

STATE OF TEXAS §
 § **First Amendment to Tax Abatement Agreement**
COUNTY OF DALLAS §

This First Amendment to Tax Abatement Agreement (the “Agreement”) is entered into by and between the City of Coppell, Texas (the “City”), and Prologis, a Maryland Real Estate Investment Trust (the “Owner”) (each a “Party” and collectively the “Parties”), acting by and through their authorized representatives.

W I T N E S S E T H:

WHEREAS, the Parties previous entered that certain tax abatement agreement dated June 10, 2014 (the “Original Agreement”); and

WHEREAS, the Parties desire to amend the original Agreement as set forth herein;

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, including the expansion of primary employment, the attraction of major investment in the Zone, which contributes to the economic development of Coppell and the enhancement of the tax base in the City, the Parties agree as follows:

1. The Parties agree that the definition of “Improvements” in Article I is hereby amended to read:

“Improvements” shall mean a shell industrial building containing approximately 424,080 square feet of space upon Completion of Construction thereof on the Land, and other ancillary facilities such as reasonably required parking and landscaping more fully described in the submittals filed by Owner with the City, from time to time, in order to obtain a building permit(s), provided, however, that “Improvements” shall not include the Land.”

2. The Parties agree that Article III is hereby amended to read as follows:

“Article III
Tax Abatement Authorized

3.1 This Agreement is authorized by the Tax Code and in accordance with the City Tax Abatement Guidelines and approved by resolution of the City Council.

3.2 Subject to the terms and conditions of this Agreement, and provided the Taxable Value for the Improvements, excluding the Land, is at least Ten Million Two Hundred Fifty Thousand Dollars (\$10,250,000.00) as of January 1 of the First Year of Abatement and as of January 1 of each calendar year thereafter during the term of this Agreement, the City hereby grants Owner an abatement of seventy-five percent (75%) of the Taxable Value of the Improvements for a period of

five (5) consecutive years, beginning with the First Year of Abatement. The foregoing percentage of Taxable Value of the Improvements subject to abatement for each year this Agreement is in effect will apply only to the portion of the Taxable Value of the Improvements that exceeds the Base Year Taxable Value.

3.3 The period of tax abatement herein authorized shall be for a period of five (5) consecutive years beginning with the First Year of Abatement.

3.4 During the period of tax abatement herein authorized, Owner shall be subject to all taxation not abated, including but not limited to, sales tax and ad valorem taxation on the Land.

3.5 The term of this Agreement shall begin on the Effective Date and shall continue until the Expiration Date, unless sooner terminated as provided herein.”

3. The Parties agree that Article IV is hereby amended to read as follows:

“Article IV Improvements

4.1 Owner owns or is under contract to purchase the Land and intends to construct or cause to be constructed thereon the Improvements. Nothing in this Agreement shall obligate Owner to construct the Improvements on the Land, but said actions are conditions precedent to tax abatement for such Parties pursuant to this Agreement.

4.2 As a condition precedent to the initiation of the Owner’s tax abatement pursuant to this Agreement, Owner agrees, subject to events of Force Majeure, to cause Commencement of Construction of the Improvements to occur within thirty-six (36) months after the Effective Date, and subject to events of Force Majeure to cause Completion of Construction of the Improvements to occur on or before eighteen (18) months thereafter, as good and valuable consideration for this Agreement, and that all construction of the Improvements will be in accordance with all applicable state and local laws, codes, and regulations (or valid waiver thereof).

4.3 Construction plans for the Improvements constructed on the Land will be filed with the City, which shall be deemed to be incorporated by reference herein and made a part hereof for all purposes.

4.4 Owner agrees to maintain the Improvements during the term of this Agreement in accordance with all applicable state and local laws, codes, and regulations.

4.5 The City, its agents and employees shall have the right of access to the Premises during and following construction to inspect the Improvements at reasonable times and with reasonable notice to Owner, and in accordance with visitor access and security policies of the Owner, in order to insure that the construction of the Improvements are in accordance with this Agreement and all applicable state and local laws and regulations (or valid waiver thereof).”

4. The Original Agreement shall remain in full force and effect except as amended herein.
5. This First Amendment shall become effective on the last date of execution hereof.

[Signature page to follow]

EXECUTED in duplicate originals the ____ day of _____, 2018.

CITY OF COPPELL, TEXAS

By: _____
Karen Selbo Hunt, Mayor

Attest:

By: _____
Christel Pettinos, City Secretary

Agreed as to Form:

By: _____
City Attorney
(11-27-2018:TM104574)

EXECUTED in duplicate originals the ____ day of _____, 2018.

PROLOGIS

a Maryland real estate investment trust

By: _____

Name: Jon D. Sorg

Title: Senior Vice President

Exhibit “A”
(Legal Description of Land to be attached)