

REAL ESTATE APPRAISAL REPORT - TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property: 3865 Childress Avenue, Mesquite, Texas 75150

Property Owner: City of Mesquite

Address of Property Owner: PO Box 850137, Mesquite, Texas, 75185

Occupant's Name: Vacant

Whole: ☐ Partial: ☒ Acquisition

District: Dallas

Parcel: 110E

ROW CSJ: 2374-02-115

Federal Project No: /NH2005 (341)

Highway: IH-635

County: Dallas

Purpose of the Appraisal

The purpose of this appraisal is to estimate the market value of the fee simple title to the real property to be acquired, encumbered by any easements not to be extinguished, less oil, gas and sulphur. If this acquisition is of less than the whole property, then any special benefits and /or damages to the remainder property must be included in accordance with the laws of Texas.

Market Value

Market value is defined as follows: "Market Value is the price which the property would bring when it is offered for sale by one who desires to sell, but is not obliged to sell, and is bought by one who desires to buy, but is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future."

Certificate of Appraiser

I hereby certify:

That it is my opinion the total compensation for the acquisition of the herein described property is **\$15,053** as of December 30, 2017, based upon my independent appraisal and the exercise of my professional judgment;

That on December 30, 2017, I personally inspected in the field the property herein appraised; that I afforded City of Mesquite, the property owner or the representative of the property owner, the opportunity to accompany me at the time of the inspection; the property owner, or representative, was not present at the time of the inspection;

That the comparables relied upon in making said appraisal were as represented by the photographs contained in the appraisal report and were inspected on December 30, 2017 and other dates;


That I have not revealed and will not reveal the findings and results of such appraisal to anyone other than the proper officials of the Texas Department of Transportation or officials of the Federal Highway Administration until authorized by State officials to do so, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified to such findings;

That my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

The appraiser has considered access damages in accordance with Section 21.042(d) of the Texas Property Code, as amended by SB18 of the Texas 82nd Regular Legislative Session and finds as follows:

1. Is there a denial of direct access on this parcel? No (yes or no)
2. If so, is the denial of direct access material? N/A (yes, no, or not applicable)
3. The lack of any access denial or the material impairment of direct access on or off the remaining property affects the market value of the remaining property in the sum of \$ 0.00.

I certify to the best of my knowledge and belief that the statements of fact contained in this report are true and correct; the reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions; I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved; that my analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the appropriate State laws, regulations, and policies and procedures applicable to the appraisal of right of way for such purposes, and that to the best of my knowledge no portion of the value assigned to such property consists of items which are non-compensable under the established law of said State, and any decrease or increase in the fair market value of subject real property prior to the date of valuation caused by the public improvement for which such property is to be acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to the physical deterioration within the reasonable control of the owner, has been disregarded in estimating the compensation for the property.


Appraiser Signature
Kreg Hodge TX-1380410-G
Certification Number
December 31, 2017
Date

To the best of my knowledge, the value does not include any items, which are not compensable under State law.



TX-1325392-G February 20, 2018
Reviewing Appraiser, R/W-AC Date



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PURPOSE OF THE APPRAISAL/USPAP REQUIREMENTS

The purpose of this report is stated on page one. The report is in compliance with the requirements of the Uniform Standards of Professional Appraisal Practice and the Code of Ethics of the Appraisal Institute. The report is also prepared in accordance with the guidelines promulgated by the Texas Department of Transportation.

INTENDED USE/INTENDED USER/CLIENT

The intended use/user is specifically for Texas Department of Transportation, and its authorized representatives, for internal decision-making and analysis in connection with the acquisition described herein. Texas Department of Transportation is also the client. The appraiser is not responsible for unauthorized use of this report.

FEE SIMPLE & MARKET VALUE DEFINITIONS

A Fee Simple Estate is definable as absolute ownership, unencumbered by another interest or estate, and subject only to the limitations of eminent domain, escheat, police power, or taxation. Easement Estate is defined as an interest in real property that conveys use, but not ownership, of a portion of an owner's property. Market Value is defined on page one.

EFFECTIVE DATE OF THE APPRAISAL

The subject property is appraised as of December 30, 2017 and is subject to the market influences and economic conditions, which existed on that date. The subject property was inspected on December 30, 2017, and the comparable sales were inspected on December 30, 2017 and other dates. The date of this report is December 31, 2017.

INSPECTION INFORMATION

We contacted the subject property owner via certified mail. A copy of the letter and return receipt are included in the addenda of this report. The property owner received the certified letter. The owner was not present at the subject inspection on December 30, 2017.

SUBJECT IDENTIFICATION & OWNERSHIP/HISTORY

Identification: The subject is located in the city of Mesquite, in Dallas County, Texas. The property is situated along the west side of Childress Avenue, at the western terminus of Brazoria Drive, Mesquite, Texas. Physically addressed as 3865 Childress Avenue, Mesquite, Texas 75150, the subject is vacant, unimproved land. According to public records, the subject tract is comprised of 0.5940 acres, or 25,875 square feet. Abutting uses include, vacant land along the north side, a medical office building along the east side, a big box retail application along the south side, and highly concentrated commercial development across IH 635 along the west side.

The subject consists of an area of 25,875 square feet, or 0.5940 acres. The area currently exists as a drainage easement, acquired as a charitable donation. The area is owned by the City of Mesquite, and is located directly adjacent to the west and south side of an improved parcel of land. The size, elongated and L-shaped, and topography of the area make it unsuitable for individual development. Because of this limitation, the highest and best use of the subject is in its assemblage value as combined with another property in the immediate vicinity.

Legal Description: A current survey or metes and bounds description of the whole subject is not available. According to public records and provided field notes, the property is legally described as Being a called 0.594 acre tract of land described in Special Warranty Gift Deed to The City of Mesquite, as recorded in Instrument Number 200900018579 of the Official Deed Records of Dallas County.

Ownership/Subject History: According to the provided title commitment, ownership is vested in City of Mesquite. The property transferred to City of Mesquite from White Property Company, No. 2, Ltd. on January 14, 2009, as recorded in Document 200900018579, Deed Records of Dallas County, Texas. The tract was transferred as a gift as a charitable contribution under applicable income tax laws and regulations. To our knowledge, no transfers of the subject property in the preceding five years of the date of this report are known.

Currently, the Texas Department of Transportation seeks to acquire a drainage easement on the subject for the IH 635 project. The proposed acquisition is in permanent easement estate. Per the enclosed right-of-way field notes, the part to be acquired is stated at 0.2910 acres, or 12,676 square feet, and is located along the southwestern corner along the IH-30 frontage road. The proposed acquisition amounts to approximately 48.99 percent of the land area ($0.2910 \text{ AC} \div 0.5940 \text{ AC} = 0.4899$). The remainder is 0.5940 acres, or 25,875 square feet, including the permanent easement. The proposed permanent easement is located along the western property line of the subject and adjacent to a maintenance easement and channel. The proposed acquisition is further described as follows:

The proposed easement is rectangularly shaped with a length of 411.16 along the western property line near the southwestern corner of the property, with depths of 26.39 feet on the northern line of the easement and 37.59 feet on the southern line.

Whole Property	0.5940 AC	Or	25,875 SF	
Part To Be Acquired in Easement	0.2910 AC	Or	12,676 SF	Or 48.99% of the Whole Property
Remainder Property	0.5940 AC	Or	25,875 SF	

PROJECT DESCRIPTION

The purpose of the IH-635 project is to improve the highway from US-75 to IH-30.

SCOPE OF THE APPRAISAL/APPRAISAL PROCEDURE

Data Researched

For this report, the subject market was researched for all pertinent data relating to the appraisal problem including: collecting and confirming data through brokers, appraisers, property owners, lessees/lessors, and others familiar with the real estate market. The information provided by these sources is deemed reliable, but is not guaranteed.

In addition, verifiable third-party sources were utilized including the Multiple Listing Service (MLS) and others. Where applicable, additional market data was extracted from market reports and data circulated and purchased from, Real Estate Research Corporation, Price Waterhouse Coopers Korpacz Investor Survey, and M/PF Yieldstar. The information provided by these sources is deemed reliable, but is not guaranteed.

Competency

Collectively, the appraisers involved in this assignment have considerable experience in appraising this property type, and have adequate knowledge of the property type and location to meet the competency requirements of the Uniform Standards of Professional Appraisal Practice. In addition, other appraisers in the market would perform similar actions in the appraisal process to fulfill the scope of work in this assignment and the appraisal meets or exceeds the expectations of parties who are regularly intended users for similar assignments.

Procedure

For this report, the area was inspected and the highest and best use analyzed considering the factors of physically possible, legally permissible, financially feasible, and maximally productive. The subject is a 0.5940-acre tract of vacant land. The proposed permanent drainage easement is basically L-shaped, located along the immediate west and south of the adjacent improved tract, and along an existing utility and drainage corridor.

For this report, the area was inspected and the highest and best use analyzed considering the factors of physically possible, legally permissible, financially feasible, and maximally productive. The subject tract is 25,875 square feet of what amounts to severed land encumbered with drainage area, owned in fee simple by City of Mesquite transferred via charitable donation.

A commonly used method of valuing a tract that cannot be typically developed by itself due to size or other limitations is known as "Across-the-Fence" value, or ATF. Using this methodology, the opinion of value of a tract is derived as a part of a larger, abutting tract. This is essentially, in general terms, the reverse of methodology used in the valuation of severed tracts for acquisitions.

However, in the case of ATF valuations, the parent or "across the fence" tract must generally share the same highest and best use as the subject being valued. Due to the severe topographical inferiority of the subject, as well as the lack of developmental potential, the highest and best use of the subject is completely different than that of the parent tract, and limited to green space. Additionally, due to the severely undulating and sloped nature of the subject, it would be of no benefit to combine with the parent tract, further limiting the highest and best use of the tract.

Therefore, and with the recognition that there are no directly comparable vacant land sales that mimic the subject's topography and L-shape, the tract will be valued via the sales comparison approach as vacant land, and adjusted appropriately for inferiorities in topography and utility.

The subject is unimproved vacant land. Thus, in accordance with Standard Rule 1-2(e), only the land and affected site improvements are valued in this appraisal. approach considers replacement costs of existing improvements and land value. The cost, sales comparison, and income capitalization approaches as related to improved property are not applicable for appraisal purposes and are excluded from the valuation of the subject. The subject market was researched for all pertinent land sale data relating to the subject valuation. These data were analyzed and adjusted using commonly accepted appraisal techniques. The subject land is valued by market comparison of similar tracts of land.

JURISDICTIONAL EXCEPTION

The Uniform Standards of Professional Appraisal Practice (USPAP) requires that “When analyzing anticipated public or private improvements, located on or off the site, an appraiser must analyze the effect on value, if any, of such anticipated improvements to the extent they are reflected in market actions.” *USPAP, Standards Rule 1-4 (f)*

USPAP provides that in developing a real property appraisal, an appraiser must:

“determine the scope of work necessary to produce credible assignment results in accordance with the SCOPE OF WORK RULE.” *USPAP, Standards Rule 1-2 (h)*

The USPAP Comment section of the SCOPE OF WORK RULE states in part:

“Comment: The scope of work is acceptable when it meets or exceeds:

- the expectations of parties who are regularly intended users for similar assignments; and
- what the appraiser’s peers’ actions would be in performing the same or a similar assignment.”

It is generally an accepted public policy that the appraisal of rights-of-way exclude the effect on value, if any, that a proposed public improvement may have on the whole property and the part to be acquired. The appraisal of the remainder property must include the effects of the part acquired and the public project, except elements that are considered non-compensable are excluded from the remainder analysis. In keeping with this policy, a Jurisdictional Exception is invoked -- the subject property is appraised excluding the consideration of any effect on value of the whole property and the part to be acquired caused by the proposed public improvements, and excludes any non-compensable damages to the remainder property that may result because of the part acquired or the public project. We conclude that the impending project has no effect on the whole property or on the comparable sales used herein.

APPRAISAL REPORT

This is an Appraisal Report that is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value.

DISCLAIMERS

An environmental study covering the subject is not available. No environmental hazards are readily notable from our inspection. This is not, however, a guarantee that environmental concerns do not exist. All previous uses of the site are not known. The subject is appraised predicated on the absence of environmental hazards. The conclusions of this appraisal report would be materially changed if detrimental environmental conditions were associated with the subject. A phase one-environmental site analysis is recommended.

Improvements Not Included In The Appraisal: Improvements that are considered personal property are excluded from the appraisal of the subject. No personal property was noted in the part to be acquired.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

The Uniform Standards of Professional Appraisal Practice and the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute require the appraiser to "set forth all assumptions and limiting conditions that affect the analyses, opinions, and conclusions in the report." In compliance therewith, and to assist the reader in interpreting this report, such general assumptions and limiting conditions are set forth below. Specific assumptions, if any, are referred to herein.

Title is assumed to be marketable and free and clear of all liens and encumbrances, easements, and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.

No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, notwithstanding the fact that such matters may be discussed in the report.

No opinion is expressed on the value of subsurface oil, gas, mineral rights, or water rights, or whether the property is subject to surface entry for the exploration or removal of such except as expressly stated.

The date of value to which the opinions expressed in this report apply is set forth on page 1.0. The appraiser assumes no responsibility for economic or physical factors occurring at some later date, which may affect the opinions herein stated. The opinion of value is considered reliable only as of the date of the appraisal.

The valuation is reported in dollars of U.S. currency prevailing on the date of the appraisal.

Maps, plats, and exhibits included herein are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose unless specifically identified as such.

All information and comments pertaining to this and other properties included in the report represent the personal opinion of the appraiser, formed after examination and study of the subject and other properties. While it is believed the information, estimates and analyses are correct, the appraiser does not guarantee them and assumes no liability for errors in fact, analysis or judgment.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or to the MAI or SRA designation) shall be disseminated to the public through advertising media, public relations media, sales media, or any other public means of communication without written consent and approval of the undersigned.

The appraiser is not required to give testimony or to appear in court by reason of this appraisal, unless prior arrangements have been made.

The distribution of the total valuation in this report between land and improvements applies only under the existing, or proposed/completed program of utilization. The separate valuations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

Certain information concerning market and operating data were obtained from others. This information is verified and checked, where possible, and is used in this appraisal only if it is believed to be accurate and correct. However, such information is not guaranteed.

Opinions of value contained herein are opinions only. There is no guarantee, written or implied, that the subject property will sell for such amounts. Prospective values are based on market conditions as of the effective date of the appraisal. The appraiser is not responsible if unforeseeable events alter market conditions subsequent to the effective date of the appraisal. As a personal opinion, valuation may vary between appraisers based on the same facts.

No responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes can be assumed without provision of specific professional or governmental inspections. While the general conditions of the property were observed, no guarantee can be made concerning the individual components of the structures including but not limited to the heating system, plumbing, electrical services, roof, possible termite damage or building foundation. This appraiser is not qualified to make a complete inspection of any well or septic system, consequently, it was beyond the scope of this report and no statements can be made concerning the adequacy or condition of these or other system.

No investigation - unless presented in other sections of this report - was made by the appraiser to determine if asbestos, fiberglass, or synthetic mineral fiber products are present in improved properties. The existence of such products, if any, would have to be determined by a qualified inspector. It is assumed that there are no asbestos, fiberglass, synthetic mineral fiber products, nor other contaminants present that would materially affect value.

The Americans with Disabilities Act (ADA) became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

No investigation - unless presented in other sections of this report - was made by the appraiser to determine if any toxic materials are present on the subject tract. The existence of such materials, if any, would have to be determined by a qualified inspector. It is assumed that no toxic materials are present that would materially affect value or development costs.

A reasonable investigation was made to determine the existence of any underground storage tanks (UST) on the subject site. If USTs are present on the subject site details are provided in other sections of this report. It is assumed there are no USTs present that would materially affect value.

In the event the appraisal is based upon proposed improvements, it is assumed that the improvements will be completed in substantial conformity with plans and specifications, which have been furnished to the appraiser, and with good materials and workmanship. It is also assumed that the proposed foundation and construction techniques are adequate for the existing sub-soil conditions.

Any personal property, fixtures, or intangible items that are not real property, are not included in the valuation, and are identified as personal property and discussed herein.

Available maps, photographs and other documentation are provided in the addenda of this report.

Extraordinary Assumptions/Hypothetical Conditions: The Uniform Standards of Professional Appraisal Practice require the disclosure of hypothetical conditions and extraordinary assumptions when employed in the development of an appraisal. The use of these may have affected the assignment results. As defined in the Uniform Standards of Professional Appraisal Practice, an extraordinary assumption is “an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.” As defined in the Uniform Standards of Professional Appraisal Practice, a hypothetical condition is “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.” The use of these assumptions and/or conditions may have affected the assignment results.

The subject is appraised conditioned upon the following extraordinary assumptions:

It is assumed that the Texas Department of Transportation will, where necessary, and without burden to the subject owner, negotiate the successful movement of any non-landowner items that are situated within the acquisition area, such as utility lines and appurtenances.

The subject is accessible via Childress Avenue. Adequate access to the subject is assumed to be legally available via the roadway as of the appraisal date. Upon development or redevelopment of the property, curb cuts, or specific access points for ingress and egress, would be subject to the control of Dallas County, the city of Mesquite, or the Texas Department of Transportation.

In the remainder condition, the property is appraised as though the Texas Department of Transportation project is complete and in place.

No legal reasoning or analysis is implied in regard to the extraordinary assumptions or hypothetical conditions. A qualified attorney should be consulted for an opinion of the status of legal title and rights to the subject if such questions arise.

Due to a jurisdiction exception, the subject is appraised with the hypothetical condition that, in the remainder condition, the project is complete and in place.

The reader should be aware, that, in the event that any of the above proves false, inappropriate, or improperly applied, the conclusions of this report could be substantially changed or voided.

PHOTOGRAPHS OF SUBJECT PROPERTY
Include Each Major Improvement

Parcel : 110E

Date Taken: December 30, 2017

1. Point from which taken: Subject property

Local Address: 3865 Childress Avenue, Mesquite, Texas

Taken By: Kreg Hodge.

Looking: Southerly along area of acquisition.



2. Point from which taken: Subject property

Looking: Southerly along area of acquisition.



PHOTOGRAPHS OF SUBJECT PROPERTY
Include Each Major Improvement

Parcel : 110E

Date Taken: December 30, 2017

3. Point from which taken: Subject property

Local Address: 3865 Childress Avenue, Mesquite, Texas

Taken By: Kreg Hodge.

Looking: Northerly along area of acquisition.



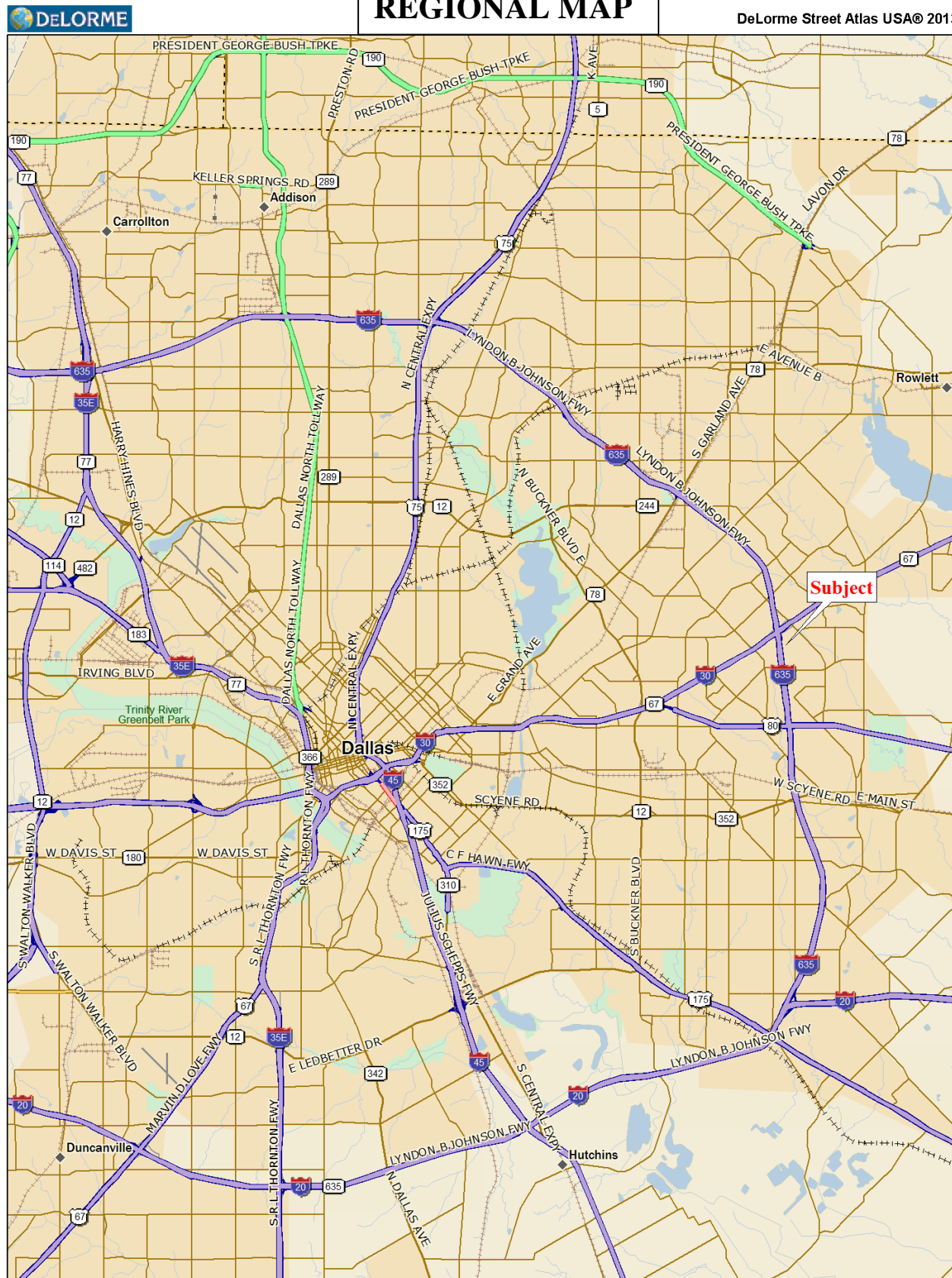
4. Point from which taken: Subject property

Looking: Northerly along area of acquisition.



REGIONAL MAP

DeLorme Street Atlas USA® 2013



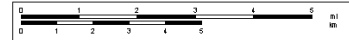
Data use subject to license.

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TN
★
MN (3.1°E)

Scale 1 : 187,500



1" = 2.96 mi

Data Zoom 10-1

A **market area**, as defined in The Dictionary of Real Estate Appraisal, 5th Edition, copyrighted 2010, is:

"The area associated with a subject property that contains its direct competition."

When analyzing value influences, the focus is on market area. A market area is defined in terms of the market for a specific category of real estate and thus, is the area in which alternative, similar properties effectively compete with the subject property in the minds of probable, potential purchasers and users. A market area can encompass one or multiple neighborhoods or districts.

MARKET AREA INFLUENCES

The subject property is located in the city of Mesquite, Dallas County, Texas. The descriptions of the subject vicinity are presented in the following pages.

The subject is located along the west side of Childress Avenue, at the western terminus of Brazoria Drive. The locale is approximately 10 miles east of the Dallas CBD. Adjoining suburban neighborhoods are similar as to make-up and land uses.

The city of Mesquite encompasses 43.4 square miles in the eastern portion of Dallas County, and is part of the Dallas Metropolitan District (MD) and the Dallas/Fort Worth/Arlington Metropolitan Statistical Area (MSA). Contiguous to the city of Dallas on the west, Mesquite is bounded by the community of Garland to the north, Sunnyvale to the east, and Balch Springs and Seagoville on the south.

Population

Mesquite has grown from a small farming community to a major urban center in less than 50 years. Prior to World War II, Mesquite was small country community serving rural, east Dallas County. The postwar population and economic growth of Dallas and Dallas County placed Mesquite in a favorable growth position.

Since 1980, population has increased dramatically as compared to pre-1980 levels. This is due largely to the construction boom in the Dallas area, and the large influx of people to the Dallas area from other areas of the state and country. In recent years, the growth rate has slowed to a more "normal" rate and is expected to continue.

Total Population in Mesquite

1990	2000	2004	2010	2013	2014
101,484	125,523	132,150	139,550	142,966	144,416
2014 Population Density (persons per square mile): 3,328					

With the exception of the 2000 to 2002 period, growth over the preceding ten years has been dramatic. In 1990, the population was 101,484 and grew to 139,550 in 2010. The 2014 population is estimated at 144,416 by the US Census Bureau. The Texas Water Development Board projects a Mesquite population of 195,003 in year 2020.

YEAR	DALLAS COUNTY	COMPOUND ANNUAL GROWTH RATE	CITY OF MESQUITE	COMPOUND ANNUAL GROWTH RATE
1970	1,327,695	--	55,131	--
1980	1,556,419	1.6%	67,053	2.0%
1990	1,852,810	1.8%	101,484	4.2%
2000	2,218,990	1.8%	124,523	2.1%
2010	2,368,139	0.65%	139,550	1.2%
2013	2,439,917	1.00%	142,966	0.81%
<i>Sources: North Central Texas Council of Governments; Texas State Data Center</i>				

Income and Home Value

	Mesquite		Texas
	2000	2013	2013
Median Household Income	\$50,424	\$46,423	\$51,704
Per Capita Income	\$20,890	\$21,288	
Median Home Value	\$85,400	\$108,600	\$132,000
Mean Home Value		\$214,086	

Area Access

Several major traffic arteries bisect the city, offering an excellent roadway system to the city's residents as well as easy accessibility to the Dallas Central Business District, North Dallas employment areas, and other regions of the Dallas/Fort Worth MSA.

- (a) Interstate 635 is the major north/south thoroughfare through the center of the city. This major loop system has served as a development locus within the city, particularly in the vicinity of Town East Mall.
- (b) Interstate 30 traverses the northern sector of Mesquite, with U.S. Highway 80 intersecting the central region of the city. Interstate 30 has also received much development attention over the past decade.
- (c) The interstate 20 extension traverses the southern tip of the city of Mesquite. Designed primarily as a bypass of the Dallas CBD, this extension is anticipated to produce increased development activity in the southern portion of the city.

Accessibility to the area is good. Surrounding boundary roads are distribution type roadways that circulate traffic into adjoining neighborhoods. Primary north-south arteries in the area include Beltline Road, and Galloway Avenue, providing direct route to US Highway 80 and Interstate Highway 30, primary east-west routes. Other primary east-west arterials are Town East Boulevard, Oates Drive, Military Parkway, Scyene Road, and Bruton Road. IH-635 links the subject neighborhood with other parts of the Dallas/Fort Worth Metroplex providing, access to jobs, shopping and entertainment events. In the vicinity, IH 635 and IH 30 are generally comprised of variable width multiple lane freeways with two lane one-way frontage roads.

Area Development and Land Use

The area comprises single-family homes and apartments, with commercial development interspersed along major roadways, as well as parks, churches, institutional uses, and industrial uses along major and minor roads.

Neighborhood commercial, e.g. C-Stores, auto related businesses, small offices, and single tenant retail are situated at the major intersections. Major shopping is available in the area of Town East Mall, located at the southeast quadrant of Interstate Highway 635 and Town East Boulevard. Known locally as the "Retail Row," the area is officially designated in the city's zoning ordinance as the TERRA District – Town East Retail and Restaurant Area. The zoning overlay is designed to protect the viability of businesses and improvements.

According to local sources, Town East Mall is the eighth largest shopping center in the Dallas-Fort Worth Metropolitan area. It has nearly 1.3 million square feet of space and approximately 185 stores. Town East Mall and the shopping centers and establishments along Town East Boulevard offer a high concentration of retail and entertainment in a single corridor, drawing shoppers from an 80-mile radius and generating over two billion dollars in retail sales annually.

Other retail corridors are located along and proximate to Interstate Highways 30 and 635. These shopping areas feature uses ranging from new car dealerships to neighborhood shopping centers and freestanding big box retailers and branded restaurants. Older retail centers and freestanding retail buildings are found along interior thoroughfares.

Government

The City Council consists of the Mayor and six Council members, who serve two-year terms and are responsible for appointing the City Health Officer, Independent Auditor, Municipal Judge, City Manager, City Attorney, City Secretary and members of various Boards and Commissions. The Mayor and six Council members are elected at large. Four Council positions have residency requirements. The City Manager is an appointed position by the City Council. The Manager is responsible for the day-to-day operation of the city and acts as the Administrative Head of the municipal government.

Education

Each school day, the district welcomes more than 36,000 students through the doors of its 46 campuses, including 32 elementary schools, eight middle schools, five high schools and the Mesquite Academy, an alternative education campus of choice that offers accelerated instruction for nontraditional students. Mesquite ISD has a record of steady, marked improvement and a continual quest for excellence. Two-thirds of Mesquite ISD campuses hold Recognized or Exemplary ratings, and MISD is home to two nationally recognized Blue Ribbon Schools selected and honored by the U.S. Department of Education.

Eastfield Community College and Texas A & M University-Commerce Mesquite Metroplex Center offer secondary and career education classes. Eastfield College, located at Interstate Highway 30 and Motley Drive, opened in 1970. Part of the Dallas County Community Colleges, the campus serves the southeastern corridor of Dallas County. Texas A & M University-Commerce Mesquite Metroplex Center is located on Motley Drive and offers graduate degree programs, including master's in business administration and elementary education.

Within easy commuting distance are some of Texas' top ranked institutions including: Southern Methodist University, Texas Christian University, Texas Women's University, University of Dallas, University of North Texas, University of Texas at Dallas, University of Texas at Arlington, Collin County Community Colleges (3 campuses), Dallas County Community Colleges (7 campuses).

Community

A number of cultural amenities are available in the community, to include the world famous mesquite Rodeo, and the city's Westlake Park, a 43.25-acre park with a 0.18-mile concrete trail. This park has six lighted basketball courts as well as nine lighted tennis courts (six indoor). Other facilities and programs include a public library and a theater arts center, as well as the Florence Ranch and the Mesquite Golf Course. The Florence Ranch, established before the township of Mesquite, is a farmstead that remains a popular educational museum for children and adults. The Mesquite Golf Course is a 154-Acre 18-hole public golf course owned by the City of Mesquite and managed by American Golf.

Utilities

In general, the availability of suburban amenities varies throughout the area. In some cases, extensions of utilities and infrastructure are required. Water and sanitary sewer is available from the City of Mesquite. Electricity is served by multiple providers. Natural gas service is available by Atmos Energy (successor of TXU Gas). SBC provides telephone service in the area and cable television is by Time Warner.

Fire & Police Departments

The City of Mesquite provides fire and police services. There are seven fire stations. The Mesquite Police Department has an authorized strength of 207 sworn officers and 75 non-sworn employees.

Employment and Economic Base

There are a number of employers in the area. Most are oriented toward retail and services, as well as government and public schools. Light industrial and manufacturing area also represented. The most noteworthy is the Town East Mall. Collectively, over 3,000 people are employed in the shops. A majority of residents, however, commute to jobs in the metropolitan area.

<u>Total Employment in Mesquite</u>			
<u>2000</u>	<u>2005</u>	<u>2009</u>	<u>2012</u>
53,785	66,110	65,439	70,872

The Texas Workforce Commission reports the November 2015 unemployment rate in Mesquite at 4.1%, slightly higher than the Dallas (city) rate at 4.0%, below the Texas rate, at 4.5%, and below the U.S. rate of 4.8%. The Dallas County rate for the same period is 4.1%. The employed labor force for Mesquite is reported at 77,624 persons.

Major Employers

<u>Company</u>	Employment
Mesquite ISD	4,100
Town East Mall	3,000
United Parcel Service	2,350
City of Mesquite	1,100
Eastfield College	950
HMA Mesquite Hospitals	700
Wal-Mart Supercenter	510
Integra Color Group	425
Baker Drywall	400
Lineage Power	310
Christian Care Center	280
Dal-Tile	225
Fritz Industries	210
Pepsi Bottling of Mesquite	200
Union Pacific Railroad Intermodal	200
Iris USA	140
Morris Products	130
Unifirst	120
Tiseo Paving	115

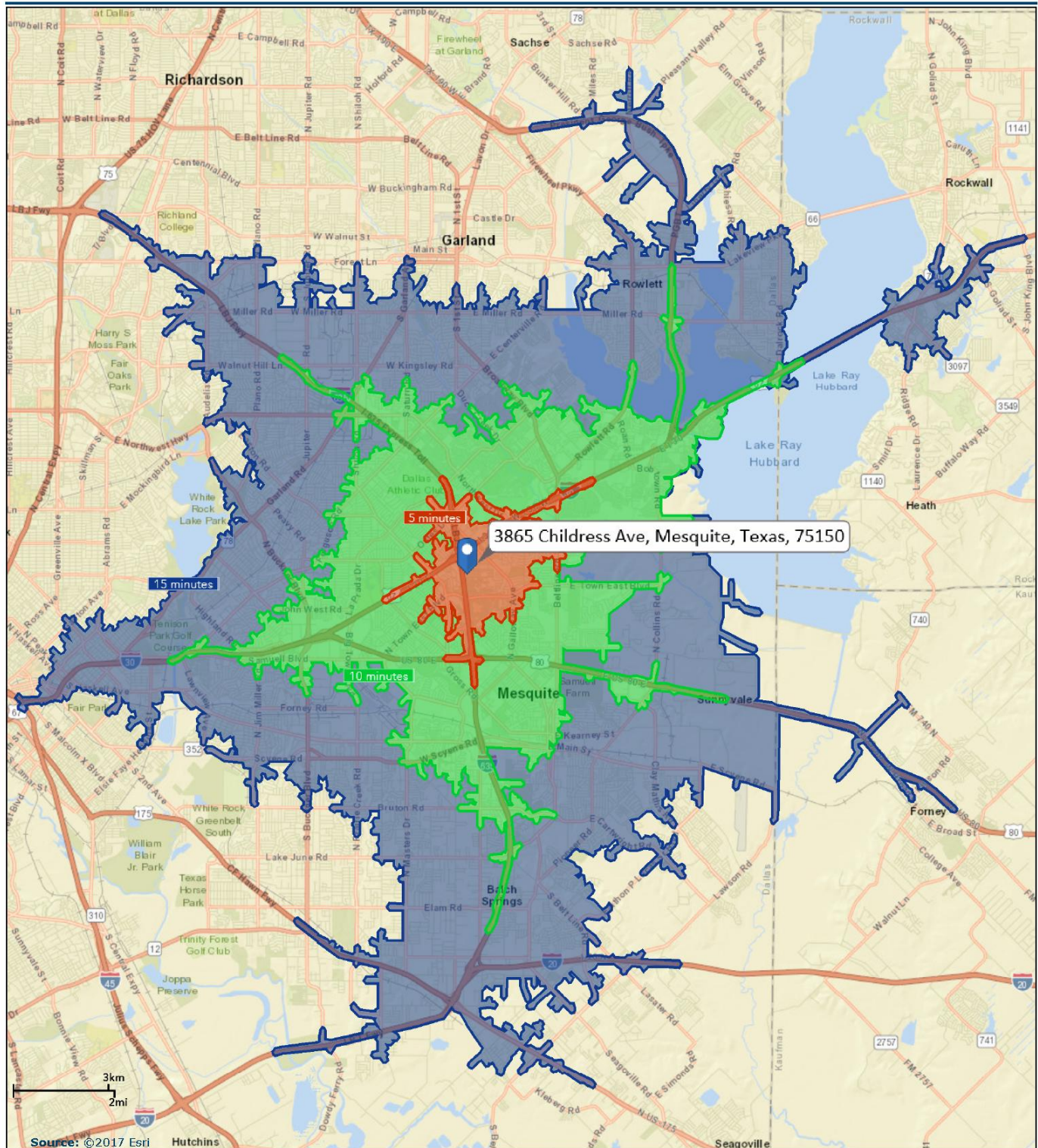
AREA DEMOGRAPHICS

The following Executive Summary provides demographic and income data for 5-minute, 10-minute, and 15-minute drive times centered on the subject's locale.



Parcel 110E

3865 Childress Avenue





Executive Summary

3865 Childress Ave, Mesquite, Texas, 75150
Drive Time: 5, 10, 15 minute radii

Prepared by Esri
Latitude: 32.81742
Longitude: -96.62711

	5 minutes	10 minutes	15 minutes
Population			
2000 Population	15,338	164,571	467,328
2010 Population	16,766	174,704	492,142
2017 Population	17,449	187,305	531,581
2022 Population	18,263	198,251	564,239
2000-2010 Annual Rate	0.89%	0.60%	0.52%
2010-2017 Annual Rate	0.55%	0.97%	1.07%
2017-2022 Annual Rate	0.92%	1.14%	1.20%
2017 Male Population	48.0%	48.1%	48.9%
2017 Female Population	52.0%	51.9%	51.1%
2017 Median Age	34.6	32.6	32.8

In the identified area, the current year population is 531,581. In 2010, the Census count in the area was 492,142. The rate of change since 2010 was 1.07% annually. The five-year projection for the population in the area is 564,239 representing a change of 1.20% annually from 2017 to 2022. Currently, the population is 48.9% male and 51.1% female.

Median Age

The median age in this area is 34.6, compared to U.S. median age of 38.2.

Households

2000 Households	5,917	61,384	166,469
2010 Households	6,624	63,077	170,313
2017 Total Households	6,855	66,742	181,297
2022 Total Households	7,167	70,269	191,293
2000-2010 Annual Rate	1.14%	0.27%	0.23%
2010-2017 Annual Rate	0.47%	0.78%	0.87%
2017-2022 Annual Rate	0.89%	1.04%	1.08%
2017 Average Household Size	2.53	2.80	2.92

The household count in this area has changed from 170,313 in 2010 to 181,297 in the current year, a change of 0.87% annually. The five-year projection of households is 191,293, a change of 1.08% annually from the current year total. Average household size is currently 2.92, compared to 2.88 in the year 2010. The number of families in the current year is 127,242 in the specified area.

Median Household Income

2017 Median Household Income	\$52,823	\$47,395	\$48,182
2022 Median Household Income	\$56,551	\$51,047	\$51,980
2017-2022 Annual Rate	1.37%	1.50%	1.53%

Average Household Income

2017 Average Household Income	\$68,257	\$61,402	\$65,970
2022 Average Household Income	\$76,213	\$68,693	\$73,914
2017-2022 Annual Rate	2.23%	2.27%	2.30%

Per Capita Income

2017 Per Capita Income	\$26,744	\$21,990	\$22,641
2022 Per Capita Income	\$29,726	\$24,437	\$25,191
2017-2022 Annual Rate	2.14%	2.13%	2.16%

Households by Income

Current median household income is \$48,182 in the area, compared to \$56,124 for all U.S. households. Median household income is projected to be \$51,980 in five years, compared to \$62,316 for all U.S. households.

Current average household income is \$65,970 in this area, compared to \$80,675 for all U.S. households. Average household income is projected to be \$73,914 in five years, compared to \$91,585 for all U.S. households.

Current per capita income is \$22,641 in the area, compared to the U.S. per capita income of \$30,820. The per capita income is projected to be \$25,191 in five years, compared to \$34,828 for all U.S. households.

CONCLUSION

The area is a stable residential and commercial district, and has convenient shopping and services. Properties are generally well maintained with a limited amount of new development. The area has modest priced housing and excellent access to employment centers. Few vacant tracts of land for commercial uses are available in the immediate vicinity, and there appears to be an adequate supply of existing improvements for commercial uses. New development and redevelopment is occurring at a limited pace.

Mesquite has a strong economic base and should continue to attract new businesses and employers to the city at a moderate pace. The availability of employment was well as the city's extensive freeway system and convenience to other areas of the Metroplex, is a major factor in drawing new residents to the city and surrounding communities.

The transportation network in the area is good and surrounding land uses are considered to be compatible and homogenous. The subject area is in a stable phase of development and in proximity to employment centers and quality schools and services with few improvements needing repairs and/or renovations. Consequently, some new construction, as well as renovation of older properties, is more likely to occur within the subject area in the near future. Additionally, there appears to be no detrimental influences upon the area that would inhibit the income-producing capabilities of the improved properties. The long-term prospects for the area and the subject property are positive.

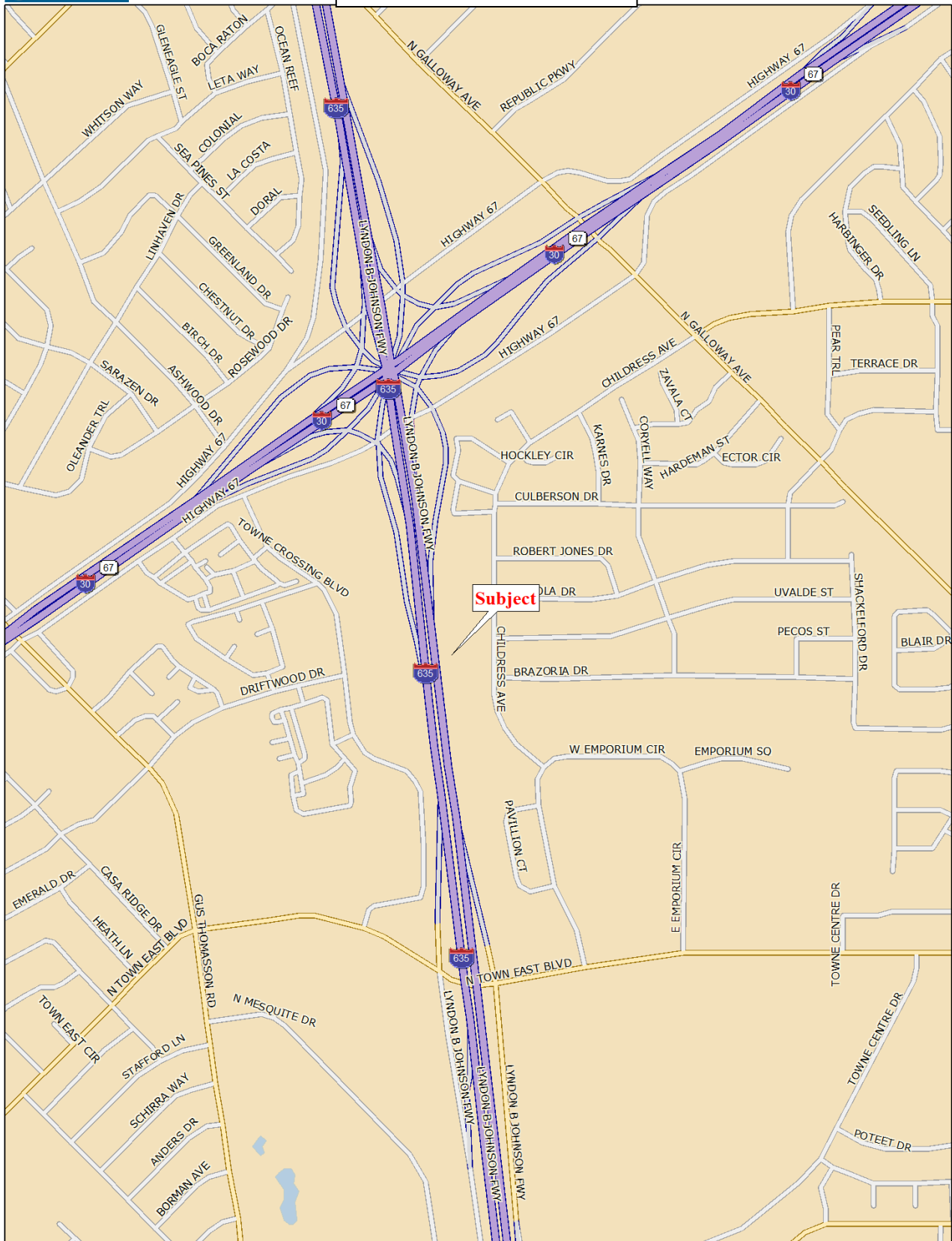
Overall, the area has a relatively strong economic base, and a diversified real estate base, including commercial retail, service, industrial, office, and residential improvements. The strong transportation linkage to the rest of the Dallas/Fort Worth Metroplex should continue to provide impetus for extended development in virtually all property types. The present economic conditions in the Dallas/Fort Worth area and the general balance in most of the real estate sectors tend to support future, upward growth trends in Mesquite.

No noticeable nuisances or hazards are in the area and the majority of improvements are in the early to middle stages of economic life, and sufficient area services are accessible to service the community.



LOCATION MAP

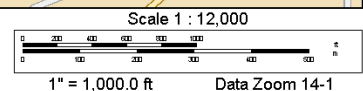
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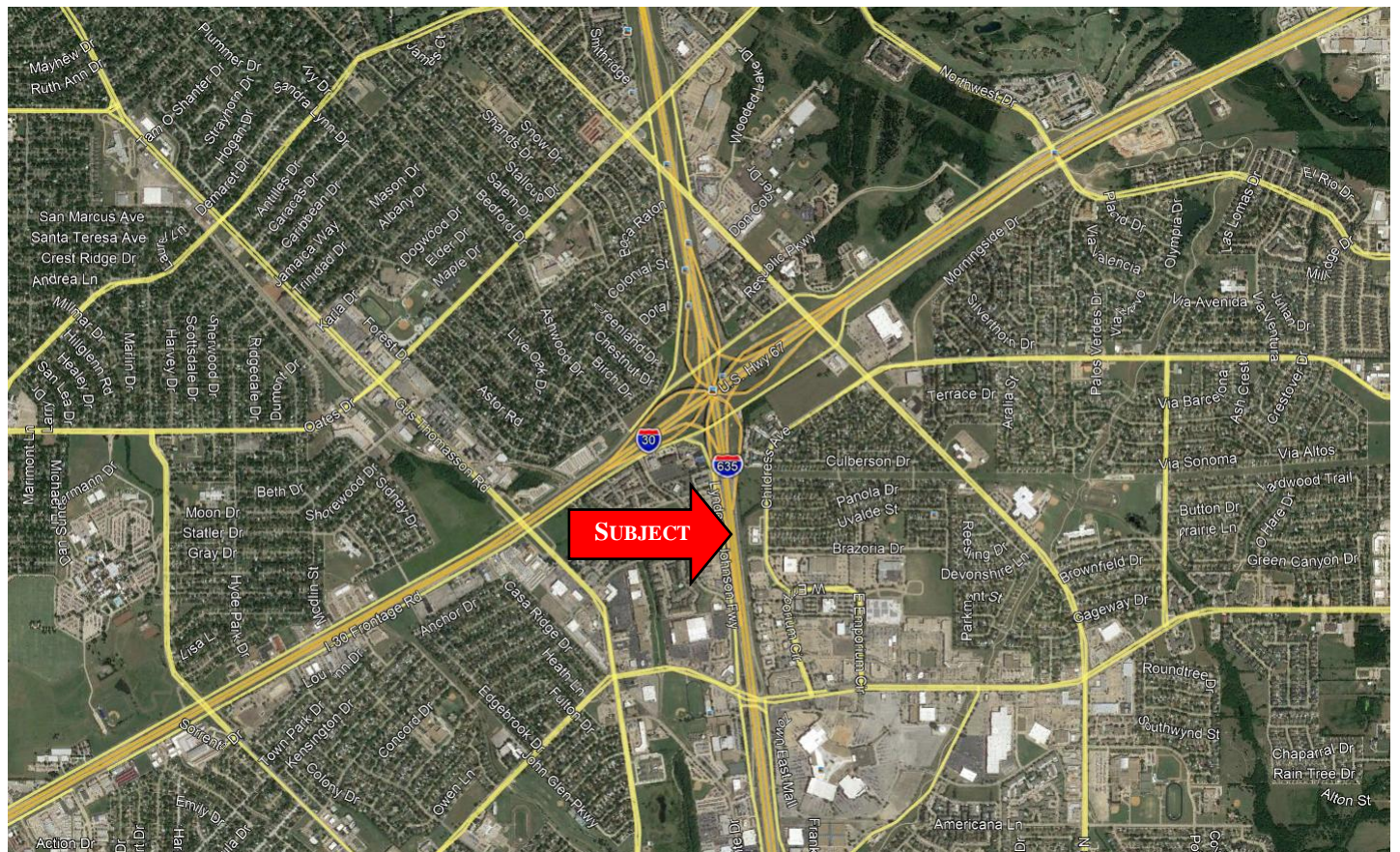
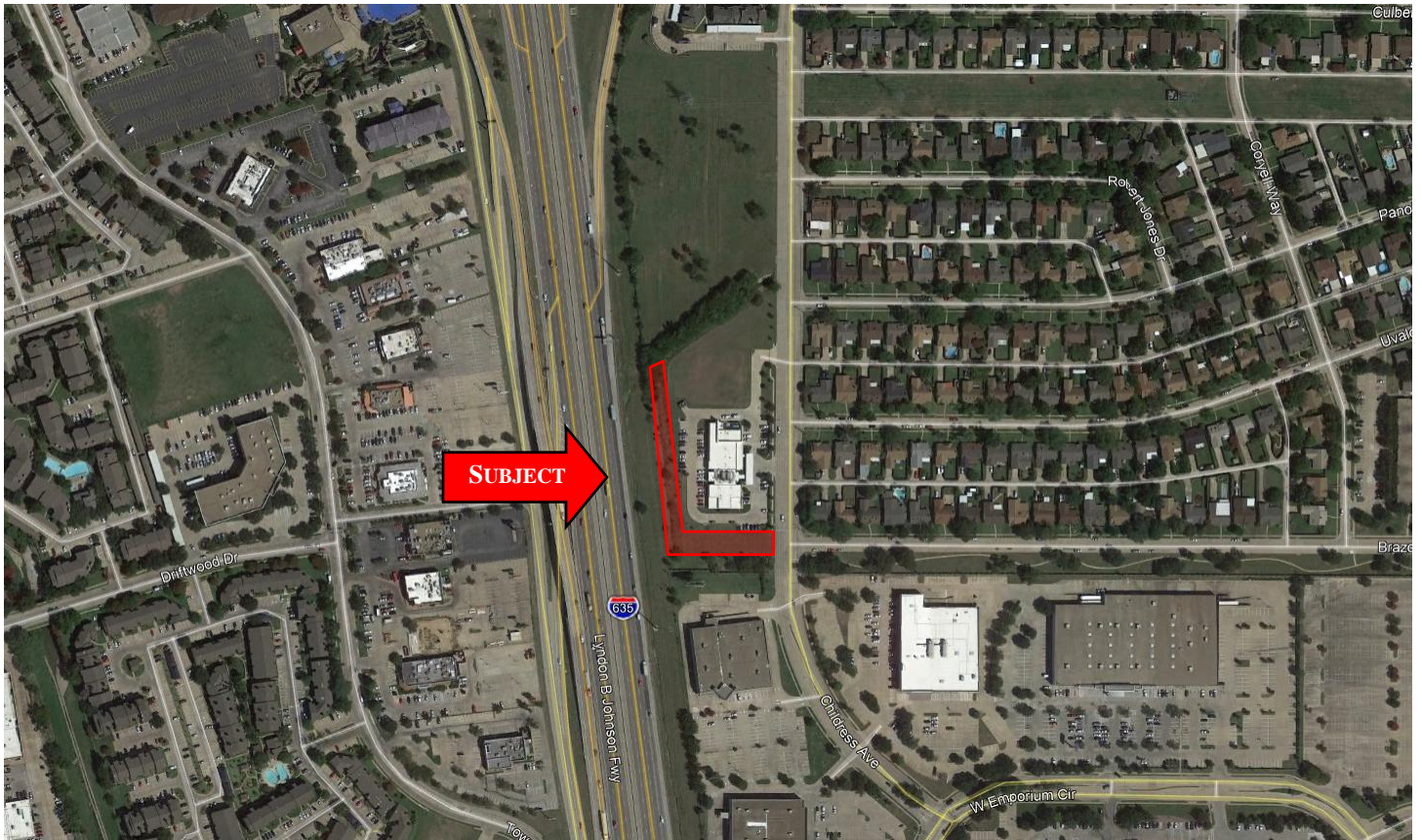
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AERIAL PHOTOGRAPHS



TAX MAP

Parcel 110E

DCAD ID: 65150161510010200

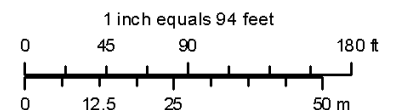
Date of copy: 12/30/2017



This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



Dallas Central Appraisal District
2949 N Stemmons Freeway
Dallas, TX 75247-6195
(214) 631-1342
www.dallascad.org



DCAD, NCTCOG, USGS, Esri, Inc

DESCRIPTION OF THE WHOLE PROPERTY

Identification: The subject is located in the city of Mesquite, in Dallas County, Texas. The property is situated along the west side of Childress Avenue, at the western terminus of Brazoria Drive, Mesquite, Texas. Physically addressed as 3865 Childress Avenue, Mesquite, Texas 75150, the subject is an unimproved drainage area given to the city for such use as a charitable donation. According to public records, the subject tract is comprised of 0.5940 acres, or 25,875 square feet. Abutting uses include, vacant land along the north side, a medical office building along the east side, a big box retail application along the south side, and highly concentrated commercial development across IH 635 along the west side.

Legal Description: A current survey or metes and bounds description of the whole subject is not available. According to public records and provided field notes, the property is legally described as Being a tract of land out of the Isham Thomas Survey, Abstract No. 1501, City of Mesquite, Dallas County, Texas, and being a portion of that certain tract of land conveyed to White Property Co., No. 2, Ltd. by Warranty Deed recorded in Volume 2001014, Page 4391.

Five Year Sales History: According to the provided title commitment, ownership is vested in City of Mesquite. The property transferred to City of Mesquite from White Property Company Co., No. 2, Ltd. on January 14, 2009 as a charitable contribution, as recorded in Document 200900018579, Deed Records of Dallas County, Texas. The transfer was a gift under applicable income tax laws and regulations. To our knowledge, no transfers of the subject property in the preceding five years of the date of this report are known.

Currently, the Texas Department of Transportation seeks to acquire a parcel out of the subject for right-of-way for the IH 635 project. The proposed acquisition is in permanent easement estate. Per the enclosed right-of-way field notes, the part to be acquired is stated at 0.2910 acres, or 12,676 square feet, and is located along the southwestern corner along the IH-30 frontage road. The proposed acquisition amounts to approximately 48.99 percent of the land area ($0.2910 \text{ AC} \div 0.5940 \text{ AC} = 0.4899$). The remainder is 0.5940 acres, or 25,875 square feet, including the permanent easement. The proposed permanent easement is located in the northeast portion of the subject in an existing utility easement area and adjacent to a drainage easement and channel. The proposed acquisition is further described as follows:

The proposed easement is rectangularly shaped with a length of 411.16 feet along the western property line near the southwestern corner of the property, with depths of 26.39 feet on the northern line of the easement and 37.59 feet on the southern line.

Whole Property	0.5940 AC	Or	25,875 SF	
Part To Be Acquired in Easement	0.2910 AC	Or	12,676 SF	Or 48.99% of the Whole Property
Remainder Property	0.5940 AC	Or	25,875 SF	

Improvements Not Included In The Appraisal: Improvements that are considered personal property are excluded from the appraisal of the subject. No personal property was noted in the part to be acquired. The main building improvements comprising an apartment complex are excluded.

SITE ANALYSIS

Site: Based on the information available, the whole property land area is comprised of an L-shaped tract of 25,875 square feet (0.5940 acres). The subject tract fronts the western line of Childress Avenue for 50 feet.

Subject Vicinity and Abutting Uses: The subject is located along the west side of Childress Avenue, at the western terminus of Brazoria Drive, in the city of Mesquite, Dallas County, Texas. Abutting uses include, vacant land along the north side, a medical office building along the east side, a big box retail application along the south side, and highly concentrated commercial development across IH 635 along the west side.

Linkages: The subject is accessible to arterial linkages and distance to employment centers, retailers, restaurants, and schools are within reason in the city of Mesquite. In terms of travel time and actual distances by road, the subject property is within community standards.

Access: Access to and from the subject locale is adequate and is primarily served by Childress Avenue. Childress Avenue is a two-lane, undivided, collector street. Overall, access for the area is rated as poor, and for the subject, poor. Visibility of the subject is rated poor.

Topography: In general, the subject tract features below grade terrain, with the western area encumbered by a natural drainage area. According to the enclosed flood map 48113C0360L, dated July 7, 2014, though the tract is a part of a natural drainage area, the subject is completely located within Zone X. This is not a guaranty or warranty that flooding will not occur. The desirability for use of the land is rated as poor.

Soils: Soils in this area vary, and have been known to require specific engineering considerations. However, this is considered typical for the area, and no unusually unstable soil-bearing capacities are known.

Utility: The tract is not of sufficient size and shape to be economically adaptable for development, and suffers severely from utility and topographical deficiencies. With appropriate design and engineering, the site imposes no unusual or anticipated development problems.

Utilities/Community Services: Water and sewer is provided by the City of Mesquite. Electricity is available from multiple deregulated providers. Natural gas service is available by Atmos Energy, and various providers provide telephone service in the area. The City of Mesquite provides police and fire protection, and the Mesquite Independent School District serves the property.

Easements: This valuation assumes that utility and access easements typical of this property type are present and that no detrimental easement conditions exist. This should not be considered as a guaranty or warranty, however, that adverse easements do not exist. Though some easements are evident, not all easements affecting the subject are known. Title work has been reviewed and is retained in the appraiser's file.

Deed Restrictions: Deed restrictions can limit or restrict the use and physical characteristics of a property and its improvements. Deed restrictions are a legal matter, and normally only a title search by a title attorney discovers with certainty any deed restrictions. No deed restrictions are known.

Environmental Conditions: An environmental study covering the subject is not available. The subject is appraised predicated on the absence of environmental hazards. The conclusions of this appraisal report would be materially changed if detrimental environmental conditions were associated with the subject. A phase one environmental report is recommended.

Zoning: The property is zoned Office District by the City of Mesquite. The "O" district is established to accommodate professional, management, research, and other similar uses.

REAL ESTATE TAXES

The Texas legislature created a system of centralized appraisal districts for each Texas county so that all real estate within a given county is valued for tax purposes through a standard appraisal process. Property assessments are based on market value. Property valuations under the central appraisal district system became effective in 1982.

In Dallas County, the Dallas Appraisal District is responsible for ad valorem tax appraisals of all real estate within the county. Based on the ad valorem tax appraisal, various tax districts levy annual taxes on property located within their respective districts. Typical taxing jurisdictions include assessments from the county, city, and school districts in which the property is located. The total ad valorem tax burden is the sum of the assessments for the various taxing authorities.

The subject property is situated in the city of Mesquite and falls within the taxing jurisdictions of Dallas County, City of Mesquite, Dallas Community College, Parkland Hospital, and the Mesquite ISD. Pertinent 2017 tax rates for the subject are detailed below.

2017 TAX RATES (per \$100)	
City of Mesquite	\$ 0.687000
Dallas County	\$ 0.253100
Dallas Community College	\$ 0.124238
Parkland Hospital	\$ 0.279400
Mesquite ISD	\$ 1.460000
Total	\$ -

The 2017 Dallas Appraisal District account for the subject is summarized as follows:

Account Number	Land	Improvements	Total
65150161510010200	\$ 0	\$ 0	\$ 0

Based on the assessed value for 2017 and pertinent tax rates, the annual tax liability is calculated as follows:

Assessed Value	Tax Rate	Indicated Tax Liability
\$0 x	\$0.000000	= \$ -

The subject is owned by a municipal authority, City of Mesquite, and is not subject to property tax liability.

PROPERTY VALUATION SUMMARYWhole: ☒Part to be Acquired: ☐Remainder After: ☐**HIGHEST AND BEST USE ANALYSIS**

The *Highest and Best Use* analysis should consider the reasonably probable and legal use of vacant land or improved property considering legally permissible, physically possible, financially feasible, and maximally productive.

VALUATION APPROACHES

The subject is a 0.5940-acre tract of land. The subject land is valued by market comparison of similar tracts of land using the sales comparison approach. The cost approach considers replacement costs of existing improvements and land value. The sales comparison and income capitalization approaches as related to improved property are not applicable for appraisal purposes and are excluded from the valuation of the subject. The result is a value indication of the subject as is.

Cost ApproachN/A

Sales Comparison Approach (Land only) \$32,344

Income Approach.....N/A

Reconciliation of Approaches to Value: The sales comparison approach is considered a reliable valuation method due to the quality and quantity of available market data. Based on the foregoing, our opinion of the market value of the subject property is reconciled at \$32,344.

Contributory Value of Improvements (Itemized)	
None	\$ 0
None	\$ 0
None	\$ 0
None	\$ 0
Total Contributory Value of Improvements	
	\$ 0

Land Value in Fee..... 25,875 square feet @ \$1.25/SF = \$32,344

Reconciled Final Value \$32,344

Each approach developed follows this page and is sequenced as shown below.

Land Value,
Pg. SCA 3.2-3.3

Cost Approach:
Pg. CA-3.4

Sales Comparison Approach:
Pg. SCA-3.5

Income Approach:
Pg. IA-3.6

HIGHEST AND BEST USE ANALYSIS

Four basic criteria are examined in estimating the Highest and Best Use of a property both as vacant and as improved. These are:

- a) Physically Possible Use - the uses to which it is physically possible to put on the site in question.
- b) Legally Permissible Use (Legal) - the uses that are permitted by zoning and deed restrictions on the site in question.
- c) Financially Feasible Use - the possible and permissible uses that will produce any net return to the owner of the site.
- d) Maximally Productive Use - among the feasible uses, the use that will produce the highest net return on the highest present worth.

HIGHEST & BEST USE AS IF VACANT

Physically Possible Use: In arriving at an opinion of highest and best use for the subject, it is first necessary to determine if the physical characteristics of the site - such as soil conditions, topography, shape and frontage were favorable for development. Soil conditions vary throughout the area and sometimes require particular engineering. According to the enclosed flood map 48113C0360L, dated July 7, 2014, though the tract is a part of a natural drainage area, the subject is completely located within Zone X. The subject site contains 0.5940 acres and fronts the western line of Childress Avenue for 50 feet. The narrow, elongated, L-shaped tract is not of sufficient size, shape, and frontage to be economically adaptable to development. Further, the subject is an area of natural drainage, deeded to the City of Mesquite as a charitable contribution. As such, there is no developmental potential or possibility of assemblage with surrounding parcels.

Legally Permissible Use: Zoning: The property is zoned Office District by the City of Mesquite. The "O" district is established to accommodate professional, management, research, and other similar uses.

Financially Feasible Use: The surrounding properties and land uses are considered for compatibility in determination of feasible use. Abutting uses include, vacant land along the north side, a medical office building along the east side, a big box retail application along the south side, and highly concentrated commercial development across IH 635 along the west side. Based on the land usage pattern of the surrounding area, the layout, configuration, topography and utility of the site, the most feasible use is for green space use.

Maximally Productive Use: As if vacant, the location along Childress Avenue is considered poor for appeal within the market. Access is rated poor. Based on the foregoing and land use patterns, it is concluded that the highest and best use of the subject tract is for green space.

SALES COMPARISON APPROACH Whole: ☒ Part to be Acquired: ☐ Remainder After: ☐
 Land: ☒ Improved: ☐

VALUATION GRID**Representative Comparable Sales**

	Subject	Comp. No. 1	Comp. No. 2	Comp. No. 3
Grantor		Leroy Brorson, Trustee	RMW Financial, Inc.	F & D Ventures, LP
Grantee		Zoya Real Estate, Inc.	BOB Holdings, Inc.	CRS Forest Lane, LLC
Date of Sale		March 15, 2017	May 4, 2016	June 10, 2015
Unit Price (\$/SF)		\$13.00	\$13.73	\$5.56
Relative Location		9.75 miles north	9.12 miles northeast	9.10 miles northeast
Rights Conveyed		Fee Simple	Fee simple	Fee simple
Financing		Cash to the seller	Cash to the seller	Cash to the seller
Land Size	25,875 SF	130,941 SF	119,790 SF	224,887 SF
Conditions of Sale		Arm's length	Arm's length	Arm's length
Market Conditions		+3%	+6%	+10%
Adjusted Price (\$/SF)		\$13.39	\$14.55	\$6.12
Location	Suburban	-5%	-5%	-5%
Exposure	Average	-5%	-0-	-10%
<i>Physical Characteristics</i>				
Access	poor	-10%	-0-	-10%
Frontage	roadway	-5%	-0-	-0-
Zoning	Office	-5%	-5%	-5%
Size	25,875 SF	+12%	+11%	+16%
Functional Utility	Poor	-40%	-40%	-40%
Topography	below grade	-40%	-40%	-40%
Utilities	All available	-0-	-0-	-0-
Net Adjustments		-98%	-79%	-94%
	Indicated Unit Value	\$0.27	\$3.06	\$0.37
Unit Value (\$/SF)				\$1.25

Value by Sales Comparison Approach \$32,344

See Explanation of Adjustments with Reconciliation on the next page.

EXPLANATION OF ADJUSTMENTS WITH RECONCILIATION

The sample is comprised of three sales that are similar to the subject in location, utility, and highest and best use.

Rights Conveyed – All the property rights conveyed in the sales represent fee simple ownership; thus, adjustments for property rights are not required.

Financing – Each of the three sales were purchased with cash or third-party financing which require no adjustments.

Sale Conditions – All of the sales are arm's length transactions and adjustments are not considered necessary.

Market Conditions – The sales were transacted from June 10, 2015 to March 15, 2017. Adjustments for market conditions are applied if property values have increased or decreased since the transaction dates. Based on our observations and analysis, real estate has appreciated approximately four percent annually. The sales are adjusted 3%, 6%, and 10%, respectively.

Location – The subject is located along the west side of Childress Avenue, at the western terminus of Brazoria Drive, in the city of Mesquite, Dallas County. The sales are similarly located as compared to the subject, in suburban locales. However, the comparable properties are located in areas of higher demand, development, and commerce, dictating -5% adjustments in each case.

Physical Characteristics – Various physical factors influencing utility are considered for each sale.

Access – Access has significant bearing on real estate in the market. Access is defined as the points, or number of points available for ingress/egress to the subject site or ease of access to the site from abutting roadways. The subject has adequate access via Childress Avenue, a collector roadway. Based on ease of access to the site from the surrounding areas, Sale Nos. 1 and 2 are superior to the subject, being situated along neighborhood arterials and freeway service roads, warranting adjustments of -10% each. Sale No. 2, located along an interior roadway, similar to the subject, dictating no adjustment.

Frontage – Frontage is the number of feet of frontage along the subject roadway or roadways. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. The subject fronts the western line of Childress Avenue for 50 feet. Sale No. 1 is located on a hard corner of two neighborhood arterials, and is adjusted -5% accordingly. The remaining sales have similar factors of frontage, or frontage to depth ratios, warranting no adjustments.

Exposure – Exposure is the traffic count on the roadways. The subject is located along Childress Avenue, offering average exposure and drive by potential. Sale No. 1 is located at the intersection of two neighborhood arterials, and Sale No. 3 is located along a major regional freeway frontage road, dictating -5% and -10% adjustments, respectively, for relative superiority in exposure.

Zoning – The subject is zoned Office District by the City of Mesquite. Each of the comparable sales is superior to the subject, allowing multiple and/or mixed uses on the respective sites, warranting -5% adjustments in each case.

Size – The size adjustment is based on the premise that, in general, the larger the tract, the less its selling price on a per unit basis. A factor of 10% for each doubling and halving in size is used in the subject comparison. Sales 1, 2, and 3 are adjusted +12%, +11%, and +16%, respectively.

Functional Utility – The subject is narrow, elongated, and L-shaped, with not only a configuration, but also topography that is prohibitive to development. Each of the comparable sales is of adequate size and configuration to allow for a wide variety of uses, warranting -40% adjustments each.

Topography - The topography of the subject is characterized as below grade, and although not in a designated flood zone, is an area of natural drainage. Compared to the subject, each of the sales is considered significantly superior in topography, dictating -40% adjustments each.

Utilities – The sales have all utilities available and are not adjusted.

Reconciliation – In the subject and sample comparison the adjusted sales range from \$0.27 to \$3.06 per square foot, with an adjusted mean of \$1.23. Considering the subject's location and physical characteristics, with emphasis on the middle of the range, a unit value of \$1.25 per square foot is supported by the sale data. This equates to an indicated value of \$32,344 for the subject land in the whole property condition.

Land Value..... 0.5940 acres, or 25,875 SF @ \$1.25/SF = \$32,344

COST APPROACH Whole: ☒Part to be Acquired: ☐Remainder After: ☐

Estimated Replacement Cost

Improvement	Number of sq ft	\$ per sq ft	Cost New	<Depreciation>	Value
Site Improvements					
			\$ -	- \$ 0 (0.00%)	\$ -
			\$ -	- \$ 0 (0.00%)	\$ -
			\$ -	- \$ 0 (0.00%)	\$ -
			\$ -	- \$ 0 (0.00%)	\$ -
Contributory Value of the Site Improvements					\$ -
Land Value					\$ 32,344
Value by Cost Approach					\$ 32,344

The subject consists of vacant land, thereby rendering the cost approach not-applicable to the valuation.

Land value: Refer to page 3.2-3.3; the land is valued at \$32,344.

SALES COMPARISON APPROACH Whole: ☒ Part to be Acquired: ☐ Remainder After: ☐
Land: ☐ Improved: ☒

VALUATION GRID**Representative Comparable Sales**

Subject	Comp.	Comp.	Comp.	
Grantor				
Grantee				
Date of Sale				
Unit Price				
Relative Location				
Financing				
Conditions of Sale				
Market Conditions				
Physical Characteristics				
	Indicated Unit Value	\$	\$	\$
Estimated Unit Value				\$

The sales comparison approach as improved is not applicable and is excluded.

INCOME APPROACHWhole: ☒Part to be Acquired: ☐Remainder After: ☐

Potential Gross Income	.....	\$		
Vacancy	%	\$			
Effective Gross Income	.....			\$
Expenses:					
Fixed Taxes		\$			
Insurance		\$			
Variable Management		\$			
Other		\$			
		\$			
		\$			
Total Expenses	.....			\$
Net Operating Income	.....			\$
Income Capitalized @		%	.....	\$
Plus: Value of Excess Land (if any)			.....	\$
				\$	
Estimated Value by Income Approach			.....	\$

The income approach is not applicable and is excluded.

PART TO BE ACQUIRED

Highest and Best Use: The part acquired is severed land. Its highest and best use is as part of the whole property.

Contributory Value of Improvements (Itemized)	
	\$ 0
	\$ 0
	\$ 0
	\$ 0
Total Contributory Value of Improvements	\$ 0

Total Contributory Value of Improvements	\$ 0
Permanent Easement 12,676 SF @ \$1.25 Per SF x 95%	\$ 15,053
Total Land	\$ 15,053
TOTAL VALUE AS A UNIT	\$ 15,053

REMAINDER BEFORE THE ACQUISITION

Contributory Value of Improvements (Itemized)	
None	\$ 0
Total Contributory Value of Improvements	\$ 0

Total Contributory Value of Improvements	\$ 0
Remainder Land 13,199 SF @ \$1.25/SF	\$ 16,499
Land within Easement 12,676 SF @ \$1.25/SF x 5%	\$ 792
Total Land	\$ 17,291
TOTAL VALUE AS A UNIT	\$ 17,291

Right-of-Way Acquisition: Per the enclosed right-of-way field notes, the part to be acquired is stated at 0.2910 acres, or 12,676 square feet, and is located at the far southwestern corner of the subject.. The proposed acquisition amounts to approximately 48.99 percent of the land area ($0.2910 \text{ AC} \div 0.5940 \text{ AC} = 0.4899$). The remainder is 0.5940 acres, or 25,875 square feet, including the permanent easement.

Whole Property	0.5940 AC	Or	25,875 SF	
Part To Be Acquired in Easement	0.2910 AC	Or	12,676 SF	Or 48.99% of the Whole Property
Remainder Property	0.5940 AC	Or	25,875 SF	

The proposed easement is rectangularly shaped with a length of 411.16 feet along the western property line near the southwestern corner of the property, with depths of 26.39 feet on the northern line of the easement and 37.59 feet on the southern line.

Also situated in and/or proximate to the acquisition area are utility lines and appurtenances, such as utility equipment, signs, and markers. These items are assumed the property of others-unrelated entities of subject ownership. It is assumed that the Texas Department of Transportation will negotiate the successful movement of these items where necessary, and without burden to the subject owner.

The permanent easement extends through vacant land without site improvements. The compensation due the property owner for the part taken is comprised of land value only.

The access remains via Childress Avenue.

HIGHEST AND BEST USE ANALYSIS

The part to be acquired is a small parcel and could not be developed as a self-sustaining property. The proposed permanent easement is severed land. Its highest and best use is as part of the whole property.

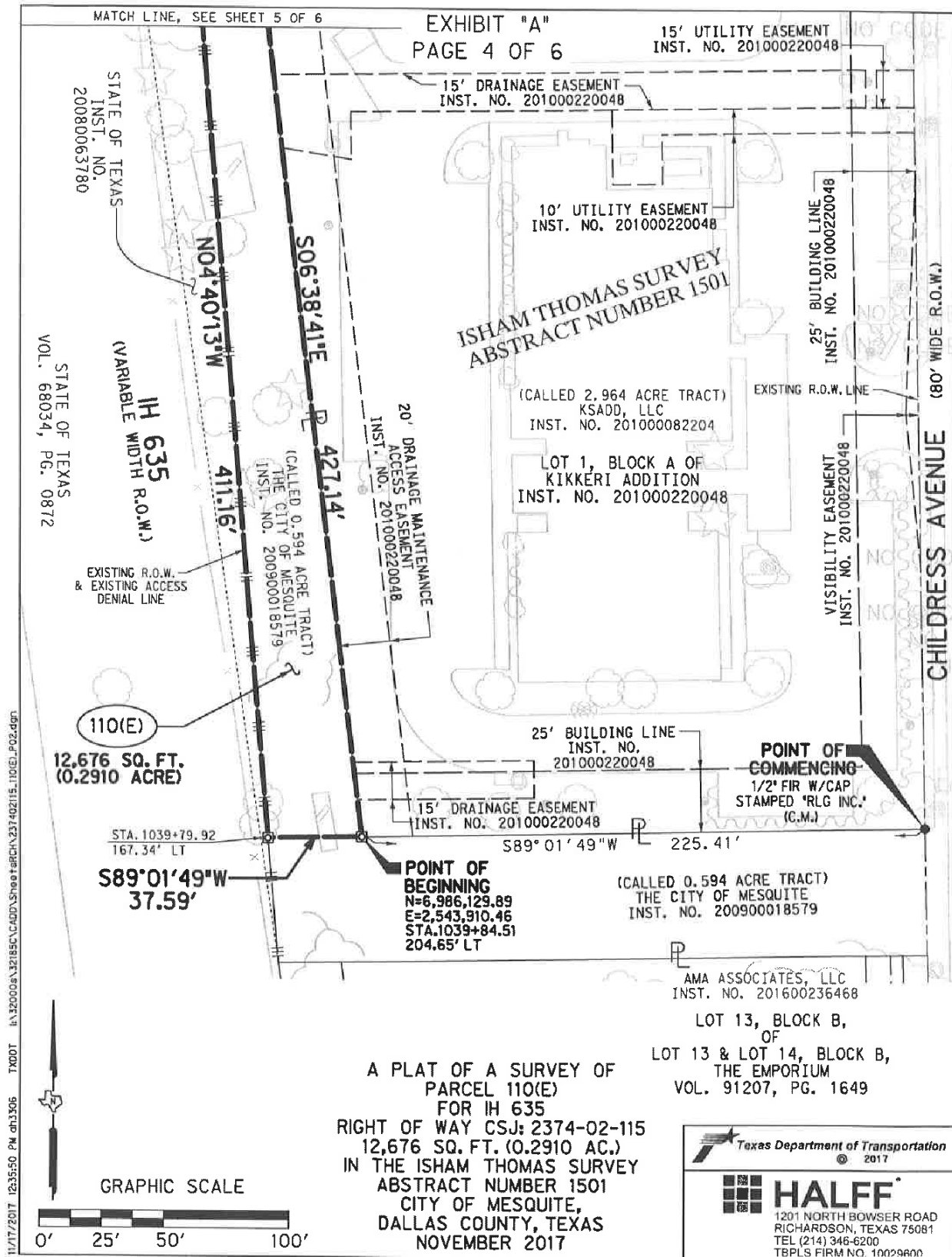
Since the area to be acquired is not an economic unit, a value estimate cannot be supported by a direct comparison with comparable data in the market. As a result, the proposed acquisition is valued as a part of the whole property.

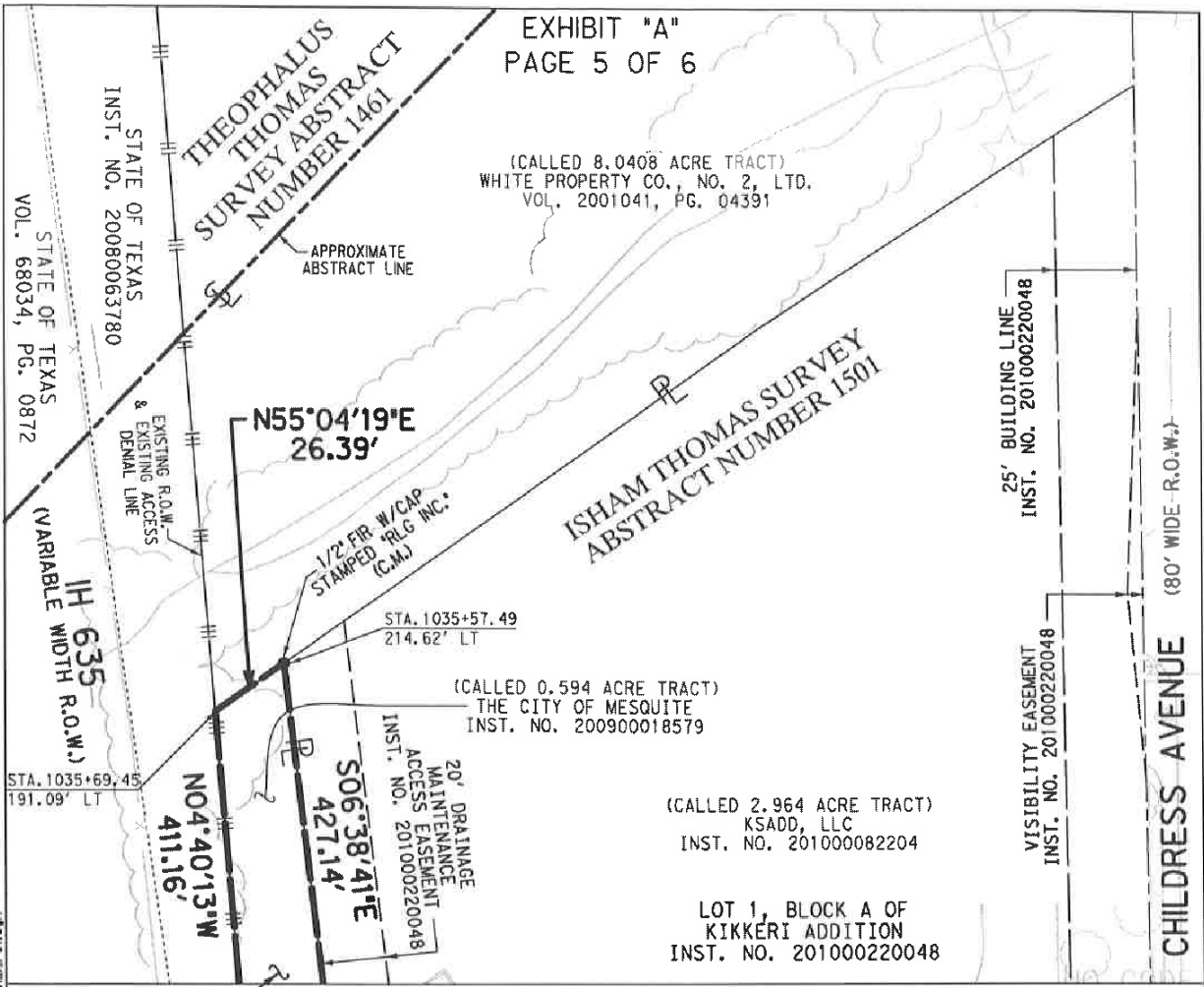
The Texas Department of Transportation proposes to acquire the parcel in permanent easement estate for a drainage easement. After the imposition of the easement, the land in the easement area is restricted. The Texas Department of Transportation plans to install drainage improvements within the permanent easement. The property owner can continue to use the land, but cannot use the easement land in any manner that will prevent or interfere with the grantee's uses or rights. The landowner is conveying rights for free and unobstructed use of the easement land for the installation of the drainage improvements, including ingress and egress, construction, maintenance, and possible appurtenances. The property owner retains limited rights to surface use of the area within the easement, and cannot construct any buildings, or other structure without the express, prior consent of the grantee.

The property owner is conveying certain rights in perpetuity to the easement holder. The property owner still incurs certain obligations within the area of the easement including the cost to maintain the surface and payment of ad valorem taxes.

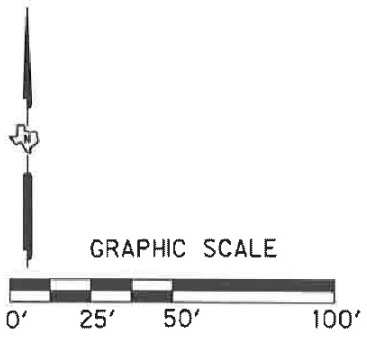
For the land encumbered by the permanent easement, it is our opinion that the property owner is conveying rights to the easement holder that equate to 95% of the fee simple value of the land. Limited market data are available that demonstrates the value of these rights. Immediately after the imposition of the easement, the value of the land in the easement area is considered to be no more than 5% of the fee simple value of the land. The value of the proposed easement after the imposition is \$792. The land within the easement is valued at \$15,053 ($12,676 \text{ SF} \times \$1.25 \text{ Per SF} \times 95\%$).

PARCEL SKETCH





110(E)
12,676 SQ. FT.
(0.2910 ACRE)



A PLAT OF A SURVEY OF
PARCEL 110(E)
FOR IH 635
RIGHT OF WAY CSJ: 2374-02-115
12,676 SQ. FT. (0.2910 AC.)
IN THE ISHAM THOMAS SURVEY
ABSTRACT NUMBER 1501
CITY OF MESQUITE,
DALLAS COUNTY, TEXAS
NOVEMBER 2017

Texas Department of Transportation
2017

HALFF
1201 NORTH BOWSER ROAD
RICHARDSON, TEXAS 75081
TEL (214) 348-6200
TBPLS FIRM NO. 10029600

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PROPERTY VALUATION SUMMARYWhole: ☐Part to be Acquired: ☐Remainder After: ☒**HIGHEST AND BEST USE ANALYSIS**

The *Highest and Best Use* analysis should consider the reasonably probable and legal use of vacant land or improved property considering legally permissible, physically possible, financially feasible, and maximally productive.

VALUATION APPROACHES

The subject is a 0.5940-acre tract of land. The subject land is valued by market comparison of similar tracts of land using the sales comparison approach. The cost, sales comparison, and income approaches as related to improved property are not relevant to the valuation and are omitted. The result is a value indication of the subject as is.

Cost ApproachN/A

Sales Comparison Approach (Land only)\$17,291

Income Approach.....N/A

Reconciliation of Approaches to Value: The sales comparison approach is a reliable valuation method due to the quality and quantity of available market data. Based on the foregoing, our opinion of the market value of the subject property is reconciled at \$17,291.

Contributory Value of Improvements (Itemized)	
None	\$ 0
Total Contributory Value of Improvements	
	\$ 0

Land Value in Fee	13,199 SF	@	\$1.25 Per SF	\$	16,499
Land within Easement	12,676 SF	@	\$1.25 Per SF x 5%	\$	792
Total Land Value:	25,875 SF			\$	17,291
Reconciled Final Value	..... \$ 17,291				

Each approach developed follows this page and is sequenced as shown below.

Land Value,
Pg. SCA - 5.3 - 5.4

Cost Approach,
Pg. CA - 5.5

Sales Comparison Approach,
Pg. SCA - 5.6

Income Approach,
Pg. IA-5.7

Remainder: The remainder is comprised of 0.5940 acres, or 25,875 square feet, stated, including the permanent easement.

Whole Property	0.5940 AC	<i>Or</i>	25,875 SF	
Part To Be Acquired in Easement	0.2910 AC	<i>Or</i>	12,676 SF	<i>Or 48.99% of the Whole Property</i>
Remainder Property	0.5940 AC	<i>Or</i>	25,875 SF	

Remainder After The Acquisition As Affected By The Permanent Easement

After the acquisition, the subject retains near the same utility as in the before taking condition and access remains along Childress Avenue. No building improvements are removed or reduced. Limited land area and dimensions remain for the property's existing use of a natural drainage area and green space. The highest and best use as green space use continues in the remainder condition.

HIGHEST AND BEST USE ANALYSIS

Four basic criteria are examined in estimating the Highest and Best Use of a property both as vacant and as improved. These are:

- a) Physically Possible Use - the uses to which it is physically possible to put on the site in question.
- b) Legally Permissible Use (Legal) - the uses that are permitted by zoning and deed restrictions on the site in question.
- c) Financially Feasible Use - the possible and permissible uses that will produce any net return to the owner of the site.
- d) Maximally Productive Use - among the feasible uses, the use that will produce the highest net return on the highest present worth.

HIGHEST & BEST USE AS IF VACANT

Physically Possible Use: In arriving at an opinion of highest and best use for the subject, it is first necessary to determine if the physical characteristics of the site - such as soil conditions, topography, shape and frontage were favorable for development. Soil conditions vary throughout the area and sometimes require particular engineering. According to the enclosed flood map 48113C0360L, dated July 7, 2014, though the tract is a part of a natural drainage area, the subject is completely located within Zone X. The subject site contains 0.5940 acres and fronts the western line of Childress Avenue for 50 feet. The tract is of sufficient size, shape, and frontage to be economically adaptable to numerous uses.

Legally Permissible Use: Zoning: The property is zoned Office District by the City of Mesquite. The "O" district is established to accommodate professional, management, research, and other similar uses.

Financially Feasible Use: The surrounding properties and land uses are considered for compatibility in determination of feasible use. Abutting uses include, vacant land along the north side, a medical office building along the east side, a big box retail application along the south side, and highly concentrated commercial development across IH 635 along the west side. Based on the land usage pattern of the surrounding area, the layout, configuration and utility of the tract, the most feasible use is for green space use.

Maximally Productive Use: As if vacant, the location along Childress Avenue is considered average for appeal within the market. Access is rated poor. Based on the foregoing, it is concluded that the highest and best use of the subject tract is for green space.

SALES COMPARISON APPROACH Whole: ☐ Part to be Acquired: ☐ Remainder After: ☒Land: ☒ Improved: ☐

VALUATION GRID

Representative Comparable Sales

	Subject	Comp. No. 1	Comp. No. 2	Comp. No. 3
Grantor		Leroy Brorson, Trustee	RMW Financial, Inc.	F & D Ventures, LP
Grantee		Zoya Real Estate, Inc.	BOB Holdings, Inc.	CRS Forest Lane, LLC
Date of Sale		March 15, 2017	May 4, 2016	June 10, 2015
Unit Price (\$/SF)		\$13.00	\$13.73	\$5.56
Relative Location		9.75 miles north	9.12 miles northeast	9.10 miles northeast
Rights Conveyed		Fee Simple	Fee simple	Fee simple
Financing		Cash to the seller	Cash to the seller	Cash to the seller
Land Size	25,875 SF	130,941 SF	119,790 SF	224,887 SF
Conditions of Sale		Arm's length	Arm's length	Arm's length
Market Conditions		+3%	+6%	+10%
Adjusted Price (\$/SF)		\$13.39	\$14.55	\$6.12
Location	Suburban	-5%	-5%	-5%
<i>Physical Characteristics</i>				
Access	poor	-10%	-0-	-10%
Frontage	roadway	-5%	-0-	-0-
Exposure	Average	-5%	-0-	-10%
Zoning	Office	-5%	-5%	-5%
Size	25,875 SF	+12%	+11%	+16%
Functional Utility	Adequate	-40%	-40%	-40%
Topography	below grade	-40%	-40%	-40%
Utilities	All available	-0-	-0-	-0-
Net Adjustments		-98%	-79%	-94%
	Indicated Unit Value	\$0.27	\$3.06	\$0.37
Unit Value (\$/SF)				\$1.25

Estimated Value by Sales Comparison Approach **\$17,291**

See Explanation of Adjustments with Reconciliation on the next page.

EXPLANATION OF ADJUSTMENTS WITH RECONCILIATION

The sample is comprised of three sales that are similar to the subject in location, utility, and highest and best use.

Rights Conveyed – All the property rights conveyed in the sales represent fee simple ownership; thus, adjustments for property rights are not required.

Financing – Each of the three sales were purchased with cash or third-party financing which require no adjustments.

Sale Conditions – All of the sales are arm's length transactions and adjustments are not considered necessary.

Market Conditions – The sales were transacted from June 10, 2015 to March 15, 2017. Adjustments for market conditions are applied if property values have increased or decreased since the transaction dates. Based on our observations and analysis, real estate has appreciated approximately four percent annually. The sales are adjusted 3%, 6%, and 10%, respectively.

Location – The subject is located along the west side of Childress Avenue, at the western terminus of Brazoria Drive, in the city of Mesquite, Dallas County. The sales are similarly located as compared to the subject, in suburban locales. However, the comparable properties are located in areas of higher demand, development, and commerce, dictating -5% adjustments in each case.

Physical Characteristics – Various physical factors influencing utility are considered for each sale.

Access – Access has significant bearing on real estate in the market. Access is defined as the points, or number of points available for ingress/egress to the subject site or ease of access to the site from abutting roadways. The subject has adequate access via Childress Avenue, a collector roadway. Based on ease of access to the site from the surrounding areas, Sale Nos. 1 and 2 are superior to the subject, being situated along neighborhood arterials and freeway service roads, warranting adjustments of -10% each. Sale No. 2, located along an interior roadway, similar to the subject, dictating no adjustment.

Frontage – Frontage is the number of feet of frontage along the subject roadway or roadways. Sale properties are adjusted based on their inferiority/superiority as compared with the subject. The subject fronts the western line of Childress Avenue for 50 feet. Sale No. 1 is located on a hard corner of two neighborhood arterials, and is adjusted -5% accordingly. The remaining sales have similar factors of frontage, or frontage to depth ratios, warranting no adjustments.

Exposure – Exposure is the traffic count on the roadways. The subject is located along Childress Avenue, offering average exposure and drive by potential. Sale No. 1 is located at the intersection of two neighborhood arterials, and Sale No. 3 is located along a major regional freeway frontage road, dictating -5% and -10% adjustments, respectively, for relative superiority in exposure.

Zoning – The subject is zoned Office District by the City of Mesquite. Each of the comparable sales is superior to the subject, allowing multiple and/or mixed uses on the respective sites, warranting -5% adjustments in each case.

Size – The size adjustment is based on the premise that, in general, the larger the tract, the less its selling price on a per unit basis. A factor of 10% for each doubling and halving in size is used in the subject comparison. Sales 1, 2, and 3 are adjusted +12%, +11%, and +16%, respectively.

Functional Utility – The subject is narrow, elongated, and L-shaped, with not only a configuration, but also topography that is prohibitive to development. Each of the comparable sales is of adequate size and configuration to allow for a wide variety of uses, warranting -40% adjustments each.

Topography - The topography of the subject is characterized as below grade, and although not in a designated flood zone, is an area of natural drainage. Compared to the subject, each of the sales is considered significantly superior in topography, dictating -40% adjustments each.

Utilities – The sales have all utilities available and are not adjusted.

Reconciliation – In the subject and sample comparison the adjusted sales range from \$0.27 to \$3.06 per square foot, with an adjusted mean of \$1.23 per square foot. Considering the subject's location and physical characteristics, with emphasis on the adjusted mean, a unit value of \$1.25 per square foot is supported by the sale data. This equates to an indicated value of \$17,291 for the subject land in the remainder after condition.

Land Value in Fee	13,199 SF	@	\$1.25 Per SF	\$	16,499
Land within Easement	<u>12,676 SF</u>	@	\$1.25 Per SF x 5%	\$	<u>792</u>
Total Land Value:	25,875 SF			\$	17,291

COST APPROACH Whole: ☐Part to be Acquired: ☐Remainder After: ☒

Estimated Replacement Cost

Improvement	Number of sq ft	\$ per sq ft	Cost New	<Depreciation>	Value
			\$ -	- \$ 0 (0.00%)	\$ -
			\$ -	- \$ 0 (0.00%)	\$ -
Contributory Value of the Building:					\$ -
Site Improvements					
			\$ -	- \$ 0 (0.00%)	\$ -
			\$ -	- \$ 0 (0.00%)	\$ -
			\$ -	- \$ 0 (0.00%)	\$ -
Contributory Value of the Site Improvements					\$ -
Contributory Value of all Improvements					\$ -
Land Value					\$ 17,291
Value by Cost Approach					\$ 17,291

The subject consists of vacant land, thereby rendering the cost approach not-applicable to the valuation.

Land value: Refer to page 5.3.-5.4; the land is valued at \$17,291 .

The sales comparison approach as improved is not applicable and is excluded.

INCOME APPROACHWhole: ☐Part to be Acquired: ☐Remainder After: ☒

Potential Gross Income	.....	\$		
Vacancy	%	\$			
Effective Gross Income	.....			\$
Expenses:					
Fixed Taxes		\$			
Insurance		\$			
Variable Management		\$			
Other		\$			
		\$			
		\$			
Total Expenses	.....			\$
Net Operating Income	.....			\$
Income Capitalized @		%	.....	\$
Plus: Value of Excess Land (if any)			.....	\$
				\$	
Estimated Value by Income Approach			.....	\$

The income approach is not applicable and is excluded.

EXPLANATION OF DAMAGES (is if any): The proposed acquisition does not bisect the remainder. In the remainder after scenario, the highest and best use of the property continues as green space use. Access remains at the same location as before the acquisition. The data do not support damages to the remainder.

COMPENSATION SUMMARY

WHOLE PROPERTY:

The market value of the whole property is \$ 32,344

PART TO BE ACQUIRED:

In easement estate is \$ 15,053

REMAINING PROPERTY:

The value of the remainder immediately before the taking is \$ 17,291

Considering the uses to which the part taken is to be subjected
to, the market value of the remainder immediately after
the acquisition is \$ 17,291

NET DAMAGES OR ENHANCEMENTS, if any \$ (0)

ACCESS:

The lack of any access denial or the material impairment of direct access
on or off the remaining property affects the market value of the remaining
property in the sum of \$ 0

Cost-To-Cure, if any \$ 0

TOTAL COMPENSATION \$ **15,053**

FIELD NOTES/PARCEL SKETCH

EXHIBIT "A"

County: Dallas
Highway: IH 635
Parcel 110(E)
STA. 1035+57.49 to STA. 1039+84.51
ROW CSJ: 2374-02-115

Page 1 of 6
November 2017

Description for Parcel 110(E)

BEING 12,676 square feet of land situated in the Isham Thomas Survey, Abstract Number 1501, City of Mesquite, Dallas County, Texas, and being part of a called 0.594 acre tract of land described in Special Warranty Gift Deed to The City of Mesquite, as recorded in Instrument Number 200900018579 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), said 12,676 square feet (0.2910 acre) of land being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2-inch found iron rod with a plastic cap stamped "RLG INC." for the most easterly northeast corner of said 0.594 acre tract, and the southeast corner of Lot 1, Block A of KIKKERI ADDITION, an addition to the City of Mesquite, Dallas County, Texas, as recorded in Instrument Number 201000220048, O.P.R.D.C.T., on the existing west right-of-way line of Childress Avenue (an 80 foot wide right-of-way);

THENCE South 89 degrees 01 minute 49 seconds West, with a north line of said 0.594 acre tract, and with the south line of said Lot 1, Block A, a distance of 225.41 feet to a 5/8-inch set iron rod with a pink plastic cap marked "TXDOT SURVEY MARKER RIGHT OF WAY MONUMENT" for an ell corner of said 0.594 acre tract, the southwest corner of said Lot 1, Block A, and for the POINT OF BEGINNING, at Station 1039+84.51, 204.65 feet Left, having Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983 (NAD83) 2011 Adjustment, Epoch 2010.00 surface coordinates of North=6,986,129.89 feet, East=2,543,910.46 feet;

- 1) THENCE South 89 degrees 01 minute 49 seconds West, departing an east line of said 0.594 acre tract, and over and across said 0.594 acre tract a distance of 37.59 feet to a 5/8-inch set iron rod with a pink plastic cap marked "TXDOT SURVEY MARKER RIGHT OF WAY MONUMENT" at Station 1039+79.92, 167.34 feet Left, on the existing northeasterly right-of-way line of IH 635 (a variable width right-of-way) and on the west line of said 0.594 acre tract for corner;
- 2) THENCE North 04 degrees 40 minutes 13 seconds West, with the existing northeasterly right-of-way line of said IH 635, and with the west line of said 0.594 acre tract, a distance of 411.16 feet to a 5/8-inch set iron rod with a pink plastic cap marked "TXDOT SURVEY MARKER RIGHT OF WAY MONUMENT" at Station 1035+69.45, 191.09 feet Left, for the northwest corner of said 0.594 acre tract, on the south line of a called 8.0408 acre tract of land described in deed to White Property Co., No. 2, LTD., as recorded in Volume 2001041, Page 04391 of the Deed Records of Dallas County, Texas (D.R.D.C.T.);

EXHIBIT "A"

County: Dallas
Highway: IH 635
Parcel 110(E)
STA. 1035+57.49 to STA. 1039+84.51
ROW CSJ: 2374-02-115

Page 2 of 6
November 2017

- 3) THENCE North 55 degrees 04 minutes 19 seconds East, departing the existing northeasterly right-of-way line of said IH 635, with a north line of said 0.594 acre tract, and with the south line of said 8.0408 acre tract, a distance of 26.39 feet to a 1/2-inch found iron rod with a plastic cap stamped "RLG INC." for the most northerly northeast corner of said 0.594 acre tract and the northwest corner of said Lot 1, Block A;
- 4) THENCE South 06 degrees 38 minutes 41 seconds East, departing the south line of said 8.0408 acre tract, and with an east line of said 0.594 acre tract, and with the west line of said Lot 1, Block A, a distance of 427.14 feet to the POINT OF BEGINNING and containing 12,676 square feet (0.2910 acre) of land, more or less.

NOTES:

1. Abstracting completed by Courthouse Research Specialist between May 2017 and October 2017.
2. Field surveys were performed between May 2017 and November 2017.
3. The Basis of Bearing is the Texas Coordinate System of 1983, North Central Zone (4202), TxDOT Virtual Reference System (VRS) RTK Network.
4. All coordinates and distances are US Survey Feet, displayed in surface values and may be converted to grid by dividing by the combined adjustment factor of 1.000136506 (TxDOT Dallas County Scale Factor).
5. Project control was established by others and provided by TxDOT.

EXHIBIT "A"

County: Dallas
Highway: IH 635
Parcel 110(E)
STA. 1035+57.49 to STA. 1039+84.51
ROW CSJ: 2374-02-115

Page 3 of 6
November 2017

6. The Station and Offset information refers to the baselines described in the Project Schematic which received environmental clearance on 4/24/2017; Project Control-Section-Job: 2374-02-053

7. A survey plat of even date accompanies this legal description.

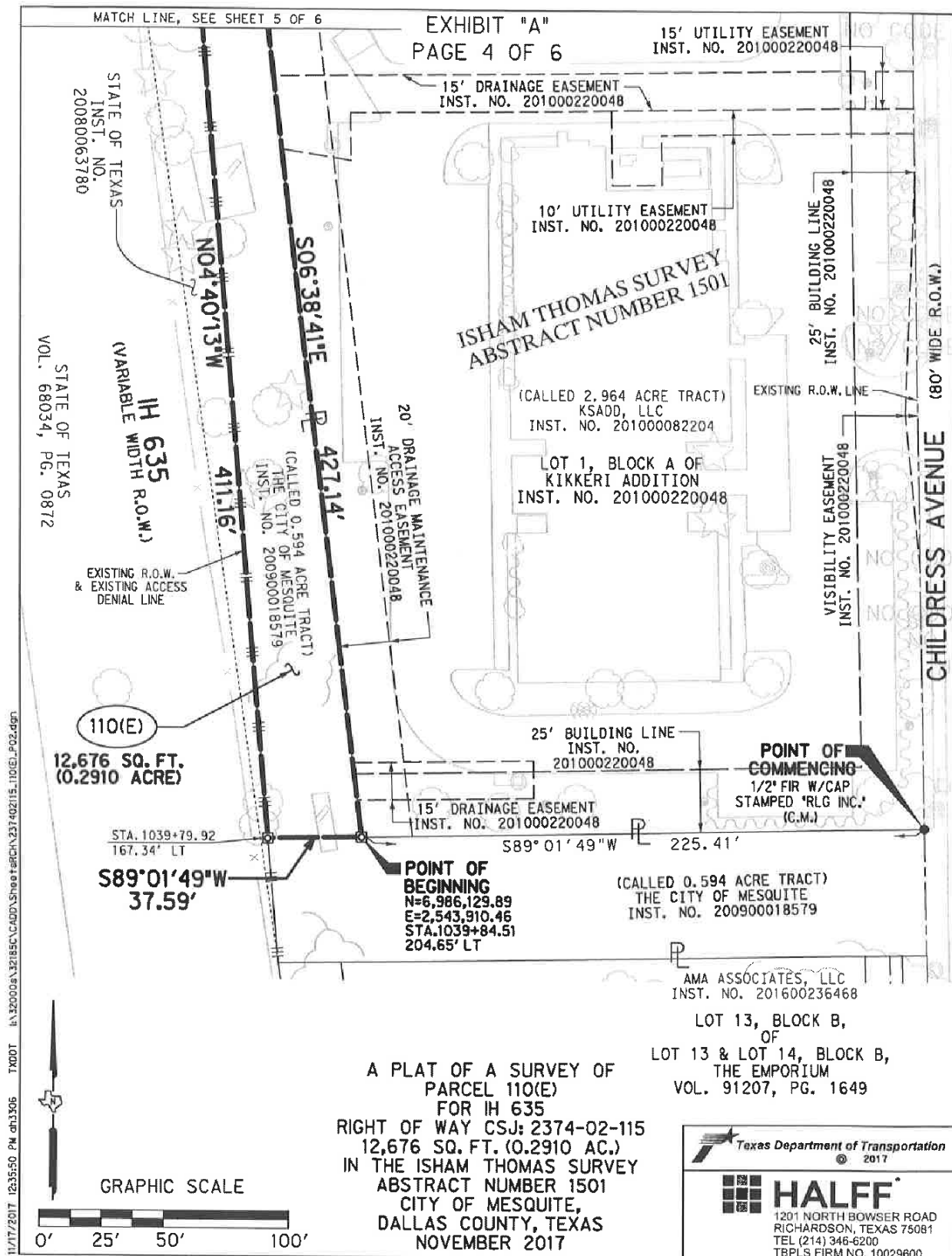
G. J. Suthan

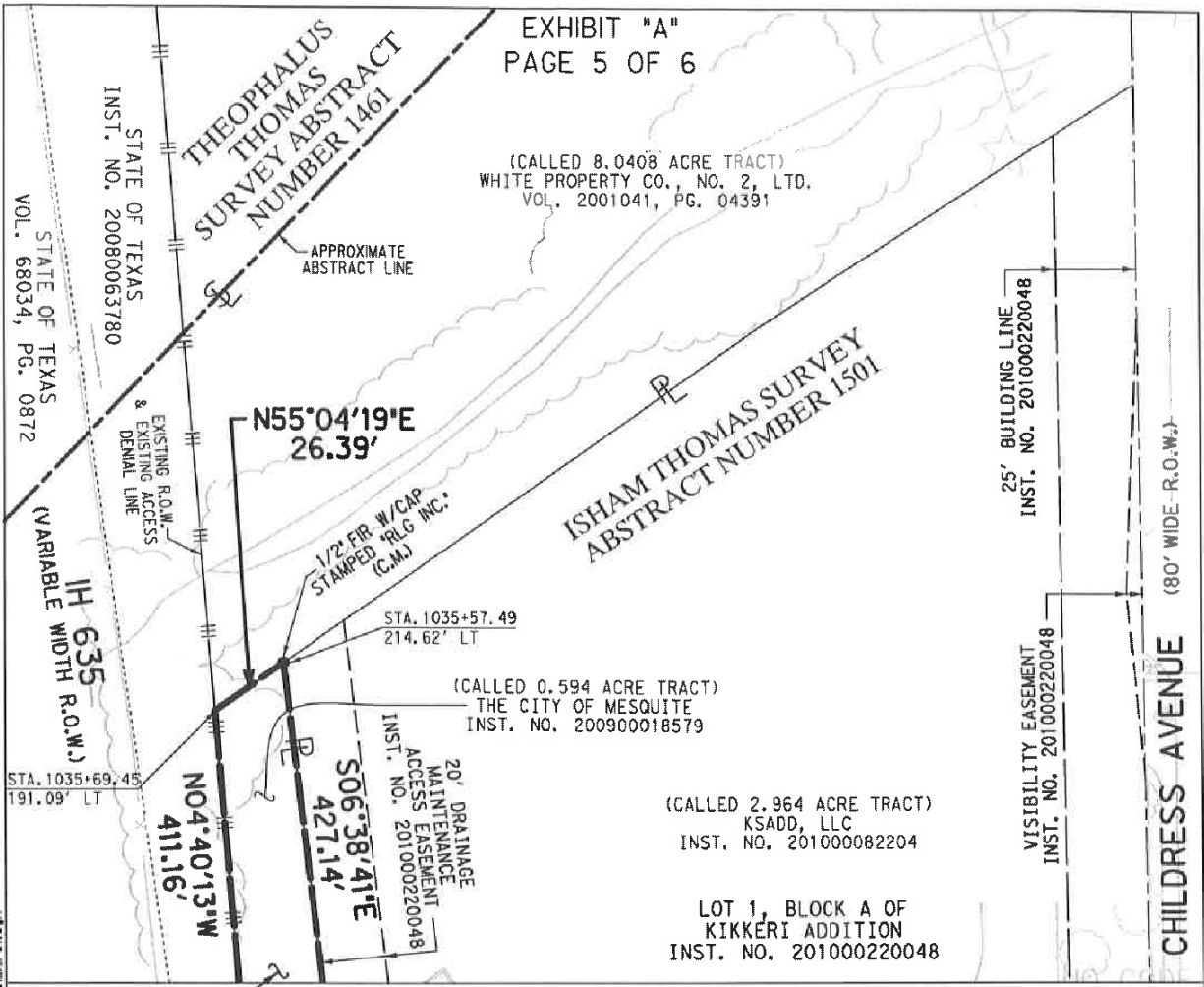
Getsy J. Suthan, R.P.L.S.
Texas Registration No. 6449

Nov. 16/17
Date

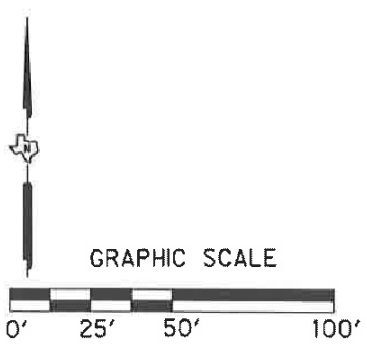


HALFF ASSOCIATES, INC.
1201 NORTH BOWSER ROAD
RICHARDSON, TEXAS 75081
TEL (214) 346-6200
TBPLS FIRM NO. 10029600





110(E)
12,676 SQ. FT.
(0.2910 ACRE)



A PLAT OF A SURVEY OF
PARCEL 110(E)
FOR IH 635
RIGHT OF WAY CSJ: 2374-02-115
12,676 SQ. FT. (0.2910 AC.)
IN THE ISHAM THOMAS SURVEY
ABSTRACT NUMBER 1501
CITY OF MESQUITE,
DALLAS COUNTY, TEXAS
NOVEMBER 2017

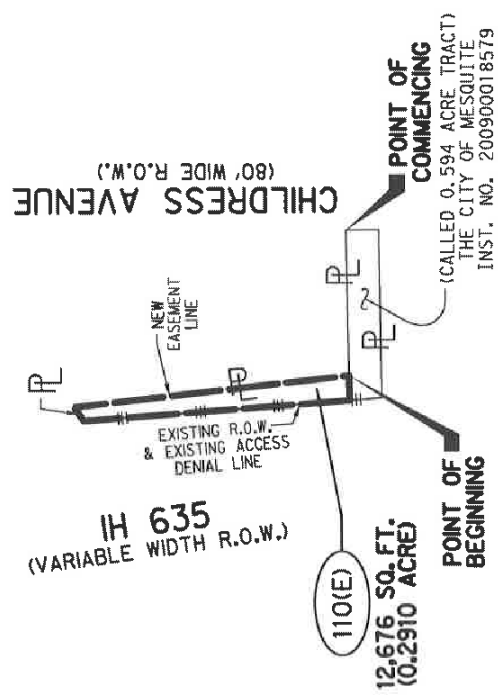
Texas Department of Transportation
2017

HALFF
1201 NORTH BOWSER ROAD
RICHARDSON, TEXAS 75081
TEL (214) 348-6200
TBPLS FIRM NO. 10029600

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EXHIBIT "A"
PAGE 6 OF 6

- LEGEND**
- EXISTING RIGHT OF WAY LINE
 - RIGHT OF WAY DEED LINE
 - PARCEL BOUNDARY
 - NEW BASELINE
 - CONTINUOUS OWNERSHIP PER DEEDS AND UNITY OF USE
 - PROPERTY LINE
 - NEW ACCESS DENIAL LINE
 - EXISTING ACCESS DENIAL LINE
 - SURVEY LINE
 - CITY LIMITS
 - EXISTING EASEMENT LINE
 - EXISTING EASEMENT LINE
 - EXISTING EASEMENT LINE
 - NEW EASEMENT LINE
 - EXISTING VISIBLE IMPROVEMENTS
 - VOL. = VOLUME
 - PQ. = PAGE
 - CAS. = CASNET
 - FR = FOUND IRON ROD
 - FP = FOUND IRON PIPE
 - CJAJ = CONTROLLING MONUMENT
 - INST. NO. = INSTRUMENT NUMBER
 - MON. = MONUMENT
 - FLCJL = RIGHT-OF-WAY
 - FLCJL = FORMERLY KNOWN AS
 - 5/8-INCH SET IRON ROD WITH A PINK PLASTIC CAP MARKED
 - 1/4-INCH SURVEY MARKER RIGHT OF WAY MONUMENT
 - 5/8-INCH SET IRON ROD WITH AN ALUMINUM CAP
 - STAMPED TADOT ACCESS DENIAL POINT
 - Δ = SET 7" UNLESS NOTED
 - = FOUND MONUMENT (AS NOTED)
 - ① = PARCEL NUMBER



PARENT TRACT INSET

A PLAT OF A SURVEY OF
PARCEL 110(E)
FOR IH 635

RIGHT OF WAY CSJ: 2374-02-115
12,676 SQ. FT. (0.2910 AC.)
IN THE ISHAM THOMAS SURVEY
ABSTRACT NUMBER 1501
CITY OF MESQUITE,
DALLAS COUNTY, TEXAS
NOVEMBER 2017

PARCEL REMAINDER AREA

PARENT TRACT AREA (DEED)	ACQUISITION AREA	CALC. REMAINDER AREA (LEFT)
0.594 AC. (25,875 SQ. FT.)	0.2910 AC. (12,676 SQ. FT.)	0.594 AC. (25,875 SQ. FT.)

(DEED) = DEED CALLED

- GENERAL NOTES:**
1. INSTRUMENT COMPLETED BY COURTHOUSE RESEARCH SPECIALIST BETWEEN MAY 2017 AND OCTOBER 2017.
 2. FIELD SURVEYS WERE PERFORMED BETWEEN MAY 2017 AND NOVEMBER 2017.
 3. THE BASIS OF BEARING IS THE TEXAS COORDINATE SYSTEM OF 1983, NORTH CENTRAL ZONE (4202), TADOT VIRTUAL REFERENCE SYSTEM (VRS) NETWORK.
 4. HORIZONTAL DISTANCES ARE US SURVEY FEET, DISPLAYED IN SURFACE VALUES AND MAY BE CONVERTED TO GRID BY DIVIDING BY THE COVERED ADJUSTMENT FACTOR OF 1.000136506 (TADOT DALLAS COUNTY SCALE FACTOR).
 5. PROJECT CONTROL WAS ESTABLISHED BY OTHERS AND PROVIDED BY TADOT. THE STATION AND OFFSET INFORMATION REFERS TO THE BASELINES DESCRIBED IN THE PROJECT SCHEMATIC WHICH RECEIVED AN INSTRUMENTAL SURVEY FROM THE PROJECT ENGINEER'S OFFICE ON 05/27/14-02-053.
 6. A LEGAL DESCRIPTION OF EASEMENT ACCOMPANIES THIS SURVEY PLAT.
 7. VOLUME & PAGES AND INSTRUMENT NUMBERS SHOWN HEREON ARE REFERENCED TO THE DALLAS COUNTY CLERK'S RECORDS.

Texas Department of Transportation
2017

HALFF
1201 NORTH BOWSER ROAD
RICHARDSON, TEXAS 75081
TEL (214) 346-6200
TBPLS FIRM NO. 10029660

TAX INFORMATION
[Home](#) | [Find Property](#)
[Contact Us](#)
Commercial Account #65150161510010200
[Location](#) [Owner](#) [Legal Desc](#) [Value](#) [Improvements](#) [Land](#) [Exemptions](#) [Estimated Taxes](#) [Building Footprint](#) [History](#)
Location (Current 2018)**Address:** 3865 CHILDRESS AVE**Market Area:** 0**Mapsco:** 39A-S (DALLAS)**DCAD Property Map****[View Photo](#)****Electronic Documents (ENS)****[Print Homestead Exemption Form](#)****Owner (Current 2018)**

MESQUITE CITY OF

PO BOX 850137

MESQUITE, TEXAS 751850137

Multi-Owner (Current 2018)

Owner Name	Ownership %
MESQUITE CITY OF	100%

Legal Desc (Current 2018)**1:** ISHAM THOMAS ABST 1501 PG 615**2:** TR 1.2 ACS 0.594**3:** DRAINAGE CHANNEL**4:** VOL2001041/4391 DD02142001 CO-DC**5:** 1501615100100 3CM15016151**Deed Transfer Date:** 1/21/2009**Value**

2017 Proposed Values	
Improvement:	N/A
Land:	+ N/A
Market Value:	=N/A
Revaluation Year:	N/A
Previous Revaluation Year:	N/A

Improvements (Current 2018)

No Improvements.

Land (2017 Proposed Values)

#	State Code	Zoning	Frontage (ft)	Depth (ft)	Area	Pricing Method	Unit Price	Market Adjustment	Adjusted Price	Ag Land
1	COMMERCIAL - VACANT PLOTTED LOTS/TRACTS	PLANNED DEVELOPMENT (Note Ordi	0	0	25,875.0000 SQUARE FEET	STANDARD			N/A	N

*** All Exemption information reflects 2017 Proposed Values. ***

Exemptions (2017 Proposed Values)

This property is tax exempt.

Estimated Taxes (2017 Proposed Values)

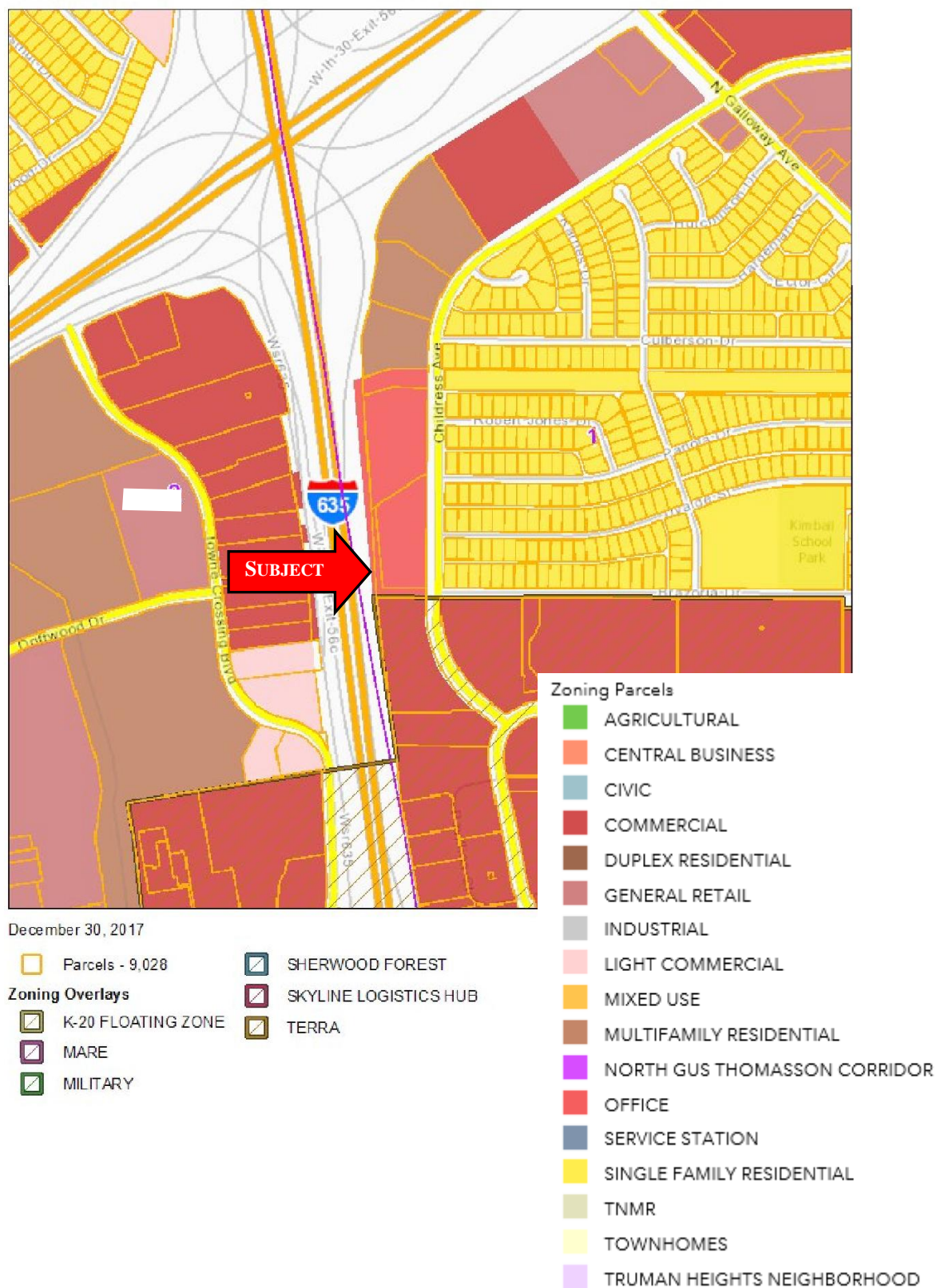
	City	School	County and School Equalization	College	Hospital	Special District
Taxing Jurisdiction	MESQUITE	MESQUITE ISD	DALLAS COUNTY	DALLAS CO COMMUNITY COLLEGE	PARKLAND HOSPITAL	UNASSIGNED
Tax Rate per \$100	\$0.687	\$1.46	\$0.2531	\$0.124238	\$0.2794	N/A
Taxable Value	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Taxes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
Tax Ceiling					N/A	N/A
Total Estimated Taxes:						\$0.00

DO NOT PAY TAXES BASED ON THESE ESTIMATED TAXES. You will receive an **official tax bill** from the appropriate agency when they are prepared. Please note that if there is an Over65 or Disabled Person **Tax Ceiling** displayed above, **it is NOT reflected** in the Total Estimated Taxes calculation provided. Taxes are collected by the agency sending you the **official** tax bill. To see a listing of agencies that collect taxes for your property. [Click Here](#)

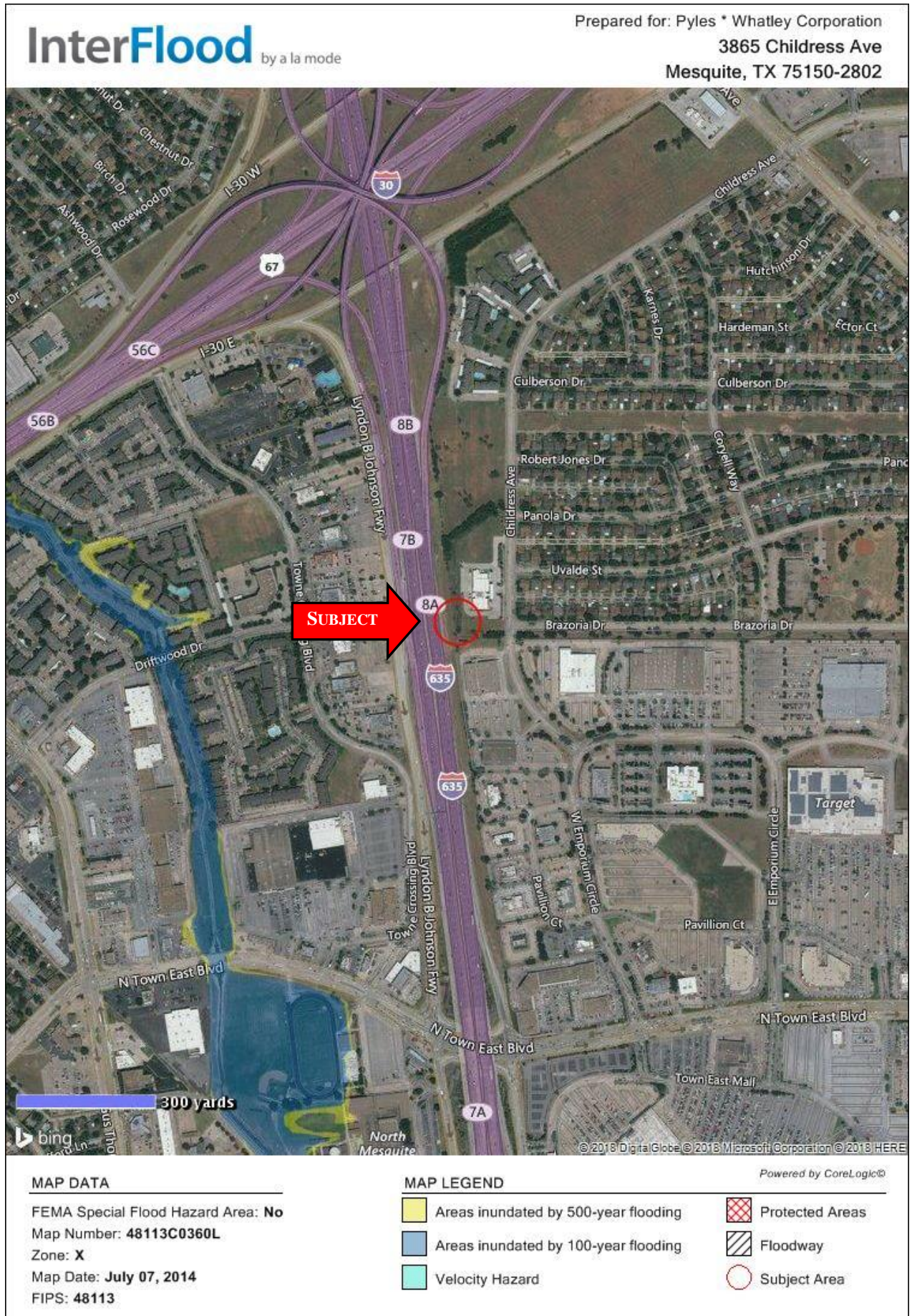
The estimated taxes are provided as a courtesy and should not be relied upon in making financial or other decisions. The Dallas Central Appraisal District (DCAD) does not control the tax rate nor the amount of the taxes, as that is the responsibility of each Taxing Jurisdiction. Questions about your taxes should be directed to the appropriate taxing jurisdiction. We cannot assist you in these matters. These tax estimates are calculated by using the most current certified taxable value multiplied by the most current tax rate. **It does not take into account other special or unique tax scenarios, like a tax ceiling, etc..** If you wish to calculate taxes yourself, you may use the [TaxEstimator](#) to assist you.

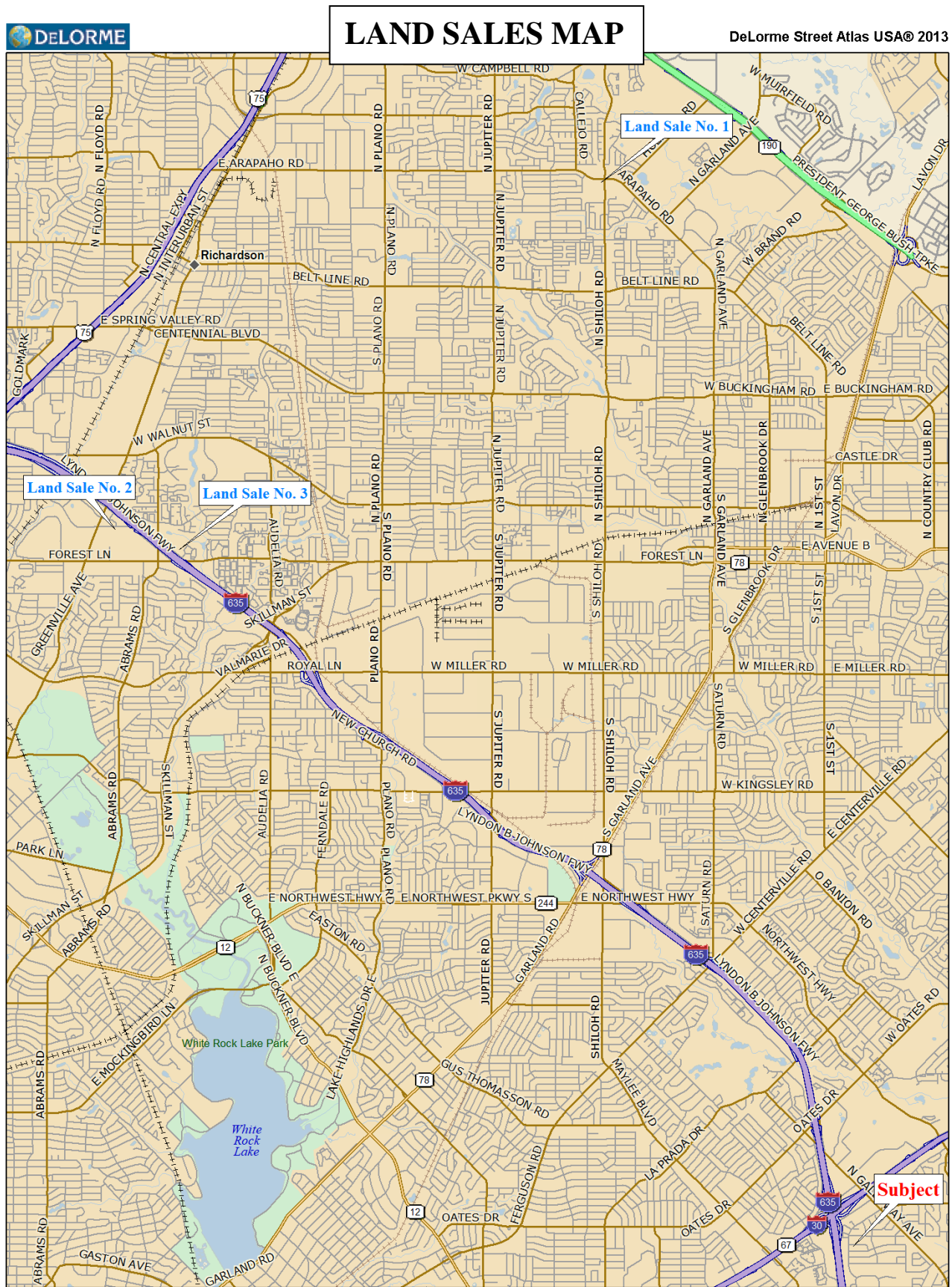
ZONING MAP

Parcel 110E



FLOOD MAP

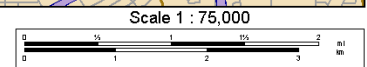




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www.delorme.com



1" = 1.18 mi

Data Zoom 11-4

COMPARABLE DATA SUPPLEMENT

District: Dallas Parcel: 110(E) Project : IH-635 County: Dallas ROW CSJ: 2374-02-115

Land Sale 1



Grantor/Lessor:	<u>Leroy Brorson, Trustee</u>	Grantee/Lessee:	<u>Zoya Real Estate, Inc.</u>
Date:	<u>March 15, 2017</u>	Recording Information:	<u>201700076990</u>
Address:	<u>SW/c Arapaho Road & North Shiloh Road, Garland, Dallas County, Texas</u>	Mapsc0:	<u>DA-9-W</u>
Legal Description:	<u>Lot 3, 4 and 5, Block 1, ILT HS Addition</u>	Zip Code:	<u>75044</u>
Confirmed Price:	<u>\$1,702,333</u>	Verified with:	<u>Chris Burks, Broker (214-891-3229)</u>
Terms and Conditions of Sale:	<u>Cash to the seller</u>		
Rental Data:			
Land Size:	<u>3.0060 AC, or 130,941 SF</u>	Unit Price as Vacant:	<u>\$13.00/SF</u>
Type Street:	<u>Neighborhood Arterial</u>	Utilities:	<u>All available</u>
Improvement(s) Description:	<u>N/A</u>	Unit Price as Improved:	<u>N/A</u>
Improvement(s) Size: (GBA):	<u>N/A</u>	(NRA):	<u>N/A</u>
Condition and Functional Design:	<u>N/A</u>		
Current Use:	<u>Vacant</u>	Highest & Best Use:	<u>Commercial</u>
Date of Inspection:	<u>December 30, 2017</u>	Zoning:	<u>PD 13-28; Mixed Use</u>
		Flood Plain:	<u>None</u>
Additional information:	<u>This property is rectangular in shape and is comprised of three lots zoned for mixed use. According to the broker, the property was purchased for the development of a strip center. Following the transfer, the grantee conveyed the corner lot (Lot 3) to another party for an undisclosed amount.</u>		
Appraiser:	<u>Kreg Hodge</u>		
	<u>December 31, 2017</u>		

COMPARABLE DATA SUPPLEMENT

District: Dallas Parcel: 110(E) Project : IH-635 County: Dallas ROW CSJ: 2374-02-115

Land Sale 2



Grantor/Lessor:	<u>RMW Financial, Inc.</u>	Grantee/Lessee:	<u>BOB Holdings, Inc.</u>
Date:	<u>May 4, 2016</u>	Recording Information:	<u>201600123160</u>
Address:	<u>S/s Markville Drive, approximately 650 fee west of I-635 service road, Dallas, Dallas County, Texas</u>	Mapsc0:	<u>DA-17-W</u>
Legal Description:	<u>Lots 1A.1, 1A.2, and 1A.3, Hall-Mark Industrial Park Division</u>		
Confirmed Price:	<u>\$1,645,000</u>	Verified with:	<u>Tracy Patterson, Agent (214-538-6606)</u>
Terms and Conditions of Sale:	<u>Cash to the seller</u>		
Rental Data:			
Land Size:	<u>2.7500 AC, or 119,790 SF</u>	Unit Price as Vacant:	<u>\$13.73/SF</u>
Type Street:	<u>Neighborhood Collector</u>	Utilities:	<u>All available</u>
Improvement(s) Description:	<u>None</u>	Unit Price as Improved:	<u>0</u>
Improvement(s) Size: (GBA):	<u>124,985 SF</u>	(NRA):	<u>Flood Plain:</u>
Condition and Functional Design:	<u>Average</u>		
Current Use:	<u>Light Industrial Warehouse</u>	Highest & Best Use:	<u>Commercial</u>
Date of Inspection:	<u>December 30, 2017</u>	Zoning:	<u>MU-3; Mixed Use</u>
		Flood Plain:	<u>None</u>
Additional information:	<u>The property is generally rectangular in shape with frontage along Markville Drive. The zoning allows for a wide variety of uses, including retail, office, lodging and residential. According to the broker, the property was improved with several buildings that were out of service under extended vacancy, and was marketed as vacant land. At the time of this report, the former improvements have been demolished and removed from the site. As such, demolition and removal of the buildings is added to the sales price at a rate of \$2.75 per square foot, or \$345,000, rounded, added to the original consideration of \$1,300,000, to bring the total price to \$1,645,000.</u>		
Appraiser:	<u>Kreg Hodge</u> <u>December 31, 2017</u>		



COMPARABLE DATA SUPPLEMENT

District: Dallas

Parcel : 110E

Project : IH-635

County: Dallas

ROW CSJ: 2374-02-115

Land Sale 3



Grantor/Lessor:	<u>F & D Ventures, LP</u>	Grantee/Lessee:	<u>CRS Forest Lane, LLC</u>
Date:	<u>June 10, 2015</u>	Recording Information:	<u>201500158841</u>
Address:	<u>N/s I-635 service road, approximately 400 feet north of Forest Lane, Dallas, Dallas County, Texas</u>	Mapsco:	<u>DA-17-X</u>
Legal Description:	<u>Part of Lot 2, Block A/8420, Forest LBJ Addition</u>	Zip Code:	<u>75243</u>
Confirmed Price:	<u>\$1,250,000</u>	Verified with:	<u>Don Witt, Grantor (214-358-2575)</u>
Terms and Conditions of Sale:	<u>Cash to the seller</u>		
Rental Data:			
Land Size:	<u>5.1627 AC, or 224,887 SF</u>	Unit Price as Vacant:	<u>\$5.56/SF</u>
Type Street:	<u>Regional Freeway Service Road</u>	Utilities:	<u>All available</u>
Improvement(s) Description:	<u>N/A</u>	Unit Price as Improved:	<u>N/A</u>
Improvement(s) Size: (GBA):	<u>N/A</u>	(NRA):	<u>N/A</u>
Condition and Functional Design:	<u>N/A</u>		
Current Use:	<u>Vacant</u>	Highest & Best Use:	<u>Commercial</u>
Date of Inspection:	<u>December 30, 2017</u>	Zoning:	<u>CR; Community Retail</u>
		Flood Plain:	<u>None</u>
Additional information:	<u>The property is irregular in shape and includes a portion of a mutual access roadway. The site has frontage along the northeastern line of the I-635 frontage road. The site has been developed with an Extra Storage Space self-storage facility. The site has been deed restricted to forbid outdoor advertising signs or multi-family uses, and a 150 foot height restriction. The SUP designation within the zoning ordinance allows mini-storage warehouse development.</u>		
Appraiser:	<u>Kreg Hodge</u>		
	<u>December 31, 2017</u>		



TITLE COMMITMENT EXCERPT

**COMMITMENT FOR TITLE INSURANCE T-7
ISSUED BY**

**WFG NATIONAL TITLE INSURANCE COMPANY, A WILLISTON FINANCIAL GROUP COMPANY
SCHEDULE A**

Effective Date: **December 4, 2017, 8:00 am**

GF No. **704-28211**

Commitment issued **December 13, 2017, 8:00 am**

1. The policy or policies to be issued are:
 - a. **OWNER'S POLICY OF TITLE INSURANCE (Form T-1)**
(Not applicable for improved one-to-four family residential real estate)
Policy Amount:
PROPOSED INSURED: **THE STATE OF TEXAS, acting by and through the Texas Transportation Commission**
 - b. **TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE
ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)**
Policy Amount:
PROPOSED INSURED:
 - c. **LOAN POLICY OF TITLE INSURANCE (Form T-2)**
Policy Amount:
PROPOSED INSURED:
Proposed Borrower:
 - d. **TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE (Form T-2R)**
Policy Amount:
PROPOSED INSURED:
Proposed Borrower:
 - e. **LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)**
Binder Amount:
PROPOSED INSURED:
Proposed Borrower:
 - f. **OTHER**
Policy Amount:
PROPOSED INSURED:
2. The interest in the land covered by this Commitment is: **Easement**
3. Record title to the land on the Effective Date appears to be vested in:
THE CITY OF MESQUITE, A TEXAS MUNICIPALITY

4. Legal description of land:
PARCEL 110E: (Per Field Notes dated November, 2017)

BEING 12,676 square feet of land situated in the Isham Thomas Survey, Abstract Number 1501, City of Mesquite, Dallas County, Texas, and being part of a called 0.594 acre tract of land described in Special Warranty Gift Deed to The City of Mesquite, as recorded in Instrument Number 200900018579 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), said 12,676 square feet (0.2910 acre) of land being more particularly described by metes and bounds as follows:

Note: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof:

Countersigned
WFG National Title Company



Authorized Countersignature

FIVE YEAR SALES DATA



FIVE YEAR SALES DATA

THE STATE OF TEXAS §

COUNTY OF DALLAS §

GF NO. 704-28211 PROJECT: CSJ: 2374-02-115 PARCEL NO 110E

We certify that we have searched the records in the office of the County Clerk of Dallas County, Texas, since 12/1/2012 for deeds which affect title to the following described property, to wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

and that we find the following deeds filed for record:

<u>DOCUMENT</u>	<u>FILING DATE</u>	<u>GRANTOR</u>	<u>GRANTEE</u>
	NONE		

We certify that the above and foregoing is a true and correct showing of the deeds found which affect title to the above described property, but it is expressly understood that the undersigned assumes no financial liability for this showing.

WITNESS the signature of the undersigned at Arlington, Texas, this 13 day of December, 2017

WFG NATIONAL TITLE COMPANY

By: 
EXHIBIT "A"

PARCEL 110E: (Per Field Notes dated November, 2017)

Note: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof:

PYLES★WHATLEY CORPORATION
Real Estate Consultants

December 14, 2017

City of Mesquite
PO Box 850137
Mesquite, Texas 75185-0137

Via first class, certified mail, return receipt requested.

Re: Parcel 110E - real estate property located at 3865 Childress Avenue, Mesquite, Dallas County, Texas.

To whom it may concern:

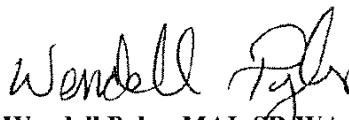
Our firm has been engaged by the Texas Department of Transportation to perform a real estate appraisal of a proposed right-of-way acquisition involving your properties referenced above. In preparation for the project, real estate appraisals of the affected properties are required.

We would like to offer you the opportunity to meet with us to inspect your property for appraisal purposes and address any questions you may have regarding the affected property. Please contact **Kreg Hodge at 214.340.5880** at our office to arrange an appointment.

Enclosed are the parcel sketch and field notes. We look forward to meeting you.

Sincerely,

PYLES WHATLEY CORPORATION


Wendell Pyles, MAI, SR/WA

16910 Dallas Parkway, Suite 100, Dallas, Texas 75248 • P: 214.340.5880 • F: 214.340.5422
Toll Free: 800.340.2166 • Wendell@pyleswhatley.com
www.PylesWhatley.com

**U.S. Postal Service™
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OFFICIAL USE

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Extra Services & Fees (check box, add fee as appropriate)

☒ Return Receipt (hardcopy) \$ 2.70

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage
\$ 6.7

Total Postage and Fee
\$ 6.72

Sent To
City of Mesquite
PO Box 850137
Mesquite, TX 75185-0137
17-799/KH

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>City of Mesquite PO Box 850137 Mesquite, TX 75185-0137 17-799/KH</p> <p>2. Article Number (Transfer from service label)</p> <p>7015 3010 0000 2302 2262</p>	<p>A. Signature <input checked="" type="checkbox"/> <u>[Signature]</u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>[Signature]</u></p> <p>C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input checked="" type="checkbox"/> Certified Mail®</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p>	<p><input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p>

PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

APPRAISER'S CERTIFICATE

**Parcel 110E - IH 635635 Project
Mesquite, Dallas County, Texas**

The undersigned do hereby certify that, except as otherwise noted in this appraisal report:

I have no present or prospective interest in the property that is the subject of this report and no personal interest in respect to the parties involved. I have no bias or personal interest with respect to the property that is the subject of this report or to the parties involved with this assignment. My engagement in this assignment was not contingent upon developing or reporting predetermined results. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

To the best of my knowledge and belief, the statements of fact contained in this appraisal report, upon which analyses, opinions and conclusions expressed herein are based, are true and correct.

This appraisal report sets forth all of the assumptions and limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analyses, opinions, and conclusions contained in this report. These are my personal, impartial, unbiased professional analyses, opinions, and conclusions.

My analyses, opinions, and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice. I certify that, to the best of my knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute which include the Uniform Standards of Professional Appraisal Practice. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

The Appraisal Institute conducts a program of continuing education for its designated members. As of the date of this appraisal, Jace Whatley has completed the requirements of the continuing education program of the Appraisal Institute.

I have performed no services, as an appraiser, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. No other persons provided real property appraisal assistance to the person signing this certification. I certify that I personally inspected the property appraised on December 30, 2017, and afforded the subject property owner or owner's representative the opportunity to accompany the appraiser when inspecting the subject property.

PYLES ★WHATLEY CORPORATION



Kreg Hodge
State of Texas Certification # TX-1380410-G

QUALIFICATIONS

ROBERT K. HODGE

Experience

- ❖ Appraiser with PYLES WHATLEY CORPORATION since April 2006. Appraisal assignments include retail centers, office buildings, motels, both existing and proposed, various commercial and industrial properties. Additional consulting assignments include condemnation and right-of-way work and other various consulting assignments.
- ❖ Over ten years experience in accounting, banking, lending and real estate.

Education

- ❖ North Texas Chapter of the Appraisal Institute
 - Appraisal Principles, National USPAP
- ❖ Northern California Chapter of the Appraisal Institute
 - Appraisal Procedures
- ❖ Chapter 46- International Right of Way Association
 - Basic Appraisal Principles
- ❖ Stephen F. Austin State University, 1992-1994
Philosophy, General Studies

Professional Titles

- ❖ Certified General Appraiser State of Texas 1380410
- ❖ Certified General Appraiser State of Oklahoma 13119CGA
- ❖ Certified General Appraiser State of Arkansas SL4124
- ❖ Certified General Appraiser State of Louisiana G4070