ORDINANCE NO.

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION (THE "CITY"), AUTHORIZING THE CITY MANAGER TO EXECUTE A THIRD AMENDMENT TO THE LEASE AGREEMENT BETWEEN THE CITY AND CORE SCIENTIFIC INC., A DELAWARE CORPORATION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City and Core Scientific, Inc. ("Lessee") entered into that certain Lease Agreement, effective as of September 3, 2021 (the "<u>Initial Lease</u>") pursuant to which Lessee currently leases the Leased Premises (as defined in the Initial Lease) from the City; and

WHEREAS, the City and Core Scientific, Inc. entered into the second amendment to the Initial Lease ("Amendment No. 2") on August 20, 2024 which is incorporated herein; and

WHEREAS, the City and Core Scientific have agreed to terms and conditions for Amendment Number 3 to the Initial Lease ("Amendment No. 3") as Exhibit "A" and incorporated herein for all purposes; and

WHEREAS, Lessee requested additional leased property to accommodate Lessee's intent to convert the entire project from cryptocurrency operation to High Performance Computing operations to host artificial intelligence applications on the Leased Premises; and

WHEREAS, the City Council further finds that Amendment No. 3 to the Lease is in the best interest of the customers of Denton Municipal Electric,

NOW, THEREFOR, THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

<u>SECTION 1.</u> The recitations contained in the preamble of this ordinance are incorporated herein by reference as findings of the City Council.

<u>SECTION 2.</u> The City Council approves and authorizes the City Manager, or their designee, and City Secretary, or their designee, to execute, attest and deliver, respectively, Amendment No. 3 to the Lease, attached as Exhibit "A", with Core Scientific, Inc.

<u>SECTION 3.</u> The City Council approves and authorizes the City Manager, or their designee, to take such additional actions as the City Manager, or the designee, determines to be necessary and advisable to continue to effectuate the purpose, terms, and conditions of Amendment No. 3 to the Lease.

<u>SECTION 4.</u> This ordinance shall become effective immediately upon its passage and approval.

The motion to approve this ordinance was made by ______ and seconded by ______, the ordinance was passed and approved by the following vote [______]:

_____ LESSEE

	Aye	Nay	Abstain	Absent
Mayor Gerard Hudspeth:				
Vicki Byrd, District 1:				
Brian Beck, District 2:				
Paul Meltzer, District 3:				
Joe Holland, District 4:				
Brandon Chase McGee, At Large Place 5:				
Jill Jester, At Large Place 6:				
PASSED AND APPROVED this the	day of	f		_, 2024.

GERARD HUDSPETH, MAYOR

ATTEST: LAUREN THODEN, CITY SECRETARY

BY:_____

APPROVED AS TO LEGAL FORM: MACK REINWAND, CITY ATTORNEY

BY: Marcella Lunn

_____LESSEE

THIRD AMENDMENT TO LEASE AGREEMENT

This Third Amendment to Lease Agreement (this "<u>Amendment</u>"), is made as of October 22, 2024, by and between the CITY OF DENTON, a Texas home-rule municipal corporation (the "<u>City</u>"), and CORE SCIENTIFIC INC, a Delaware corporation ("<u>Lessee</u>" and, together with City, collectively, the "<u>Parties</u>" and, each, individually, a "<u>Party</u>"), with reference to the following facts:

RECITALS

WHEREAS, on September 3, 2021, City Council approved Ordinance No. 21-1486, for Lease Agreement between the City and Lessee for the initial development of a data center (the "<u>Initial Lease</u>"); the Initial Lease as amended by this Amendment is referred to herein as the "<u>Lease</u>"), pursuant to which Lessee currently leases the Leased Premises (as defined in the Initial Lease) from the City; and

WHEREAS, on August 1, 2023, Denton City Council approved Ordinance No. 23-768 for Amendment No. 1 to the Lease which extended the Initial Term to 14 years with one seven (7) year extension; and

WHEREAS, on August 20, 2024, City Council approved Ordinance No. 24-1296 for Amendment No. 2 to the Lease which increased the leasehold estate an additional 5.56 acres; and

WHEREAS, the City and Lessee are party to a Power Purchase Agreement ("<u>PPA</u>") dated September 3, 2021 and certain amendments to the PPA the Term of which was intended to be mirrored in the Lease Agreement; and

WHEREAS, the PPA Term is for an Initial Term of 14 years with two (2) seven (7) year extension options;

WHEREAS, Lessee has requested to lease an additional 42.963 acres of property described and depicted on **Exhibit B** hereto as areas 4,5 and 8, which is owned by the City, (the "Additional Lease Area") to facilitate the conversion of the current cryptocurrency mining operations to High Performance Computing to support artificial intelligence ("HPC Project"); and

WHEREAS, City deems it beneficial to the public to provide the Additional Lease Area to Lessee for the HPC Project; and

WHEREAS, The City intends to provide electric service to the HPC Project under terms and conditions of an amendment to the PPA.

AMENDMENT

NOW, THEREFORE, in consideration of the mutual covenants and the foregoing Recitals which are hereby incorporated into this Agreement, and for other good and valuable consideration, the receipt the City and Lessee hereby agree to amend the Initial Lease as follows:

_____CITY

_____ LESSEE

1. <u>Defined Terms. References</u>. Unless otherwise specifically defined herein, each capitalized term used herein that is defined in the Initial Lease shall have the meaning assigned to such term in the Initial Lease. As used herein, the term "<u>Effective Date</u>" shall mean the first date after which both Parties have executed this Amendment.

2. <u>Lease</u>. All references in the Initial Lease to the "Agreement" shall mean the Initial Lease between the City of Denton and Core Scientific Inc. dated September 3, 2021 as amended on August 1, 2023, as amended August 20, 2024, and by this Amendment.

- 3. <u>Amendment</u>. The Initial Lease is hereby amended as follows:
 - a) The recitals set forth herein are hereby added to the Initial Lease and incorporated therein as if set forth in their entirety.
 - b) Exhibit A to the Initial Lease shall be amended and replaced with Exhibit A attached hereto and made a part hereof.
 - c) Exhibit B to the Initial Lease shall be replaced with Exhibit B attached hereto and made a part hereof.
 - d) Section 2.1 of the Initial Lease is hereby deleted in its entirety and replaced with:

"Section 2.1 Rent.

- A. In consideration for the use of the Lease Premises herein granted, which encompasses the real property identified in this Agreement and the Additional Lease Area, Lessee shall pay to the City the following monthly rental amounts (the "Rent"). The monthly Rent shall be in the sum of \$53,949.81 (Fifty-three thousand, nine hundred forty nine dollars and 81cents) per month. On or prior to the Effective Date, Lessee shall pay City a sum equal to one month's Rent, which shall be the next monthly rent payment due under this Agreement. All other future monthly Rent payments will be due on or before the first day of the month to which the Rent payment relates. As a courtesy, City will include the amount of the monthly Rent for the subsequent month in the monthly invoice provided by City to Lessee pursuant to the PPA. Failure to receive an invoice reflecting Rent in a timely manner does not absolve Lessee from its obligation to pay the monthly Rent on or before the first day of the month to which the Rent payment relates. If the Effective Date or a termination date occurs on a day other than the first day of a calendar month, Rent for the first and last partial months will be prorated on the basis of the number of actual remaining days in such month.
- B. The Rent for the Leased Premises shall be increased, but not decreased, at the end of each two (2) year period during the Lease Term, with the first adjustment occurring on the first day of January 2025, consistent with adjustment for the leased property in the Initial Lease, and future

adjustments occurring every other January 1st thereafter, by a percentage amount equal to the percentage change in the United States Consumer Price Index for all urban consumers ("CPI-U") for the Dallas-Fort Worth Bureau of Labor Statistics which occurred during the previous two year period based upon the then current and available month's data compared to the data for the same month two-years prior.

e) A new Section 5.8 is added as follows:

Section 5.8 – Other Consideration

- A. In consideration of the City's lease of property under this Agreement, Lessee, its affiliates, successors, or assigns shall not intervene in any activities related to the permitting of a solid waste transfer station on properties owned by the City.
- B. At the sole discretion of Lessor, Lessee shall pay to the City one of the following amounts in the event that Lessor exercises their right to complete any of the below actions.
 - 1. **Defeasance** In the event Lessor determines that defeasance of a portion of the tax-exempt bonds issued to purchase the Leased Premises is in Lessors best interest, Lessor may, in cooperation with the City's bond counsel and municipal advisor and at the discretion of the City's Chief Financial Officer, complete defeasance on all or a portion of the debt. Defeasance may occur when private use levels exceed levels set by federal tax law or when defeasance is determined a reasonable and appropriate portfolio management activity by Lessor. The determination of such defeasance amount shall correlate with the total land described herein as Leased Premises. Lessor will provide notice to Lessee at least 30 days prior to defeasance. If defeasance is complete, Lessor shall invoice Lessee for the total cost associated with the Leased Premises described herein. Lessee shall pay Lessor within ten (10) business days of invoice date.
 - 2. **Bond Repayment**. In the event the Lessor determines that it will redeem of all or the portion of the tax exempt bonds issued to purchase the leased premises at a future call date, as permitted in the bond ordinances for such tax exempt bonds, Lessor, in cooperation with the City's bond counsel and financial advisors and at the discretion of the City's Chief Financial Officer, will determine the redemption amount associated with the Leased Premises for such bonds being redeemed, and will provide notice to Lessee at least 30 days prior to the call date and such redemption amounts. Lessor shall invoice Lessee for such redemption amounts and Lessee shall pay Lessor within ten (10) business days.

3. **Bond Refunding**. In the event Lessor determines it will refund all or a portion of the tax-exempt bonds used to purchase the Leased Premises, Lessor, in cooperation with the City's bond counsel and financial advisors and at the discretion of the City's Chief Financial Officer, will determine the issuance costs associated with the refunding of the Leased Premises, and will provide notice to Lessee at least 30 days prior to the refunding date and such issuance cost amounts. Lessor shall invoice Lessee for such issuance cost amounts and Lessee shall pay Lessor within ten (10) business days.

(f) A new Section 6.2F is added as follows:

F. LESSEE SHALL INDEMNIFY, DEFEND, RELEASE AND HOLD HARMLESS THE CITY, CITY'S OFFICERS, ELECTED AND APPOINTED OFFICIALS, EMPLOYEES, AND AGENTS FROM AND AGAINST ANY AND ALL DAMAGES, FINES, PENALTIES, CLAIMS, DEMANDS, SUITS, JUDGMENTS, COSTS, AND EXPENSES ASSERTED BY ANY PERSON OR PERSONS (INCLUDING AGENTS OR EMPLOYEES OF CITY, LESSEE, OR SUBLESSEE) BY REASON OF NUISANCE OR OTHER LAND USE CLAIM RELATED TO ANY OF LESSEE'S OPERATIONS, ACTS, OR OMISSIONS WITH RESPECT TO THE LEASED PREMISES.

5. <u>Conflicts</u>. In the event of a conflict or ambiguity between the Initial Lease and this Amendment, the terms of this Amendment shall control.

6. <u>No Further Amendments</u>. Except as amended hereby or by any prior amendment, the Initial Lease remains unchanged and all provisions shall remain fully effective between the Parties.

7. <u>Binding Effect; No Partnership</u>. The provisions of this Amendment shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. Nothing herein contained shall be deemed to create a partnership or joint venture between any of the Parties.

8. <u>Governing Law</u>. This Amendment shall be governed by the laws of the State of Texas, without giving effect to its conflicts of law rules which would result in the application of laws of another jurisdiction.

9. <u>Headings</u>. The headings contained in this Amendment are intended solely for convenience and shall not affect the rights of the Parties to this Amendment.

10. <u>Counterparts</u>. This Amendment may be (i) executed in any number of separate counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one instrument; and (ii) delivered by executed counterpart of a signature page in original, portable document format (PDF), facsimile, email, or other electronic means and any Party delivering in such a manner shall be legally bound.

11. <u>Severability</u>. The provisions of this Amendment are severable, and if any one clause or provision hereof shall be held invalid or unenforceable in whole or in part, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, and not any other clause or provision of this Amendment.

12. <u>No Third Party Beneficiary</u>. Nothing contained herein is intended to be for, or to inure to, the benefit of any person other than the undersigned and their respective successors and permitted assigns, except as otherwise expressly provided in this Amendment.

[Signatures to follow]

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the day and year first written above.

CITY OF DENTON

By: _______Sara Hensley, City Manager

REVIEWED AND APPROVED

THIS AMENDMENT HAS BEEN BOTH

As all terms, including all financial and operational obligations and business terms.

ATTEST: Lauren Thoden, City Secretary

By: _____

APPROVED AS TO LEGAL FORM: Mack Reinwand City Attorney

By: ____ Marcella Lunn

Signature

Antonio Puente General Manager Denton Municipal Electric Department

Date Signed: _____

ACKNOWLEDGMENT

THE STATE OF TEXAS §

COUNTY OF DENTON §

This instrument was acknowledged before me on the _____ day of _____, 2023, by Sara Hensley, Interim City Manager of the City of Denton, on behalf of said municipality.

NOTARY PUBLIC, STATE OF TEXAS

CORE SCIENTIFIC, INC.

By:

Name: ______

Title: _____

LESSEE NOTARY

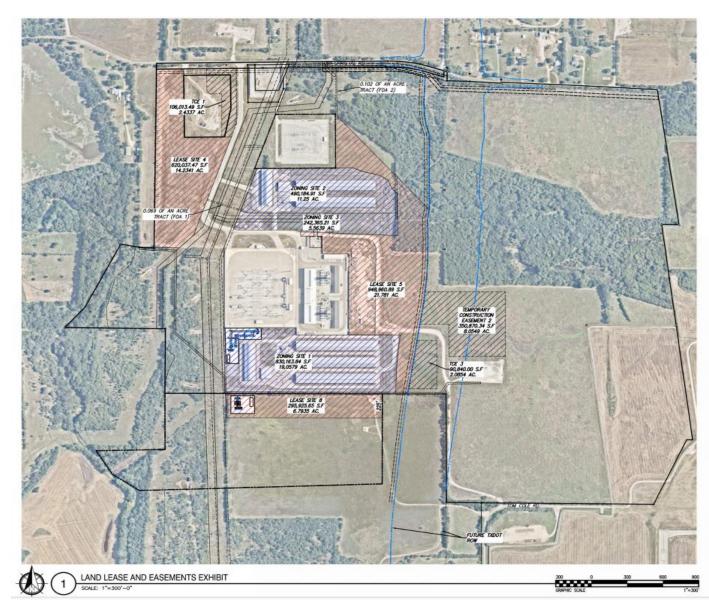
THE STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2023, by _____, on behalf of said company.

NOTARY PUBLIC, STATE OF TEXAS

EXHIBIT A



LAND LEASE LEGEND			
LOT	LOT AREA (S.F.)	LOT AREA (ACRES)	
Zoning Site 1	830,163.84	19.0579	
Zoning Site 2	490,184.91	11.2531	
Zoning Site 3	242,365.21	5.5639	
Leose Site 4	620,037.47	14.2341	
Leose Site 5	948,960.89	21.7851	
Leose Site 8	295,925.65	6.7935	
TOTALS	1,244,886.54	78.6877	

TEMPORARY CONSTRUCTION EASEMENTS		
LOT	LOT AREA (S.F.)	LOT AREA (ACRES)
TCE 1	106,013.49	2.4337
TCE 2	350,870.34	8.0549
TCE 1	90,840.00	2.0854
TOTALS	547,723.83	12.5740

LOT	LOT AREA	LOT AREA	
LOI	(\$.5.)	(ACRES)	
FOA 1	3,005.64	0.0690	
FOA 2	4,443.12	0.1020	
TOTALS	7,448.76	0.1710	

LESSEE

CITY

Exhibit B Leased Premises

Site One

BEING a 19.064 acre tract of land situated in the Moses H. Davis Survey, Abstract No. 377, City of Denton, Denton County, Texas, being part of a called 340.469 acre tract of land described in a Deed to the City of Denton, a Texas home-rule municipal corporation, as recorded in Document No. 2016-143882 of the Official Records of Denton County, Texas and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod found for an interior Southwest corner of the above cited 340.469 acre tract and the Northwest corner of a called 116.154 acre tract of land described in a Deed to the Mark Hicks Investments, LLC, as recorded in Document No. 2021-8595 of the Official Records of Denton County, Texas, from which a 1/2 inch iron rod with cap stamped "Vannoy 563-7101" found for an interior ell corner of said 340.469 acre tract, same being the Northeast corner of a called 152 acre tract of land described in a Deed to Walter B. (Bud) Wolf, as recorded in Volume 533, Page 541 of the Deed Records of Denton County, Texas bears North 00°26'46" East, a distance of 599.88 feet;

THENCE South 89°50'49" East along the South line of said 340.469 acre tract and North line of said 116.154 acre tract, for a distance of 506.72 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the POINT OF BEGINNING of the herein described tract;

THENCE North 0 1 °31 '40" West departing the South line of said 340.469 acre tract and the North line of said 116.154 acre tract, for a distance of 608.71 feet to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE South 89°59'35" East for a distance of 611 .28 feet to an "X" cut set in concrete;

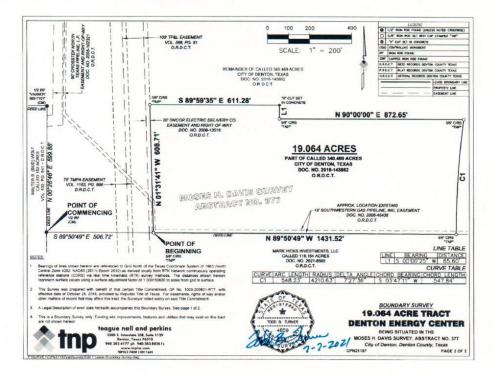
THENCE South 00°00'25" West for a distance of 65.60 feet to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE North 90°00'00" East for a distance of 872.65 feet to a 5/8 inch iron rod with cap stamped "TNP" set at the beginning of a non-tangent curve to the left;

THENCE in a Southern direction, along said non-tangent curve to the left having a central angle of 07°27'36", a radius of 4210.63 feet, a chord bearing of South 03°47'11" West, a chord distance of 547.84 feet and an arc length of 548.23 feet to a 5/8 inch iron rod with cap stamped "TNP" set in the South line of said 340.469 acre tract and the North line of said 116.154 acre tract, from which a 1/2 inch iron rod with cap stamped "Vannoy 563-7101" found for the Northeast corner of said 116.154 acre tract and an interior ell corner of said 340.469 acre tract bears South 89°50'49" East, a distance of 420.07 feet;

Ex B

THENCE North 89°50'49" West along the South line of said 340.469 acre tract and the North line of said 116.154 acre tract, for a distance of 1431.52 feet to the POINT OF BEGINNING, and containing 19.064 acres of land, more or less.



Site Two

BEING an 11.256 acre tract of land situated in the Moses H. Davis Survey, Abstract No. 377 and the Johnson, Green, Myers and Brummett Survey, Abstract No. 1699, City of Denton, Denton County, Texas, being part of a called 340.469 acre tract of land described in a Deed to the City of Denton, a Texas home-rule municipal corporation, as recorded in Document No. 2016-143882 of the Official Records of Denton County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod found for the Southwest corner of Lot 1, Block 1 of Krum Tap Electrical Switch Station, per Plat recorded in Document No. 2010-3 of the Plat Records of Denton County, Texas;

THENCE North 89°39'01" East along the South line of said Lot 1, for a distance of 21.24 feet to a 5/8 inch iron rod with cap stamped "TNP" set for the POINT OF BEGINNING of the herein described tract:

Ex B

THENCE North 89°39'01" East continuing along the South line of said Lot 1, passing a 5/8 inch iron rod found for the Southeast corner of same at a distance of 658.12 feet, and continuing for a total distance of 806.50 to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE South $67^{\circ}31$ '07" East, for a distance of 85.93 to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE South 75°20'51" East, for a distance of 150.68 to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE South 56°48'38" East, for a distance of 80.84 to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE South 21 °23'05" East, for a distance of 76.31 to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE South 43°26'26" East, for a distance of 72.63 to a 5/8 inch iron rod with c-,ap stamped "TNP" set;

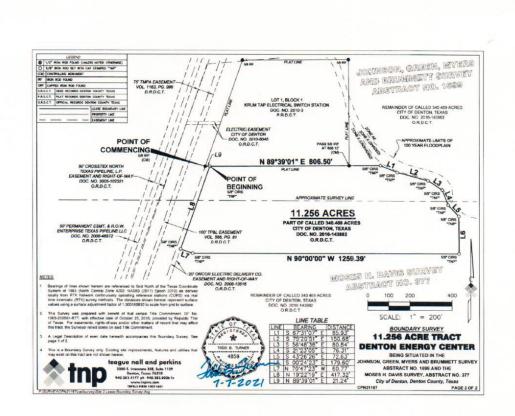
THENCE South $00^{\circ}24'23''$ East. for a distance of 179.60 to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE North 90°00'00" West, for a distance of 1259.39 to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE North 70°47'23" West, for a distance of 60.77 to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE North 19°22'19" East, for a distance of 417.32 to the POINT OF BEGINNING, and containing 11.256 acres of land, more or less.

Ex B



 $\mathbf{E}\mathbf{x}\,\mathbf{B}$

Site 3

LEGAL DESCRIPTION

BEING a 5.566 acre tract of land situated in the Moses H. Davis Survey, Abstract No. 377, City of Denton, Denton County, Texas, and being a part of Lot 1, Block A per the Minor Plat of Denton Energy Center Addition, as recorded in Document No. 2021-367 of the Plat Records of Denton County, Texas, and also being a part of that certain 340.469 acre tract of land described in a Deed to the City of Denton, as recorded in Document No. 2016-143882 of the Official Records of Denton County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod found for the Southwest corner of Lot 1, Block 1 of Krum Tap Electrical Switch Station, per Plat recorded in Document No. 2010-3 of the Plat Records of Denton County, Texas;

THENCE North 89°39'01" East along the South line of said Lot 1, for a distance of 21.24 feet to a 5/8 inch iron rod with cap stamped "TNP" found for the Northwest corner of an 11.256 acre tract previously surveyed by Todd B. Turner, RPLS No. 4859, per Boundary Survey dated July 7, 2021;

THENCE South 19°22'19" West along the West line of said 11.256 acre tract, for a distance of 417.32 to a 5/8 inch iron rod with cap stamped "TNP" found for the Southwest corner of said 11.256 acre tract, same being the **POINT OF BEGINNING** for the herein described tract:

THENCE South 70°47'23" East along the South line of said 11.256 acre tract, for a distance of 60.77 feet to a 5/8 inch iron rod with cap stamped "TNP" found for an angle point in the South line of said 11.256 acre tract;

THENCE North 90°00'00" East continuing along the South line of said 11.256 acre tract, for a distance of 1259.39 feet to a 5/8 inch iron rod with cap stamped "TNP" found for the Southeast corner of said 11.256 acre tract;

THENCE South 00°24'23" East departing the South line of said 11.256 acre tract, for a distance of 210.45 feet to a 5/8 inch iron rod with cap stamped "TNP" set;

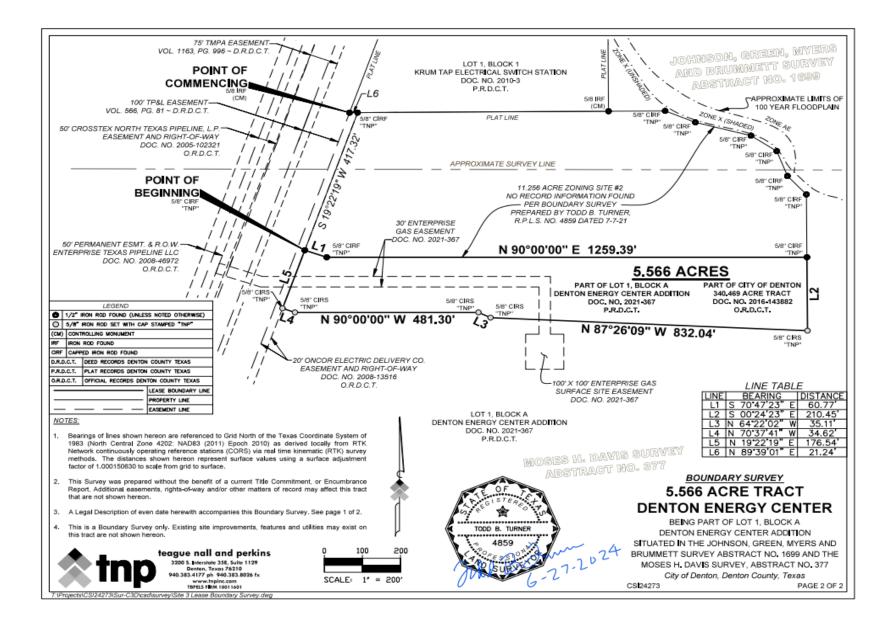
THENCE North 87°26'09" West for a distance of 832.04 feet to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE North 64°22'02" West for a distance of 35.11 feet to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE North 90°00'00" West for a distance of 481.30 feet to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE North 70°37'41" West for a distance of 34.62 feet to a 5/8 inch iron rod with cap stamped "TNP" set;

THENCE North 19°22'19" East for a distance of 176.54 feet to the **POINT OF BEGINNING**, and containing 5.566 acres of land, more or less.



_____CITY

_____LESSEE

Site 4

LEGAL DESCRIPTION

BEING a 14.211 acre tract of land situated in the Gibson Myers Survey, Abstract No. 843, the Moses H. Davis Survey, Abstract No. 377 and the Johnson, Green, Myers and Brummett Survey, Abstract No. 1699, City of Denton, Denton County, Texas, and being a part of Lot 1, Block A per the Minor Plat of Denton Energy Center Addition, as recorded in Document No. 2021-367 of the Plat Records of Denton County, Texas, and also being a part of that certain 340.469 acre tract of land described in a Deed to the City of Denton, as recorded in Document No. 2016-143882 of the Official Records of Denton County, Texas and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod with cap stamped "TNP" found for the Northwest corner of the above cited Lot 1 and lying in the dedicated South line of Jim Christal Road, a variable width right-of-way, said point also being in the East line of that certain 5.700 acre tract of land described in a Deed to Everette Newland, as recorded in Document No. 2012-19340 of the Official Records of Denton County, Texas;

THENCE North 89°21'52" East along the North line of said Lot 1 and the South line of said Jim Christal Road, for a distance of 227.47 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

THENCE South 00°36'20" East departing the North line of said Lot 1 and the South line of said Jim Christal Road, for a distance of 635.09 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

THENCE North 89°21'52" East for a distance of 393.96 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

THENCE South 19°12'37" West for a distance of 968.79 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

THENCE South 45"43'49" West for a distance of 164.09 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

THENCE South 89°57'50" West for a distance of 212.45 feet to a 1/2 inch iron rod capped "RPLS 4857" found for an interior ell corner of said Lot 1 and the Southeast corner of said 5.700 acre tract;

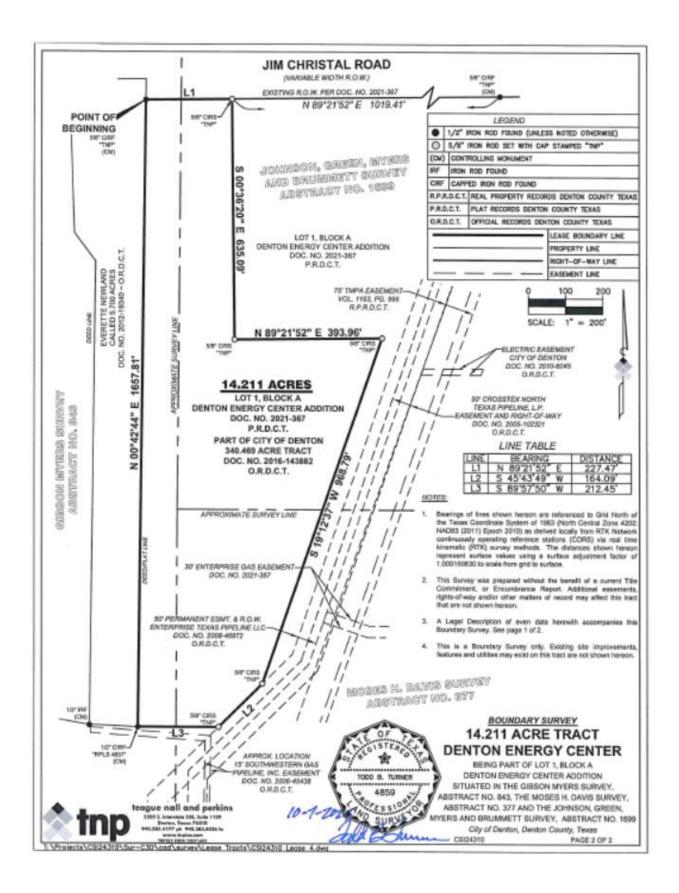
THENCE North 00°42'44" East along the West line of said Lot 1 and the East line of said 5.700 acre tract, for a distance of 1657.81 feet to the POINT OF BEGINNING, and containing 14.211 acres of land, more or less.

SURVEY NOTES:

- Bearings are referenced to grid north of the Texas Coordinate System of 1983 (North Central Zone 4202; NAD83(2011) Epoch 2010) as derived locally from RTK Network continuously operating reference stations (CORS) via real time kinematic (RTK) survey methods. The distances shown hereon represent surface values using a surface adjustment factor of 1.000150630 to scale from grid to surface.
- 2. A Boundary Survey of even date herewith accompanies this Legal Description. See Page 2 of 2.

Todd B. Turner, R.P.L.S. Teague Nall and Perkins 3200 S. I-35E, Suite 1129 Denton, Texas 76210 940-383-4177 TBPELS Firm No. 10011601 Date: October 7, 2024





Site 5

LEGAL DESCRIPTION

BEING a 21.797 acre tract of land situated in the Moses H. Davis Survey, Abstract No. 377 and the Johnson, Green, Myers and Brummett Survey, Abstract No. 1699, City of Denton, Denton County, Texas, and being a part of Lot 1, Block A per the Minor Plat of Denton Energy Center Addition, as recorded in Document No. 2021-367 of the Plat Records of Denton County, Texas, and also being a part of that certain 340.469 acre tract of land described in a Deed to the City of Denton, as recorded in Document No. 2016-143882 of the Official Records of Denton County, Texas and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found for the Northeast corner of Lot 1, Block 1 per the Final Plat of Krum Tap Electrical Switch Station, as recorded in Document No. 2010-3 of the Plat Records of Denton County, Texas, from which a 5/8 inch iron rod found for the Northwest corner of said Lot 1, Block 1 bears South 89"39'51" West a distance of 500.21 feet;

THENCE South 41*43'32" East departing the Northeast corner of said Lot 1, Block 1, for a distance of 1186.10 feet to a 5/8 inch iron rod with cap stamped "TNP" found for an angle point in the East line of said Lot 1, Block A of Denton Energy Center Addition;

THENCE along the East line of said Lot 1, Block A of Denton Energy Center Addition as follows:

South 09*26'49" West for a distance of 100.00 feet to a 5/8 inch iron rod with cap stamped "TNP" found;

South 01*38'17" East for a distance of 170.21 feet to a 5/8 inch iron rod with cap stamped "TNP" found;

South 00*24'25" West for a distance of 188.01 feet to a 5/8 inch iron rod with cap stamped "TNP" found;

South 03*05'06" West for a distance of 187.63 feet to a 5/8 inch iron rod with cap stamped "TNP" found;

South 05*09'44" West for a distance of 221.83 feet to a 5/8 inch iron rod with cap stamped "TNP" found;

South 09"00'45" West for a distance of 613.29 feet to a 5/8 inch iron rod with cap stamped "TNP" found for the beginning of a curve to the left;

Southwesterly along said curve to the left having a central angle of 00°35'33", a radius of 14310.00 feet, a chord bearing of South 08°42'58" West, a chord distance of 147.99 feet and an arc length of 147.99 feet to 5/8 inch iron rod with cap stamped "TNP" found at the end of said curve;

South 09*56'56" West for a distance of 96.31 feet to a 5/8 inch iron rod with cap stamped "TNP" found for the Southeast corner of said Lot 1, Block A, and being in the South line of the above cited 340.469 acre tract and the North line of that certain 116.154 acre tract of land described in a Deed to Mark Hicks Investments, LLC, as recorded in Document No. 2021-8595 of the Official Records of Denton County, Texas, from which a 1/2 inch iron rod capped "Vannoy 563-7101" found for an interior ell corner of said 340.469 acre tract and the most Northerly Northeast corner of said 116.154 acre tract bears South 89*50'49" East a distance of 322.05 feet;

THENCE North 89°50'49" West along the South line of said Lot 1, Block A and the North line of said 116.154 acre tract, for a distance of 98.02 feet to a 5/8 inch iron rod with cap stamped "TNP" found for the Southeast corner of a 19.064 acre tract of land described as Site One Lease Tract per City of Denton Ordinance No. 21-1486;

THENCE in a Northerly direction, departing the South line of said Lot 1, Block A and the North line of said 116.154 acre tract, along the East line of said 19.064 acre tract, and along a non-tangent curve to the right having a central angle of 07°27'36", a radius of 4210.63 feet, a chord bearing of North 03°47'11" East, a chord distance of 547.84 feet and an arc length of 548.22 feet to a 5/8 inch iron rod with cap stamped "TNP" found for the Northeast corner of said 19.064 acre tract.

THENCE North 90°00'00" West with the North line of said 19.064 acre tract, for a distance of 430.13 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

THENCE North 00"00'00" West departing the North line of said 19.064 acre tract, for a distance of 754.80 feet to an "X" cut in top of fence column;

THENCE North 89"59'45" West for a distance of 224.06 feet to an "X" cut in top of fence column;

THENCE North 00°17'48" West for a distance of 161.72 feet to an "X" cut in top of fence column;

THENCE South 89°55'30" West for a distance of 181.29 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

THENCE North 00°00'00" West for a distance of 41.86 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner in the South line of a 5.566 acre tract of land previously surveyed by Todd B. Turner, R.P.L.S. No. 4859, per Boundary Survey dated June 27, 2024, from which a 5/8 inch iron rod with cap stamped "TNP" found for an angle point in the South line of said 5.566 acre tract bears North 87"26'09" West a distance of 15.78 feet;

THENCE South 87°26'09" East along the South line of said 5.566 acre tract, for a distance of 816.26 feet to a 5/8 inch iron rod with cap stamped "TNP" found for the Southeast corner of same;

THENCE North 00°24'23" West along the East line of said 5.566 acre tract, passing the Northeast corner of same and the Southeast corner of an 11.256 acre tract described as Site Two Lease Tract per City of Denton Ordinance No. 21-1486 at a distance of 210.45 feet, and continuing along the East line of said 11.256 acre tract for a total distance of 390.05 feet to a 5/8 inch iron rod with cap stamped "TNP" found for corner;

THENCE North 43*26'26" West continuing along the East line of said 11.256 acre tract, for a distance of 72.63 feet to a 5/8 inch iron rod with cap stamped "TNP" found for corner;

THENCE North 21*23'05" West continuing along the East line of said 11.256 acre tract, for a distance of 76.31 feet to a 5/8 inch iron rod with cap stamped "TNP" found for corner;

THENCE North 56*48'38" West continuing along the East line of said 11.256 acre tract, for a distance of 80.84 feet to a 5/8 inch iron rod with cap stamped "TNP" found for corner;

THENCE North 75"20'51" West continuing along the East line of said 11.256 acre tract, for a distance of 150.68 feet to a 5/8 inch iron rod with cap stamped "TNP" found for corner;

THENCE North 67"31'07" West continuing along the East line of said 11.256 acre tract, for a distance of 85.93 feet to a 5/8 inch iron rod with cap stamped "TNP" found for the Northeast corner of same;

THENCE South 89"39"01" West along the North line of said 11.256 acre tract, for a distance of 148.38 feet to a 5/8 inch iron rod found for the Southeast corner of said Lot 1, Block 1 of Krum Tap Electrical Switch Station;

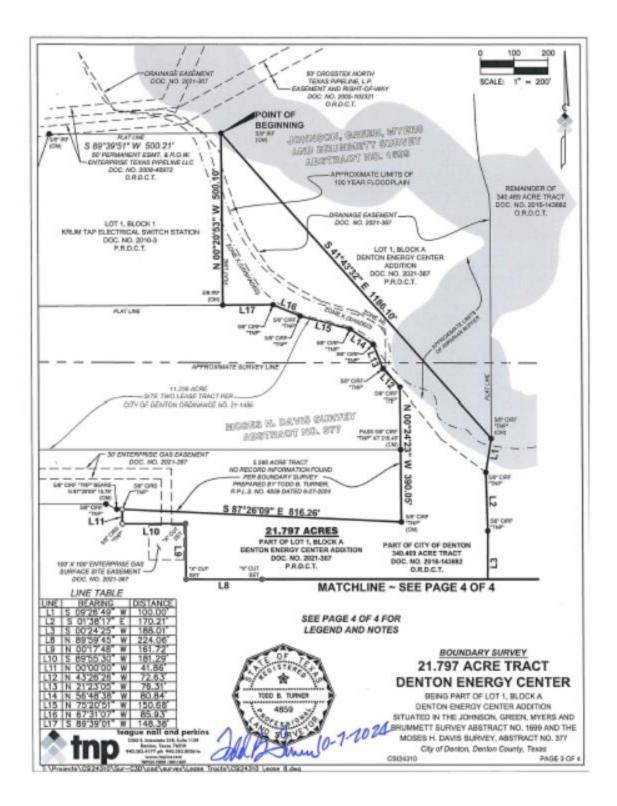
THENCE North 00°20'53" West along the East line of said Lot 1, Block 1, for a distance of 500.10 feet to the POINT OF BEGINNING, and containing 21.797 acres of land, more or less

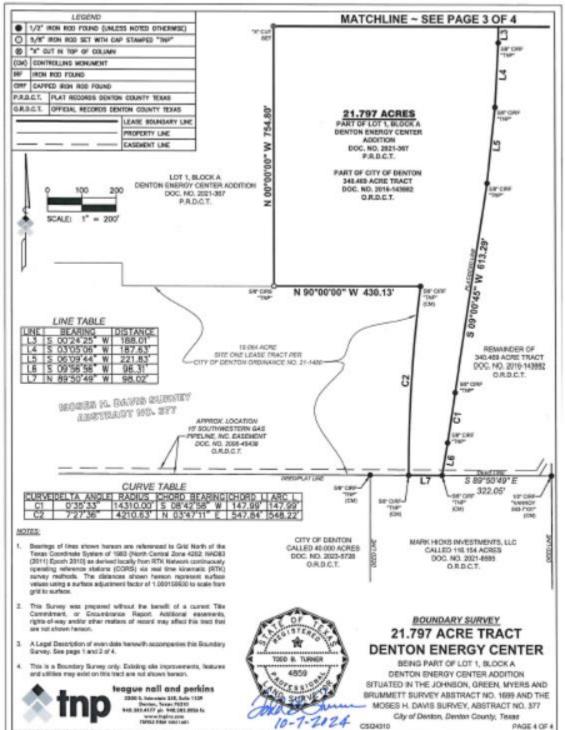
SURVEY NOTES:

- Bearings are referenced to grid north of the Texas Coordinate System of 1983 (North Central Zone 4202; NAD83(2011) Epoch 2010) as derived locally from RTK Network continuously operating reference stations (CORS) via real time kinematic (RTK) survey methods. The distances shown hereon represent surface values using a surface adjustment factor of 1.000150630 to scale from grid to surface.
- 2. A Boundary Survey of even date herewith accompanies this Legal Description. See Page 2 of 2.

Todd B. Turner, R.P.L.S. Teague Nall and Perkins 3200 S. I-35E, Suite 1129 Denton, Texas 76210 940-383-4177 TBPELS Firm No. 10011601 Date: October 7, 2024







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Site 8

LEGAL DESCRIPTION

LEGAL DESCRIPTION

BEING a 6.785 acre tract of land situated in the Moses H. Davis Survey, Abstract No. 377, City of Denton, Denton County, Texas, and being a part of that certain 40.000 acre tract of land described in a Deed to the City of Denton, as recorded in Document No. 2023-5728 of the Official Records of Denton County, Texas and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod found for the Northwest corner of the above cited 40.000 acre tract and the most Southerly Southwest corner of Lot 1, Block A per the Minor Plat of Denton Energy Center Addition, as recorded in Document No. 2021-367 of the Plat Records of Denton County, Texas, said point also being in the East line of a called 293.30 acre tract of land described in a Deed to Edward Curtis Tally, II, as recorded in Document No. 2022-175210 of the Official Records of Denton County, Texas, from which a 1/2 inch iron rod found for an interior ell corner of said 40.000 acre tract and an interior Southeast corner of said 293.30 acre tract bears South 00°12'48" East, a distance of 521.76 feet;

THENCE South 89*50'49" East along the North line of said 40.000 acre tract and the South line of said Lot 1, for a distance of 506.72 feet to a 5/8 inch iron rod with cap stamped "TNP" found for the Southwest corner of a 19.064 acre tract of land described as Site One Lease Tract per City of Denton Ordinance No. 21-1486, and being the POINT OF BEGINNING for the herein described tract:

THENCE South 89*50'49" East continuing along the North line of said 40.000 acre tract, the South line of said Lot 1 and the South line of said 19.064 acre tract, for a distance of 1318.28 feet to a 5/8 inch iron rod with cap stamped "TNP" found for the Northeast corner of said 40.000 acre tract, from which the Southeast corner of said 19.064 acre tract bears South 89*50'49" East a distance of 113.24 feet;

THENCE South 00°09'11" West departing the North line of said 40.000 acre tract, the South line of said Lot 1 and the South line of said 19.064 acre tract, for a distance of 225.00 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner, from which a 5/8 inch iron rod with cap stamped "TNP" found for the Southeast corner of said 40.000 acre tract bears South 00°09'11" West a distance of 610.98 feet;

THENCE North 89°50'49" West departing the East line of said 40.000 acre tract, for a distance of 1309.04 feet to a 5/8 inch iron rod with cap stamped "TNP" set for corner;

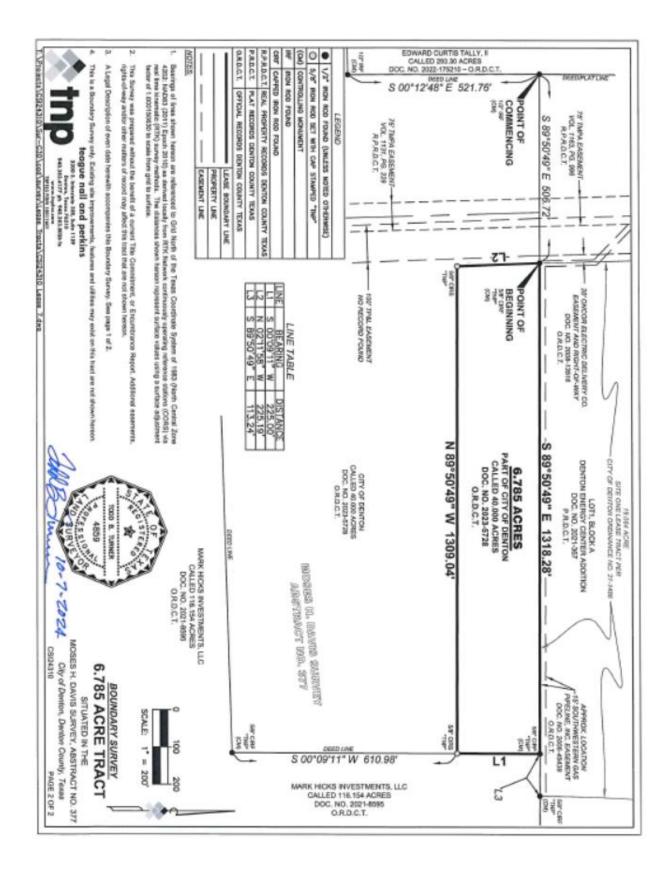
THENCE North 02°11'58" West for a distance of 225.19 feet to the POINT OF BEGINNING, and containing 6.785 acres of land, more or less

SURVEY NOTES:

- Bearings are referenced to grid north of the Texas Coordinate System of 1983 (North Central Zone 4202; NAD83(2011) Epoch 2010) as derived locally from RTK Network continuously operating reference stations (CORS) via real time kinematic (RTK) survey methods. The distances shown hereon represent surface values using a surface adjustment factor of 1.000150630 to scale from grid to surface.
- 2. A Boundary Survey of even date herewith accompanies this Legal Description. See Page 2 of 2.

Todd B. Turner, R.P.L.S. Teague Nall and Perkins 3200 S. I-35E, Suite 1129 Denton, Texas 76210 940-383-4177 TBPELS Firm No. 10011601 Date: October 7, 2024





Fiber Paths

LEGAL DESCRIPTION

BEING a 0.069 acre tract of land situated in the Moses H. Davis Survey, Abstract No. 377, City of Denton, Denton County, Texas, and being a part of Lot 1, Block A per the Minor Plat of Denton Energy Center Addition, as recorded in Document No. 2021-387 of the Plat Records of Denton County, Texas, and also being a part of that certain 340.469 acre tract of land described in a Deed to the City of Denton, as recorded in Document No. 2016-143882 of the Official Records of Denton County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod with cap stamped "TNP" found for the Northwest corner of the above cited Lot 1 and lying in the dedicated South line of Jim Christal Road, a variable width right-of-way, said point also being in the East line of that certain 5.700 acre tract of land described in a Deed to Everette Newland, as recorded in Document No. 2012-19340 of the Official Records of Denton County, Texas;

THENCE North 89"21'52" East along the North line of said Lot 1 and the South line of said Jim Christal Road, for a distance of 227.47 feet to a 5/8 inch iron rod with cap stamped "TNP" found for the Northeast corner of a 14.211 acre tract of land previously surveyed by Todd B. Turner, R.P.L.S. No. 4859, per Boundary Survey dated October 7, 2024;

THENCE South 00°36'20" East departing the North line of said Lot 1 and the South line of said Jim Christal Road, and along the East line of said 14.211 acre tract, for a distance of 635.09 feet to a 5/8 inch iron rod with cap stamped "TNP" found for an interior ell corner of said 14.211 acre tract;

THENCE North 89"21"52" East along the most Easterly North line of said 14.211 acre tract, for a distance of 393.96 feet to a 5/8 inch iron rod with cap stamped "TNP" found for the most Easterly Northeast corner of same;

THENCE South 19°12'37" West along the East line of said 14.211 acre tract, for a distance of 613.22 feet to the POINT OF BEGINNING for the herein described tract;

THENCE South 70*47'23" East departing the East line of said 14.211 acre tract, for a distance of 273.21 feet to an angle point;

THENCE South 90"00"00" East for a distance of 27.62 feet to a point in the West line of an 11.256 acre tract described as Site Two Lease Tract per City of Denton Ordinance No. 21-1486, from which a 5/8 inch iron rod with cap stamped "TNP" found for the Northwest corner of said 11.256 acre tract bears North 19"22"19" East a distance of 398.22 feet;

THENCE South 19"22'19" West along the West line of said 11.256 acre tract, for a distance of 10.60 feet to a point, from which the Southwest corner of same bears South 19"22'19" West a distance of 8.49 feet;

THENCE North 90"00'00" West departing the West line of said 11.256 acre tract, for a distance of 25.80 feet to an angle point;

THENCE North 70"47"23" West for a distance of 274.90 feet to a point in the West line of said 14.211 acre tract, from which a 5/8 inch iron rod with cap stamped "TNP" found for an angle point in the East line of same bears South 19"12'37" West a distance of 345.56 feet;

THENCE North 19°12'37" East along the East line of said 14.211 acre tract, for a distance of 10.00 feet to the POINT OF BEGINNING, and containing 0.069 acres of land, more or less.

SURVEY NOTES:

 Bearings are referenced to grid north of the Texas Coordinate System of 1983 (North Central Zone 4202; NAD83(2011) Epoch 2010) as derived locally from RTK Network continuously operating reference stations (CORS) via real time kinematic (RTK) survey methods. The distances shown hereon represent surface values using a surface adjustment factor of 1.000150630 to scale from grid to surface.

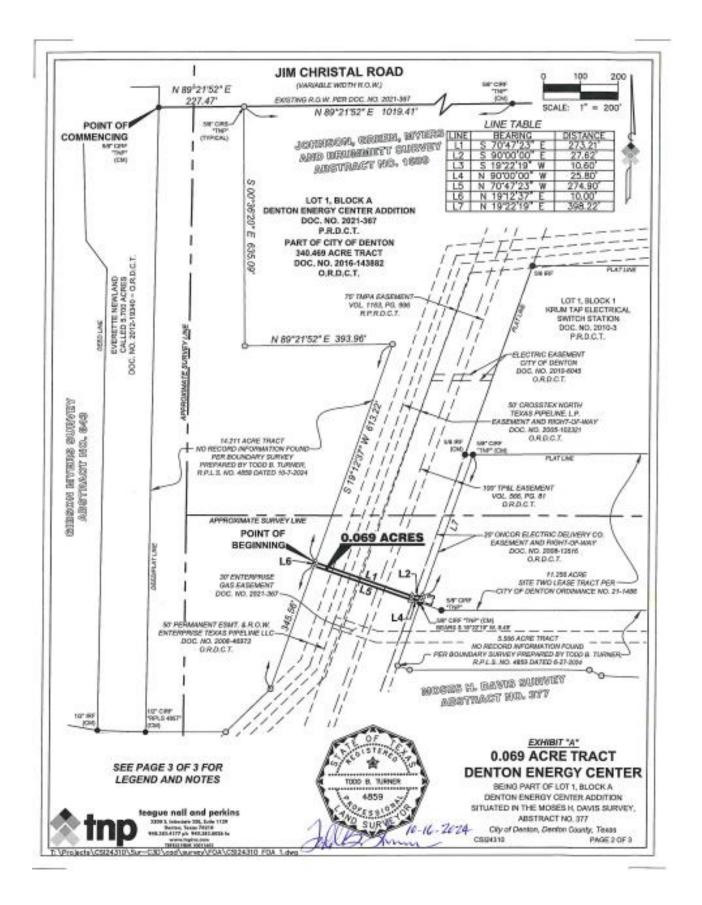
2. An Exhibit of even, date herewith accompanies this Legal Description. See Pages 2 and 3 of 3.

Todd B. Turner, R.P.L.S.

Teague Nall and Perkins - TBPELS Firm No. 10011601 3200 S. I-35E, Suite 1129, Denton, Texas 76210 940-383-4177 Date: October 16, 2024



Legal Description – 0.069 Acre Tract



	N.S	LEGEND		
•	1/2 1	RON ROD FOUND (UNLESS NOT	ED OTHERMSE)	
0	5/8"	IRON ROD SET WITH GAP STAN	PED *TNP*	
(00)	CONT	TROLLING WONLMENT		
IRF	IRON	ROD FOUND		
CIRF	CAPP	ED IRON ROD FOUND	address to react the	
R.P.F	10.0.T.	REAL PROPERTY RECORDS DO	NTON COUNTY TEXAS	
P.R.C	1.0.0	PLAT RECORDS DENTION COUNT	TY TEXAS	
0.8.0	1.C.L	OFFICIAL RECORDS DENTON CO	OUNTY TEXAS	
-	_	PISER	OPTIC AREA UNE	
-		PROP	BRITY LINE	
-	_	8047	-OF-WAY LINE	
_		EASD	INT LINE	



NOTES:

- Bearings of lines shown hareon are referenced to Grid North of the Texas Coordinate System of 1983 (North Central Zone 4202: NAD83 (2011) Epoch 2010) as derived locally from RTIK Network continuously operating reference stations (CORS) via real time kinematic (RTIK) survey methods. The distances shown hereon represent surface values using a surface adjustment factor of 1.000150630 to scale from grid to surface.
- This Survey was prepared without the benefit of a current Title Commitment, or Encumbrance Report. Additional easements, rights-of-way and/or other matters of record may affect this tract that are not shown hereon.
- 3. A Legal Description of even date herewith accompanies this Exhibit "A". See page 1 of 3.
- 4. Existing site improvements, features and utilities may exist on this tract are not shown hereon.



teague nall and perkins 2020 3. Interior 206, 2019 1128 (Interior Reserved) 948.312 4079; New Yolds 948.312 4079; New Yolds

Projecta\CSI24310\Sur~CSI24310 FOA 1.dwg

0.069 ACRE TRACT DENTON ENERGY CENTER

BEING PART OF LOT 1, BLOCK A DENTON ENERGY CENTER ADDITION SITUATED IN THE MORES H, DAVIS SURVEY, ABSTRACT NO. 377 City of Denton, Danton County, Texas CSD4310 PAGE 3 OF 3

LEGAL DESCRIPTION

BEING a 0.102 acre tract of land situated in the Johnson, Green, Myers and Brummett Survey, Abstract No. 1699, City of Denton, Denton County, Texas, and being a part of Lot 1, Block A per the Minor Plat of Denton Energy Center Addition, as recorded in Document No. 2021-367 of the Plat Records of Denton County, Texas, and also being a part of that certain 340.469 acre tract of land described in a Deed to the City of Denton, as recorded in Document No. 2016-143882 of the Official Records of Denton County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod with cap stamped "TNP" found for the Northwest corner of the above cited Lot 1 and lying in the dedicated South line of Jim Christal Road, a variable width right-of-way, said point also being in the East line of that certain 5.700 acre tract of land described in a Deed to Everette Newland, as recorded in Document No. 2012-19340 of the Official Records of Denton County, Texas;

THENCE North 89°21'52" East along the North line of said Lot 1 and the South line of said Jim Christal Road, for a distance of 1246.88 feet to a 5/8 inch iron rod with cap stamped "TNP" found for an angle point;

THENCE North 89°31'54" East continuing along the North line of said Lot 1 and the South line of said Jim Christal Road, for a distance of 254.68 feet to the POINT OF BEGINNING for the herein described tract;

THENCE North 89°31'54" East continuing along the North line of said Lot 1 and the South line of said Jim Christal Road, for a distance of 10.00 feet to a point, from which a 5/8 inch iron rod with cap stamped "TNP" found bears North 89°31'54" East a distance of 428.72 feet;

THENCE South 00°20'53" East departing the North line of said Lot 1 and the South line of said Jim Christal Road, for a distance of 450.29 feet to a point in the North line of a 21.797 acre tract of land previously surveyed by Todd B. Turner, R.P.L.S. No. 4859, per Boundary Survey dated October 7, 2024;

THENCE North 41°43'32" West along the North line of said 21.797 acre tract, for a distance of 15.13 feet to a point, from which a 5/8 inch iron rod found for the Northeast corner of Lot 1, Block 1 per the Final Plat of Krum Tap Electrical Switch Station, as recorded in Document No. 2010-3 of the Plat Records of Denton County, Texas, bears North 41°43'32" West a distance of 7.57 feet;

THENCE North 00°20'53" West departing the North line of said 21.797 acre tract, for a distance of 438.91 feet to the POINT OF BEGINNING, and containing 0.102 acres of land, more or less.

SURVEY NOTES:

- Bearings are referenced to grid north of the Texas Coordinate System of 1983 (North Central Zone 4202; NAD83(2011) Epoch 2010) as derived locally from RTK Network continuously operating reference stations (CORS) via real time kinematic (RTK) survey methods. The distances shown hereon represent surface values using a surface adjustment factor of 1.000150630 to scale from grid to surface.
- 2. An Exhibit of even date herewith accompanies this Legal Description. See Page 2 of 2.

Todd B. Turner, R.P.L.S. Teague Nall and Perkins - TBPELS Firm No. 10011601 3200 S. I-35E, Suite 1129 Denton, Texas 76210 940-383-4177 Date: October 16, 2024



