

KATERRA

Year	Current Agreement		Amended Agreement		
	Rebated to Company	City Retains	TRZ 110 Reduction (Real Property Only)	Rebated to Company	City Retains (same as current)
Year 1	80%	20%	50%	30%	20%
Year 2	80%	20%	50%	30%	20%
Year 3	80%	20%	50%	30%	20%
Year 4	70%	30%	50%	20%	30%
Year 5	70%	30%	50%	20%	30%
Year 6	70%	30%	50%	20%	30%
Year 7	60%	40%	50%	10%	40%
Year 8	60%	40%	50%	10%	40%
Year 9	60%	40%	50%	10%	40%
Year 10	60%	40%	50%	10%	40%

Katerra’s incentive will be reduced by approximately \$1.4M due to the Loop 110 TRZ real property limitation based on a \$45M real property estimate.

The City of San Marcos will receive the same amount of property taxes that was estimated as in the previous agreement which was \$2,074,368 over the 10-year period.