Abatement Agreement in its entirety to reflect so that IKEA Energy now executes the same on behalf of the Company.

NOW, THEREFORE, the County and the Company agree to amend and restate the 2014 Tax Abatement Agreement in its entirety, as follows:

**Article 1.**  
**RECITALS**

The following understanding forms the basis of this Agreement:

1.1. The Company presently leases a 12,850-acre tract of land, described by metes and bounds on Exhibit 1.

1.2. The Company has established a "Renewable Energy Project" at the Facility, and agrees to operate the Facility for at least ten (10) years from and after the Effective Date.

1.3. The Company has established (and intends to maintain for at least ten (10) years) an operation that will result in a 165-megawatt natural wind energy generating facility in Cameron County, Texas, invest \$20,529,600 in property improvements and \$147,214,173 in taxable personal property and, once in operation, employ at least ten (10) full-time workers (or full-time equivalents) with annual salaries averaging \$33,000 each, commencing on or about November 2015.

1.4. The Company will achieve the schedule of performances by year of operation shown on Exhibit 2 and such performances shall form the basis for the Company to receive the County incentives outlined in Article 2 below.

1.5. The Company and the County desire to elaborate, develop, and define their understanding in this Agreement as to certain matters contained in this Agreement to the extent those matters are reasonably determinable.

1.6. For the purpose of this Agreement the term "incentive period" means the ten (10) Operational Years during which the Facility shall be constructed, remain in operation, receive tax abatement from the County. Further, "Operational Year" shall mean calendar year.

1.7. For purposes of calculating County personal property taxes applicable to personal property at the Facility, the Company shall depreciate the value of such property on a straight line basis at a rate of five percent (5%).

**Article 2.**  
**INCENTIVES**

2.1. As an inducement to the Company to develop and continuously operate the Facility for at least ten (10) years, and to maintain the Facility in operation for the minimum period set forth in Section 1.3, the County agrees that the Company shall receive a tax abatement for the County's personal property taxes as specified in Section 2.2 below, to help the Company pay the construction and start-up costs of the Facility.

2.2. In further consideration of the Company's performance of its obligations herein, shown in Exhibit 2, the County agrees that the Company shall receive a tax abatement in an amount equal to the personal property tax based on the personal property at the Facility, and which such taxes are assessed by the County (excluding all other taxing jurisdictions), as follows:

**Percent of County Property Taxes to be Abated:**

Year 1 2015	100%
Year 2 2016	100%
Year 3 2017	100%
Year 4 2016	100%
Year 5 2019	90%
Year 6 2020	80%
Year 7 2021	60%
Year 8 2022	50%
Year 9 2023	40%
Year 10 2024	40%

Such tax abatements commenced January 1, 2015. The abatement shall continue for ten years and terminate on December 31, 2024. The base year value for this Agreement shall be existing personal property established by the Cameron Appraisal District as of January 1, 2014.

2.3. Company and County agree that the Improvements described above, once constructed, shall constitute fixtures and shall remain in place and operational, to the extent commercially reasonable, until at least twenty (20) years after the date the Certificate for such improvements is provided by the Company to the County.

2.4. Company agrees to indemnify and hold County harmless from liability, claims, demands and suits, including reasonable and necessary attorney's fees incurred by County arising out of litigation filed against County by any third party contesting the validity or legality of the abatement granted herein. Company may discharge its indemnity obligation hereunder by terminating this Agreement and paying to County all taxes abated under this Agreement, together with interest and penalties on the abated amount at the rate and amounts provided for in the Texas Tax Code for delinquent taxes.

2.5. On or before March 1 of each year that this Agreement is in effect, the Company must submit to the County, an award affidavit signed and affirmed by an appropriate officer of the Company, stating that to the best of the Company's knowledge: (i) the Company's intent to maintain the Facility in full operation in accordance with the terms of this Agreement, (ii) the Company's representation and warranties contained in Section 5.1 are true and correct as of the date of the award affidavit, and (iii) the Company's certification that the performances set forth in Section 1.4 have been achieved and that reasonable backup documentation exists to substantiate the Company's calculations and performances as set forth in the award affidavit. The Company shall also submit such documentation as may be reasonably requested by the County in such form as the County may request.

2.6. The County will have the right, and the Company shall allow the County to audit the Company's records to determine compliance with the award affidavit during each of the Operational Years. If the award affidavit is found to be incorrect in any material way with respect to the calculations or regarding the Company's representations and warranties, then, in addition to the remedies available to the County under Section 8.2, the Company will pay to the County on demand at its address set forth herein, the reasonable cost of the audit. If such audit proves the award affidavit is correct, the expense of any such audit will be paid by the County.

The Company's failure to comply with and meet the requirements for an Operational

Year will not eliminate or limit the right of the Company to an abatement for that Operational Year if, and only, if, (i) the deficit in the requirements was less than ten (10%) percent of the target, (ii) the Company accurately sets forth the calculations in the award affidavit for the Operational Year, and (iii) the Company makes specific reference to this waiver in any award field for the Operational Year.

**Article 3.**  
**PAYMENT IN LIEU OF TAXES**

As partial consideration for the grant of tax abatement in Article 2 hereof, the Company agrees to make the following payments to the County:

1. On December 31st of the year in which the Company commences the installation of the turbines and on every December 31st throughout the term of the abatement, the Company shall pay the County \$100,000.00.
2. In the event the amount due under Article 3, Section 1 are not paid by December 31 of the year in which they are due, the County shall notify the Company that such payment is due and owing by January 15th of the following year. Delinquent payments shall accrue penalty and interest as provided in the Texas Tax Code commencing thirty (30) days after receipt of notice of such delinquency from the County.

**Article 4.**  
**USE OF LOCAL RESOURCES**

4.1. Company will make reasonable efforts to fill construction jobs and permanent jobs with residents of the County. Company will advertise the availability of such positions on its website and participate in local job fairs as appropriate. To the extent practicable, Company shall also use local suppliers for construction materials and supplies.

Company shall not, however, be required to use goods and services provided by Cameron County residents that are not (i) of similar quality to those provided by nonresidents or (ii) made available on terms, conditions, and prices comparable to those offered by nonresidents.

4.2. Company or its construction contractor, if any, will provide a contact for individuals, businesses and contractors residing or doing business in Cameron County who are interested in obtaining information about providing goods or services related to the construction of the project.

**Article 5.**  
**REPRESENTATIONS AND WARRANTIES**

5.1. The Company represents and warrants to the County (and covenants with the County where applicable) that:

(a). The Company is authorized to do business in the State of Texas and has requisite power and authority, corporate or otherwise, to conduct its business, to own its present assets, and to perform all of its obligations under this Agreement;

(b). The Company's execution, delivery and performance of its obligations under this Agreement have been duly authorized by all necessary actions and do not violate any

provision of any existing law, rule, regulation, or contract by which the Company or its property or assets is bound or affected;

(c). The Company has not filed and there are there no pending bankruptcy proceedings or other debtor relief proceeding relative to the Company or contemplated by the Company; and

(d). To the Company's best knowledge, the Company is not delinquent in the payment to the County of any material impositions (as that term is hereinafter defined) due and owing from the Company (if any) related to the Facility, except those contested by the Company by appropriate proceedings promptly initiated and diligently conducted. As used herein, "impositions" means (i) real estate and personal truces, water, gas, sewer, electricity and other utility rates, and (ii) all other truces, charges and assessments and any interest, cost or penalties with respect thereto, of any kind and nature, levied or imposed upon the Facility, or any income therefrom, or the ownership, use, occupancy or enjoyment thereof.

5.2. The County represents and warrants to the Company that:

(a). The County is duly authorized to do business in the State of Texas and has requisite power and authority, corporate or otherwise, to conduct its business and to own its present assets, and to execute and deliver all of its obligations under this Agreement;

(b). The execution, delivery, and performance by the County of its obligations under this Agreement have been duly authorized by all necessary action and does not violate any provision of existing law, rule, regulation or contract by which the County or its property or assets is bound or affected.

## **Article 6. NOTICES**

6.1. Any notice or document required or permitted to be given hereunder by one party to the other will be in writing, mailed by first-class or express mail, postage prepaid, certified with return receipt requested, sent by facsimile, or sent by overnight delivery using a recognized overnight courier. All such communication will be mailed, sent, or delivered at the address respectively indicated in this Article 6 or at such other address as either party may have furnished the other party in writing pursuant to Section 6.4. Any communication so addressed and mailed will be deemed to be given three (3) calendar days after mailed, any communication sent by overnight courier shall be deemed received one (1) business day after so sent and any communication so sent by rapid transmission shall be deemed to be given when receipt of such transmission is acknowledged by the receiving operator or equipment, and any communications so delivered in person shall be deemed to be given when receipted for by the Company or the County, as the case may be.

6.2. The address of the County for all purposes under this Agreement and for all notices hereunder shall be:

Name: Eddie Trevino, Jr.  
Title: County Judge  
Address: 1100 E. Monroe  
City/State: Brownsville, Texas 78520  
Telephone: (956) 544-0830

6.3. The address of the Company for all purposes under this Agreement and for all notices hereunder shall be:

Name: Rich Piechowski  
Title: Tax Director  
Address: 420 Alan Wood Road  
City & State: Conshohocken, PA 19428  
Telephone: (610) 834-0180, ext. 5238

6.4. From time to time either party may designate another notice address within the 48 contiguous states of the United States of America for the purpose of this Agreement by giving the other party written notice of such of address in accordance with the provisions of this Article 6.

## **Article 7. GENERAL**

7.1. This Agreement may be amended, but only in writing, signed by each of the parties hereto.

7.2. The covenants and contracts contained in this Agreement, or in any document certificate or other instrument delivered under or pursuant to this Agreement, will survive the execution and delivery hereof, the consummation of this Agreement, and continue to survive thereafter for the applicable statute of limitations to ensure full performance thereof and full recourse for nonperformance by any party.

7.3. The parties agree that no third person has in any way brought the parties together or been instrumental in the making of this Agreement. The Company agrees to indemnify the County against any cost resulting from any claim by any third person for any commission brokerage, finder's fee or any other payment based upon any alleged agreement or understanding between such third party and the Company, whether expressed or implied from the actions of the Company.

7.4. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors and assigns. This Agreement may not be assigned by either the County or the Company without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, the Company may assign its rights under this Agreement to (i) an affiliate, {including without limitation, a direct or indirect parent, joint venture, subsidiary or other related entity), provided that in the event of any such assignment, the Company shall retain all of its obligations and liabilities under this Agreement; {ii) to any entity that has acquired all or substantially all of the Company's assets; or {iii) to any successor to the Company by merger, consolidation or other reorganization, provided that, with respect to any such assignment: (A) the Company shall notify the County of any such transaction following such occurrence in accordance to the terms of Article 6 hereof, and (B) such successor or affiliate shall assume all of the Company's obligations hereunder. Nothing in this Agreement, expressed or implied, is intended to confer upon any other persons any rights or remedies under or by reason of this Agreement.

7.5. Upon the occurrence of an event of default pursuant to Section 8.18.1(a), the County, will as its sole exclusive remedy, collect the full amount of ad valorem taxes owed for the property, net of any payment made to the County pursuant to Article 3. Upon the occurrence of an event of default pursuant to Section 8.18.1(b) through 8.1(e), the County may terminate this Agreement and assert any remedy at law or equity to enforce the provisions hereof.



If one or more remedies for a default by the Company are applicable, the County may pursue such jointly or alternatively as it may elect and the forbearance by the County to enforce any remedy provided above upon an event of default shall not be deemed or construed to constitute a waiver of such default.

7.6. During normal business hours, and following not less than fifteen (15) business days prior written notice, the Company will allow the County reasonable access to the Company's records and books wherever located to verify payment any information germane to the Company's expected performances under this Agreement.

7.7. This Agreement shall not be transferred by Company to subsequent owners or lessees of the Premises without prior written notice to the County. Any assignment shall require that all conditions and obligations in this Agreement applying to the interest acquired by the assignee shall be assumed by the assignee, and upon such assumption, Company (or any affiliate, subsidiary, or prior assignee) shall have no further rights, duties, or obligations under the Agreement to the extent such rights, duties, or obligations apply to the interest acquired by the assignee.

Notwithstanding the above and to the extent allowed by applicable law, in the event Company sells, assigns, or otherwise conveys (other than pursuant to eminent domain, condemnation, or a similar proceeding) all or a portion of the Project to an entity not subject to the payment of personal property taxes ("Tax Exempt Assignee"), without the County's prior written consent, the following taxes previously abated by virtue of this Agreement will be recaptured and paid to County within sixty (60) days of the effective date of such assignment or conveyance. If the assignment or conveyance to the Tax Exempt Assignee occurs during the Term of this Agreement, the taxes previously abated by virtue of this Agreement for the two (2) tax years immediately preceding the assignment or conveyance will be recaptured and paid to the County. If the assignment or conveyance to the Tax Exempt Assignee occurs within three (3) years after the expiration of the Term of this Agreement the taxes previously abated by virtue of this Agreement for the last two (2) years of this agreement will be recaptured and paid to County. If the assignment or conveyance to the Tax Exempt Assignee occurs more than three (3) years after the Term of this Agreement, there will be no recapture of taxes previously abated by virtue of this Agreement. With the County's consent, if the assignment or conveyance is made to Tax Exempt Assignees including Cameron County, the State of Texas, the United States of America or another political subdivision thereof, there will be no recapture of taxes previously abated.

Any transfer or assignment to a third party without prior notice and consent of the County pursuant to this Section 7.7 shall constitute a material breach of this Agreement and shall serve to vacate and nullify any tax exemptions as provided in this Section 7.8 and by this Agreement.

7.8. General Terms:

(a). The heading contained in the Articles of this Agreement are for reference only and do not affect in any way the meaning or interpretation of this Agreement.

(b). As used in this Agreement, all references to exhibits refer to the exhibits attached hereto (each of which is hereby incorporated into and deemed to be a part of this Agreement). All documents referred to by recording data or otherwise are hereby incorporated in and made a part of this Agreement as if set forth in full herein.

(c). This Agreement will be construed and enforced in accordance with the laws of the State of Texas.

(d). Time is of the essence to this Agreement

(e). If any term or provision of this Agreement is invalid, illegal or incapable of being enforced, all other terms and provisions of this Agreement will remain in full force and effect and such invalid, illegal or unenforceable term or provisions shall be reformed automatically so as comply with the applicable law or public policy and to effect the original intent of the parties.

(f). A business day means Monday through Friday of each calendar week, exclusive of holidays observed generally by Cameron County, Texas.

(g). This Agreement may be executed simultaneously in one or more counterparts each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

(h). This Agreement (together with the Exhibits hereto and the documents to be delivered pursuant hereto) constitutes the entire agreement among the parties, all negotiations by between and among them being merged into this Agreement (together with such Exhibits and documents).

(i). Unless context requires otherwise, the words, "herein", "hereof" and "hereunder", and words of like import, shall be deemed to refer to this Agreement in its entirety and not to any individual article, section, subsection, paragraph, or subparagraph. The pronouns used in this Agreement will be constructed as masculine, feminine or neuter, singular or plural, as the context may require.

(j). Each party hereto has been represented by legal counsel designated by it and no provision of this Agreement will be construed in favor of, or against, any of the parties hereto by reason of the extent to which this Agreement or any provision hereto is inconsistent with any prior draft hereof or thereof.

(k). The "Effective Date" of this Agreement is December 30, 2014.

(l). This Agreement shall terminate on the last day of the last Operational Year as specified in Section 1.3, unless extended by mutual agreement of the County and the Company.

## **Article 8. DEFAULT**

8.1. The following events shall be deemed to be events of default by the Company under this Agreement:

(a). The Company fails to submit to the County the award affidavit at the time and in the manner required in this Agreement;

(b). Any warranty, affirmation or representation made to the County by or on behalf of the Company (including but not limited to those required to be made in the certificate or any award affidavit) proves to have been false in any material respect when made;

(c). The Company fails to timely comply with the non-monetary duties of Article 2;

(d). The Company fails to timely pay, when obligated, any investigation cost incurred by the County hereunder, any audit cost under Article 2;

(e). To the extent permitted by law, if bankruptcy or insolvency proceedings

are commenced by or against the Company.

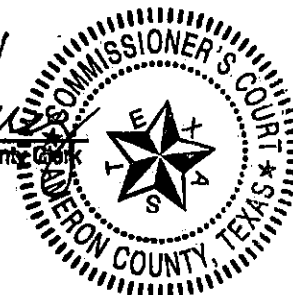
8.2. If the County determines that the Company is in default in accordance with the terms and conditions of this Agreement, then the County shall notify the Company in writing of such default. If such default is not cured within thirty (30) days from the date of the notice, then the County may exercise its remedy under Section 7.5. If the Company cannot cure the default within thirty days, then the Company may request from the County an additional fifteen ( 15) days to cure the default.

*[signature page(s) follow ]*

IN WITNESS WHEREOF, the undersigned parties hereto have made and executed this Agreement in triplicate originals as of this 16th day of December 2015.

	CAMERON COUNTY, TEXAS BY: <u>Eddie Trevino, Jr.</u> Eddie Trevino, Jr., County Judge
	CAMERON WIND I, LLC By: IKEA Energy US, LLC, a Delaware limited liability company  By: _____ Name: Title:  By: _____ Name: Title:

Attested by: Sylvia Garza-Perez  
Sylvia Garza-Perez, County Clerk



Signature Page to Tax Abatement Agreement  
between  
Cameron County, Texas, and Cameron Wind I, LLC

**Exhibit 1**  
Property Description

**Tract 1**

Being a 777.97 acre tract of land out of the Jose Salvador de la Garza Survey, Abstract No. 2, Cameron County, Texas and being out of the Espiritu Santo Grant, Share 19 and being all of that certain tract of land conveyed to La Cuesta Partners, LTD. described as Lot 9, Block 1 out of the San Fernando Estates Subdivision, Phase 1 as recorded in Cabinet 1, Slot 2906A, Map Records, Cameron County, Texas (M.R.C.C.T.) by deed recorded in Volume 18598, Page 212, Official Records, Cameron County, Texas (O.R.C.C.T.) and being all of that certain tract of land conveyed to La Cuesta Partners, LTD. Described as Tract 8 and Tract 38 out of the Lot Potrcros Subdivision, Phase 1 as recorded in Cabinet 1, Slot 2756A, (M.R.C.C.T.) and being the remainder of that certain called 1672.7acre tract conveyed to Laguna Encantada LP, recorded in Volume 18093, Page 117 (O.R.C.C.T.) and being more particularly described as follows: BEGINNING at a 1/2-inch iron rod found in the approximate centerline of Fernando East Road at the northeast corner of the above mentioned Lot 9 the southeast corner of that certain called 450 acre tract conveyed to Jorge Luis Castillo as recorded in Volume 17443, Page 264 (O.R.C.C.T.) the southwest corner of that certain called 849.10 acre tract conveyed to Ovi Atkinson and Arnulfo Atkinson as recorded in Volume 10436, Page 239 (O.R.C.C.T.) and the northwest corner of that certain called 1380 acre tract conveyed to Hung's Shrimp Farm, Inc. as recorded in Volume 1788, Page 118, (O.R.C.C.T.);

THENCE South 03 Degrees 24 Minutes 18 Seconds West, along the east line of said Lot 9 and said 1672.7 acre tract, same being the common west line of said 1380 acre tract, at a distance of 1559.09 feet to the southeast corner of said Lot 9, from which a 1/2-inch

iron rod found bears North 81 Degrees 55 Minutes 44 Seconds West a distance of 24.26 feet;

THENCE South 03 Degrees 24 Minutes 18 Seconds West, continuing along the common line of said 1672.7 acre tract and said 1380 acre tract, a distance of 10480.89 feet to the northeast corner of that certain called 157.02 acre tract conveyed to La Cuesta Partners, LTD. As recorded in Volume 17171, Page 283, (O.R.C.C.T.);

THENCE North 86 Degrees 02 Minutes 22 Seconds West, leaving said common line, a distance of 3046.47 feet to the northwest corner of said 157.02 acre tract and being in the east line of the above mentioned Tract 8;

THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 46.25 feet to a 1/2-inch iron rod found at the southeast corner of said Tract 8;

THENCE North 86 Degrees 01 Minutes 00 Seconds West, a distance of 1540.54 feet to the southwest corner of said Tract 8 in the east right-of-way line of Fann-to-Market Road 1847;

THENCE North 03 Degrees 58 Minutes 19 Seconds East, along said east right-of-way line, a distance of 289.39 feet to a 1/2-inch iron rod found with cap stamped "HARRIS FLINT" at the northwest corner of said Tract 8;

THENCE South 86 Degrees 01 Minutes 00 Seconds East, leaving said east right-of-way line, a distance of 1540.54 feet to a 1/2-inch iron rod found with cap stamped "HARRIS FLINT" at the northeast corner of said Tract 8 and being in the west line of the above mentioned 1672.7 acre tract;

THENCE North 03 Degrees 58 Minutes 19 Seconds East, along the west line of said 1672.7 acre tract, a distance of 8395.62 feet to a 1/2-inch iron rod found with cap at the southeast corner of the above mentioned Tract 38;

THENCE North 86 Degrees 01 Minutes 49 Seconds West, leaving said west line, a distance of 1540.56 feet to a 1/2-inch iron rod found at the southwest corner of said Tract 38 and being in the east right-of-way line of said Farm-to-Market Road 1847;

THENCE North 03 Degrees 58 Minutes 19 Seconds East, along said east right-of-way line, a distance of 289.50 feet to a 1/2-inch iron rod found at the northwest corner of said Tract 38;

THENCE South 86 Degrees 01 Minutes 49 Seconds East, leaving said east right of way line, a distance of 1540.56 feet to a 1/2-inch iron rod found in the west line of said 1672.7 acre tract at the northeast corner of said Tract 38;

THENCE North 03 Degrees 58 Minutes 19 Seconds East, along the west line of said 1672.7 acre tract, a distance of 1763.62 feet to a 1/2-inch iron rod found at the southwest corner of Tract 2 out of the above mentioned San Fernando Estates, Phase 1 Subdivision; THENCE South 81 Degrees 55 Minutes 44 Seconds East, along the south line of said San Fernando Estates, Phase 1 Subdivision, a distance of 2105.30 feet to the southwest corner of the above mentioned Lot 9;

THENCE North 03 Degrees 58 Minutes 56 Seconds East, passing a 1/2-inch iron rod found with cap stamped "5719" at a distance of 1527.47 and continuing for a total distance of 1557.88 feet to the northwest corner of said Lot 9 in the approximate centerline of the above mentioned Fernando East Road;

THENCE South 81 Degrees 55 Minutes 46 Seconds East, along the approximate centerline of said Fernando East Road, a distance of 829.27 feet to the POINT OF BEGINNING and containing 777.97 acres of land, more or less.

## **Tract 2**

Being a 11179.53 acre tract of land out of the Jose Salvador de la Garza Survey, Abstract No. 2, Cameron County, Texas and being out of the Espiritu Santo Grant, Shares 19, 22, 12, 15, 14, 17 and 1 and being more particularly described as follows: BEGINNING at the intersection of the west line of said Share 14 and the approximate centerline of Farm-to-Market Road 510;

THENCE North 07 Degrees 13 Minutes 21 Seconds East, a distance of 3931.06 feet; THENCE North 82 Degrees 42 Minutes 46 Seconds West, a distance of 1454.12 feet; THENCE North 04 Degrees 56 Minutes 46 Seconds West, a distance of 1274.36 feet; THENCE North 07 Degrees 13 Minutes 04 Seconds East, a distance of 1879.43 feet; THENCE North 81 Degrees 53 Minutes 16 Seconds West, a distance of 1991.90 feet; THENCE North 23 Degrees 32 Minutes 16 Seconds West, a distance of 254.82 feet; THENCE North 15 Degrees 47 Minutes 16 Seconds West, a distance of 626.60 feet; THENCE North 00 Degrees 12 Minutes 44 Seconds East, a distance of 654.20 feet; THENCE North 29 Degrees 57 Minutes 44 Seconds East, a distance of 1052.20 feet; THENCE North 20 Degrees 07 Minutes 44 Seconds East, a distance of 1057.10 feet; THENCE North 13 Degrees 52 Minutes 16 Seconds West, a distance of 720.20 feet; THENCE North 59 Degrees 52 Minutes 16 Seconds West, a distance of 579.40 feet; THENCE South 80 Degrees 07 Minutes 44 Seconds West, a distance of 397.70 feet; THENCE South 49 Degrees 22 Minutes 44 Seconds West, a distance of 33.20 feet; THENCE North 08 Degrees 06 Minutes 44 Seconds East, a distance of 253.80 feet; THENCE North 57 Degrees 57 Minutes 44 Seconds East, a distance of 68.50 feet;

THENCE North 47 Degrees 32 Minutes 44 Seconds East, a distance of 400.00 feet; THENCE South 81 Degrees 53 Minutes 16 Seconds East, a distance of 1011.48 feet; THENCE South 81 Degrees 53 Minutes 16 Seconds East, a distance of 1671.89 feet; THENCE North 07 Degrees 13 Minutes 04 Seconds East, a distance of 2140.37 feet; THENCE North 07 Degrees 13 Minutes 04 Seconds East, a distance of 60.20 feet; THENCE North 07 Degrees 13 Minutes 04 Seconds East, a distance of 2592.49 feet; THENCE South 82 Degrees 46 Minutes 32 Seconds East, a distance of 847.03 feet; THENCE North 07 Degrees 10 Minutes 37 Seconds East, a distance of 385.61 feet; THENCE North 37 Degrees 35 Minutes 44 Seconds West, a distance of 70.69 feet; THENCE South 82 Degrees 46 Minutes 33 Seconds East, a distance of 160.00 feet; THENCE South 52 Degrees 12 Minutes 17 Seconds West, a distance of 70.90 feet; THENCE South 07 Degrees 14 Minutes 02 Seconds West, a distance of 385.68 feet; THENCE South 82 Degrees 46 Minutes 32 Seconds East, a distance of 817.00 feet; THENCE North 07 Degrees 13 Minutes 21 Seconds East, a distance of 495.73 feet; THENCE North 82 Degrees 46 Minutes 32 Seconds West, a distance of 1721.50 feet; THENCE North 07 Degrees 13 Minutes 04 Seconds East, a distance of 4563.80 feet; THENCE South 82 Degrees 46 Minutes 32 Seconds East, a distance of 1721.02 feet; THENCE North 07 Degrees 12 Minutes 42 Seconds East, a distance of 4178.99 feet; THENCE South 82 Degrees 10 Minutes 19 Seconds East, a distance of 575.02 feet; THENCE South 30 Degrees 18 Minutes 08 Seconds East, a distance of 1516.04 feet; THENCE South 75 Degrees 04 Minutes 29 Seconds East, a distance of 245.30 feet; THENCE North 86 Degrees 51 Minutes 37 Seconds East, a distance of 1744.84 feet; THENCE South 82 Degrees 42 Minutes 03 Seconds East, a distance of 28.73 feet; THENCE South 06 Degrees 39 Minutes 50 Seconds West, a distance of 5587.64 feet; THENCE South 83 Degrees 48 Minutes 17 Seconds East, a distance of 1449.71 feet; THENCE North 06 Degrees 11 Minutes 42 Seconds East, a distance of 6.85 feet; THENCE South 83 Degrees 52 Minutes 42 Seconds East, a distance of 1850.32 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 999.72 feet; THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 559.90 feet; THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 440.42 feet; THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 435.60 feet; THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 414.40 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 291.16 feet; THENCE South 83 Degrees 52 Minutes 42 Seconds East, a distance of 208.70 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 208.70 feet; THENCE South 83 Degrees 52 Minutes 42 Seconds East, a distance of 205.70 feet; THENCE South 83 Degrees 52 Minutes 42 Seconds East, a distance of 435.60 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 702.11 feet; THENCE North 74 Degrees 22 Minutes 27 Seconds West, a distance of 861.65 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 881.19 feet; THENCE South 83 Degrees 48 Minutes 18 Seconds East, a distance of 174.14 feet; THENCE North 28 Degrees 09 Minutes 36 Seconds East, a distance of 136.02 feet; THENCE North 61 Degrees 50 Minutes 24 Seconds West, a distance of 242.63 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 48.52 feet; THENCE South 61 Degrees 50 Minutes 24 Seconds East, a distance of 1238.44 feet; THENCE South 06 Degrees 13 Minutes 15 Seconds West, a distance of 48.51 feet; THENCE South 83 Degrees 50 Minutes 03 Seconds East, a distance of 1150.49 feet; THENCE North 06 Degrees 13 Minutes 15 Seconds East, a distance of 763.80 feet; THENCE North 83 Degrees 50 Minutes 03 Seconds West, a distance of 1150.49 feet; THENCE North 83 Degrees 50 Minutes 03 Seconds West, a distance of 1148.87 feet;

THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 2498.99 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 1853.64 feet; THENCE South 83 Degrees 46 Minutes 45 Seconds East, a distance of 1150.64 feet; THENCE North 06 Degrees 13 Minutes 15 Seconds East, a distance of 250.13 feet; THENCE South 83 Degrees 46 Minutes 45 Seconds East, a distance of 1140.72 feet; THENCE North 06 Degrees 13 Minutes 15 Seconds East, a distance of 500.00 feet; THENCE South 83 Degrees 46 Minutes 45 Seconds East, a distance of 2188.47 feet; THENCE South 05 Degrees 45 Minutes 15 Seconds West, a distance of 564.66 feet; THENCE South 85 Degrees 33 Minutes 25 Seconds East, a distance of 1139.00 feet; THENCE South 85 Degrees 51 Minutes 25 Seconds East, a distance of 2602.11 feet; THENCE South 86 Degrees 06 Minutes 36 Seconds East, a distance of 867.38 feet; THENCE South 85 Degrees 53 Minutes 11 Seconds East, a distance of 2415.41 feet; THENCE North 03 Degrees 57 Minutes 38 Seconds East, a distance of 628.75 feet; THENCE South 85 Degrees 48 Minutes 29 Seconds East, a distance of 1372.33 feet; THENCE North 04 Degrees 04 Minutes 08 Seconds East, a distance of 561.11 feet; THENCE North 03 Degrees 53 Minutes 03 Seconds East, a distance of 327.55 feet; THENCE North 03 Degrees 56 Minutes 29 Seconds East, a distance of 328.16 feet; THENCE North 03 Degrees 53 Minutes 21 Seconds East, a distance of 656.26 feet; THENCE South 85 Degrees 51 Minutes 19 Seconds East, a distance of 59.45 feet; THENCE North 03 Degrees 59 Minutes 15 Seconds East, a distance of 487.53 feet; THENCE North 03 Degrees 59 Minutes 15 Seconds East, a distance of 486.28 feet; THENCE North 03 Degrees 59 Minutes 15 Seconds East, a distance of 66.40 feet; THENCE North 03 Degrees 59 Minutes 15 Seconds East, a distance of 209.52 feet; THENCE North 03 Degrees 59 Minutes 15 Seconds East, a distance of 210.31 feet; THENCE North 03 Degrees 59 Minutes 15 Seconds East, a distance of 531.56 feet; THENCE South 81 Degrees 54 Minutes 49 Seconds East, a distance of 196.45 feet; THENCE North 03 Degrees 58 Minutes 11 Seconds East, a distance of 745.27 feet; THENCE North 85 Degrees 47 Minutes 17 Seconds West, a distance of 1018.80 feet; THENCE North 04 Degrees 07 Minutes 39 Seconds East, a distance of 3079.00 feet; THENCE North 85 Degrees 36 Minutes 15 Seconds West, a distance of 1225.51 feet; THENCE North 85 Degrees 36 Minutes 15 Seconds West, a distance of 562.10 feet; THENCE North 04 Degrees 13 Minutes 35 Seconds East, a distance of 1496.11 feet; THENCE North 85 Degrees 42 Minutes 07 Seconds West, a distance of 2396.79 feet; THENCE South 45 Degrees 29 Minutes 53 Seconds West, a distance of 570.12 feet to the beginning of a curve to the right having a radius of 900.49 feet and a long chord that bears South 68 Degrees 01 Minutes 30 Seconds West, a distance of 877.47 feet; THENCE along said curve to the right, a distance of 900.49 feet; THENCE North 89 Degrees 28 Minutes 29 Seconds West, a distance of 1525.53 feet; THENCE North 84 Degrees 29 Minutes 06 Seconds West, a distance of 594.84 feet to the beginning of a curve to the right having a radius of 1146.16 feet and a long chord that bears North 68 Degrees 00 Minutes 17 Seconds West, a distance of 650.30 feet; Thence along said curve to the right, a distance of 659.35 feet; THENCE North 51 Degrees 28 Minutes 12 Seconds West, a distance of 698.59 feet; THENCE North 35 Degrees 41 Minutes 04 Seconds East, a distance of 1108.37 feet; THENCE South 55 Degrees 11 Minutes 50 Seconds East, a distance of 172.00 feet; THENCE South 67 Degrees 51 Minutes 50 Seconds East, a distance of 1058.09 feet; THENCE North 75 Degrees 48 Minutes 10 Seconds East, a distance of 861.17 feet; THENCE North 62 Degrees 18 Minutes 10 Seconds East, a distance of 444.09 feet; THENCE North 55 Degrees 03 Minutes 10 Seconds East, a distance of 622.18 feet; THENCE North 47 Degrees 17 Minutes 43 Seconds East, a distance of 594.20 feet;



THENCE North 50 Degrees 42 Minutes 54 Seconds East, a distance of 733.24 feet; THENCE North 19 Degrees 41 Minutes 30 Seconds East, a distance of 601.11 feet; THENCE North 13 Degrees 15 Minutes 56 Seconds East, a distance of 1250.08 feet; THENCE North 19 Degrees 04 Minutes 35 Seconds West, a distance of 500.88 feet; THENCE North 39 Degrees 09 Minutes 06 Seconds West, a distance of 799.53 feet; THENCE North 17 Degrees 19 Minutes 06 Seconds West, a distance of 755.18 feet;

THENCE South 85 Degrees 59 Minutes 07 Seconds East, a distance of 806.25 feet; THENCE North 03 Degrees 22 Minutes 23 Seconds East, a distance of 1203.15 feet; THENCE South 85 Degrees 59 Minutes 07 Seconds East, a distance of 1303.50 feet; THENCE North 03 Degrees 22 Minutes 23 Seconds East, a distance of 1195.81 feet; THENCE South 86 Degrees 13 Minutes 37 Seconds East, a distance of 44.67 feet; THENCE North 03 Degrees 48 Minutes 01 Seconds East, a distance of 2914.98 feet; THENCE South 86 Degrees 13 Minutes 37 Seconds East, a distance of 1652.32 feet; THENCE South 03 Degrees 48 Minutes 01 Seconds West, a distance of 247.97 feet; THENCE South 82 Degrees 02 Minutes 08 Seconds East, a distance of 1205.84 feet; THENCE North 07 Degrees 59 Minutes 05 Seconds East, a distance of 35.30 feet; THENCE South 82 Degrees 02 Minutes 08 Seconds East, a distance of 435.60 feet; THENCE North 07 Degrees 59 Minutes 05 Seconds East, a distance of 100.00 feet; THENCE South 82 Degrees 02 Minutes 08 Seconds East, a distance of 5.08 feet; THENCE South 03 Degrees 48 Minutes 01 Seconds West, a distance of 2681.59 feet; THENCE South 86 Degrees 13 Minutes 37 Seconds East, a distance of 1645.93 feet; THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 1216.11 feet; THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 1220.19 feet; THENCE North 86 Degrees 13 Minutes 37 Seconds West, a distance of 3231.44 feet; THENCE South 04 Degrees 09 Minutes 33 Seconds West, a distance of 287.96 feet; THENCE South 04 Degrees 20 Minutes 51 Seconds West, a distance of 1422.96 feet; THENCE South 04 Degrees 20 Minutes 03 Seconds West, a distance of 1729.87 feet; THENCE South 04 Degrees 19 Minutes 30 Seconds West, a distance of 714.12 feet; THENCE South 86 Degrees 01 Minutes 44 Seconds East, a distance of 3257.03 feet; THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 1495.19 feet; THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 1495.19 feet; THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 392.26 feet; THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 2664.19 feet; THENCE North 85 Degrees 47 Minutes 17 Seconds West, a distance of 830.04 feet; THENCE South 03 Degrees 58 Minutes 11 Seconds West, a distance of 764.85 feet; THENCE South 81 Degrees 54 Minutes 49 Seconds East, a distance of 67.76 feet; THENCE South 03 Degrees 58 Minutes 17 Seconds West, a distance of 493.48 feet; THENCE South 85 Degrees 51 Minutes 19 Seconds East, a distance of 162.84 feet; THENCE South 03 Degrees 59 Minutes 15 Seconds West, a distance of 210.31 feet; THENCE North 85 Degrees 51 Minutes 19 Seconds West, a distance of 26.46 feet; THENCE South 03 Degrees 59 Minutes 15 Seconds West, a distance of 209.52 feet; THENCE South 85 Degrees 51 Minutes 19 Seconds East, a distance of 621.67 feet; THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 66.40 feet; THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 486.28 feet; THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 487.53 feet; THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 656.25 feet;

THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 328.16 feet; THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 327.54 feet; THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 653.05 feet; THENCE North 85 Degrees 48 Minutes 28 Seconds West, a distance of 1366.61 feet;

THENCE South 04 Degrees 06 Minutes 43 Seconds West, a distance of 415.78 feet;  
THENCE South 04 Degrees 06 Minutes 43 Seconds West, a distance of 120.29 feet;  
THENCE South 85 Degrees 53 Minutes 11 Seconds East, a distance of 1367.32 feet;  
THENCE South 04 Degrees 04 Minutes 08 Seconds West, a distance of 2625.04 feet;  
THENCE North 85 Degrees 53 Minutes 50 Seconds West, a distance of 9839.28 feet;  
THENCE South 05 Degrees 45 Minutes 20 Seconds West, a distance of 94.70 feet;  
THENCE South 86 Degrees 20 Minutes 17 Seconds East, a distance of 9782.31 feet;  
THENCE South 04 Degrees 01 Minutes 45 Seconds West, a distance of 612.00 feet;  
THENCE North 85 Degrees 58 Minutes 15 Seconds West, a distance of 400.00 feet;  
THENCE South 04 Degrees 01 Minutes 45 Seconds West, a distance of 600.00 feet;  
THENCE South 85 Degrees 58 Minutes 15 Seconds East, a distance of 400.00 feet;  
THENCE South 04 Degrees 01 Minutes 45 Seconds West, a distance of 1376.10 feet;  
THENCE South 85 Degrees 57 Minutes 27 Seconds East, a distance of 60.00 feet;  
THENCE South 04 Degrees 04 Minutes 44 Seconds West, a distance of 9923.13 feet;  
THENCE South 86 Degrees 02 Minutes 17 Seconds East, a distance of 1705.44 feet;  
THENCE South 03 Degrees 32 Minutes 54 Seconds West, a distance of 8691.85 feet;  
THENCE North 86 Degrees 02 Minutes 17 Seconds West, a distance of 1785.93 feet;  
THENCE North 04 Degrees 04 Minutes 44 Seconds East, a distance of 2447.21 feet;  
THENCE North 85 Degrees 59 Minutes 04 Seconds West, a distance of 3309.40 feet;  
THENCE South 04 Degrees 15 Minutes 55 Seconds West, a distance of 1004.00 feet;  
THENCE South 66 Degrees 42 Minutes 12 Seconds West, a distance of 998.21 feet;  
THENCE South 14 Degrees 59 Minutes 12 Seconds West, a distance of 517.92 feet;  
THENCE South 58 Degrees 03 Minutes 43 Seconds West, a distance of 3188.85 feet;  
THENCE South 04 Degrees 14 Minutes 12 Seconds West, a distance of 39.99 feet;  
THENCE North 83 Degrees 06 Minutes 54 Seconds West, a distance of 180.13 feet;  
THENCE North 64 Degrees 35 Minutes 54 Seconds West, a distance of 268.96 feet;  
THENCE North 58 Degrees 38 Minutes 54 Seconds West, a distance of 430.93 feet;  
THENCE North 74 Degrees 49 Minutes 38 Seconds West, a distance of 358.17 feet;  
THENCE South 50 Degrees 05 Minutes 50 Seconds West, a distance of 160.15 feet;  
THENCE North 28 Degrees 26 Minutes 55 Seconds West, a distance of 4116.67 feet;  
THENCE North 05 Degrees 38 Minutes 30 Seconds East, a distance of 4785.25 feet;  
THENCE North 05 Degrees 34 Minutes 34 Seconds East, a distance of 4027.91 feet;  
THENCE North 05 Degrees 54 Minutes 38 Seconds East, a distance of 689.01 feet;  
THENCE North 05 Degrees 44 Minutes 00 Seconds East, a distance of 2692.30 feet;  
THENCE North 05 Degrees 44 Minutes 00 Seconds East, a distance of 2463 .66 feet;  
THENCE North 84 Degrees 00 Minutes 12 Seconds West, a distance of 650.97 feet;  
THENCE South 05 Degrees 43 Minutes 33 Seconds West, a distance of 1852.59 feet;  
THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 154.51 feet;  
THENCE South 00 Degrees 12 Minutes 25 Seconds West, a distance of 502.68 feet;  
THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 1502.60 feet;  
THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 950.23 feet;  
THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 1350.32 feet;  
THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 500.00 feet;  
THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 38.24 feet;  
THENCE North 83 Degrees 48 Minutes 17 Seconds West, a distance of 1453.43 feet;  
THENCE South 06 Degrees 39 Minutes 50 Seconds West, a distance of 1779.89 feet;  
THENCE South 06 Degrees 39 Minutes 50 Seconds West, a distance of 2142.82 feet;  
THENCE South 06 Degrees 39 Minutes 50 Seconds West, a distance of 5603.75 feet;

THENCE South 06 Degrees 39 Minutes 50 Seconds West, a distance of 9517.52 feet to the beginning of a non-tangent curve to the left having a radius of 1910.11 feet and a long chord that bears North 89 Degrees 21 Minutes 04 Seconds West, a distance of 21.15 feet; THENCE along said curve to the left a distance of 21.15 feet;  
THENCE North 89 Degrees 40 Minutes 06 Seconds West, a distance of 1954.79 feet to the beginning of a curve to the right having a radius of 345.99 feet and a long chord that bears North 79 Degrees 17 Minutes 13 Seconds West, a distance of 344.10 feet; THENCE along said curve to the right a distance of 345.99 feet,  
THENCE North 68 Degrees 54 Minutes 21 Seconds West, a distance of 1310.00 feet to the beginning of a curve to the left having a radius of 2292.00 feet and a long chord that bears North 70 Degrees 51 Minutes 22 Seconds West, a distance of 156.02 feet; THENCE along said curve to the left a distance of 156.05 feet to the POINT OF BEGINNING and containing 11179.53 acres of land, more or less.;

### **Tract 3**

Being a 90.89 acre tract of land out of the Jose Salvador de la Garza Survey, Abstract No. 2, Cameron County, Texas and being out of the Espiritu Santo Grant, Shares 22 and being all of that certain called 90.88 acre tract of land conveyed to George Arango, M.D. and Luis Arango, M.D. as recorded in Volume 12724, Page 153, Official Records, Cameron County, Texas and being more particularly described as follows:

BEGINNING at the intersection of the west line of said Share 22 and the south right-of-way line of the Southern Pacific Railroad;

THENCE South 28 Degrees 26 Minutes 55 Seconds East, a distance of 3989.18 feet;  
THENCE South 50 Degrees 05 Minutes 50 Seconds West, a distance of 75.79 feet;  
THENCE North 57 Degrees 03 Minutes 21 Seconds West, a distance of 229.00 feet;  
THENCE North 59 Degrees 05 Minutes 30 Seconds West, a distance of 269.97 feet;  
THENCE South 76 Degrees 24 Minutes 30 Seconds West, a distance of 261.97 feet;  
THENCE South 84 Degrees 30 Minutes 30 Seconds West, a distance of 303.96 feet;  
THENCE South 74 Degrees 45 Minutes 30 Seconds West, a distance of 725.91 feet;  
THENCE South 41 Degrees 17 Minutes 30 Seconds West, a distance of 465.94 feet;  
THENCE North 81 Degrees 59 Minutes 26 Seconds West, a distance of 240.05 feet;  
THENCE North 05 Degrees 38 Minutes 30 Seconds East, a distance of 3909.94 feet to the POINT OF BEGINNING and containing 90.89 acres of land, more or less.

### **Tract 4**

Being a 736.71 acre tract of land out of the Jose Salvador de la Garza Survey, Abstract No. 2, Cameron County, Texas and being out of the Espiritu Santo Grant, Shares 19 and being all of that certain called 95.34 acre tract of land conveyed to El Principio, LLC as recorded in Volume 12687, Page 316, Official Records, Cameron County, Texas (O.R.C.C.T.) and being all of that certain called 229.54 acre tract of land conveyed to El Principio, LLC as recorded in Volume 10851, Page 260, (O.R.C.C.T.) being all of that certain called 400.00 acre tract of land conveyed to Pembel Investments, L.P. and recorded in Volume 10585, Page 50 (O.R.C.C.T.) being all of that tract of land conveyed to Juan Tomas Rodriguez and recorded in Volume 10334, Page 117 (O.R.C.C.T.) and being all of that tract of land conveyed to Juan Galindo Nava and Maria de Jesus Nava

and recorded in Volume 9894, Page 196 (O.R.C.C.T.) and being more particularly described as follows:

Beginning at the northeast corner of said 95.34 acre tract;  
THENCE South 03 Degrees 32 Minutes 07 Seconds West, a distance of 933.97 feet;  
THENCE South 03 Degrees 33 Minutes 19 Seconds West, a distance of 3559.12 feet;  
THENCE South 03 Degrees 33 Minutes 19 Seconds West, a distance of 5468.64 feet;  
THENCE North 85 Degrees 57 Minutes 06 Seconds West, a distance of 3209.94 feet;  
THENCE North 04 Degrees 02 Minutes 58 Seconds East, a distance of 2584.82 feet;  
THENCE North 85 Degrees 56 Minutes 58 Seconds West, a distance of 1061.42 feet;  
THENCE North 04 Degrees 02 Minutes 58 Seconds East, a distance of 200.00 feet; THENCE  
North 85 Degrees 56 Minutes 58 Seconds West, a distance of 435.05 feet; THENCE North 04  
Degrees 01 Minutes 47 Seconds East, a distance of 30.00 feet; THENCE South 85 Degrees 56  
Minutes 58 Seconds East, a distance of 1496.48 feet; THENCE North 04 Degrees 02 Minutes  
58 Seconds East, a distance of 2653.62 feet; THENCE North 04 Degrees 02 Minutes 58  
Seconds East, a distance of 1620.14 feet; THENCE North 04 Degrees 02 Minutes 58 Seconds  
East, a distance of 1015.98 feet; THENCE North 85 Degrees 56 Minutes 12 Seconds West, a  
distance of 1061.23 feet; THENCE North 04 Degrees 00 Minutes 31 Seconds East, a distance  
of 199.97 feet; THENCE North 85 Degrees 56 Minutes 12 Seconds West, a distance of  
435.10 feet; THENCE North 04 Degrees 02 Minutes 10 Seconds East, a distance of 30.03  
feet; THENCE South 85 Degrees 56 Minutes 12 Seconds East, a distance of 1496.48 feet;  
THENCE North 04 Degrees 02 Minutes 58 Seconds East, a distance of 526.63 feet; THENCE  
North 00 Degrees 06 Minutes 58 Seconds West, a distance of 435.08 feet; THENCE North 04  
Degrees 02 Minutes 58 Seconds East, a distance of 667.34 feet; THENCE South 85 Degrees  
55 Minutes 54 Seconds East, a distance of 3155.30 feet to the POINT OF BEGINNING and  
containing 736.71 acres of land, more or less.

#### **Tract 5**

Being a 64.75 acre tract of land out of the Jose Salvador de la Garza Survey, Abstract No. 2, Cameron County, Texas and being out of the Espiritu Santo Grant, Shares 12 and being all of that certain called 64.72 acre tract of land conveyed to T. W. and Associates, as recorded in Volume 13579, Page 206, Official Records, Cameron County, Texas and being more particularly described as follows:

BEGINNING at the northeast corner of said 64.75 acre tract;  
THENCE South 05 Degrees 45 Minutes 28 Seconds West, a distance of 2712.17 feet;  
THENCE North 81 Degrees 55 Minutes 28 Seconds West, a distance of 1053.38 feet;  
THENCE North 05 Degrees 45 Minutes 28 Seconds East, a distance of 2646.91 feet;  
THENCE South 85 Degrees 28 Minutes 32 Seconds East, a distance of 1052.76 feet to the  
POINT OF BEGINNING and containing 64.75 acres of land, more or less.

**Exhibit 2 Cameron Wind I**  
**Schedule of Company Performances by Year of Operation**

Year	Permanent Jobs	Construction Jobs	Wages Paid p/Job	Improvement Values	Pers. Property Value	Sales Taxes	Permit Fees
	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.
2015	10	200	45,000	20,529,600	147,214,173	500,000	100,000
2016	10	0	45,000	19,503,120	139,853,464	100,000	0
2017	10	0	45,000	18,527,964	132,860,791	100,000	0
2018	10	0	45,000	17,601,566	126,217,752	100,000	0
2019	10	0	45,000	16,721,488	119,906,864	100,000	0
2020	10	0	45,000	15,885,413	113,911,521	100,000	0
2021	10	0	45,000	15,091,142	108,215,945	100,000	0
2022	10	0	45,000	14,336,585	102,805,148	100,000	0
2023	10	0	45,000	13,619,756	97,664,890	100,000	0
2024	10	0	45,000	12,938,768	92,781,646	100,000	0

CAMERON COUNTY, TEXAS CHAPTER 381

~~Contract No. 1414 124F~~

AMENDED AND  
RESTATED TAX  
ABATEMENT  
AGREEMENT WITH  
CAMERON WIND I—  
APEX CLEAN  
ENERGY, LLC

THIS AMENDED AND RESTATED TAX ABATEMENT AGREEMENT ("*Agreement*"), dated as of this ~~30~~<sup>16</sup>th day of December ~~2014~~<sup>2015</sup> is entered into by and between Cameron Wind I ~~—Apex Clean Energy—~~ ("Company"), and the County of Cameron, Texas ("County").

WHEREAS, Article 3 Section 52A of the Texas Constitution authorizes the state legislature to enable counties to implement programs for purposes of economic development under which counties may make loans and grant public monies for the purposes of stimulating local economic development and business and commercial activity in the County; and

WHEREAS, Section ~~381~~<sup>381</sup> of the Texas Local Government Code authorizes the governing body of the County to establish and provide for the administration of one or more programs, including programs for making loans and grants of public money and for providing property tax abatement to promote local economic development and to stimulate business and commercial activities in the County; and

WHEREAS, the County adopted a Resolution governing Chapter 381 tax abatement agreements within Cameron County on December 4, 2014 and this Agreement is consistent with such Resolution and applicable state laws, including Section 312 of the Texas Tax Code; and

WHEREAS, the County and the Company entered into a Tax Abatement Agreement dated as of the 30th day of December 2014 regarding the Facility located on property described in Exhibit 1 attached hereto (the "2014 Tax Abatement Agreement"), at which time Apex South Texas Wind, LLC ("Apex Seller"), was the Sole Member of the Company; and

WHEREAS, on December 16, 2015, IKEA Energy US, LLC, a Delaware limited liability company ("IKEA Energy"), acquired 100% of the Membership Interest of the Company from Apex Seller, and the County has consented to such acquisition, and required that IKEA Energy execute this Amended and Restated Agreement on behalf of the Company;

WHEREAS, the County is creating a tax abatement program to assist the Company in establishing an operation at the Company's Facility located on property described in ~~Exhibit 1~~ attached hereto.

WHEREAS, the County deems that it is in the best interest of the County to assist the Company in establishing operations in Cameron County;

WHEREAS, the County and the Company wish to amend the 2014 Tax Abatement Agreement in its entirety to reflect so that IKEA Energy now executes the same on behalf of the Company.

NOW, THEREFORE, the County and the Company agree to amend and restate the 2014 Tax Abatement Agreement in its entirety, as follows:

~~Article I, Article I~~  
**RECITALS**

The following understanding forms the basis of this Agreement:

1.1. ~~1.1~~—The Company presently leases a 12,850-acre tract of land, described by metes and bounds on Exhibit 1.

1.2. ~~1.2~~—The Company ~~proposes to establish~~has established a "Renewable Energy Project" at the Facility, and agrees to operate the Facility for at least ten (10) years from and after the Effective Date.

1.3. ~~1.3~~—The Company has established (and intends to establish and maintain for at least ten (10) years) an operation that will result in a 165-megawatt natural wind energy generating facility in Cameron County, Texas, invest \$20,529,600 in property improvements and \$147,214,173 in taxable personal property and, once in operation, employ at least ten (10) full-time workers (or full-time equivalents) with annual salaries averaging \$33,000 each, commencing on or about November 2015.

1.4. ~~1.4~~—The Company will achieve the schedule of performances by year of operation shown on Exhibit 2 and such performances shall form the basis for the Company to receive the County incentives outlined in Article ~~H2~~ below.

1.5. ~~1.5~~—The Company and the County desire to elaborate, develop, and define their understanding in this Agreement as to certain matters contained in this Agreement to the extent those matters are reasonably determinable.

~~1.6—For the purpose of this Agreement the term "incentive period" means the ten~~

1.6. For the purpose of this Agreement the term "incentive period" means the ten (10) Operational Years during which the Facility shall be constructed, remain in operation, receive tax abatement from the County. Further, "Operational Year" shall mean calendar year.

1.7. ~~1.7~~—For purposes of calculating County personal property taxes applicable to personal property at the Facility, the Company shall depreciate the value of such property on a straight line basis at a rate of five percent (5%).

Article II  
**INCENTIVES**

Article 2.  
**INCENTIVES**

2.1. ~~2.1~~—As an inducement to the Company to develop and continuously operate the Facility for at least ten (10) years, and to maintain the Facility in operation for the minimum

period set forth in Section ~~1.03, 1.3~~, the County agrees that the Company shall receive a tax abatement for the County's personal property taxes as specified in Section ~~2.02, 2.2~~ below, to help the Company pay the construction and start-up costs of the Facility.

2.2. ~~22~~In further consideration of the Company's performance of its obligations herein, shown in Exhibit 2, the County agrees that the Company shall receive a tax abatement in an amount equal to the personal property tax based on the personal property at the Facility, and which such taxes are assessed by the County (excluding all other taxing jurisdictions), as follows:

Percent of County Property Taxes to be Abated:

Year 1 2015	100%
Year 2 2016	100%
Year 3 2017	100%
Year 4 2018	100%
Year 5 2019	90%
Year 6 2020	80%
Year 7 2021	60%
Year 8 2022	50%
Year 9 2023	40%
Year 10 2024	40%

Such tax abatements ~~will commence~~commenced January 1, 2015. The abatement shall continue for ten years and terminate ~~on December 31,~~ 2024. The base year value for this Agreement shall be existing personal property established by the Cameron Appraisal District as of January 1, 2014.

2.3. ~~23~~Company and County agree that the Improvements described above, once constructed, shall constitute fixtures and shall remain in place and operational, to the extent commercially reasonable, until at least twenty (20) years after the date the Certificate for such improvements is provided by the Company to the County.

2.4. ~~24~~Company agrees to indemnify and hold County harmless from liability, claims, demands and suits, including reasonable and necessary attorney's fees incurred by County arising out of litigation filed against County by any third party contesting the validity or legality of the abatement granted herein. Company may discharge its indemnity obligation hereunder by terminating this Agreement and paying to County all taxes abated under this Agreement, together with interest and penalties on the abated amount at the rate and amounts provided for in the Texas Tax Code for delinquent taxes.

~~25~~ On or before March 1 of each year that this Agreement is in effect, the Company must submit to the County, an award affidavit signed and affirmed by an appropriate officer of the Company, stating that to the best of the Company's knowledge:

2.5. On or before March 1 of each year that this Agreement is in effect, the Company must submit to the County, an award affidavit signed and affirmed by an appropriate officer of the Company, stating that to the best of the Company's knowledge: (i) the Company's intent to maintain the Facility in full operation in accordance with the terms of this Agreement, (ii) the Company's representation and warranties contained in Section ~~3.015.1~~ are true and correct as of the date of the award affidavit, and (iii) the Company's certification that the performances set forth in Section ~~1.041.4~~ have been achieved and that reasonable backup documentation exists to substantiate the



Company's calculations and performances as set forth in the award affidavit. The Company shall also submit such documentation as may be reasonably requested by the County in such form as the County may request.

2.6. ~~2.6~~ The County will have the right, and the Company shall allow the County to audit the Company's records to determine compliance with the award affidavit during each of the Operational Years. If the award affidavit is found to be incorrect in any material way with respect to the calculations or regarding the Company's representations and warranties, then, in addition to the remedies available to the County under Section ~~6.01, 8.2~~, 8.2, the Company will pay to the County on demand at its address set forth herein, the reasonable cost of the audit. If such audit proves the award affidavit is correct, the expense of any such audit will be paid by the County.

The Company's failure to comply with and meet the requirements for an Operational Year will not eliminate or limit the right of the Company to an abatement for that Operational Year if, and only, if, (i) the deficit in the requirements was less than ten (10%) percent of the target, (ii) the Company accurately sets forth the calculations in the award affidavit for the Operational Year, and (iii) the Company makes specific reference to this waiver in any award field for the Operational Year.

~~Article 3, Article III~~  
**PAYMENT IN LIEU OF TAXES**

As partial consideration for the grant of tax abatement in Article ~~II-2~~ hereof, the Company agrees to make the following payments to the County:

- ~~1-1.~~ 1. On December 31st of the year in which the Company commences the installation of the turbines and on every December 31st throughout the term of the abatement, the Company shall pay the County \$100,000.00.
2. In the event the amount due under Article ~~3, III~~, Section 1 are not paid by December ~~31<sup>st</sup>~~ 31 of the year in which they are due, the County shall notify the Company that such payment is due and owing by January 15th of the following year. Delinquent payments shall accrue penalty and interest as provided in the Texas Tax Code commencing thirty (30) days after receipt of notice of such delinquency from the County.

~~Article IV~~

Article 4.  
**USE OF LOCAL RESOURCES**

4.1. ~~4.1~~ Company will make reasonable efforts to fill construction jobs and permanent jobs with residents of the County. Company will advertise the availability of such positions on its website and participate in local job fairs as appropriate. To the extent practicable, Company shall also use local suppliers for construction materials and supplies.

Company shall not, however, be required to use goods and services provided by Cameron County residents that are not (i) of similar quality to those provided by nonresidents or (ii) made available on terms, conditions, and prices comparable to those offered by nonresidents.

4.2. ~~4.2~~ Company or its construction contractor, if any, will provide a contact for individuals, businesses and contractors residing or doing business in Cameron County who are

interested in obtaining information about providing goods or services related to the construction of the project.

~~Article 5, Article V~~  
**REPRESENTATIONS AND WARRANTIES**

5.1. ~~5.1~~ The Company represents and warrants to the County (and covenants with the County where applicable) that:

(a). ~~(a)~~ The Company is authorized to do business in the State of Texas and has requisite power and authority, corporate or otherwise, to conduct its business, to own its present assets, and to perform all of its obligations under this Agreement;

(b). ~~(b)~~ The Company's execution, delivery and performance of its obligations under this Agreement have been duly authorized by all necessary actions and do not violate any provision of any existing law, rule, regulation, or contract by which the Company or its property or assets is bound or affected;

(c). ~~(c)~~ The Company has not filed and there are there no pending bankruptcy proceedings or other debtor relief proceeding relative to the Company or contemplated by the Company; and

~~(d) To the Company's best knowledge, the Company is not delinquent in the payment to the County of any material impositions (as that term is hereinafter defined) due~~

To the Company's best knowledge, the Company is not delinquent in the payment to the County of any material impositions (as that term is hereinafter defined) due and owing from the Company (if any) related to the Facility, except those contested by the Company by appropriate proceedings promptly initiated and diligently conducted. As used herein, "*impositions*" means (i) real estate and personal truces, water, gas, sewer, electricity and other utility rates, and (ii) all other truces, charges and assessments and any interest, cost or penalties with respect thereto, of any kind and nature, levied or imposed upon the Facility, or any income therefrom, or the ownership, use, occupancy or enjoyment thereof.

5.2. ~~5.2~~ The County represents and warrants to the Company that:

(a). ~~(a)~~ The County is duly authorized to do business in the State of Texas and has requisite power and authority, corporate or otherwise, to conduct its business and to own its present assets, and to execute and deliver all of its obligations under this Agreement;

(b). ~~(b)~~ The execution, delivery, and performance by the County of its obligations under this Agreement have been duly authorized by all necessary action and does not violate any provision of existing law, rule, regulation or contract by which the County or its property or assets is bound or affected.

~~Article 6, Article VI~~  
**NOTICES**

6.1. ~~6.1~~ Any notice or document required or permitted to be given hereunder by one party to the other will be in writing, mailed by first-class or express mail, postage prepaid, certified with return receipt requested, sent by facsimile, or sent by overnight delivery using a recognized overnight courier. All such communication will be mailed, sent, or delivered at the address respectively

indicated in this Article ~~VI~~ or at such other address as either party may have furnished the other party in writing pursuant to Section ~~6.04-6.4~~. Any communication so addressed and mailed will be deemed to be given three (3) calendar days after mailed, any communication sent by overnight courier shall be deemed received one (1) business day after so sent and any communication so sent by rapid transmission shall be deemed to be given when receipt of such transmission is acknowledged by the receiving operator or equipment, and any communications so delivered in person shall be deemed to be given when received for by the Company or the County, as the case may be.

6.2. ~~6.2~~—The address of the County for all purposes under this Agreement and for all notices hereunder shall be:

Name: Pete Sepulveda, Jr.  
Title: County Judge  
Address: 1100 E. Monroe  
City/State: Brownsville, Texas 78520  
Telephone: (956) 544-0830

6.3. ~~6.3~~—The address of the Company for all purposes under this Agreement and for all notices hereunder shall be:

Name: Rich Piechowski  
Title: Tax Director  
Address: 420 Alan Wood Road  
City & State: Conshohocken, PA 19428  
Telephone: (610) 834-0180, ext. 5238

6.4. ~~6.4~~—From time to time either party may designate another notice address within the 48 contiguous states of the United States of America for the purpose of this Agreement by giving the other party written notice of such of address in accordance with the provisions of this Article ~~IV-6~~.

#### ~~Article VII~~

### Article 7. **GENERAL**

7.1. ~~7.1~~—This Agreement may be amended, but only in writing, signed by each of the parties hereto.

7.2. ~~7.2~~—The covenants and contracts contained in this Agreement, or in any document certificate or other instrument delivered under or pursuant to this Agreement, will survive the execution and delivery hereof, the consummation of this Agreement, and continue to survive thereafter for the applicable statute of limitations to ensure full performance thereof and full recourse for nonperformance by any party.

7.3. ~~7.3~~—The parties agree that no third person has in any way brought the parties together or been instrumental in the making of this Agreement. The Company agrees to indemnify the County against any cost resulting from any claim by any third person for any commission brokerage, finder's fee or any other payment based upon any alleged agreement or understanding between such third party and the Company, whether expressed or implied from the actions of the Company.

~~7.4 This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors and assigns. This Agreement may not be assigned by either the County or the Company without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld or delayed. Notwithstanding the forgoing, the Company may assign its rights under this Agreement to~~

7.4. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors and assigns. This Agreement may not be assigned by either the County or the Company without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, the Company may assign its rights under this Agreement to (i) an affiliate, (including without limitation, a direct or indirect parent, joint venture, subsidiary or other related entity), provided that in the event of any such assignment, the Company shall retain all of its obligations and liabilities under this Agreement; (ii) to any entity that has acquired all or substantially all of the Company's assets; or (iii) to any successor to the Company by merger, consolidation or other reorganization, provided that, with respect to any such assignment: (A) the Company shall notify the County of any such transaction following such occurrence in accordance to the terms of Article IV~~6~~ hereof, and (B) such successor or affiliate shall assume all of the Company's obligations hereunder. Nothing in this Agreement, expressed or implied, is intended to confer upon any other persons any rights or remedies under or by reason of this Agreement.

~~(B) such successor or affiliate shall assume all of the Company's obligations hereunder. Nothing in this Agreement, expressed or implied, is intended to confer upon any other persons any rights or remedies under or by reason of this Agreement.~~

7.5. ~~7.5~~ Upon the occurrence of an event of default pursuant to Section ~~8.018.1~~(a), the County, will as its sole exclusive remedy, collect the full amount of ad valorem taxes owed for the property, net of any payment made to the County pursuant to Article III.3. Upon the occurrence of an event of default pursuant to Section ~~8-8.1~~(b) through (e), the County may terminate this Agreement and assert any remedy at law or equity to enforce the provisions hereof.

If one or more remedies for a default by the Company are applicable, the County may pursue such jointly or alternatively as it may elect and the forbearance by the County to enforce any remedy provided above upon an event of default shall not be deemed or construed to constitute a waiver of such default.

7.6. ~~7.6~~ During normal business hours, and following not less than ~~Fifteen~~ fifteen (15) business days prior written notice, the Company will allow the County reasonable access to the Company's records and books wherever located to verify payment any information germane to the Company's expected performances under this Agreement.

7.7. ~~7.7~~ This Agreement shall not be transferred by Company to subsequent owners or lessees of the Premises without prior written notice to the County. Any assignment shall require that all conditions and obligations in this Agreement applying to the interest acquired by the assignee shall be assumed by the assignee, and upon such assumption, Company (or any affiliate, subsidiary, or prior assignee) shall have no further rights, duties, or obligations under the Agreement to the extent such rights, duties, or obligations apply to the interest acquired by the assignee.

Notwithstanding the above and to the extent allowed by applicable law, in the event Company sells, assigns, or otherwise conveys (other than pursuant to eminent domain, condemnation, or a similar proceeding) all or a portion of the Project to an entity not subject to the payment of personal property taxes ("Tax Exempt Assignee"), without the County's prior

written consent, the following taxes previously abated by virtue of this Agreement will be recaptured and paid to County within sixty (60) days of the effective date of such assignment or conveyance. If the assignment or conveyance to the Tax Exempt Assignee occurs during the Term of this Agreement, the taxes previously abated by virtue of this Agreement for the two (2) tax years immediately preceding the assignment or conveyance will be recaptured and paid to the County. ~~If the~~ If the assignment or conveyance to the Tax Exempt Assignee occurs within three (3) years after the expiration of the Term of this Agreement the taxes previously abated by virtue of this Agreement for the last two (2) years of this agreement will be recaptured and paid to County. If the assignment or conveyance to the Tax Exempt Assignee occurs more than three (3) years after the Term of this Agreement, there will be no recapture of taxes previously abated by virtue of this Agreement. With the County's consent, if the assignment or conveyance is made to Tax Exempt Assignees including Cameron County, the State of Texas, the United States of America or another political subdivision thereof, there will be no recapture of taxes previously abated.

Any transfer or assignment to a third party without prior notice and consent of the County pursuant to this Section ~~7.087.7~~ shall constitute a material breach of this Agreement and shall serve to vacate and nullify any tax exemptions as provided in this Section ~~7.087.8~~ and by this Agreement.

7.8. ~~7.8~~ General Terms:

(a). ~~(a)~~ The heading contained in the Articles of this Agreement are for reference only and do not affect in any way the meaning or interpretation of this Agreement.

(b). ~~(b)~~ As used in this Agreement, all references to exhibits refer to the exhibits attached hereto (each of which is hereby incorporated into and deemed to be a part of this Agreement). All documents referred to by recording data or otherwise are hereby incorporated in and made a part of this Agreement as if set forth in full herein.

~~Agreement). All documents referred to by recording data or otherwise are hereby incorporated in and made a part of this Agreement as if set forth in full herein.~~

(c). ~~(c)~~ This Agreement will be construed and enforced in accordance with the laws of the State of Texas.

(d). ~~(d)~~ Time is of the essence to this Agreement

(e). ~~(e)~~ If any term or provision of this Agreement is invalid, illegal or incapable of being enforced, all other terms and provisions of this Agreement will remain in full force and effect and such invalid, illegal or unenforceable term or provisions shall be reformed automatically so as comply with the applicable law or public policy and to effect the original intent of the parties.

(f). ~~(f)~~ A business day means Monday through Friday of each calendar week, exclusive of holidays observed generally by Cameron County, Texas.

(g). ~~(g)~~ This Agreement may be executed simultaneously in one or more counterparts each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

(h). ~~(h)~~ This Agreement (together with the Exhibits hereto and the documents to be delivered pursuant hereto) constitutes the entire agreement among the parties, all negotiations between and among them being merged into this Agreement (together with such Exhibits and

documents).

(i). ~~(i)~~ Unless context requires otherwise, the words, "herein", "hereof" and "hereunder", and words of like import, shall be deemed to refer to this Agreement in its entirety and not to any individual article, section, subsection, paragraph, or subparagraph. The pronouns used in this Agreement will be constructed as masculine, feminine or neuter, singular or plural, as the context may require.

(j). ~~(j)~~ Each party hereto has been represented by legal counsel designated by it and no provision of this Agreement will be construed in favor of, or against, any of the parties hereto by reason of the extent to which this Agreement or any provision hereto is inconsistent with any prior draft hereof or thereof.

(k). ~~(k)~~ The "Effective Date" of this Agreement is December 30, 2014.

(l). ~~(l)~~ This Agreement shall terminate on the last day of the last Operational Year as specified in Section ~~4.03~~, 1.3, unless extended by mutual agreement of the County and the Company.

## **Article VIII**

### **Article 8.** **DEFAULT**

8.1. ~~8.1~~ The following events shall be deemed to be events of default by the Company under this Agreement:

(a). ~~(a)~~ The Company fails to submit to the County the award affidavit at the time and in the manner required in this Agreement;

(b). ~~(b)~~ Any warranty, affirmation or representation made to the County by or on behalf of the Company (including but not limited to those required to be made in the certificate or any award affidavit) proves to have been false in any material respect when made;

(c). ~~(c)~~ The Company fails to timely comply with the non-monetary duties of Article ~~H2~~;

(d). ~~(d)~~ The Company fails to timely pay, when obligated, any investigation cost incurred by the County hereunder, any audit cost under Article 2;

(e). ~~(e)~~ To the extent permitted by law, if bankruptcy or insolvency proceedings are commenced by or against the Company.

8.2. ~~8.2~~ If the County determines that the Company is in default in accordance with the terms and conditions of this Agreement, then the County shall notify the Company in writing of such default. If such default is not cured within thirty (30) days from the date of the notice, then the County may exercise its remedy under Section ~~7.05~~. If the 7.5. If the Company cannot cure the default within thirty days, then the Company may request from the County an additional fifteen ( 15) days to cure the default.

*[signature page(s) follow ]*

IN WITNESS WHEREOF, the undersigned parties hereto have made and executed this Agreement in triplicate originals ~~on~~ as of this the 16th day of December ~~2014~~ 2015.

By: Pete Sepulveda, Jr., County Judge

~~Cameron Wind I, LLC~~

By:

By:—

	<u>CAMERON COUNTY, TEXAS</u>  BY: <u>Pete Sepulveda, Jr., County Judge</u>
	<u>CAMERON WIND I, LLC</u> By: <u>IKEA Energy US, LLC, a Delaware limited liability company</u>  By: _____ Name: _____ Title: _____  By: _____ Name: _____ Title: _____

**Exhibit 1**  
Property Description

**Tract 1**

Being a 777.97 acre tract of land out of the Jose Salvador de la Garza Survey, Abstract No. 2, Cameron County, Texas and being out of the Espiritu Santo Grant, Share 19 and being all of that certain tract of land conveyed to La Cuesta Partners, LTD. described as Lot 9, Block 1 out of the San Fernando Estates Subdivision, Phase 1 as recorded in Cabinet 1, Slot 2906A, Map Records, Cameron County, Texas (M.R.C.C.T.) by deed recorded in Volume 18598, Page 212, Official Records, Cameron County, Texas (O.R.C.C.T.) and being all of that certain tract of land conveyed to La Cuesta Partners, LTD. Described as Tract 8 and Tract 38 out of the Lot Potrcros Subdivision, Phase I as recorded in Cabinet 1, Slot 2756A, (M.R.C.C.T.) and being the remainder of that certain called 1672.7acre tract conveyed to Laguna Encantada LP, recorded in Volume 18093, Page 117 (O.R.C.C.T.) and being more particularly described as follows: BEGINNING at a 1/2-inch iron rod found in the approximate centerline of Fernando East Road at the northeast comer of the above mentioned Lot 9 the southeast comer of that certain called 450 acre tract conveyed to Jorge Luis Castillo as recorded in Volume 17443, Page 264 (O.R.C.C.T.) the southwest comer of that certain called 849.10 acre tract conveyed to Ovi Atkinson and Arnulfo Atkinson as recorded in Volume 10436, Page 239 (O.R.C.C.T.) and the northwest comer of that certain called 1380 acre tract conveyed to Hung's Shrimp Farm, Inc. as recorded in Volume 1788, Page 118, (O.R.C.C.T.);

THENCE South 03 Degrees 24 Minutes 18 Seconds West, along the east line of said Lot 9 and said 1672.7 acre tract, same being the common west line of said 1380 acre tract, at a distance of 1559.09 feet to the southeast comer of said Lot 9, from which a 1/2-inch

iron rod found bears North 81 Degrees 55 Minutes 44 Seconds West a distance of 24.26 feet;

THENCE South 03 Degrees 24 Minutes 18 Seconds West, continuing along the common line of said 1672.7 acre tract and said 1380 acre tract, a distance of 10480.89 feet to the northeast comer of that certain called 157.02 acre tract conveyed to La Cuesta Partners, LTD. As recorded in Volume 17171, Page 283, (O.R.C.C.T.);

THENCE North 86 Degrees 02 Minutes 22 Seconds West, leaving said common line, a distance of 3046.47 feet to the northwest comer of said 157.02 acre tract and being in the east line of the above mentioned Tract 8;

THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 46.25 feet to a 1/2-inch iron rod found at the southeast comer of said Tract 8;

THENCE North 86 Degrees 01 Minutes 00 Seconds West, a distance of 1540.54 feet to the southwest comer of said Tract 8 in the east right-of-way line of Fann-to-Market Road 1847;

THENCE North 03 Degrees 58 Minutes 19 Seconds East, along said east right-of-way line, a distance of 289.39 feet to a 1/2-inch iron rod found with cap stamped "HARRIS FLINT" at the northwest comer of said Tract 8;

THENCE South 86 Degrees 01 Minutes 00 Seconds East, leaving said east right-of-way line, a distance of 1540.54 feet to a 1/2-inch iron rod found with cap stamped "HARRIS FLINT" at the northeast comer of said Tract 8 and being in the west line of the above mentioned 1672.7 acre tract;



THENCE North 03 Degrees 58 Minutes 19 Seconds East, along the west line of said 1672.7 acre tract, a distance of 8395.62 feet to a 1/2-inch iron rod found with cap at the southeast corner of the above mentioned Tract 38;

THENCE North 86 Degrees 01 Minutes 49 Seconds West, leaving said west line, a distance of 1540.56 feet to a 1/2-inch iron rod found at the southwest corner of said Tract 38 and being in the east right-of-way line of said Farm-to-Market Road 1847;

THENCE North 03 Degrees 58 Minutes 19 Seconds East, along said east right-of-way line, a distance of 289.50 feet to a 1/2-inch iron rod found at the northwest corner of said Tract 38;

THENCE South 86 Degrees 01 Minutes 49 Seconds East, leaving said east right of way line, a distance of 1540.56 feet to a 1/2-inch iron rod found in the west line of said 1672.7 acre tract at the northeast corner of said Tract 38;

THENCE North 03 Degrees 58 Minutes 19 Seconds East, along the west line of said 1672.7 acre tract, a distance of 1763.62 feet to a 1/2-inch iron rod found at the southwest corner of Tract 2 out of the above mentioned San Fernando Estates, Phase 1 Subdivision; THENCE South 81 Degrees 55 Minutes 44 Seconds East, along the south line of said San Fernando Estates, Phase 1 Subdivision, a distance of 2105.30 feet to the southwest corner of the above mentioned Lot 9;

THENCE North 03 Degrees 58 Minutes 56 Seconds East, passing a 1/2-inch iron rod found with cap stamped "5719" at a distance of 1527.47 and continuing for a total distance of 1557.88 feet to the northwest corner of said Lot 9 in the approximate centerline of the above mentioned Fernando East Road;

THENCE South 81 Degrees 55 Minutes 46 Seconds East, along the approximate centerline of said Fernando East Road, a distance of 829.27 feet to the POINT OF BEGINNING and containing 777.97 acres of land, more or less.

## **Tract 2**

Being a 11179.53 acre tract of land out of the Jose Salvador de la Garza Survey, Abstract No. 2, Cameron County, Texas and being out of the Espiritu Santo Grant, Shares 19, 22, 12, 15, 14, 17 and 1 and being more particularly described as follows: BEGINNING at the intersection of the west line of said Share 14 and the approximate centerline of Farm-to-Market Road 510; THENCE North 07 Degrees 13 Minutes 21 Seconds East, a distance of 3931.06 feet; THENCE North 82 Degrees 42 Minutes 46 Seconds West, a distance of 1454.12 feet; THENCE North 04 Degrees 56 Minutes 46 Seconds West, a distance of 1274.36 feet; THENCE North 07 Degrees 13 Minutes 04 Seconds East, a distance of 1879.43 feet; THENCE North 81 Degrees 53 Minutes 16 Seconds West, a distance of 1991.90 feet; THENCE North 23 Degrees 32 Minutes 16 Seconds West, a distance of 254.82 feet; THENCE North 15 Degrees 47 Minutes 16 Seconds West, a distance of 626.60 feet; THENCE North 00 Degrees 12 Minutes 44 Seconds East, a distance of 654.20 feet; THENCE North 29 Degrees 57 Minutes 44 Seconds East, a distance of 1052.20 feet; THENCE North 20 Degrees 07 Minutes 44 Seconds East, a distance of 1057.10 feet; THENCE North 13 Degrees 52 Minutes 16 Seconds West, a distance of 720.20 feet; THENCE North 59 Degrees 52 Minutes 16 Seconds West, a distance of 579.40 feet; THENCE South 80 Degrees 07 Minutes 44 Seconds West, a distance of 397.70 feet; THENCE South 49 Degrees 22 Minutes 44 Seconds West, a distance of 33.20 feet; THENCE North 08 Degrees 06 Minutes 44 Seconds East, a distance of 253.80 feet; THENCE North 57 Degrees 57 Minutes 44 Seconds East, a distance of 68.50 feet;

THENCE North 47 Degrees 32 Minutes 44 Seconds East, a distance of 400.00 feet; THENCE South 81 Degrees 53 Minutes 16 Seconds East, a distance of 1011.48 feet; THENCE South 81 Degrees 53 Minutes 16 Seconds East, a distance of 1671.89 feet; THENCE North 07 Degrees 13 Minutes 04 Seconds East, a distance of 2140.37 feet; THENCE North 07 Degrees 13 Minutes 04 Seconds East, a distance of 60.20 feet; THENCE North 07 Degrees 13 Minutes 04 Seconds East, a distance of 2592.49 feet; THENCE South 82 Degrees 46 Minutes 32 Seconds East, a distance of 847.03 feet; THENCE North 07 Degrees 10 Minutes 37 Seconds East, a distance of 385.61 feet; THENCE North 37 Degrees 35 Minutes 44 Seconds West, a distance of 70.69 feet; THENCE South 82 Degrees 46 Minutes 33 Seconds East, a distance of 160.00 feet; THENCE South 52 Degrees 12 Minutes 17 Seconds West, a distance of 70.90 feet; THENCE South 07 Degrees 14 Minutes 02 Seconds West, a distance of 385.68 feet; THENCE South 82 Degrees 46 Minutes 32 Seconds East, a distance of 817.00 feet; THENCE North 07 Degrees 13 Minutes 21 Seconds East, a distance of 495.73 feet; THENCE North 82 Degrees 46 Minutes 32 Seconds West, a distance of 1721.50 feet; THENCE North 07 Degrees 13 Minutes 04 Seconds East, a distance of 4563.80 feet; THENCE South 82 Degrees 46 Minutes 32 Seconds East, a distance of 1721.02 feet; THENCE North 07 Degrees 12 Minutes 42 Seconds East, a distance of 4178.99 feet; THENCE South 82 Degrees 10 Minutes 19 Seconds East, a distance of 575.02 feet; THENCE South 30 Degrees 18 Minutes 08 Seconds East, a distance of 1516.04 feet; THENCE South 75 Degrees 04 Minutes 29 Seconds East, a distance of 245.30 feet; THENCE North 86 Degrees 51 Minutes 37 Seconds East, a distance of 1744.84 feet; THENCE South 82 Degrees 42 Minutes 03 Seconds East, a distance of 28.73 feet; THENCE South 06 Degrees 39 Minutes 50 Seconds West, a distance of 5587.64 feet; THENCE South 83 Degrees 48 Minutes 17 Seconds East, a distance of 1449.71 feet; THENCE North 06 Degrees 11 Minutes 42 Seconds East, a distance of 6.85 feet; THENCE South 83 Degrees 52 Minutes 42 Seconds East, a distance of 1850.32 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 999.72 feet; THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 559.90 feet; THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 440.42 feet; THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 435.60 feet; THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 414.40 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 291.16 feet; THENCE South 83 Degrees 52 Minutes 42 Seconds East, a distance of 208.70 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 208.70 feet; THENCE South 83 Degrees 52 Minutes 42 Seconds East, a distance of 205.70 feet; THENCE South 83 Degrees 52 Minutes 42 Seconds East, a distance of 435.60 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 702.11 feet; THENCE North 74 Degrees 22 Minutes 27 Seconds West, a distance of 861.65 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 881.19 feet; THENCE South 83 Degrees 48 Minutes 18 Seconds East, a distance of 174.14 feet; THENCE North 28 Degrees 09 Minutes 36 Seconds East, a distance of 136.02 feet; THENCE North 61 Degrees 50 Minutes 24 Seconds West, a distance of 242.63 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 48.52 feet; THENCE South 61 Degrees 50 Minutes 24 Seconds East, a distance of 1238.44 feet; THENCE South 06 Degrees 13 Minutes 15 Seconds West, a distance of 48.51 feet; THENCE South 83 Degrees 50 Minutes 03 Seconds East, a distance of 1150.49 feet; THENCE North 06 Degrees 13 Minutes 15 Seconds East, a distance of 763.80 feet; THENCE North 83 Degrees 50 Minutes 03 Seconds West, a distance of 1150.49 feet; THENCE North 83 Degrees 50 Minutes 03 Seconds West, a distance of 1148.87 feet;

THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 2498.99 feet;  
THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 1853.64 feet; THENCE  
South 83 Degrees 46 Minutes 45 Seconds East, a distance of 1150.64 feet; THENCE North 06  
Degrees 13 Minutes 15 Seconds East, a distance of 250.13 feet; THENCE South 83 Degrees 46  
Minutes 45 Seconds East, a distance of 1140.72 feet; THENCE North 06 Degrees 13 Minutes  
15 Seconds East, a distance of 500.00 feet; THENCE South 83 Degrees 46 Minutes 45 Seconds  
East, a distance of 2188.47 feet; THENCE South 05 Degrees 45 Minutes 15 Seconds West, a  
distance of 564.66 feet; THENCE South 85 Degrees 33 Minutes 25 Seconds East, a distance of  
1139.00 feet; THENCE South 85 Degrees 51 Minutes 25 Seconds East, a distance of 2602.11  
feet; THENCE South 86 Degrees 06 Minutes 36 Seconds East, a distance of 867.38 feet;  
THENCE South 85 Degrees 53 Minutes 11 Seconds East, a distance of 2415.41 feet; THENCE  
North 03 Degrees 57 Minutes 38 Seconds East, a distance of 628.75 feet; THENCE South 85  
Degrees 48 Minutes 29 Seconds East, a distance of 1372.33 feet; THENCE North 04 Degrees  
04 Minutes 08 Seconds East, a distance of 561.11 feet; THENCE North 03 Degrees 53 Minutes  
03 Seconds East, a distance of 327.55 feet; THENCE North 03 Degrees 56 Minutes 29 Seconds  
East, a distance of 328.16 feet; THENCE North 03 Degrees 53 Minutes 21 Seconds East, a  
distance of 656.26 feet; THENCE South 85 Degrees 51 Minutes 19 Seconds East, a distance of  
59.45 feet; THENCE North 03 Degrees 59 Minutes 15 Seconds East, a distance of 487.53 feet;  
THENCE North 03 Degrees 59 Minutes 15 Seconds East, a distance of 486.28 feet; THENCE  
North 03 Degrees 59 Minutes 15 Seconds East, a distance of 66.40 feet; THENCE North 03  
Degrees 59 Minutes 15 Seconds East, a distance of 209.52 feet; THENCE North 03 Degrees 59  
Minutes 15 Seconds East, a distance of 210.31 feet; THENCE North 03 Degrees 59 Minutes 15  
Seconds East, a distance of 531.56 feet; THENCE South 81 Degrees 54 Minutes 49 Seconds  
East, a distance of 196.45 feet; THENCE North 03 Degrees 58 Minutes 11 Seconds East, a  
distance of 745.27 feet; THENCE North 85 Degrees 47 Minutes 17 Seconds West, a distance  
of 1018.80 feet; THENCE North 04 Degrees 07 Minutes 39 Seconds East, a distance of  
3079.00 feet; THENCE North 85 Degrees 36 Minutes 15 Seconds West, a distance of 1225.51  
feet; THENCE North 85 Degrees 36 Minutes 15 Seconds West, a distance of 562.10 feet;  
THENCE North 04 Degrees 13 Minutes 35 Seconds East, a distance of 1496.11 feet; THENCE  
North 85 Degrees 42 Minutes 07 Seconds West, a distance of 2396.79 feet; THENCE South 45  
Degrees 29 Minutes 53 Seconds West, a distance of 570.12 feet to the beginning of a curve to  
the right having a radius of 900.49 feet and a long chord that bears South 68 Degrees 01  
Minutes 30 Seconds West, a distance of 877.47 feet; THENCE along said curve to the right, a  
distance of 900.49 feet;  
THENCE North 89 Degrees 28 Minutes 29 Seconds West, a distance of 1525.53 feet;  
THENCE North 84 Degrees 29 Minutes 06 Seconds West, a distance of 594.84 feet to the  
beginning of a curve to the right having a radius of 1146.16 feet and a long chord that bears  
North 68 Degrees 00 Minutes 17 Seconds West, a distance of 650.30 feet;  
Thence along said curve to the right, a distance of 659.35 feet;  
THENCE North 51 Degrees 28 Minutes 12 Seconds West, a distance of 698.59 feet; THENCE  
North 35 Degrees 41 Minutes 04 Seconds East, a distance of 1108.37 feet; THENCE South 55  
Degrees 11 Minutes 50 Seconds East, a distance of 172.00 feet; THENCE South 67 Degrees 51  
Minutes 50 Seconds East, a distance of 1058.09 feet; THENCE North 75 Degrees 48 Minutes 10  
Seconds East, a distance of 861.17 feet; THENCE North 62 Degrees 18 Minutes 10 Seconds East,  
a distance of 444.09 feet; THENCE North 55 Degrees 03 Minutes 10 Seconds East, a distance of  
622.18 feet; THENCE North 47 Degrees 17 Minutes 43 Seconds East, a distance of 594.20 feet;

THENCE North 50 Degrees 42 Minutes 54 Seconds East, a distance of 733.24 feet; THENCE North 19 Degrees 41 Minutes 30 Seconds East, a distance of 601.11 feet; THENCE North 13 Degrees 15 Minutes 56 Seconds East, a distance of 1250.08 feet; THENCE North 19 Degrees 04 Minutes 35 Seconds West, a distance of 500.88 feet; THENCE North 39 Degrees 09 Minutes 06 Seconds West, a distance of 799.53 feet; THENCE North 17 Degrees 19 Minutes 06 Seconds West, a distance of 755.18 feet;

THENCE South 85 Degrees 59 Minutes 07 Seconds East, a distance of 806.25 feet;

THENCE North 03 Degrees 22 Minutes 23 Seconds East, a distance of 1203.15 feet;

THENCE South 85 Degrees 59 Minutes 07 Seconds East, a distance of 1303.50 feet;

THENCE North 03 Degrees 22 Minutes 23 Seconds East, a distance of 1195.81 feet;

THENCE South 86 Degrees 13 Minutes 37 Seconds East, a distance of 44.67 feet;

THENCE North 03 Degrees 48 Minutes 01 Seconds East, a distance of 2914.98 feet;

THENCE South 86 Degrees 13 Minutes 37 Seconds East, a distance of 1652.32 feet;

THENCE South 03 Degrees 48 Minutes 01 Seconds West, a distance of 247.97 feet;

THENCE South 82 Degrees 02 Minutes 08 Seconds East, a distance of 1205.84 feet;

THENCE North 07 Degrees 59 Minutes 05 Seconds East, a distance of 35.30 feet;

THENCE South 82 Degrees 02 Minutes 08 Seconds East, a distance of 435.60 feet;

THENCE North 07 Degrees 59 Minutes 05 Seconds East, a distance of 100.00 feet;

THENCE South 82 Degrees 02 Minutes 08 Seconds East, a distance of 5.08 feet;

THENCE South 03 Degrees 48 Minutes 01 Seconds West, a distance of 2681.59 feet;

THENCE South 86 Degrees 13 Minutes 37 Seconds East, a distance of 1645.93 feet;

THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 1216.11 feet;

THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 1220.19 feet;

THENCE North 86 Degrees 13 Minutes 37 Seconds West, a distance of 3231.44 feet;

THENCE South 04 Degrees 09 Minutes 33 Seconds West, a distance of 287.96 feet;

THENCE South 04 Degrees 20 Minutes 51 Seconds West, a distance of 1422.96 feet;

THENCE South 04 Degrees 20 Minutes 03 Seconds West, a distance of 1729.87 feet;

THENCE South 04 Degrees 19 Minutes 30 Seconds West, a distance of 714.12 feet;

THENCE South 86 Degrees 01 Minutes 44 Seconds East, a distance of 3257.03 feet;

THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 1495.19 feet;

THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 1495.19 feet; THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 392.26 feet; THENCE South 03 Degrees 58 Minutes 19 Seconds West, a distance of 2664.19 feet; THENCE North 85 Degrees 47 Minutes 17 Seconds West, a distance of 830.04 feet; THENCE South 03 Degrees 58 Minutes 11 Seconds West, a distance of 764.85 feet; THENCE South 81 Degrees 54 Minutes 49 Seconds East, a distance of 67.76 feet; THENCE South 03 Degrees 58 Minutes 17 Seconds West, a distance of 493.48 feet; THENCE South 85 Degrees 51 Minutes 19 Seconds East, a distance of 162.84 feet; THENCE South 03 Degrees 59 Minutes 15 Seconds West, a distance of 210.31 feet; THENCE North 85 Degrees 51 Minutes 19 Seconds West, a distance of 26.46 feet; THENCE South 03 Degrees 59 Minutes 15 Seconds West, a distance of 209.52 feet; THENCE South 85 Degrees 51 Minutes 19 Seconds East, a distance of 621.67 feet; THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 66.40 feet; THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 486.28 feet; THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 487.53 feet; THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 656.25 feet;

THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 328.16 feet;

THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 327.54 feet;

THENCE South 04 Degrees 02 Minutes 10 Seconds West, a distance of 653.05 feet;

THENCE North 85 Degrees 48 Minutes 28 Seconds West, a distance of 1366.61 feet;

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THENCE South 04 Degrees 06 Minutes 43 Seconds West, a distance of 415.78 feet; THENCE South 04 Degrees 06 Minutes 43 Seconds West, a distance of 120.29 feet; THENCE South 85 Degrees 53 Minutes 11 Seconds East, a distance of 1367.32 feet; THENCE South 04 Degrees 04 Minutes 08 Seconds West, a distance of 2625.04 feet; THENCE North 85 Degrees 53 Minutes 50 Seconds West, a distance of 9839.28 feet; THENCE South 05 Degrees 45 Minutes 20 Seconds West, a distance of 94.70 feet; THENCE South 86 Degrees 20 Minutes 17 Seconds East, a distance of 9782.31 feet; THENCE South 04 Degrees 01 Minutes 45 Seconds West, a distance of 612.00 feet; THENCE North 85 Degrees 58 Minutes 15 Seconds West, a distance of 400.00 feet; THENCE South 04 Degrees 01 Minutes 45 Seconds West, a distance of 600.00 feet; THENCE South 85 Degrees 58 Minutes 15 Seconds East, a distance of 400.00 feet; THENCE South 04 Degrees 01 Minutes 45 Seconds West, a distance of 1376.10 feet; THENCE South 85 Degrees 57 Minutes 27 Seconds East, a distance of 60.00 feet; THENCE South 04 Degrees 04 Minutes 44 Seconds West, a distance of 9923.13 feet; THENCE South 86 Degrees 02 Minutes 17 Seconds East, a distance of 1705.44 feet; THENCE South 03 Degrees 32 Minutes 54 Seconds West, a distance of 8691.85 feet; THENCE North 86 Degrees 02 Minutes 17 Seconds West, a distance of 1785.93 feet; THENCE North 04 Degrees 04 Minutes 44 Seconds East, a distance of 2447.21 feet; THENCE North 85 Degrees 59 Minutes 04 Seconds West, a distance of 3309.40 feet; THENCE South 04 Degrees 15 Minutes 55 Seconds West, a distance of 1004.00 feet; THENCE South 66 Degrees 42 Minutes 12 Seconds West, a distance of 998.21 feet; THENCE South 14 Degrees 59 Minutes 12 Seconds West, a distance of 517.92 feet; THENCE South 58 Degrees 03 Minutes 43 Seconds West, a distance of 3188.85 feet; THENCE South 04 Degrees 14 Minutes 12 Seconds West, a distance of 39.99 feet; THENCE North 83 Degrees 06 Minutes 54 Seconds West, a distance of 180.13 feet; THENCE North 64 Degrees 35 Minutes 54 Seconds West, a distance of 268.96 feet; THENCE North 58 Degrees 38 Minutes 54 Seconds West, a distance of 430.93 feet; THENCE North 74 Degrees 49 Minutes 38 Seconds West, a distance of 358.17 feet; THENCE South 50 Degrees 05 Minutes 50 Seconds West, a distance of 160.15 feet; THENCE North 28 Degrees 26 Minutes 55 Seconds West, a distance of 4116.67 feet; THENCE North 05 Degrees 38 Minutes 30 Seconds East, a distance of 4785.25 feet; THENCE North 05 Degrees 34 Minutes 34 Seconds East, a distance of 4027.91 feet; THENCE North 05 Degrees 54 Minutes 38 Seconds East, a distance of 689.01 feet; THENCE North 05 Degrees 44 Minutes 00 Seconds East, a distance of 2692.30 feet; THENCE North 05 Degrees 44 Minutes 00 Seconds East, a distance of 2463.66 feet; THENCE North 84 Degrees 00 Minutes 12 Seconds West, a distance of 650.97 feet; THENCE South 05 Degrees 43 Minutes 33 Seconds West, a distance of 1852.59 feet; THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 154.51 feet; THENCE South 00 Degrees 12 Minutes 25 Seconds West, a distance of 502.68 feet; THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 1502.60 feet; THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 950.23 feet; THENCE North 83 Degrees 52 Minutes 42 Seconds West, a distance of 1350.32 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 500.00 feet; THENCE North 06 Degrees 11 Minutes 43 Seconds East, a distance of 38.24 feet; THENCE North 83 Degrees 48 Minutes 17 Seconds West, a distance of 1453.43 feet; THENCE South 06 Degrees 39 Minutes 50 Seconds West, a distance of 1779.89 feet; THENCE South 06 Degrees 39 Minutes 50 Seconds West, a distance of 2142.82 feet; THENCE South 06 Degrees 39 Minutes 50 Seconds West, a distance of 5603.75 feet;

THENCE South 06 Degrees 39 Minutes 50 Seconds West, a distance of 9517.52 feet to the beginning of a non-tangent curve to the left having a radius of 1910.11 feet and a long chord that bears North 89 Degrees 21 Minutes 04 Seconds West, a distance of 21.15 feet; THENCE along said curve to the left a distance of 21.15 feet;

THENCE North 89 Degrees 40 Minutes 06 Seconds West, a distance of 1954.79 feet to the beginning of a curve to the right having a radius of 345.99 feet and a long chord that bears North 79 Degrees 17 Minutes 13 Seconds West, a distance of 344.10 feet; THENCE along said curve to the right a distance of 345.99 feet,

THENCE North 68 Degrees 54 Minutes 21 Seconds West, a distance of 1310.00 feet to the beginning of a curve to the left having a radius of 2292.00 feet and a long chord that bears North 70 Degrees 51 Minutes 22 Seconds West, a distance of 156.02 feet; THENCE along said curve to the left a distance of 156.05 feet to the POINT OF BEGINNING and containing 11179.53 acres of land, more or less.;

### **Tract 3**

Being a 90.89 acre tract of land out of the Jose Salvador de la Garza Survey, Abstract No. 2, Cameron County, Texas and being out of the Espiritu Santo Grant, Shares 22 and being all of that certain called 90.88 acre tract of land conveyed to George Arango, M.D. and Luis Arango, M.D. as recorded in Volume 12724, Page 153, Official Records, Cameron County, Texas and being more particularly described as follows:

BEGINNING at the intersection of the west line of said Share 22 and the south right-of-way line of the Southern Pacific Railroad;

THENCE South 28 Degrees 26 Minutes 55 Seconds East, a distance of 3989.18 feet;

THENCE South 50 Degrees 05 Minutes 50 Seconds West, a distance of 75.79 feet;

THENCE North 57 Degrees 03 Minutes 21 Seconds West, a distance of 229.00 feet;

THENCE North 59 Degrees 05 Minutes 30 Seconds West, a distance of 269.97 feet;

THENCE South 76 Degrees 24 Minutes 30 Seconds West, a distance of 261.97 feet;

THENCE South 84 Degrees 30 Minutes 30 Seconds West, a distance of 303.96 feet;

THENCE South 74 Degrees 45 Minutes 30 Seconds West, a distance of 725.91 feet;

THENCE South 41 Degrees 17 Minutes 30 Seconds West, a distance of 465.94 feet;

THENCE North 81 Degrees 59 Minutes 26 Seconds West, a distance of 240.05 feet;

THENCE North 05 Degrees 38 Minutes 30 Seconds East, a distance of 3909.94 feet to the POINT OF BEGINNING and containing 90.89 acres of land, more or less.

### **Tract 4**

Being a 736.71 acre tract of land out of the Jose Salvador de la Garza Survey, Abstract No. 2, Cameron County, Texas and being out of the Espiritu Santo Grant, Shares 19 and being all of that certain called 95.34 acre tract of land conveyed to El Principio, LLC as recorded in Volume 12687, Page 316, Official Records, Cameron County, Texas (O.R.C.C.T.) and being all of that certain called 229.54 acre tract of land conveyed to El Principio, LLC as recorded in Volume 10851, Page 260, (O.R.C.C.T.) being all of that certain called 400.00 acre tract of land conveyed to Pembel Investments, L.P. and recorded in Volume 10585, Page 50 (O.R.C.C.T.) being all of that tract of land conveyed to Juan Tomas Rodriguez and recorded in Volume 10334, Page 117 (O.R.C.C.T.) and being all of that tract of land conveyed to Juan Galindo Nava and Maria de Jesus Nava

and recorded in Volume 9894, Page 196 (O.R.C.C.T.) and being more particularly described as follows:

Beginning at the northeast corner of said 95.34 acre tract;

THENCE South 03 Degrees 32 Minutes 07 Seconds West, a distance of 933.97 feet;  
THENCE South 03 Degrees 33 Minutes 19 Seconds West, a distance of 3559.12 feet;  
THENCE South 03 Degrees 33 Minutes 19 Seconds West, a distance of 5468.64 feet;  
THENCE North 85 Degrees 57 Minutes 06 Seconds West, a distance of 3209.94 feet;  
THENCE North 04 Degrees 02 Minutes 58 Seconds East, a distance of 2584.82 feet;  
THENCE North 85 Degrees 56 Minutes 58 Seconds West, a distance of 1061.42 feet;  
THENCE North 04 Degrees 02 Minutes 58 Seconds East, a distance of 200.00 feet; THENCE  
North 85 Degrees 56 Minutes 58 Seconds West, a distance of 435.05 feet; THENCE North 04  
Degrees 01 Minutes 47 Seconds East, a distance of 30.00 feet; THENCE South 85 Degrees 56  
Minutes 58 Seconds East, a distance of 1496.48 feet; THENCE North 04 Degrees 02 Minutes  
58 Seconds East, a distance of 2653.62 feet; THENCE North 04 Degrees 02 Minutes 58  
Seconds East, a distance of 1620.14 feet; THENCE North 04 Degrees 02 Minutes 58 Seconds  
East, a distance of 1015.98 feet; THENCE North 85 Degrees 56 Minutes 12 Seconds West, a  
distance of 1061.23 feet; THENCE North 04 Degrees 00 Minutes 31 Seconds East, a distance  
of 199.97 feet; THENCE North 85 Degrees 56 Minutes 12 Seconds West, a distance of  
435.10 feet; THENCE North 04 Degrees 02 Minutes 10 Seconds East, a distance of 30.03  
feet; THENCE South 85 Degrees 56 Minutes 12 Seconds East, a distance of 1496.48 feet;  
THENCE North 04 Degrees 02 Minutes 58 Seconds East, a distance of 526.63 feet; THENCE  
North 00 Degrees 06 Minutes 58 Seconds West, a distance of 435.08 feet; THENCE North 04  
Degrees 02 Minutes 58 Seconds East, a distance of 667.34 feet; THENCE South 85 Degrees  
55 Minutes 54 Seconds East, a distance of 3155.30 feet to the POINT OF BEGINNING and  
containing 736.71 acres of land, more or less.

#### **Tract 5**

Being a 64.75 acre tract of land out of the Jose Salvador de la Garza Survey, Abstract No. 2, Cameron County, Texas and being out of the Espiritu Santo Grant, Shares 12 and being all of that certain called 64.72 acre tract of land conveyed to T. W. and Associates, as recorded in Volume 13579, Page 206, Official Records, Cameron County, Texas and being more particularly described as follows:

BEGINNING at the northeast corner of said 64.75 acre tract;

THENCE South 05 Degrees 45 Minutes 28 Seconds West, a distance of 2712.17 feet;  
THENCE North 81 Degrees 55 Minutes 28 Seconds West, a distance of 1053.38 feet;  
THENCE North 05 Degrees 45 Minutes 28 Seconds East, a distance of 2646.91 feet;  
THENCE South 85 Degrees 28 Minutes 32 Seconds East, a distance of 1052.76 feet to the  
POINT OF BEGINNING and containing 64.75 acres of land, more or less.

**Exhibit 2 Cameron Wind I**  
**Schedule of Company Performances by Year of Operation**

Year	Permanent Jobs	Construction Jobs	Wages Paid p/Job	Improvement Values	Pers. Property Value	Sales Taxes	Permit Fees
	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.
2015	10	200	45,000	20,529,600	147,214,173	500,000	100,000
2016	10	0	45,000	19,503,120	139,853,464	100,000	0
2017	10	0	45,000	18,527,964	132,860,791	100,000	0
2018	10	0	45,000	17,601,566	126,217,752	100,000	0
2019	10	0	45,000	16,721,488	119,906,864	100,000	0
2020	10	0	45,000	15,885,413	113,911,521	100,000	0
2021	10	0	45,000	15,091,142	108,215,945	100,000	0
2022	10	0	45,000	14,336,585	102,805,148	100,000	0
2023	10	0	45,000	13,619,756	97,664,890	100,000	0
2024	10	0	45,000	12,938,768	92,781,646	100,000	0



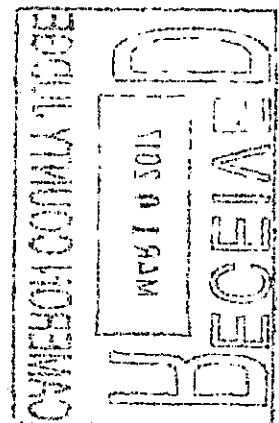
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Padding cell	

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Deletions	112
Moved from	7
Moved to	7
Style change	0
Format changed	0
Total changes	229

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CAMERON COUNTY JUDGE