

RESOLUTION NO. 2012-11-96

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE ECONOMIC DEVELOPMENT AGREEMENT(S) WHICH IS ATTACHED HERETO AS EXHIBIT A PURSUANT TO CHAPTER 380, TEXAS LOCAL GOVERNMENT CODE, BY AND BETWEEN THE CITY OF LANCASTER AND QUAKER SALES & DISTRIBUTION, INC. (“QUAKER”); PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Quaker is a leading distributor of food and beverage products; and

WHEREAS, Quaker desires to lease certain real property and improvements located in the ProLogis 20/35 Park, in the City of Lancaster, Texas (hereinafter defined as the “Premises”), and construct improvements thereon for distribution uses for a period of at least ten (10) years; and

WHEREAS, Quaker’s development of the Premises will provide employment opportunities within the City; and

WHEREAS, the location of Quaker on the Premises will result in a significant capital investment, and Quaker will maintain Tangible Personal Property on the Premises with an estimated minimum value of at least \$20,000,000.00 during the term of this Agreement; and

WHEREAS, Quaker has advised the City that a contributing factor that would induce Quaker to lease a location in the Premises would be an agreement by the City to provide an economic development grant to Quaker; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to Quaker in accordance with this Agreement is in accordance with the City Economic Development Program and will: (i) further the objectives of the City; (ii) benefit the City and the City’s inhabitants; and (iii) will promote local economic development and stimulate business and commercial activity in the City; and

WHEREAS, City desires to authorize the City Manager to negotiate and enter into an Economic Development Agreement with Quaker pursuant to Chapter 380 of the Texas Local Government Code.

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

SECTION 1. That the City Manager is hereby authorized to execute an Economic Development Agreement, which is attached hereto and incorporated herein as Exhibit A, pursuant to Chapter 380 of the Texas Local Government Code (and any amendments thereto, including any related instruments), on behalf of the City of Lancaster, Texas, with Quaker Sales & Distribution, Inc. (and its affiliated and related entities).


SECTION 2. That all provisions of the resolutions of the City of Lancaster, Texas, in conflict with the provisions of this resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this resolution shall remain in full force and effect.

SECTION 3. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this resolution be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said resolution which shall remain in full force and effect.

SECTION 4. This resolution shall take effect immediately from and after its passage, as the law and charter in such cases provide.

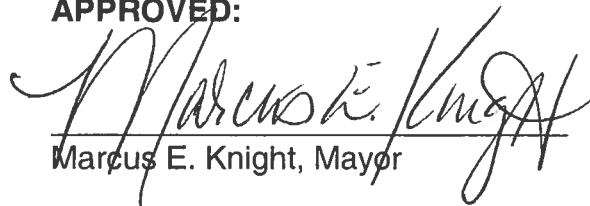
DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 12th day of November 2012.

ATTEST:



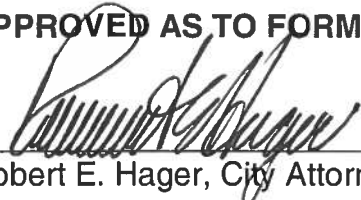
Dolle K. Downe, City Secretary

APPROVED:



Marcus E. Knight, Mayor

APPROVED AS TO FORM:



Robert E. Hager, City Attorney

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Economic Development Agreement

This Economic Development Agreement (“Agreement”) is made by and between the City of Lancaster, Texas (“City”), and Quaker Sales & Distribution, Inc., a Delaware corporation, (the “Company”), acting by and through their respective authorized representatives.

WITNESSETH:

WHEREAS, the Company is under contract to lease certain real property and improvements located in the ProLogis 20/35 Park, in the City of Lancaster, Texas, and being more particularly described in Exhibit “A” (the “Property”); and

WHEREAS, the Company intends to lease the Premises, renovate one or more of the existing improvements located on the Premises and construct new improvements and related facilities and infrastructure for a food and beverage distribution center (the “Project”); and

WHEREAS, the Company has advised the City that a contributing factor that would induce the Company to undertake the Project would be an agreement by the City to provide an economic development grant to the Company to defray a portion of the costs of acquisition, installation and maintenance of certain Tangible Personal Property (hereinafter defined); and

WHEREAS, the City desires to encourage business expansions within the City that will add property tax base and generate additional sales tax and other revenue for the City; and

WHEREAS, the promoting the expansion of new or existing businesses within the City will promote economic development, stimulate commercial activity, generate additional sales tax and will enhance the Premises tax base and economic vitality of the City; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to the Company in accordance with this Agreement is in accordance with the City Economic Development Program and will: (i) further the objectives of the City; (ii) benefit the City and the City’s inhabitants; and (iii) will promote local economic development and stimulate business and commercial activity in the City.

NOW THEREFORE, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Article I
Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Annual Grant(s)” shall mean annual economic development grants to be provided by the City in an amount equivalent to fifty percent (50%) ad valorem taxes assessed against the Tangible Personal Property for a given tax year for a period of ten (10) consecutive tax years beginning with the first calendar year following the Commencement Date, to be paid as set forth herein.

“Casualty” shall mean the Improvements are wholly or partially destroyed by fire, tornado, hurricane, earthquake, flood or similar casualty that renders the Improvements unfit for the intended purpose.

“City” shall mean the City of Lancaster, Texas.

“Commencement Date” shall mean the later of (a) January 1 of the calendar year immediately following the date a certificate of occupancy is issued by the City for the Company’s occupancy of the improvements; and (b) January 1, 2014.

“Company” shall mean Quaker Sales & Distribution, Inc., a Delaware corporation.

“Company Affiliate” shall mean any parent of Company or any wholly-owned subsidiary of either Company or of Company’s parent.

“Effective Date” shall mean the last date of execution hereof.

“Event of Bankruptcy or Insolvency” shall mean the dissolution or termination of a party’s existence as a going business, insolvency, appointment of receiver for any part of such party’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Event of Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or

inaction (unless caused by the intentionally wrongful acts or omissions of the party), fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns or work stoppages.

“Expiration Date” shall mean ninth (9th) year after the payment of the first Annual Grant.

“Freeport Goods” shall have the same meaning as assigned by Section 11.251 of the Tax Code and Article VIII, Section 1-j of the Texas Constitution and located on the Premises. Freeport Goods does not include “Goods in Transit” as defined by Tax Code, Section 11.253.

“Goods in Transit” shall have the same meaning assigned by Tax Code, Section 11.253.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on the Company or any property or any business owned by Company within the City.

“Premises” shall mean the real property described on Exhibit “A.”

“Payment Request” shall mean a written request from Company to the City for payment of an Annual Grant.

“Project” shall mean the development of the Premises, renovation of existing improvements located on the Premises and the construction of new improvements and related facilities and infrastructure for the operation of a product distribution center.

“Required Use” shall mean Company’s continuous occupancy of the Improvements and the Company’s continuous operation of a product distribution center on the Premises.

“Tangible Personal Property” shall have the same meaning assigned by Tax Code, Section 1.04 and shall mean all tangible personal property, equipment, fixtures, and machinery, including inventory and supplies, owned or leased by the Company and located on the Premises at the Project on January 1 of each applicable tax year, as reported to the City by Company on an annual basis.

“Taxable Value” shall mean the assessed value of Tangible Personal Property as certified by the appraisal district, or its successor, for a given year.

Article II Term

The term of this Agreement shall begin on the last date of execution hereof (the "Effective Date") and end on the tenth (10th) anniversary of the date of issuance by the City of a final certificate of occupancy for the Project.

Article III Economic Development Grants

3.1 **Annual Grants.** Subject to the Company's continued satisfaction of all the terms and conditions of this Agreement, the City agrees to provide the Company with the Annual Grants to be paid on March 1 of each calendar year, (or the immediately following business day if March 1 is not a business day), beginning with March 1 of the first full calendar year following the Commencement Date, provided the City has timely received the ad valorem taxes assessed against the Tangible Personal Property in full for the respective tax year (i.e., the tax year immediately preceding the year in which an Annual Grant is made; and such ad valorem taxes with respect to that immediately preceding tax year are used to determine the amount of each Annual Grant). For illustration purposes only, assume that the ad valorem taxes assessed against the Tangible Personal Property for tax year 2013 is \$10,000.00 then the amount of the first Annual Grant for the Tangible Personal Property for Tax Year 2013 would be, \$5,000.00 (\$10,000.00 x 50%), and would be paid on March 1, 2014.

3.2 **Grant Limitations.** Under no circumstances shall City obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Further, City shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by the Company. None of the City's obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

3.3 **Current Revenue.** The Annual Grants made hereunder shall be paid solely from lawfully available funds that have been appropriated by the City; provided however the City agrees during the term of this Agreement to make a good faith effort to appropriate funds each year to pay the Annual Grant for the then ensuing fiscal year. Consequently, notwithstanding any other provision of this Agreement, the City shall have no obligation or liability to pay any Grants except as allowed by law. The City shall not be required to pay any Annual Grants if prohibited under federal or state legislation or a decision of a court of competent jurisdiction.

3.4 **Tax Protest.** In the event the Company timely and properly protests or contests (including any motion to correct the appraisal roll) the Taxable Value and/or the taxation of the Tangible Personal Property, or any portion thereof, with the applicable appraisal district (or its successor), and such protest and/or contest results in a final determination that changes the appraised value and/or the Taxable Value of the Tangible Personal Property or the amount of ad valorem taxes assessed and due for the Tangible Personal Property, or portion thereof, after an Annual Grant has been paid for such Tangible Personal Property for such tax year, the Annual

Grant for such tax year shall be adjusted (increased or decreased as the case may be) accordingly on the date of payment of the next Annual Grant payment date, or within sixty (60) business days after such determination in the event no further Annual Grant payments are due under the Agreement.

3.5 **Refunds.** In the event the City determines in its sole discretion that the amount of an Annual Grant paid by the City to the Company was incorrect, the Company shall, within sixty (60) days after receipt of written notification thereof from the City specifying the amount by which such Annual Grant exceeded the correct amount to which the Company was entitled (together with such records, reports and other information necessary to support such determination), pay such amount to the City. If the City determines that the amount by which such Annual Grant was less than the correct amount to which the Company was entitled (together with such records, reports and other information necessary to support such determination), the City shall, within sixty (60) days, pay the adjustment to the Company. If the Company disputes the City's determination, the parties shall seek to amicably resolve the matter, subject to either party's right to pursue any available rights or remedies in connection therewith.

Article IV Conditions to the Economic Development Grant

The obligation of the City to provide the Grants shall be conditioned upon the Company's continued compliance with and satisfaction of each of the terms and conditions of this Agreement and each of the conditions set forth below:

4.1 During the term of this Agreement following the Commencement Date and continuing thereafter until the Expiration Date, or earlier termination, the Company agrees to continuously lease and occupy the Improvements and shall not allow the operation of the Improvements in conformance with the Required Use to cease for more than sixty (60) days except in connection with, and to the extent of a Casualty or an Event of Force Majeure.

4.2 The Company shall maintain the lease of the Premises.

4.3 The Company shall not have an uncured breach or default of this Agreement.

4.4 The Company shall comply with all the terms and conditions of this Agreement.

4.5 The Company shall, for each year under this Agreement, maintain a minimum of \$twenty million dollars (\$20,000,000) of Tangible Personal Property at the Premises.

4.6 The Company shall be in good standing by being current in payment of any and all outstanding impositions to the City.

Article V
Termination

5.1 This Agreement terminates on the Expiration Date, and may prior to the Expiration Date, be terminated upon any one or more of the following:

- (a) by mutual written agreement of the parties;
- (b) by either party, if the other party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof;
- (c) by City, if any Impositions owed to the City or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such taxes or Impositions);
- (d) by City, if Company suffers an Event of Bankruptcy or Insolvency; or
- (e) by either party if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable.

5.2 In the event the Agreement is terminated by the City pursuant to Section 5.1(b), (c), or (d), the Company shall not be entitled to receive any subsequent Annual Grants under this Agreement but shall have no obligation to refund to the City any Annual Grants (or portion thereof or interest accrued thereon) previously paid by the City to the Company.

5.3 In the event the Agreement is terminated by the City pursuant to Section 5.1(e), the Company shall, only if such legislation or court decision requires, immediately refund to the City an amount equal to the annual Grant(s) paid by the City to the Company immediately preceding the date of such termination. The repayment obligation of Company set forth in this section 5.3 hereof shall survive termination.

Article VI
Miscellaneous

6.1 **Binding Agreement.** The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the parties hereto.

6.2 **Limitation on Liability.** It is understood and agreed between the parties that the Company and City, in satisfying the conditions of this Agreement, have acted independently, and the City assumes no responsibilities or liabilities to third parties in connection with these actions.

6.3 **No Joint Venture.** It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the parties.

6.4 **Authorization.** Each party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto.

6.5 **Notice.** Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below (or such other address as such party may subsequently designate in writing) or on the day actually received if sent by courier or otherwise hand delivered.

If intended for City, to:

City of Lancaster
Attn: Opal Mauldin Robertson
City Manager
P. O. Box 940
211 North Henry Street
Lancaster, Texas 75146-0946

With a copy to:

Robert E. Hager
Nichols, Jackson, Dillard,
Hager & Smith, L.L.P
1800 Lincoln Plaza
500 North Akard
Dallas, Texas 75201

If intended for Company:

Quaker Sales & Distribution, Inc.
c/o PepsiCo Americas Beverages
One Pepsi Way
Somers, New York 10589
Attn: General Counsel

6.6 **Entire Agreement.** This Agreement is the entire Agreement between the parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the parties that in any manner relates to the subject matter of this Agreement, except as provided in any Exhibits attached hereto.

6.7 **Governing Law.** The Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Agreement shall be in the State District Court of Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said court.

6.8 **Amendment.** This Agreement may only be amended by the mutual written agreement of the parties.

6.9 **Legal Construction.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or

unenforceable.

6.10 **Exhibits.** All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

6.11 **Successors and Assigns.** This Agreement may not be assigned without the City's prior written consent, except to a Company Affiliate. Neither the Company nor its legal representatives or successors in interest shall, by operation of law or otherwise, assign, mortgage, pledge, encumber or otherwise transfer this Agreement or any part hereof, or the interest of the Company under this Agreement in either case except to a Company Affiliate, without obtaining the City's prior written consent, which may be given or withheld in the City's sole discretion. Any attempted assignment by the Company, except to a Company Affiliate, in violation of the terms and provisions of this Agreement shall be void and shall constitute a material breach of this Agreement.

6.12 **Recitals.** The recitals to this Agreement are incorporated herein.

6.13 **Counterparts.** This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

6.14 **Survival of Covenants.** Any of the representations, warranties, covenants, and obligations of the parties, as well as any rights and benefits of the parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

6.15 **Conditions Precedent.** This Agreement is subject to and conditioned upon the following conditions which are conditions precedent to the obligations of the parties: (i) Company shall diligently and faithfully, in a good and workmanlike manner, make or cause its landlord to make finish out improvements to the Premises in accordance with all applicable state and local laws and regulations or a valid waiver thereof; (ii) Company shall execute a minimum ten (10) year lease agreement; and (iii) Company shall obtain a Certificate of Occupancy for the Premises.

Signature page to follow

EXECUTED on this 12th day of November, 2012.

CITY OF LANCASTER, TEXAS

By: Opal Mauldin Robertson
Opal Mauldin Robertson, City Manager

Attest:

By: Dolle K. Downe
Dolle Downe, City Secretary

Approved as to Form:

By: Robert E. Hager
Robert E. Hager, City Attorney

EXECUTED on this 1st day of Nov, 2012.

QUAKER SALES & DISTRIBUTION, INC.

By: Jeff Randolph
Jeff Randolph
Vice President

EXHIBIT A

LEGAL DESCRIPTION

BEING a 78.52 acre tract of land situated in the Nathan P. Pierce Survey, Abstract Number 1132, City of Lancaster, Dallas County, Texas, and being part of Lot 3, Block 1 of PROLOGIS PARK 20/35, an addition to the City of Lancaster recorded in Instrument Number 20080048828 of the Deed Records of Dallas County, Texas (D.R.D.C.T.) and being part of that called 17.50 acre tract of land described as "Tract No. 2" and being part of that called 49.741 acre tract of land described as "Tract No. 3" in Partition Deed to Leila Edith Penn, as recorded in Volume 88010, Page 1250, D.R.D.C.T., as affected by Revocation of Trust and Reconveyance to Trustors Deed, as recorded in Volume 88023, Page 4372, D.R.D.C.T., and being more particularly described as follows:

COMMENCING at a 1/2-inch iron rod with yellow plastic cap stamped "HALFF" (hereinafter referred to as "with cap") found for the intersection of the east right-of-way line of Houston School Road (a called 100-foot wide right-of-way) with the south right-of-way line of Danieldale Road (a variable width right-of-way at this point) as described in Exhibit "A" of Cause No. cc-02-10579-E of the County Court Records of Dallas County, Texas, said corner also being on the common north line of said "Tract No. 3" and the south line of said "Tract No. 2", same being the common northeast corner of that tract of land described in Right-of-Way Deed to the County of Dallas, as recorded in Volume 96048, Page 4943, D.R.D.C.T. and southeast corner of that tract of land described in Right-of-Way Deed to the County of Dallas, as recorded in Volume 96048, Page 4968, D.R.D.C.T.;

THENCE North 88 degrees 15 minutes 58 seconds East, along said common line and said south right-of-way line of Danieldale Road, a distance of 13.35 feet to a 1/2-inch iron rod with cap found for corner;

THENCE departing said common line and over and across said "Tract No. 2" and along the said south right-of-way line of Danieldale Road the following bearing and distances:

North 43 degrees 47 minutes 08 seconds East, a distance of 16.48 feet to a 1/2-inch iron rod with cap found for corner;

North 88 degrees 47 minutes 26 seconds East, a distance of 296.84 feet to a 1/2-inch iron rod with cap found for the point of curvature of a non-tangent circular curve to the left having a radius of 300.00 feet, whose chord bears North 81 degrees 13 minutes 50 seconds East, a distance of 95.13 feet;

Northeasterly, along said curve, through a central angle of 18 degrees 14 minutes 43 seconds, an arc distance of 95.53 feet to a 1/2-inch iron rod with cap found for the point of curvature of a tangent circular curve to the right having a

radius of 500.00 feet, whose chord bears North 75 degrees 44 minutes 01 seconds East, a distance of 63.24 feet;

Northeasterly, along said curve, through a central angle of 07 degrees 15 minutes 05 seconds, an arc distance of 63.28 feet to a 1/2-inch iron rod with cap found for the point of curvature of a tangent circular curve to the left having a radius of 1,465.00 feet, whose chord bears North 72 degrees 51 minutes 15 seconds East, a distance of 331.96 feet;

Northeasterly, along said curve, through a central angle of 13 degrees 00 minutes 39 seconds, an arc distance of 332.67 feet to a point for the point of curvature of a non-tangent circular curve to the left having a radius of 1,465.00 feet, whose chord bears North 62 degrees 36 minutes 38 seconds East, a distance of 191.03 feet said point also being the POINT OF BEGINNING of the herein described tract;

Northeasterly, along said curve, through a central angle of 07 degrees 28 minutes 35 seconds, an arc distance of 191.17 feet to a 1/2-inch iron rod with cap found for corner;

North 58 degrees 52 minutes 20 seconds East, a distance of 359.50 feet to 1/2-inch iron rod with cap found on the north line of said "Tract No. 2", and for the northeast corner of said Cause No. cc-02-10579-E;

THENCE North 88 degrees 45 minutes 41 seconds East, departing said common line and along the said north line of "Tract No. 2", a distance of 0.20 feet to a point for most westerly northwest corner of said Lot 3 on the south right-of-way line of said Danieldale Road as shown on said plat of Prologis Park 20/35;

THENCE North 58 degrees 47 minutes 02 seconds East, along the common north line of said Lot 3 and said south right-of-way line of Danieldale Road, a distance of 1,179.33 feet to 1/2-inch iron rod found for the point of curvature of a tangent circular curve to the left having a radius of 635.00 feet, whose chord bears North 30 degrees 50 minutes 23 seconds East, a distance of 595.14 feet;

THENCE Northeasterly, continuing along said common line and along said curve, through a central angle of 55 degrees 53 minutes 19 seconds, an arc distance of 619.40 feet to a 1/2-inch iron rod with cap found for corner;

THENCE South 88 degrees 44 minutes 26 seconds East, departing said common line and over and across said Lot 3, a distance of 54.27 feet to a point for corner;

THENCE South 31 degrees 09 minutes 03 seconds East, continuing over and across said Lot 3, a distance of 1,578.12 feet to a point on the north right-of-way line of Cedardale Drive same being the north line of a 22-foot right-of-way dedication as shown

on said plat of Prologis Park 20/35, said corner also being on the south line of said Lot 3;

THENCE South 59 degrees 06 minutes 19 seconds West, along the common said north right-of way line of said Cedardale Drive and said south line of Lot 3, a distance of 404.51 feet to a 1/2-inch iron rod with cap found for corner;

THENCE South 58 degrees 53 minutes 07 seconds West, continuing along said common line, a distance of 1,055.41 feet to a 1/2-inch iron rod with cap found for the southwest corner of said Lot 3, said corner also being on the east line of said "Tract No. 3";

THENCE over and across said "Tract No. 3" and along the north line of a proposed 22-foot wide dedication for Cedardale Drive right-of-way the following bearings and distances:

South 58 degrees 44 minutes 48 seconds West, a distance of 770.34 feet to a point for the point of curvature of a tangent circular curve to the right having a radius of 352.08 feet, whose chord bears South 73 degrees 42 minutes 48 seconds West, a distance of 181.85 feet;

Southwesterly, along said curve, through a central angle of 29 degrees 56 minutes 00 seconds, an arc distance of 183.94 feet to a point for corner;

South 88 degrees 40 minutes 48 seconds West, a distance of 249.55 feet to a point for corner;

THENCE North 31 degrees 09 minutes 03 seconds West, departing said proposed north line and continuing over and across said "Tract No. 3", a distance of 608.89 feet to a point for corner;

THENCE North 01 degree 12 minutes 33 seconds West, continuing over and across said "Tract No. 3", a distance of 644.39 feet to the POINT OF BEGINNING AND CONTAINING 3,420,430 square feet or 78.52 acres of land, more or less.

The Basis of Bearings is the most southerly west line of Prologis Park 20/35, an addition to the City of Lancaster, as recorded in Document Number 20080048828 of the Official Public Records of Dallas County, Texas.

ACKNOWLEDGMENT

STATE OF TEXAS §
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COUNTY OF DALLAS §

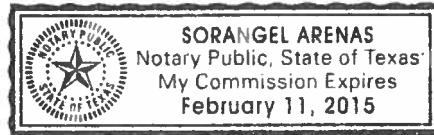
BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Opal Mauldin Robertson City Manager of the City of Lancaster, a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the 12th day of November, 2012.

Sorangel Arenas

Notary Public, State of Texas

My Commission Expires:
2-11-15



ACKNOWLEDGMENT

STATE OF NY
COUNTY OF Westchester

BEFORE ME, the undersigned authority, a Notary Public in and for the State of New York, on this day personally appeared Jeff Randolph, Vice President of Quaker Sales & Distribution, Inc., a Delaware corporation, known to me to be the person and agent whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said corporation, and that he executed the same as the act of said corporation for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND SEAL OF OFFICE this the 1st day of November, 2012.


Notary Public, State of ~~Texas~~ New York

My Commission Expires:

LUCREZIA CASABIANCA
Notary Public, State of New York
No: 01CA6225497
Qualified in Putnam County
Commission Expires July 19, 2014