

ORDINANCE NO C-592.

AN ORDINANCE DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA IN BURLESON AS REINVESTMENT ZONE NUMBER TWO IN THE CITY OF BURLESON, TEXAS, CREATING A BOARD OF DIRECTORS FOR SUCH ZONE; MAKING CERTAIN FINDINGS AND DETERMINATIONS IN RELATION TO SUCH REINVESTMENT ZONE AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Burleson, Texas (the "City"), desires to promote the development or redevelopment of a certain contiguous geographic area tract of land of approximately 720 acres along Interstate Highway 35, including Old Town and extending east to the south of Spinks Airport and to the west to the 174 corridor, within the City by the creation of a reinvestment zone as authorized by the Tax Increment Financing Act, V.T.C.A., Tax Code, Chapter 311 (the "Act"); and

WHEREAS, in compliance with the Act, a public hearing on the creation of the proposed reinvestment zone and its benefits to the City and the property in the proposed zone was ordered to be held on December 13, 2005, during a special session of the Council scheduled to begin at 6:30 p.m. in the City Council Chambers of the City Hall, 141 West Renfro, Burleson Texas; and

WHEREAS, in accordance with the provisions of Section 311.003(e) of the Act, a written notice of the City's intention to establish such reinvestment zone was sent to the governing body of each taxing unit that levies real property taxes in the proposed reinvestment zone, i.e., to the Burleson Independent School District on October 4, 2005 and to Johnson County on October 4, 2005; and

WHEREAS, on the November 28, 2005, the Economic Development Director of Burleson made a formal presentation to the governing body of Johnson County and on November 14, 2005 said Director also made a presentation to the Burleson Independent School District Board of Directors. These presentations include a description of the proposed boundaries of the zone, the tentative plans for the development or redevelopment of the zone, and an estimate of the general impact of the proposed zone on property values and tax revenues; and

WHEREAS, notice of the public hearing was duly published in the Burleson Star, a newspaper having general circulation in the City, in its issue dated December 4, 2005, the date of such publication being at least seven days prior to the date of the public hearing; and

WHEREAS, prior to the public hearing on the creation of the reinvestment zone, a preliminary reinvestment zone financing plan was prepared containing information relating to the estimated projects costs of the zone, the kind, number and location of all proposed public works or public improvements in the zone, an economic feasibility study, the estimated amount of bond indebtedness to be incurred, the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit that levies taxes on real property in the district, and other data; a copy of such preliminary reinvestment zone financing plan being attached hereto as ATTACHMENT "A"; and

WHEREAS, on December 13, 2005, a public hearing on the creation of the reinvestment zone was held at the time and place noted in the aforesaid notice, and all interested persons, or their attorneys, were invited to speak for or against the creation of the reinvestment zone, the boundaries of the proposed reinvestment zone, as described in ATTACHMENT "B" attached hereto and depicted in the map attached hereto as Exhibit "A" of ATTACHMENT "A", the concept of tax increment financing and the appointment of a board of directors for the proposed reinvestment zone; and

WHEREAS, all owners of property located within the proposed reinvestment zone and all other taxing units and other interested persons were given the opportunity at such public hearing to protest the creation of the proposed reinvestment zone and/or the inclusion of their property in such reinvestment zone; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone; and

WHEREAS, the City Council finds that development within the area of the proposed zone would not occur in the foreseeable future solely through private investment;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BURLESON, TEXAS:

SECTION 1: The facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: The City Council, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

(a) The public hearing on adoption of the reinvestment zone has been properly called, held and conducted and notice of such hearing has been published as required by law and delivered to all taxing units overlapping the territory inside the proposed reinvestment zone.

(b) The creation of the proposed zone with boundaries as described in ATTACHMENT "B" will result in benefits to the City, its residents and property owners, in general, and to the property, residents and property owners in the reinvestment zone.

(c) The reinvestment zone, as defined in Exhibit "A" of ATTACHMENT "A" and ATTACHMENT "B", meets the criteria for the creation of a reinvestment zone as set forth in the Act in that:

- (1) It is a contiguous geographic area located wholly within the corporate limits of the City.
- (2) The area is predominately open and because of obsolete platting or deterioration of structures or site improvements, substantially impairs or arrests the sound growth of the City.

- (d) Ten percent or less of the property in the proposed reinvestment zone, excluding property dedicated to public use, is used for residential purposes.
- (e) The total appraised value of all taxable real property in the proposed reinvestment zone according to the most recent appraisal rolls of the City, together with the total appraised value of taxable real property in all other existing reinvestment zones within the City, if any, according to the most recent appraisal rolls of the City, does not exceed 15 percent of the current total appraised value of taxable real property in the City and in the industrial districts created by the City, if any.
- (f) The proposed reinvestment zone does not contain more than 15 percent of the total appraised value of real property taxable by a county or school district.
- (g) The improvements in the reinvestment zone will significantly enhance the value of all the taxable real property in the reinvestment zone and will be of general benefit to the City.
- (h) The development or redevelopment of the property in the proposed reinvestment zone will not occur solely through private investment in the reasonably foreseeable future.

SECTION 3: The City hereby creates a reinvestment zone over the area described by the metes and bounds in ATTACHMENT "B" attached hereto and depicted in the map attached hereto as Exhibit "A" of ATTACHMENT "A" and such reinvestment zone shall hereafter be identified as Reinvestment Zone Number Two, City of Burleson, Texas (the "Zone" or "Reinvestment Zone").

SECTION 4:

- (a) There is hereby established a board of directors for the Zone which shall consist of five (5) members. The board of directors of the Reinvestment Zone shall be appointed as follows: three (3) members shall be appointed by the city council, and the governing body of Burleson Independent School District shall appoint one (1) member and the Johnson County Commissioners Court shall appoint one (1) member, both being taxing units which levy taxes on real property in the Zone. However, if a taxing unit waives its right to appoint a member to the board, the City may appoint such board member in its stead. The initial board of directors shall be appointed by resolution of the governing bodies of the City and the taxing units as provided herein within 60 days of the passage of this Ordinance. All members appointed to the board shall meet eligibility requirements as set forth in the Act.
- (b) The terms of the board members shall be for two years. The governing body of the City shall designate a member of the board to serve as chairman of the board of directors, and the board shall elect from its members a vice chairman and other officers as it sees fit.
- (c) The board of directors shall make recommendations to the City concerning the administration of the Zone. It shall prepare and adopt a project plan

and a reinvestment zone financing plan for the Zone and must submit such plans to the City Council for its approval.

SECTION 5: The Zone shall take effect upon passage with base value determined as of January 1, 2005, and the termination of the Zone shall occur on December 31, 2024, or at an earlier time designated by subsequent ordinance of the City Council in the event that all project costs and tax increment bonds, if any, and the interest thereon, have been paid in full.

SECTION 6: The Tax Increment Base for the Zone, which is the total appraised value of all taxable real property located in the reinvestment zone, is to be determined as of January 1, 2005, the year in which the zone was designated as a reinvestment zone.

SECTION 7: There is hereby created and established a Tax Increment Fund for the Zone which may be divided into such subaccounts as may be authorized by subsequent resolution or ordinance, into which all Tax Increments, less any of the amounts not required to be paid into the Tax Increment Fund pursuant to the Act, are to be deposited. The Tax Increment Fund and any subaccounts are to be maintained in an account kept at a depository bank of the City, and money deposited to the credit of such Fund shall be secured in the manner prescribed by law for funds of Texas cities. In addition, all revenues from the sale of any tax increment bonds and notes hereafter issued by the City, revenues from the sale of any property acquired as part of the tax increment financing plan and other revenues to be dedicated to and used in the reinvestment zone shall be deposited into such fund or subaccount from which money will be disbursed to pay project costs for the Zone or to satisfy the claims of holders of tax increment bonds or notes issued for the Zone.

SECTION 8: If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 9: It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by V.T.C.A., Government Code, Chapter 551, as amended.

SECTION 10: This Ordinance shall take effect and be in force immediately from and after its passage on the date shown below.

PASSED AND APPROVED THIS THE 15th DAY OF December, 2005.



MAYOR

ATTEST:

Mary Hays
CITY SECRETARY

ATTACHMENT A

Preliminary
Finance Plan
Tax Increment Finance
Reinvestment Zone
Number Two
City of Burleson

September 22, 2005

Section 1: What is Tax Increment Financing?

Tax increment financing ("TIF") is one of the economic incentives Burleson can provide to encourage economic development. The primary statute governing TIF is Chapter 311 of the Texas Tax Code.

A municipality makes an area eligible for TIF by designating a "reinvestment zone" ("Zone"). After the Zone has been created, a base property value is established for the Zone, according to statute. Tax dollars generated by growth of taxable real property value in the Zone are called the "tax increment." These tax increment dollars flow to a tax increment financing fund ("Fund") for a term of years specified by municipal ordinance. The Fund may be used to pay for or reimburse expenses of constructing public improvements in the Zone that have been identified as project costs in a project and financing plan approved by the municipality's governing body.

Chapter 311 specifies procedural requirements for designating a Zone, establishing a Zone board of directors (TIF Board) with powers, approving a project and financing plan and other matters affecting the TIF Zone. This document is intended to serve as the "preliminary reinvestment zone financing plan" required by Section 311.003(b). It may also serve as the economic feasibility study required for the project plan and financing plan by Section 311.011(c)(3).

Section 2: Project Summary and Conclusions

Along the Tarrant/Johnson County line, to south of the Old Town Overlay and then on the east from Hurst Road and to the west the intersection of NW Ellison and SH 174 is an area that has developmental challenges that have resulted in underdevelopment, no development and aged infrastructure. See EXHIBIT A. Without an incentive mechanism to assist in the cost of infrastructure improvements, these areas will continue to be challenged. Given the high growth rate in other parts of the City of Burleson, removing the barriers to development will result in an increased growth rate in the Zone. The net taxable value for the city was \$1,312,412,076.00 on 2004 and \$1,464,603,715.00 in 2005, an 11.6% increase in valuation.

It is anticipated that the City of Burleson and Johnson County will participate in the tax increment financing program with 100% of tax growth increments from the site until the earlier of:

Twenty years, ending with collection of the tax increment from the levy of
2025,
or

Reimbursement of project costs for public improvements and related expenses,
as identified in the project and financing plan and future phases of the TIF.

Implementing a TIF Reinvestment Zone will enable the the taxing entities that will benefit from the increased tax revenue to participate in the development and redevelopment of areas within the TIF RE Zone #2. Due the size and complexity of the zone, phases will be necessary. Within the Zone there is a variety of zoning categories and allowable development. See EXHIBIT B.

For Phase One, a development within the Old Town Overlay has been selected. The City of Burleson ("City") wants a new mixed use development within its existing boundaries in Old Town. With appropriate incentives, a developer known as B & G Commercial Investments, "B & G" will construct mixed use center in Old Town.

As the TIF progresses and the TIF Board elects, future phases can be designated. Future Phases may include but are not limited to:

- Rerouting of Abner Lee to south of future Spinks runway expansion
- "Backage" road from E. Renfro north to Stone
- Channelization of Village Creek
- Widening of E. Renfro to Village Creek bridge
- Trails on Village Creek
- Old Service Center site (demolition, remediation, future infrastructure)
- Beatification of RR through Old Town
- Old Town infrastructure
- Old Town beautification
- Drainage improvements on Johnson Ave. by post office and library
- Improvements associated with redevelopment of commercial strip on NW side of 174 from Renfro to Hillery (utility relocation, street relocations, signalization, etc.)
- Drainage (box culvert) from Douglas to SH 174.
- Trails along creeks from Taylor to I-35.

Phase One: Incentives required to construct the retail center on the site include:

Tax increment financing to reimburse the cost of public improvements on the site and related expenses. The City anticipates that B & G and the City will advance funds in 2005 – 2006 to construct public improvements on the site, including sewer lines, water lines, drainage improvements and utility improvements. Project costs, including site preparation, utility placement, road construction and drainage improvements for Phase 1 are estimated to cost \$206,750.00. Infrastructure for all Phases will be approximately \$1,000,000.00. See SCHEDULE 7.

This report is an economic feasibility study to estimate cash flow to participating taxing units from the zone, assuming mixed use development occurs within the Zone. The economic feasibility study also tests prepared in satisfaction of requirements of Chapter 311.011, Texas Tax Code.

Summary conclusions are:

1. If development occurs as represented in this plan, after twenty years (cumulative collections in calendar 2006 through 2026):
 - a. The City will retain \$6,653,422 of real property tax.
 - b. Johnson County will retain \$4,247,749 of real property tax.
2. If development occurs as represented in this plan, the tax increment fund will earn sufficient revenue by 2009 to reimburse a cash advance to be made in 2005 by private sources (B & G or its business partners) to fund construction of the project public improvements, plus other project costs, outlined in the 380 Agreement. Actual cash flow to the tax increment fund may vary; reimbursement of project costs may require fewer or more years. Other options to finance the project costs (public improvements and related expenses) would be for the City to issue municipal bonds or certificates of obligation to pay project costs or to reimburse B & G for project public improvement costs; using annual tax increments to pay debt service on municipal securities.
3. If development occurs as represented in this plan, it is estimated that B & G would receive cumulative Chapter 380 grant payments of \$206,750.00 from the City of Burleson, according to terms of the Grant Agreement.

Section 3: Pro Forma (Economic Feasibility Study)

The exhibits and schedules in this report are the essence of a pro forma exercise to test the economic feasibility of.

- a. Tax increment financing to reimburse a cash outlay by B & G to construct specified public improvements, and for future phases
- or
- b. Producing a cash flow for each participating taxing unit that is as good as or better than the probable cash flow if the development and related incentives were not to occur.

Section 3 is a narrative to explain the logic of the pro forma schedules.

Real Property Tax Cash Flows

Schedules 1, 2, 3, 4 and 5 address the annual flow of real property tax from the Burleson Zone to taxing units, the TIF Fund and B & G for the next two decades.

The proposed zone in EXHIBIT A is currently underdeveloped because of aged infrastructure, environmental concerns and the high cost of infrastructure placement due to drainage, man-made barriers and topographical barriers. The TIF Reinvestment Zone #2 is located within Johnson County.

SCHEDULE 1 identifies real property accounts for 2005 for the site. The schedule shows land area and appraisals for each account. The law provides for appraisal of the Burleson site by the Johnson central Appraisal District (JCAD).

Assuming the appropriate incentives are put in place, B & G plans to begin Phase 1 construction of a retail center as pictured in EXHIBIT C during the second quarter of calendar 2005. Planned tenants for the site include office, service and retail tenants. SCHEDULE 3 & 4 quantify these improvements and others within the mixed use site. Building square footages (floor area) and prospective tenant names are from the developer.

SCHEDULE 3 & 4 also estimate property appraisals of the B&G Commercial Investment site in Old Town that the JCAD will assign to the site after building improvements have been completed. The developer plans to complete construction in 2006, so the first appraisal of completed improvements will be as of January 1, 2007. A stable value for commercial property usually depends on an income approach, which may require a year or more of history. Early values may be higher or lower than the theoretical "stabilized" appraisals. Appraisal estimates are products of area and appraisal per square foot. The SCHEDULE 4 land and building appraisals per square foot are based on input from the JCAD and appraisals of similar new retail structures in Burleson.

SCHEDULE 5 estimates annual real property tax flow a) to the TIF Fund and b) retained by taxing units. Constant 2005 tax rates are assumed.

Although SCHEDULE 5 estimates ability to repay Phase 1 project costs by 2018 (with the 380 Grant repaid by 2009), the duration of the TIF Zone will need to be longer, to allow for the costs of future phases. A maximum duration of twenty years seems prudent, with tax increments collected in 2026 (from the 2025 levy) potentially flowing to the TIF Fund. The Zone may be dissolved early if all project have been completed and all costs have been reimbursed. A cash balance for the TIF Fund at its dissolution may be refunded to participating taxing units.

SCHEDULE 6 is a list of project costs to be reimbursed for Phase 1 by the TIF Fund.

Business Personal Property Tax Cash Flows

All Business Personal Property Taxes would flow to the taxing entities.

City Sales Tax Cash Flows

Estimated annual City sales tax flows from Phase 1 of the TIF Zone #2 charted in SCHEDULE 4. Sales volumes and taxes are sensitive to estimated sales per square foot. The stores on the Burleson site may sell more or less than the assumed volumes in any year.

The current City sales tax rate is 2.0%. This includes a 1.0% basic City sales tax AND .5% for the 4A Economic Development Sales Tax and .5% for the 4B Economic development Sales Tax.

Conclusions for the Burleson Zone

If development occurs as represented in this plan, the cumulative twenty-year cash flow retained from the proposed development site (the Zone) by each of six participating taxing units is shown on the front page of SCHEDULE 5. By comparison, if the site were not developed annual revenue to taxing units would remain approximately the same as in 2005. Each taxing unit will realize a revenue gain from the proposed economic incentives and consequent development.

A proposed cash advance from B & G to pay for project public improvements benefiting the site probably could be reimbursed by real property tax growth increments from normal levies on the Zone through 2009. A tax increment financing program with a longer duration, a maximum duration through the levies of 2025, thus appears economically feasible and would enable additional phases to be completed.

Section 4: Project and Financing Plan Checklist

A project and financing plan must meet content requirements set forth in Section 311.011(b) and (C) of the Texas Tax Code. This preliminary financing plan is not the project and financing plan. Nevertheless, it anticipates those requirements of a subsequent report. The following list recites project and financing plan requirements and addresses the extent to which each is met in this preliminary report:

§ 311.011(b) The project plan must include:

1. A map showing existing uses and conditions of real property in the zone and a map showing proposed improvements to and proposed uses of that property.

EBHIBIT A is a map of existing uses and conditions. Exhibits C is a design of proposed improvements and proposed uses.

2. Proposed changes of zoning ordinances, the master plan of the municipality, building codes and other municipal ordinances.

If any such changes are proposed for this site, but not yet adopted upon approval of the project and financing plan, they should be identified here.

3. A list of estimated nonproject costs.

Nonproject costs, including the cost to develop the shopping center that will not be reimbursed, should be identified here for the project and financing plan.

4. A statement of a method of relocating persons to be displaced as a result of implementing the plan.

No displacements are planned.

§ 311.011(c) The reinvestment zone financing plan must include:

1. A detailed list describing the estimated project costs of the zone, including administrative expenses.

Estimated project costs are identified in SCHEDULE 6, for Phase 1.

2. A statement listing the kind, number and location of all proposed public works or public improvements in the zone.

For the project and financing plan, the project costs schedule (SCHEDULE 6) should be expanded to include this information.

3. An economic feasibility study.

This report, particularly SCHEDULE 5, together with the exhibits and other schedules, is a pro forma and economic feasibility study for the Zone. This should be expanded to include other phases in the Zone.

4. The estimated amount of bonded indebtedness to be incurred.

The City of Burleson may consider issuance of tax increment revenue bonds (secured solely by tax increments) or certificates of obligation of other

securities (secured by a combination of revenues, including tax increment fund revenues) to fund all costs associated with implementation of the project plan, including capital costs and imputed interest costs of project public improvements and related expenses of the Zone initially shown in SCHEDULE 6, for Phase 1. Borrowing may actually save the City money if the City is able to secure a lower rate on borrowed funds than it would have to Pay to B & G as interest. Cash flow to the TIF Fund would be the primary or sole source of cash for debt service on such indebtedness. The City is not obligated to issue any bonded indebtedness for this project.

5. The time when related costs or monetary obligations are to be incurred.

SCHEDULE 6 indicates the timing foreseen for costs or monetary obligations.

6. A description of the method of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit that levies taxes on real property in the zone.

The City of Burleson will advance organizational costs of the TIF program and provide administrative services. B & G will advance cash for the capital costs in Schedule 5. These project costs will be reimbursed from cash flow to the TIF Fund or, at the discretion of the City, from certificates, bonds or other securities issued by the City. Debt service for the securities would then be paid primarily or entirely by cash flow to the TIF Fund.

It is assumed that the City of Burleson and Johnson County will each contribute 100% of real property tax increments from the Zone to the TIF Fund for the duration of the Zone. Assuming property tax rates remain constant at 2005 rates for the duration, the City would be the source of approximately 61.03% of revenue to the Fund. Johnson County would be the source of approximately 38.97% of the fund.

7. The current total appraised value of taxable real property in the zone.

The appraised market value of taxable real property in the Zone as of January 1, 2005 was \$55,586,001. The total appraised value of all real property taxable by the City (reflecting agricultural exemptions) as of January 1, 2005 was \$1,464,603,715.

8. The estimated captured appraised value of the zone during each year of its existence.

See SCHEDULE 5.

9. The duration of the zone.

The duration of the Zone is proposed as the earlier of:

- a. Twenty years commencing with the effective date of the City ordinance designating the Zone, ending December 31, 2025 or a later date when all taxing units have made full payments of amounts due to the Fund.

or

- b. Repayment of agreed principal for the developer's cash advance for project public improvements for all phases of development in the Zone.

ATTACHMENT "B"

Burleson TIF Zone Number Two
Metes and Bounds

Beginning at the southwestern most corner of Lot 1 Blk 9 Hillery Heights Addition to the City of Burleson, Johnson County, Texas;

Thence N 44-50'-14.46" E 1157.85 Feet to a point on the southwest property line of Lot 29 Block 3 Hampton Place Phase One, an Addition to the City of Burleson, Texas;

Thence N 44-41'-8.2" W 692.03 Feet to a point on the southwest property line of Lot 1 Block 3 Hampton Place Phase One, Said point also being on the northern boundary line of Johnson County.

Thence along the northern boundary line of Johnson County a distance of 8585.3 Feet.

Thence S 1-3'-34.45" 2291.49 Feet to a point, said point being the southeast corner of Tract 2 Abstract 496, Johnson County, Texas.

Thence N 89-55'-59.6" W 1442.47 Feet to a point, said point being the southwest corner of Tract 2 Abstract 496, Johnson County, Texas.

Thence north along the western property line of said tract, a distance of approximately 396 Feet.

Thence N 64-57'-54" W 409.2 Feet.

Thence S 54-55'-34" W 228.38 Feet.

Thence S 62-21'-14" W 159.3 Feet.

Thence N 84-5'-37.8" W 4338.73 Feet.

Thence S 2-49'-12.6" W 280.67 Feet.

Thence S 90° W 476.37 Feet to a point in the eastern property line of Tract 37 Abstract 4, Johnson County, Texas.

Thence in a southwesterly direction along the eastern property line of said tract, a distance of approximately 380.5 Feet, to a point, said point being the northeast corner of Tract 28C Abstract 4, Johnson County, Texas.

Thence in a southwesterly direction along the eastern property line of said tract to a point in the northern right-of-way line of E Renfro in the City of Burleson, Texas.

Thence S 9-11'-49.6" W 147.54 Feet to a point, said point being the southeasterly most corner of Tract 28E Abstract 4, Johnson County, Texas.

Thence in a southwesterly direction along the south property line of Tract 28E Abstract 4, a distance of approximately 952 Feet to a point in the eastern right-of-way line of Interstate 35W.

Thence in a southwesterly direction across the right-of-way of Interstate 35W approximately 375 Feet to a point, said point being the northeast corner of Lot 6, Block 1 Salem Park, an Addition to the City of Burleson, Texas; .

Thence S 37-59'-22.5" W 148.4 Feet along the property line between Lot 6 Block 1 Salem Park and Lot 4R Block 1 Salem Park. to a point in the northern right-of-way of E Miller Street in the City of Burleson, Texas;

Thence in a westerly direction along the northern right-of-way line of E Miller Street to a point, said point being the southwest corner of a lot in Block 49 Burleson Addition, an Addition in the City of Burleson, Texas, said lot being comprised of Lot 5 and the western 55 Feet of Lot 4.

Thence S 85-58-58 W 300 Feet to a point, said point being the southeast corner of Lot 5 Block 50 Burleson Addition.

Thence in a southwesterly direction along the northern right-of-way of W Miller Street approximately 1150 Feet to a point, said point being the southwestern corner of a lot in Block 53 Burleson Addition, said lot being comprised of a portion of Lot 2.

Thence in a northwesterly direction along the western right-of-way line of SE Tarrant Ave in the City of Burleson, Texas, approximately 970 Feet to a point, said point being the eastern most corner of Block 68 Burleson Addition.

Thence N 45-36-50 E 214.44 Feet.

Thence in a northwesterly direction to a point in the eastern right-of-way of NW Ellison Street in the City of Burleson, Texas, said point also being the southwest corner of Lot 10 Block 3 Cummings Addition to the City of Burleson, Texas.

Thence in a northwesterly direction along the eastern right-of-way of NW Ellison Street approximately 1030 Feet to a point in the southern right-of-way of SW Wilshire Blvd in the City of Burleson, Texas, said point being the northwest corner of Lot 6 Block 10 Cummings Addition

Thence in a northeasterly direction along the southern right-of-way of SW Wilshire Blvd

approximately 560 Feet to a point, said point being the northern most corner of Lot 5 Block 5 Cummings Addition.

Thence in a northwesterly direction across the right-of-way of SW Wilshire Blvd to a point, said point being the southern most corner of Block 1 Montclair Addition to the City of Burleson, Texas..

Thence in a northerly direction along the eastern right-of-way of NW Renfro in the City of Burleson, Texas, approximately 332 Feet to a point, said point being the southwestern corner of Lot 10 Block 1 Montclair Addition.

Thence N 45-6'-56" E 787.19 Feet to a point, said point being the eastern most corner of Lot 15 Block 3 Montclair Addition.

Thence in a northwesterly direction approximately 132 Feet to a point, said point being the southwestern corner of Lot 2 Block A Montclair Addition.

Thence N 45-13'-12" E 489.27 Feet to a point on the property line of Tract 9 Abstract 183, Johnson County, Texas, said point also being in the eastern right-of-way line of NW Hillery Street in the City of Burleson, Texas.

Thence in a northwesterly direction along the eastern right-of-way of NW Hillery Street to the point of beginning.