

**Tax Increment Reinvestment Zone Number Fifteen,
City of Fort Worth, Texas
(Stockyards/Northside TIF)**

Project Plan and Financing Plan

Prepared for

The City of Fort Worth

July 15, 2015

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I. TAX INCREMENT FINANCING OVERVIEW

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Tax increment financing (“TIF”) is a tool Texas local governments use to finance public improvements within a defined area. These improvements are intended to promote development or redevelopment in the defined area and surrounding areas. The statute governing tax increment financing is codified in Chapter 311 of the Texas Tax Code (the “Tax Code”). Chapter 311 is often referred to as the Tax Increment Financing Act and it allows municipalities to create “reinvestment zones” within which various public improvements can be undertaken.

A municipality makes an area eligible for tax increment financing by designating a reinvestment zone. Essentially, for the City to initiate the designation of an area as a reinvestment zone, the area must 1) substantially arrest or impair the sound growth of the municipality creating the zone, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition; or 2) be predominately open and, because of obsolete platting, deterioration of structure or site improvements, or other factors, substantially impair or arrest the sound growth of the municipality; or 3) be in a federally assisted new community located in the municipality or adjacent to such property.

At the time an area is designated a reinvestment zone for tax increment financing, the existing total taxable value of real property in the zone is identified and designated as the “base value.” All taxing units that levy taxes in the zone during the life of the TIF will continue to receive the tax revenues derived from the “base value.”

As new development is added to the tax rolls within the TIF area, total assessed valuations rise. This rise in new value is measured annually and is called the “captured appraised value”. The taxes that are collected by the participating taxing jurisdictions on the incremental increase between the original “base value” and the current year’s “captured appraised value” is the “tax increment”. Each taxing unit choosing to participate in the TIF will agree to deposit a portion or all of the taxes generated from the “tax increment” into a TIF fund administered by a TIF Board that is appointed by the local taxing units.

The TIF Board uses the tax increment to make public improvements in the area to attract private development that would not otherwise occur or that may not occur until a much later date. Additionally, the TIF Board may enter into development agreements to participate in new development or redevelopment.

The TIF District ends on the earlier of 1) the termination date contained in the ordinance establishing the zone or 2) the date on which all project cost have been paid in full. Any revenues remaining in the TIF fund after the dissolution of the TIF are returned pro rata to each participating taxing unit.

II. THE PROJECT PLAN

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The City Council recognizes the historical and economic importance of the Fort Worth Stockyards and surrounding neighborhoods, the growth and vitality of which is impeded by inadequate infrastructure and pockets of persistent blight, and is committed to the preservation and enhancement of the Greater Stockyards Area through strategic investment and the attraction of compatible development.

The Project Plan of the TIF is intended to address certain challenges that are common to the area encompassed by the TIF through public improvements that may include, in general, road improvements, rail crossings or overpasses, public water and sewer line improvements, demolition and environmental remediation, streetscaping and pedestrian improvements, public parking infrastructure, and certain public amenities.

In general, the TIF Plan contemplates that prospective developers of properties located within the TIF may fund portions of public infrastructure associated with development opportunities utilizing financial support from the TIF Board through development agreements that provide for reimbursement of eligible expenses for these developments. It is also anticipated that the TIF Board may undertake certain public improvement projects once sufficient tax increment is available in an effort to further enhance the area, thereby making it more attractive to new development and redevelopment.

Projects will qualify for assistance by the use of TIF funds if those projects meet at least one of the criteria outlined below. Qualifying for assistance does not mean that the project will automatically receive TIF assistance. Only projects in which the TIF Board has approved participation by the use of TIF funds through a development agreement will receive assistance.

- Mixed-use (within a single building)
- Projects that lead to direct job creation
- Adaptive reuse of an existing building
- Transit-oriented development
- Board-approved streetscape improvements
- Redevelopment along major commercial corridors
- Historic preservation or restoration
- Transportation improvements that substantially enhance the accessibility of and mobility within the area
- Mixed-income housing
- Board-approved public amenities (for example, public plazas, improved public access to public areas such as Marine Creek, or gateway enhancements at prominent locations along major corridors)
- Creates or improves pedestrian linkages.

A. DESCRIPTION OF THE ZONE

The reinvestment zone outlined by this Project Plan and Financing Plan (“the Plan”) is located in the northern area of Fort Worth, Texas and encompasses property that is generally bounded by Northwest 30th Street on the northernmost boundary, Interstate Highway 35 Frontage road on the easternmost boundary, North Grand Avenue on the southernmost boundary, and Clinton Avenue on the westernmost boundary. This area includes major intersections such as N. Main & 28th St. and N. Main & Northside Dr. and it includes the Historic Fort Worth Stockyards district.

A map of the boundary and the legal description of the area are contained in exhibits at the end of this document, as are maps of the existing uses and property values.

B. PROPOSED CHANGES TO CURRENT ORDINANCES AND CODES

It is anticipated that the City of Fort Worth will establish an urban design district or adopt a similar ordinance affecting zoning or building form (“design standards”) to ensure that new development in the Stockyards area is compatible with existing architecture and that the historic western character and heritage of the Fort Worth Stockyards is preserved. While viewed as consistent with the aims of the TIF, the establishment of design standards within the zone is not prompted or necessitated by the establishment of the TIF.

C. ESTIMATED PRIVATE INVESTMENT (NON-PROJECT COSTS)

Private investment of up to \$185 million is anticipated to occur in one area of the zone in association with the Fort Worth Stockyards Heritage Project. It is estimated that additional private investment, spurred by the creation of the TIF District and the planned project, will reach approximately \$200 million over the 20-year term.

D. METHOD OF RELOCATING DISPLACED PERSONS

No person shall be displaced as a result of implementing the Plan.

III. THE FINANCING PLAN

A. ECONOMIC FEASIBILITY OF THE ZONE

i. Increased Tax Base

The following economic impact analysis is based on anticipated development plans within the proposed TIF district and the opportunities that exist to capture tax increment due to a significant number of low appraised values in the area.

The success of any TIF is predicated on the increase in value of the appraised real property so that tax increment may be captured. This tax increment can then be used to make infrastructure improvements in an effort to attract new growth and in this particular case, promote redevelopment opportunities. With that in mind, initiating this TIF zone in 2014 is important so that the TIF District can be in place to assist and enhance planned private investment that may begin as soon as 2015. The Fort Worth Stockyards Heritage Project, which may one day encompass more than 1 million square feet of mixed-use redevelopment and new development has the potential of serving as a catalyst that may initiate the redevelopment of the overall area. Creation of the TIF zone will provide a tool that will lend support to the catalyst project as well as provide impetus to the private sector to invest in the area. The planned project as well as discussions concerning other potential development in the area will ensure the TIF District's success by providing needed increment from which projects can be funded to further support overall redevelopment. This will not only enhance the success and impact of new development in and near the Historic Fort Worth Stockyards, but will enable public improvements that can support the cultivation of new development opportunities at sites that are presently blighted, challenged by inadequate infrastructure or that have experienced suppressed property values.

With the designation of the proposed 925-acre TIF, it is anticipated that the area within and surrounding the TIF will experience certain increases in value as the project improvements are completed. Potential development is expected to include commercial, retail, restaurants, entertainment, and residential uses. With regard to the revenue projections that have been developed for this plan, a 1.5 percent annual growth rate has been utilized for the initial four years which then accelerates to a 2.5 percent annual growth rate for the remainder of the TIF. Additionally, an approximate \$147 million in improvements to properties currently identified as being favorably positioned for new development have been incorporated into the projections. It is also anticipated that within the twenty-year term, the TIF will be capable of supporting additional major development similar to that which is currently planned by the Fort Worth Stockyards Heritage Project. The incremental value of such development has been incorporated into the projections for the TIF.

As a result of the anticipated improvements described above, it is estimated that the TIF increment will generate approximately \$40 million if the City, County, Tarrant Regional Water District and Tarrant County College District each choose to participate by designating 50% of their tax increment.

ii. Increased Retail and Commercial Business

Based on current land uses and potential investment, the TIF will develop with approximately 123 acres of the developable area becoming new or redeveloped mixed-use, retail and commercial business.

iii. Employment Opportunities

In addition to the jobs created during construction of the project improvements, it is expected that the future development of the zone resulting from the private project improvements will generate a wide variety of additional employment opportunities.

B. PROPOSED PROJECTS AND IMPROVEMENTS

The redevelopment within the Stockyards/Northside TIF will consist of a combination of public improvements and private investment projects. These improvements will provide a “foundation for development” to encourage and support the long-term public needs of the neighborhood and secure mixed-use, economic growth opportunities in the Greater Stockyards Area.

i. Initial Improvements

The initial improvements contemplated in the Stockyards/Northside TIF include public infrastructure (e.g. water, sewer, drainage, roads, sidewalks, etc) associated with mixed-use and commercial development. In addition, demolition, environmental remediation, and all expenses allowable under the Tax Increment Financing Act are contemplated as needed for areas of the TIF zone identified as ripe for new or redevelopment.

The improvements undertaken by the TIF will support eligible Board-approved projects as listed in the Project Plan and will include, but not be limited to the types of improvements described below:

- Road and Access Improvements - Street, traffic, utility, drainage and other public infrastructure projects within the TIF boundaries, including projects that improve access to and from the TIF area, such as rail crossings or rail overpasses.
- Public Infrastructure Improvements - Public water and sewer line improvements, electric utility improvements, demolition and environmental remediation projects within TIF boundaries.
- Streetscaping and Pedestrian Improvements – Landscaping and sidewalk improvements, installation of pedestrian lighting, benches and wayfinding signage as well as other improvements within the public right-of-way that enhance the pedestrian experience.
- Public Parking Infrastructure (surface or structured) – Construction of new parking facilities or improvements to existing parking facilities that dedicate spaces for use by the general public.
- Public Amenities - Improved public access to or public use of Marine Creek, gateway improvements at key entry points of the Greater Stockyards Area, public plazas or similar public improvements that support development and redevelopment within TIF boundaries

- Demolition and Environmental Remediation – Demolition of existing structures or improvements at, above or below grade in association with Board-approved projects as listed in the Project Plan and site improvements that address existing conditions that pose concerns to the environment or public health.
- Historic Façade Preservation and Restoration – Improvements to the exterior façade of buildings that are designated (i) Historic Significant Endangered (“HSE”) or (ii) as Historic and Cultural Landmark (“HC”) by the City or, as a condition precedent to receipt of funding, will be designated as such upon completion of the designation process.
- Administrative Expenses

ii. Future Improvements

There are no future projects contemplated during the term of the TIF. However, the City Council reserves the right to consider amendments to the Plan if subsequent projects are identified by the TIF Board as appropriate and eligible for tax increment funding.

iii. Economic Development Program Grants (Chapter 380 Agreements)

The Board is authorized to enter into economic development program grants pursuant to Chapter 380 of the Texas Local Government Code (“Chapter 380 Agreements”) for projects located within the boundaries of the TIF as authorized by and in accordance with Section 311.010(h) of the Texas Tax Code, if one of the following two criteria is met:

- The Chapter 380 Agreement supports a project that will utilize Federal and/or State historic tax credits and the financing of the project is demonstrated to be contingent on the use of those credits; or
- The Chapter 380 Agreement supports a project that is located on a property owned by any of the taxing entities participating in the TIF.

C. TAX INCREMENT REVENUE PROJECTIONS

i. Bonded Indebtedness

No bonded indebtedness is expected to be incurred with respect to any of the project improvements.

ii. Projection of Revenues

This section outlines the estimated zone tax increment. The zone tax increment will depend on many factors, including (a) the base value of real property in the zone subject to property tax; (b) captured appraised value; (c) annual growth of the zone's taxable real property (which largely depends on private growth within the zone); (d) participation by tax units; (e) tax rates; (f) collection rates; and (g) the term of the zone. Each of these factors is discussed in turn.

(a) Taxable Appraised Value for 2014 (the Base Value). Table 1 sets forth the total taxable appraised value of property in the zone (estimated to be \$171,822,838), which is anticipated to be the zone's base value.

(b) Captured Appraised Value. Table 1 sets forth the estimated total appraised value of property in the zone over the life of the TIF (estimated to be approximately \$808,347,140 in year 2034).

(c) Expected Annual Growth of the Zone's Taxable Real Property. The estimated captured appraised value (thus reflecting estimated growth of real property taxable values) of the zone for each year of its existence and the estimated tax increment to be generated annually in total and from each taxing entity is outlined on Table 1.

(d) Participation by Tax Units. Although each taxing entity has not agreed to a specific level of participation, the financial projections set forth in the Plan anticipates that the City of Fort Worth, Tarrant County, Tarrant County College, and Tarrant Regional Water District will participate in the zone, by contributing fifty percent (50%) of each entity's tax increment with respect to the zone.

(e) Projected Tax Rates. Property tax rates are assumed to remain constant.

(f) Projected Collection Rates. The Plan assumes a one hundred percent (100%) collection rate.

(g) Term of the Zone. The term of the zone will be 21 years, expiring on December 31, 2035, beginning with that zone tax increment generated by the 2015 tax appraisal and ending with that zone tax increment generated by the 2034 tax appraisal.

iii. Estimated Payment of Project Costs

Based on the assumptions and estimates set forth in the information above, it is expected that the zone tax increment will be sufficient to pay in full all project costs (including interest).

iv. Tax Exemptions Issued by Participating Taxing Entities

All taxing entities that participate in the zone shall retain the right to grant tax exemptions as permitted by applicable law to properties located in the zone for purposes including but not limited to 1) historic preservation and restoration and 2) homestead exemptions. This shall not include any form of tax abatement or grant of tax funds collected by either of the participating taxing entities without prior approval by the TIF Board pursuant to Section 311.013(f) of the Texas Tax Code.

IV. SUMMARY OF PROJECT COSTS AND FINANCING

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A. Anticipated TIF Projects

• <u>Road and Access Improvements*</u>	\$ 15,000,000
<i>(Street, traffic, utility, drainage and other public infrastructure projects within the TIF boundaries, including projects that improve access to and from the TIF area, such as rail crossings or rail overpasses)</i>	
• <u>Public Infrastructure Improvements *</u>	\$ 14,000,000
<i>(Public water and sewer line improvements, electric utility improvements, demolition and environmental remediation projects within TIF boundaries).</i>	
• <u>Streetscaping and Pedestrian Improvements *</u>	\$ 3,500,000
<i>(Landscaping and sidewalk improvements, installation of pedestrian lighting, benches and wayfinding signage as well as other improvements within the public right-of-way that enhance the pedestrian experience.)</i>	
• <u>Public Parking Infrastructure *</u>	\$ 3,500,000
<i>(Construction of new parking facilities or improvements to existing parking facilities that dedicate spaces for use by the general public.)</i>	
• <u>Public Amenities</u>	\$ 2,500,000
<i>(Improved public access to or public use of Marine Creek, gateway improvements at key entry points of the Greater Stockyards Area, public plazas or similar public improvements that support development and redevelopment within TIF boundaries.)</i>	
• <u>Historic Façade Preservation and Restoration</u>	\$ 1,000,000
<i>(Improvements to the exterior façade of buildings that are designated (i) Historic Significant Endangered (“HSE”) or (ii) as Historic and Cultural Landmark (“HC”) by the City or, as a condition precedent to receipt of funding, will be designated as such upon completion of the designation process.)</i>	
• <u>Administrative Expenses</u>	\$ 500,000
TOTAL PROJECT COSTS	\$ 40,000,000

B. Anticipated TIF Revenues

• City of Fort Worth	\$ 26,897,248
• Tarrant County	\$ 8,305,115
• Tarrant County College District	\$ 4,703,086
• Tarrant Regional Water District	\$ 629,175
TOTAL REVENUE	\$ 40,534,624

* Project costs assume interest associated with reimbursement for public improvements.

Note: The amounts outlined below are strictly estimates and do not serve as caps on any specific area. Eligible project costs not outlined above may be funded on a specific project as approved by the TIF Board.

V. TABLES

TABLE 1. TIF PROJECTIONS

		Projected									
Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	Base	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	
TAXABLE VALUE (including valuation increases)											
City of Fort Worth	\$171,822,838	174,400,181	202,016,183	205,046,426	243,122,122	249,268,954	255,507,989	269,340,608	353,380,718	368,681,428	
Hospital District	\$171,822,838	174,400,181	202,016,183	205,046,426	243,122,122	249,268,954	255,507,989	269,340,608	353,380,718	368,681,428	
TCCD	\$171,822,838	174,400,181	202,016,183	205,046,426	243,122,122	249,268,954	255,507,989	269,340,608	353,380,718	368,681,428	
TRWD	\$171,822,838	174,400,181	202,016,183	205,046,426	243,122,122	249,268,954	255,507,989	269,340,608	353,380,718	368,681,428	
Tarrant County	\$171,822,838	174,400,181	202,016,183	205,046,426	243,122,122	249,268,954	255,507,989	269,340,608	353,380,718	368,681,428	
City Percent Change from Prior Year		1.50%	15.83%	1.50%	18.57%	2.53%	2.50%	5.41%	31.20%	4.33%	
Estimated Added Residential Value (projected improvements)			25,000,000		35,000,000	500,000	500,000	2,000,000	3,000,000	2,000,000	2,000,000
Estimated Added Commercial Value (known projects)											
Estimated Added Commercial Value (projected improvements)						2,000,000	2,000,000	8,000,000	12,000,000	8,000,000	8,000,000
TAX INCREMENT VALUE INCLUDING ESTIMATED ADDED VALUES											
City of Fort Worth	2,577,343	2,577,343	30,193,345	33,223,588	71,299,284	77,446,116	83,685,151	97,517,770	181,557,880	196,858,590	
Hospital District	2,577,343	2,577,343	30,193,345	33,223,588	71,299,284	77,446,116	83,685,151	97,517,770	181,557,880	196,858,590	
TCCD	2,577,343	2,577,343	30,193,345	33,223,588	71,299,284	77,446,116	83,685,151	97,517,770	181,557,880	196,858,590	
TRWD	2,577,343	2,577,343	30,193,345	33,223,588	71,299,284	77,446,116	83,685,151	97,517,770	181,557,880	196,858,590	
Tarrant County	2,577,343	2,577,343	30,193,345	33,223,588	71,299,284	77,446,116	83,685,151	97,517,770	181,557,880	196,858,590	
REVENUES											
City of Fort Worth	11,018	11,018	129,077	142,031	304,804	331,082	357,754	416,888	776,160	841,570	
Hospital District	-	-	-	-	-	-	-	-	-	-	
TCCD	1,927	1,927	22,570	24,835	53,296	57,891	62,555	72,895	135,715	147,152	
TRWD	258	258	3,019	3,322	7,130	7,745	8,369	9,752	18,156	19,686	
Tarrant County	3,402	3,402	39,855	43,855	94,115	102,229	110,464	128,723	239,656	259,853	
REVENUES FROM PARTICIPATING ENTITIES											
Interest Generated	16,605	16,605	194,521	214,043	459,346	498,947	539,142	628,258	1,169,687	1,268,261	
TOTAL REVENUES											
			194,521	214,043	459,346	498,947	539,142	628,258	1,169,687	1,268,261	

PROJECTIONS - Stockyards TIF

Fiscal Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Termination
	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	
TAXABLE VALUE (including valuation increases)													
City of Fort Worth	464,211,650	481,174,824	503,392,447	520,943,334	571,257,484	589,826,346	613,673,741	700,378,847	715,884,530	781,622,798	808,347,140	828,555,818	
Hospital District	464,211,650	481,174,824	503,392,447	520,943,334	571,257,484	589,826,346	613,673,741	700,378,847	715,884,530	781,622,798	808,347,140	828,555,818	
TCCD	464,211,650	481,174,824	503,392,447	520,943,334	571,257,484	589,826,346	613,673,741	700,378,847	715,884,530	781,622,798	808,347,140	828,555,818	
TRWD	464,211,650	481,174,824	503,392,447	520,943,334	571,257,484	589,826,346	613,673,741	700,378,847	715,884,530	781,622,798	808,347,140	828,555,818	
Tarrant County	464,211,650	481,174,824	503,392,447	520,943,334	571,257,484	589,826,346	613,673,741	700,378,847	715,884,530	781,622,798	808,347,140	828,555,818	
City Percent Change from Prior Year	25.91%	3.65%	4.62%	3.49%	9.66%	3.25%	4.04%	14.13%	2.21%	9.18%	3.42%	2.50%	
Estimated Added Residential Value (projected improvements)	1,000,000	2,000,000	3,000,000	2,000,000	1,000,000	2,000,000	3,000,000	2,000,000	1,000,000	2,000,000	3,000,000		
Estimated Added Commercial Value (known projects)	85,000,000	8,000,000	12,000,000	8,000,000	41,500,000	8,000,000	12,000,000	75,500,000	4,000,000	53,000,000	12,000,000		
Estimated Added Commercial Value (projected improvements)	4,000,000	8,000,000	12,000,000	8,000,000	41,500,000	8,000,000	12,000,000	75,500,000	4,000,000	53,000,000	12,000,000		
TAX INCREMENT VALUE INCLUDING ESTIMATED ADDED VALUES													
City of Fort Worth	292,388,812	309,351,986	331,569,609	349,120,496	399,434,646	418,003,508	441,850,903	528,556,009	544,061,692	609,799,960	636,524,302	656,732,980	
Hospital District	292,388,812	309,351,986	331,569,609	349,120,496	399,434,646	418,003,508	441,850,903	528,556,009	544,061,692	609,799,960	636,524,302	656,732,980	
TCCD	292,388,812	309,351,986	331,569,609	349,120,496	399,434,646	418,003,508	441,850,903	528,556,009	544,061,692	609,799,960	636,524,302	656,732,980	
TRWD	292,388,812	309,351,986	331,569,609	349,120,496	399,434,646	418,003,508	441,850,903	528,556,009	544,061,692	609,799,960	636,524,302	656,732,980	
Tarrant County	292,388,812	309,351,986	331,569,609	349,120,496	399,434,646	418,003,508	441,850,903	528,556,009	544,061,692	609,799,960	636,524,302	656,732,980	
REVENUES													
City of Fort Worth	1,249,962	1,322,480	1,417,460	1,492,490	1,707,583	1,786,965	1,888,913	2,259,577	2,325,864	2,606,895	2,721,141	2,807,533	
Hospital District	-	-	-	-	-	-	-	-	-	-	-	-	
TCCD	218,561	231,241	247,848	260,868	298,577	312,458	330,284	395,096	406,686	455,825	475,802	490,908	
TRWD	29,239	30,935	33,157	34,912	39,943	41,800	44,185	52,856	54,406	60,980	63,652	65,673	
Tarrant County	385,953	408,345	437,672	460,839	527,254	551,765	583,243	697,694	718,161	804,936	840,212	866,888	
REVENUES FROM PARTICIPATING ENTITIES	1,883,715	1,993,000	2,136,137	2,249,209	2,573,358	2,692,988	2,846,624	3,405,222	3,505,117	3,928,636	4,100,808	4,231,002	
Interest Generated	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL REVENUES	1,883,715	1,993,000	2,136,137	2,249,209	2,573,358	2,692,988	2,846,624	3,405,222	3,505,117	3,928,636	4,100,808	4,231,002	

VI. EXHIBITS

EXHIBIT 1 MAP OF THE BOUNDARY

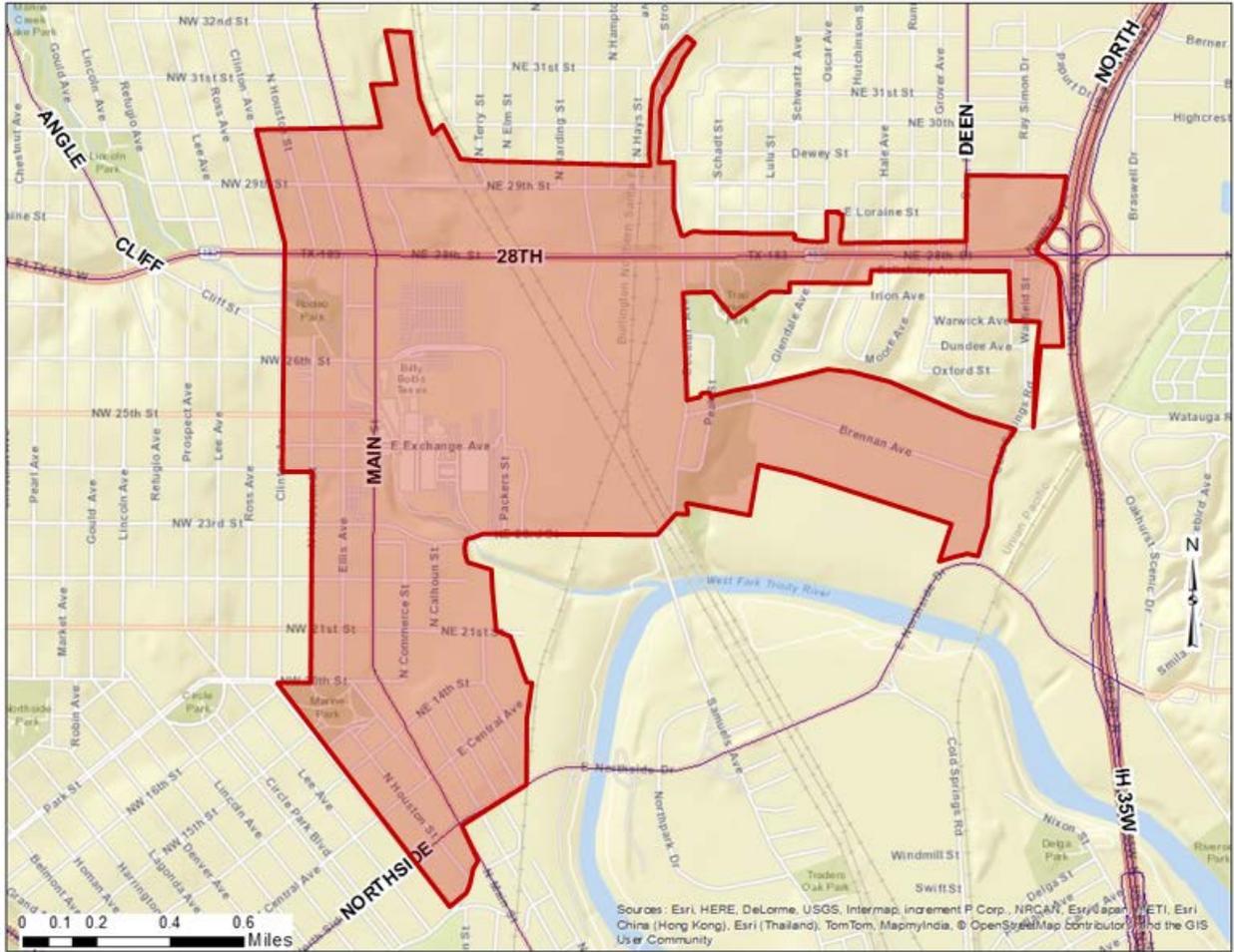


EXHIBIT 2
LEGAL DESCRIPTION OF THE TIF

A tract of land out of the J. Baugh Survey, Abstract No. 115, the J. Thomas Survey, Abstract No. 1526, the M.E. Jobe Survey, Abstract No. 886, the W.M. Gray Survey, Abstract No. 635, the M. Roddy Survey, Abstract No. 1370, the S. Gilmore Survey, Abstract No. 580, the S. Gilmore Survey, Abstract No. 590, the S.K. Smith Survey, Abstract No. 1417 and the E. Little Survey, Abstract No. 954 and being more particularly described by metes and bounds as follows:

Beginning at the intersection of the east right-of-way line of Clinton Avenue and the north right-of-way line of Grand Avenue, the most southerly corner of Lot 6A, Block 60, North Fort Worth Addition according to plat recorded in Volume 388-146, Page 6, Plat Records of Tarrant County, Texas;

Thence: bearing roughly North 40 degrees West, about 3,308.0 feet to the southerly right-of-way line of N.W. 16Th Street;

Thence: bearing roughly North 50 degrees East with said right-of-way, about 113.0 feet to its intersection with the south right-of-way line of 20Th Street;

Thence: with said right-of-way line, EAST about 287.0 feet to the east right-of-way line of Houston Street;

Thence: with said right-of-way line NORTH, about 2,619.0 feet to its intersection with the north right-of-way line of 24Th Street, the southwest corner of Lot 56, Block 19, Exchange Subdivision of Blocks 18 & 19, M.G. Ellis Addition according to plat recorded in Volume 204, Page 69, Plat Records of Tarrant County, Texas;

Thence: with said right-of-way line WEST, about 386.0 feet to its intersection with the east right-of-way line of Clinton Avenue, the southwest corner of Lot 72, Block 18 of said Subdivision;

Thence: with said right-of-way line, NORTH about 2,780.0 feet;

Thence: continuing with said right-of-way line, bearing roughly North 15 degrees West, about 1,289.0 feet to its intersection with the south right-of-way line of 30Th Street, the northwest corner of Lot 13, Block 69, M.G. Ellis Addition according to plat recorded in Volume 63, Page 19, Plat Records of Tarrant County, Texas;

Thence: EAST, about 1,495.0 feet to the east right-of-way line of North Commerce Street;

Thence: bearing roughly North 15 degrees West, about 663.0 feet to its intersection with the south right-of-way line of 31St Street, the most westerly corner of Block 7, Fort Worth Stockyards Company Addition, according to plat recorded in Volume 388-A, Page 111, Plat Records of Tarrant County, Texas;

Thence: EAST, about 360.0 feet to the east right-of-way line of North Calhoun Street;

Thence: with said right-of-way line, bearing roughly North 15 degrees West, about 630.0 feet to the northwest corner of said Block 7 lying on the south line of Block 82R, Fostepco Heights according to plat recorded in Volume 388-51, Page 43, Plat Records of Tarrant County, Texas;

Thence: EAST, about 321.0 feet to the west right-of-way line of the Burlington Northern & Santa Fe Railroad right-of-way;

Thence: southeasterly, with said right-of-way line about 1,182.0 feet;

Thence: bearing roughly North 63 degrees East, about 289.0 feet to a point lying on the east right-of-way line of the Union Pacific Railroad, the westerly line of Lot 8, Block 100, Fostepco Heights Addition according to plat recorded in Volume 204-A, Page 126, Plat Records of Tarrant County, Texas;

Thence: southeasterly with said right-of-way line, about 482.0 feet to the southwest corner of Lot 6, Block 100 of said Addition, the northwest corner of Lot 7 of said Addition;

Thence: with the common line of said Lots roughly EAST, about 112.0 feet to the west right-of-way line of Terry Street;

Thence: with said right-of-way line SOUTH, about 142.0 feet;

Thence: departing said right-of-way line EAST, about 1,961.0 feet to its intersection with the east right-of-way line of Hays Street;

Thence: bearing roughly NORTH with said right-of-way line about 450.0 feet to its intersection with the south right-of-way line of 30Th Street;

Thence: with said right-of-way line EAST, about 27.0 feet to its intersection with the west right-of-way line of Burlington Northern & Santa Fe Railroad;

Thence: northeasterly with said right-of-way line about 1,152.0 feet;

Thence: EAST, about 210.0 feet to the east right-of-way line of said railroad;

Thence: southwesterly with said right-of-way line about 1,525.0 feet to the southwest corner of Lot 10, Block 101 of said Fostepco Heights Addition;

Thence: departing said railroad right-of-way line bearing northeasterly about 150.0 feet to the west right-of-way line of Decatur Avenue, the southeast corner of said Lot 10;

Thence: with said Decatur Avenue right-of-way line southeasterly about 975.0 feet;

Thence: departing said right-of-way line bearing roughly EAST, about 1,581.0 feet to the southeast corner of Lot 14, Block 6, Moody Addition according to plat recorded in Volume 204, Page 17, Plat Records of Tarrant County, Texas;

Thence: with the east line of Block 6 of said Addition bearing SOUTH, about 50.0 feet;

Thence: bearing roughly EAST, about 225.0 feet to the east right-of-way line of Oscar Street, the southwest corner of Lot 15, Block 5 of said Moody Addition;

Thence: with the east right-of-way line of said Oscar Street bearing roughly NORTH, about 306.0 feet to its intersection with the south right-of-way line of Loraine Street, the northwest corner of Lot 10 of said Block 5;

Thence: with the south right-of-way line of Loraine Street bearing roughly EAST, about 117.0 feet to the northwest corner of said Lot 10 lying on the west line of an alley;

Thence: with the west line of said alley bearing roughly SOUTH, about 353.0 feet to the southeast corner of Lot 16 of said Moody Addition;

Thence: bearing roughly EAST, about 1,387.0 feet to the east line of an alley in Block 1 of said Addition, the northwest corner of Lot 2;

Thence: NORTH, about 50.0 feet to the northwest corner of Lot 3 of said Moody Addition;

Thence: bearing roughly EAST with the common line of Lot 3 and Lot 4 about 200.0 feet to the east right-of-way line of Deen Road;

Thence: with said right-of-way line bearing roughly NORTH, about 779.0 feet;

Thence: bearing roughly North 45 degrees East, about 14.0 feet to the south right-of-way line of Dewey Street, the northwest corner of Lot 1R1, Block 1, United Service Center Addition according to plat recorded in Volume 388-140, Page 35, Plat Records of Tarrant County, Texas;

Thence: bearing roughly EAST, about 1,160.0 feet to the westerly right-of-way line of Interstate Highway No. 35 (North Freeway), the northeast corner of Block 14, Karren Addition Third Filing according to plat recorded in Volume 388-6, Page 60, Plat Records of Tarrant County, Texas;

Thence: southwesterly along said right-of-way line about 1,110.0 feet to the northerly right-of-way line of 28Th Street;

Thence: SOUTH, about 115.0 feet to the south right-of-way line of said 28Th Street, the northeast corner of Lot 1, Taylor & McBrayer Subdivision according to plat recorded in Volume 388-F, Page 77, Plat Records of Tarrant County, Texas;

Thence: southeasterly about 36.0 feet;

Thence: southeasterly about 55.0 feet to the east right-of-way line of Warfield Street, the northwest corner of Lot 54, of said Addition;

Thence: with the south right-of-way line of said 28Th Street bearing EAST, about 185.0 feet to the west right-of-way line of said North Freeway;

Thence: southeasterly about 320.0 feet to the northeast corner of Lot 1, Block 1, Lonestar Forklift Addition according to plat recorded in Cabinet A, Slide 12844, Plat Records of Tarrant County, Texas;

Thence: bearing roughly SOUTH, about 784.0 feet to the northeast corner of Lot 1, Block 1, McCann Addition according to plat recorded in Cabinet A, Slide 10865, Plat Records of Tarrant County, Texas, lying on said North Freeway right-of-way line;

Thence: WEST, about 259.0 feet to the east right-of-way line of Cold Springs Road, the northwest corner of said Addition;

Thence: bearing roughly South 10 degrees West, About 70.0 feet to its intersection with the east line of a T.E.S.Co. right-of-way per deed recorded in Volume 1520, Page 363, Deed Records of Tarrant County, Texas;

Thence: bearing roughly SOUTH, about 837.0 feet to the north right-of-way line of Fort Worth Belt Railroad Co. per deed recorded in Volume 119, Page 407, Deed Records of Tarrant County, Texas;

Thence: southwesterly about 240.0 feet to the southwest corner of that certain tract of land conveyed to Trinity Industries, Inc. according to deed recorded in Volume 6181, Page 563, Deed Records of Tarrant County, Texas lying on the east right-of-way line of said Cold Springs Road;

Thence: bearing roughly North 29 degrees East about 259.0 feet to an angle point of said right-of-way;

Thence: bearing roughly NORTH, about 174.0 feet to the intersection of the east right-of-way line of Warfield Avenue and the west right-of-way line of Cold Springs Road;

Thence: bearing roughly NORTH with the east right-of-way line of said Warfield Street about 840.0 feet to its intersection with the north right-of-way line of Warwick Street, the southwest corner of Lot 42 of said Taylor & McBrayer Subdivision;

Thence: WEST, about 180.50 feet to the intersection of the east right-of-way line of Sterling Street, the southwest corner of Lot 13 of said Subdivision;

Thence: with said right-of-way line, NORTH about 600.0 feet;

Thence: bearing roughly WEST, about 1,551.0 feet along the north right-of-way line of Salisbury Avenue to the west right-of-way line of Hale Avenue, the southeast corner of Lot 8, Block 25, Diamond Hill Addition according to plat recorded in Volume 388, Page 21, Plat Records of Tarrant County, Texas;

Thence: with the west right-of-way line of Hale Avenue SOUTH, about 300.0 feet to its intersection with the north right-of-way line of Orion Avenue, the southeast corner of Lot 10, Block 25 of said Addition;

Thence: with said Orion Avenue right-of-way line WEST, about 1,225.0 feet to the southwest corner of Lot 17, Block 8 of said Diamond Hill Addition;

Thence: bearing roughly South 45 degrees East about 67.0 feet to the south right-of-way line of said Orion Avenue, the northwest corner of Lot B, Block 9 of said Addition abutting Trail Drivers Park;

Thence: bearing roughly South 21 degrees West, about 439.0 feet to the southwest corner of Lot 12 of said Block;

Thence: bearing roughly North 57 degrees West, about 994.0 feet to the southeast corner of Lot 12, Block 5 of said Addition;

Thence: bearing roughly South 81 degrees West, about 110.0 feet to the northeast corner of Lot 11, Block 5 of said Addition;

Thence: bearing roughly South 85 degrees West, about 120.0 feet to the east right-of-way line of Decatur Avenue, the southwest corner of Lot 12, Block 5 of said Addition:

Thence: bearing roughly North 58 degrees West, about 64.0 feet to the west right-of-way line of Decatur Avenue, the southeast corner of Lot 2A1, Block 2, Fort Worth Stockyards Company, according to plat recorded in Volume 388-A, Page 111, Plat Records of Tarrant County, Texas;

Thence: with said Decatur Ave right-of-way line bearing roughly South 6 degrees East, about 506.0 feet;

Thence: bearing roughly SOUTH, about 975.0 feet to the north right-of-way line of Fort Worth Belt Railroad right-of-way, the southeast corner of Tract 10, Abstract 954 of the E. Little Survey as conveyed to DFW K & H Real Estate, LLC per deed recorded at Instrument No. D206009372, Deed Records of Tarrant County, Texas;

Thence: bearing roughly North 82 degrees East, about 54.0 feet to the east right-of-way line of said Decatur Avenue, the southwest corner of Lot 2A, Block 4 of said Diamond Hill Addition;

Thence: bearing roughly North 72 degrees East, about 134.0 feet to the southwest corner of Lot 31, Block 3 of said Addition:

Thence: NORTH, about 115.0 feet to the northwest corner of said Lot 31;

Thence: bearing roughly North 88 degrees East, about 125.0 feet to the northeast corner of said Lot lying on the west right-of-way line of Peak Street;

Thence: bearing roughly South 47 degrees East, about 79.0 feet to the southwest corner of Lot 2, Block 4 of said Diamond Hill Addition lying on the east right-of-way line of Peak Street and the north right-of-way line of said Fort Worth Belt Railroad;

Thence: northeasterly along said railroad right-of-way line about 3,182.0 feet to a point lying on the approximate survey line of the E. Little Survey, Abstract No. 954 and the S.K. Smith Survey, Abstract No. 1417 and lying on the southerly line of Lot 12, Block 40 of said Diamond Hill Addition;

Thence: bearing roughly SOUTH, about 103.0 feet to the south line of said Fort Worth Belt Railroad right-of-way lying on the north line of Lot 4, Block 1, Gorbett Industrial Addition according to plat recorded in Volume 388-216, Page 4, Plat Records of Tarrant County, Texas;

Thence: southeasterly with said right-of-way line about 562.0 feet to the west right-of-way line of Cold Springs Road, the northeast corner of said Addition;

Thence: southwesterly along said west right-of-way line about 1,541.0 feet to the north right-of-way line of Northside Drive, the southeast corner of Lot 2, Block 1, Delta Industrial District according to plat recorded in Volume 388-45, page 68, Plat Records of Tarrant County, Texas;

Thence: southwesterly along said right-of-way line curving to the left with a radius of 624.36 feet, an arc length of 431.52 feet to the southwest corner of said Lot;

Thence: bearing roughly North 10 degrees East, about 469.50 feet along the westerly line of said Delta Industrial District plat to the southeast corner of Lot 1, Block 2, Delta Industrial District according to plat recorded in Volume 388-168, Page 59, Plat Records of Tarrant County, Texas;

Thence: bearing roughly North 76 degrees West, about 1,177.0 feet to the southwest corner of said Lot and Block;

Thence: bearing roughly North 12 degrees East, about 681.50 feet to the south right-of-way line of Brennan Avenue, the northwest corner of said Lot 1, Block 2;

Thence: bearing roughly North 72 degrees West along said right-of-way line about 155.0 feet to the northeast corner of Lot 2, Block 47, Diamond Hill Addition according to plat recorded in Volume 388-209, Page 55, Plat Records of Tarrant County, Texas;

Thence: bearing roughly South 12 degrees West, about 547.50 feet to the southeast corner of Lot 2 of said Addition at an ell corner of Lot 1, Block 1 Brennan Avenue Service Center Addition according to plat recorded in Cabinet A, Slide 835, Plat Records of Tarrant County, Texas;

Thence: bearing roughly North 80 degrees West, about 1,147.0 feet to the northwest corner of said Lot 1;

Thence: bearing roughly South 10 degrees West, about 580.0 feet to an ell corner of said Lot 1, the southeast corner of Lot 20A of said Diamond Hill Addition;

Thence: bearing roughly North 80 degrees West, about 446.0 feet;

Thence: bearing roughly South 58 degrees West, about 31.0 feet;

Thence: bearing roughly South 77 degrees West, about 142.0 feet;

Thence: bearing roughly South 60 degrees West, about 195.0 feet;

Thence: bearing roughly South 45 degrees West, about 274.0 feet to the intersection of the east right-of-way line of Samuels Avenue;

Thence: bearing roughly North 37 degrees West, about 71.50 feet to the southeast corner of Block 13 of said Fort Worth Stockyards Company Addition lying on the north right-of-way line of 23Rd Street;

Thence: bearing roughly South 78 degrees West, about 48.0 feet;

Thence: continuing with said right-of-way line bearing roughly WEST, about 1,743.0 feet to its intersection with the east right-of-way line of Niles City Blvd;

Thence: westerly with said right-of-way line about 518.0 feet;

Thence: bearing roughly SOUTH, about 204.0 feet to the westerly southwest corner of Block 20 of said Fort Worth Stockyards Company Addition, the northwest corner of Lot 1R, Block 178R, M.G. Ellis Addition according to deed recorded at Instrument No. D209298051 and D209298052, Deed Records of Tarrant County, Texas;

Thence: bearing roughly South 60 degrees East, about 23.0 feet;

Thence: bearing roughly South 55 degrees East, about 112.40 feet;

Thence: bearing roughly South 53 degrees East, about 109.40 feet;

Thence: bearing roughly South 78 degrees 42 minutes East, about 102.0 feet to the northeast corner of said Lot 1R, lying on the west right-of-way line of Fort Worth & Western Railroad:

Thence: with said railroad right-of-way line bearing roughly SOUTH, about 707.0 feet to the north right-of-way line of 21St Street;

Thence: with said right-of-way line EAST, about 229.0 feet;

Thence: southeasterly with said railroad right-of-way line about 710.0 feet;

Thence: WEST, about 39.0 feet;

Thence: bearing roughly South 4 degrees West, about 1,216.0 feet to the north right-of-way line of Northside Drive, the southwest corner of Lot 1, Block 54, North Fort Worth Addition according to plat recorded in Volume 63, page 149, Plat Records of Tarrant County, Texas;

Thence: with said right-of-way line, bearing roughly South 60 degrees West, about 956.0 feet to the southeast corner of Lot 22, Block 78 of said Addition lying on the west right-of-way line of North Main Street;

Thence: with said right-of-way line bearing roughly South 30 degrees East, about 434.50 feet to the southeast corner of Lot 1, Block 59 of said Addition lying on the north right-of-way line of Grand Avenue;

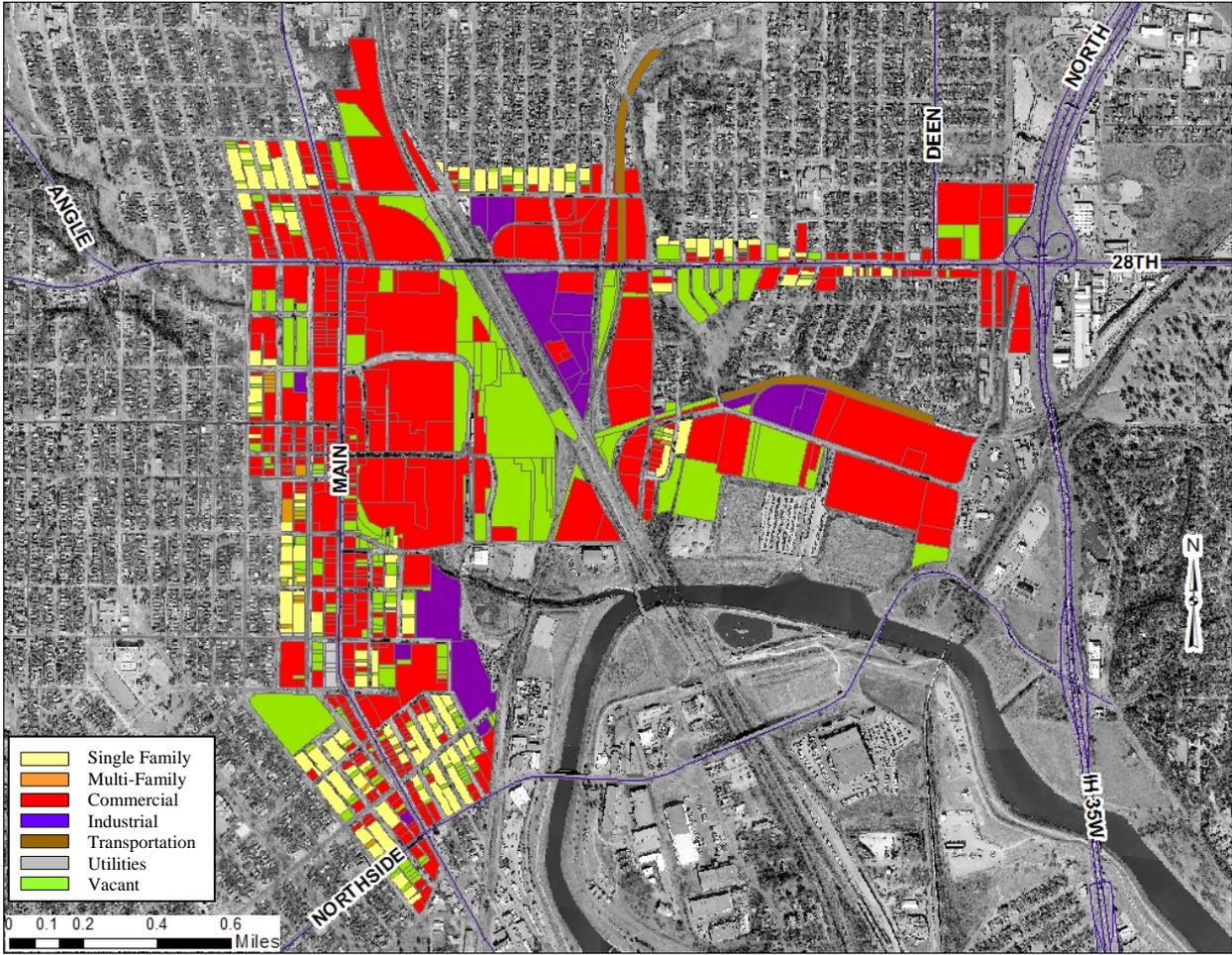
Thence: southwesterly with the north right-of-way line of Grand Avenue, about 652.0 feet to the Place of Beginning, containing some 925.29 acres of land, more or less.

Bearings and Distances per City of Fort Worth Graphic Information System.

This description prepared by Steve Cisneros, TPW Survey Services, October of 2014.

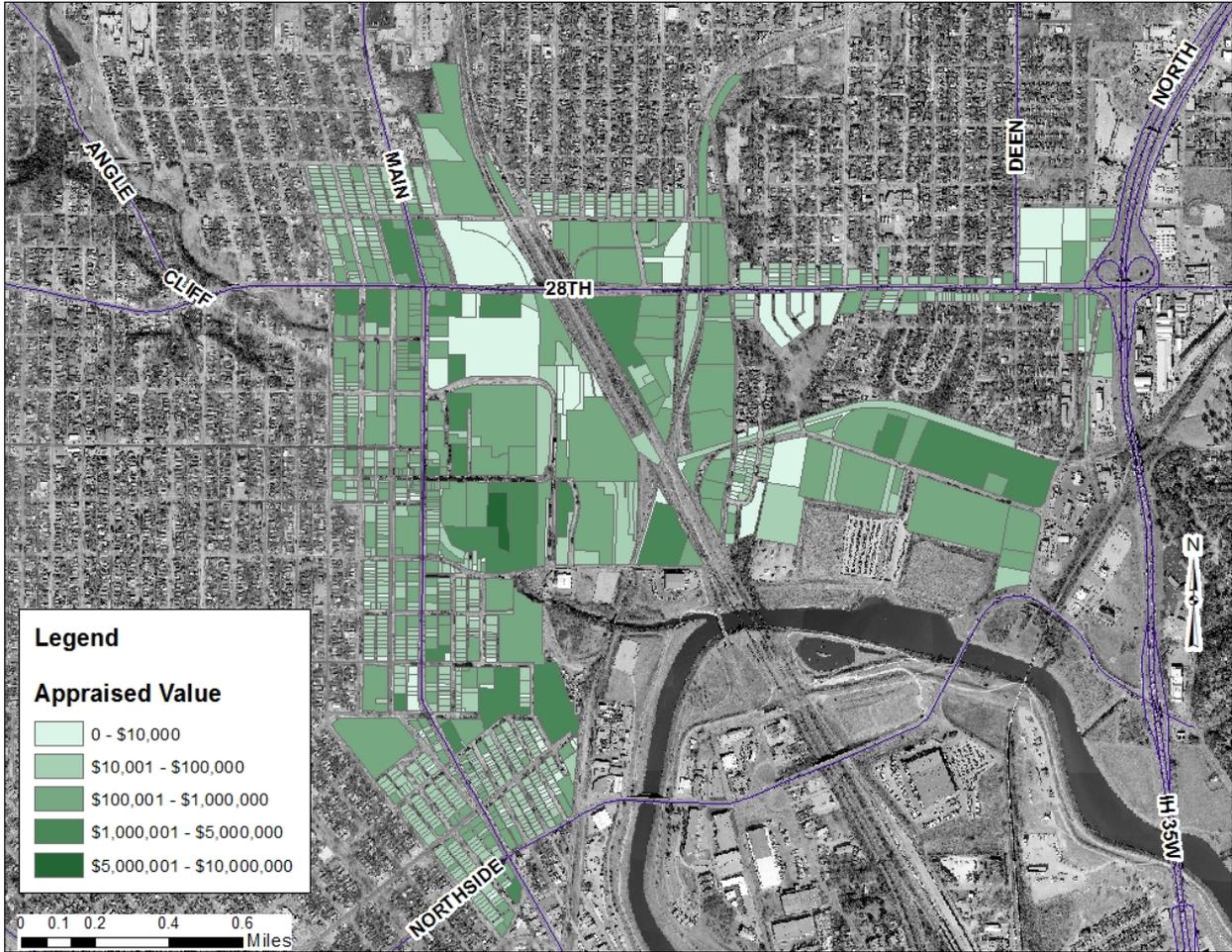
“ This document was prepared under 22 TAC 663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights or interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.”

**EXHIBIT 3
MAP OF EXISTING USES**



Source: Tarrant Appraisal District, 2013

EXHIBIT 4 MAP OF PROPERTY VALUES



Source: Tarrant Appraisal District, 2013