Appraisal Report

7.668 Acres of Land
7796 Culebra Road
San Antonio, Bexar County, Texas 78251

Report Date: October 9, 2017

FOR:

Cesar Chavez Foundation
Ms. Jennifer Bartlett
Director of Acquisitions, Housing & Economic Development
316 W. 2nd Street, Suite 600
Los Angeles, CA 90012

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Valbridge Job No:
TX01-17-0599-000
October 9, 2017

Cesar Chavez Foundation
Ms. Jennifer Bartlett
Director of Acquisitions, Housing & Economic Development
316 W. 2nd Street, Suite 600
Los Angeles, CA 90012

RE: Appraisal Report
7.668 Acres of Land
7796 Culebra Road
San Antonio, Bexar County, Texas 78251

Dear Ms. Bartlett:

In accordance with your request, I have prepared a real property appraisal of the above-referenced property, presented in an appraisal report format. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to my value opinion.

This appraisal addresses the “as is” market value of the fee simple estate interest in the 7.668-acre property located at 7796 Culebra Road, San Antonio, Bexar County, Texas 78251. More specifically, the property is located on the southwest side of Culebra Road extending southward to the northeast corner of Ingram Road and Pipers Creek Street. The subject is further identified by the Bexar County Appraisal District as Assessor’s Parcel No. (APN) 696159.

I developed my analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA); the Interagency Appraisal and Evaluation Guidelines; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of my client as I understand them.
The Cesar Chavez Foundation is the client in this assignment and is the sole intended user of the appraisal and report. The intended use is for market value purposes. The value opinion reported herein is subject to the definitions, assumptions and limiting conditions, and certification contained in this report. The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are contingent on the following extraordinary assumptions and/or hypothetical conditions (if any):

**Extraordinary Assumptions:**
- The appraiser was not provided a current survey of the appraised property. This appraisal is conducted under the extraordinary assumption that the information related to the land area provided by the owner, client, and Bexar County Appraisal District is correct. This appraisal and the value conclusion contained herein is subject to survey. The use of this extraordinary assumption might affect assignment results.

**Hypothetical Conditions:**
- None

Based on the analysis contained in the following report, my value conclusions involving the subject property are summarized as follows:
### Value Conclusions

<table>
<thead>
<tr>
<th>Component</th>
<th>As Is</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value Type</td>
<td>Market Value</td>
</tr>
<tr>
<td>Property Rights Appraised</td>
<td>Fee Simple</td>
</tr>
<tr>
<td>Effective Date of Value</td>
<td>October 2, 2016</td>
</tr>
<tr>
<td><strong>Value Conclusion</strong></td>
<td>$1,500,000</td>
</tr>
<tr>
<td></td>
<td>$4.50 psf</td>
</tr>
</tbody>
</table>

This letter of transmittal is not considered valid if separated from this report and represented as a standalone document. The letter must be accompanied by all sections of this report as outlined in the Table of Contents, in order for the value opinions set forth above to be valid. There are a number of factors and methodologies described in the attached narrative report that outline the appraiser’s reasoning, analysis, conclusions and explanation necessary for a reader’s understanding.

Keith W. Ditta, an associate of Valbridge Property Advisors | San Antonio provided significant assistance with regard to the site visit, research, data gathering, confirmation of sales and leases, and final report preparation.

Respectfully submitted,
Valbridge Property Advisors | San Antonio.

Brett E. Weatherbie, MAI  
Managing Director  
State Certified General  
Real Estate Appraiser  
TX-1337354-G
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# Summary of Salient Facts

<table>
<thead>
<tr>
<th>Summary of Salient Facts</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Property Identification</strong></td>
</tr>
<tr>
<td>Property Name</td>
</tr>
</tbody>
</table>
| Property Address | 7796 Culebra Road  
San Antonio, Bexar County, Texas 78251 |
| Latitude & Longitude | 29.461066, -98.643005 |
| Tax Parcel Number | 696159 |
| Property Owner | Carmen M. De Leal |
| **Site** |
| Zoning | Multi-family (MF-33) |
| Flood Zone | Zone "X"; 0% in Floodplain |
| Property Type and Sub-Type | Land, multi-family |
| Property Use | Vacant land |
| Gross Land Area | 7.668 acres |
| **Valuation Opinions** |
| Date of Inspection | October 2, 2017 |
| Date of Report Preparation | October 9, 2017 |
| Highest & Best Use - As Vacant | Multi-family development as warranted by demand. |
| Reasonable Exposure Time | 9 months |
| Reasonable Marketing Time | 9 months |
My findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

**Extraordinary Assumptions:**
- The appraiser was not provided a current survey of the appraised property. This appraisal is conducted under the extraordinary assumption that the information related to the land area provided by the owner, client, and Bexar County Appraisal District is correct. This appraisal and the value conclusion contained herein is subject to survey. The use of this extraordinary assumption might affect assignment results.

**Hypothetical Conditions:**
- None.
Aerial and Front Views

AERIAL VIEW/BIRD’S EYE VIEW

FRONT VIEW
Introduction

Client and Other Intended Users of the Appraisal
The client in this assignment is the Cesar Chavez Foundation. The intended user of this report is the Cesar Chavez Foundation and no other. Information contained in this report, though intended to be sufficient for the needs of the client, may not be sufficient for the needs of any third party who may try to rely on this analysis for their own decision making purposes. Third parties are advised to seek their own experts and counsel.

Intended Use of the Appraisal
The intended use of this report is for asset valuation as it relates to a pending purchase.

Real Estate Identification
This appraisal addresses the “as is” market value of the fee simple estate interest in the 7.668-acre property located at 7796 Culebra Road, San Antonio, Bexar County, Texas 78251. More specifically, the property is located on the southwest side of Culebra Road extending southward to the northeast corner of Ingram Road and Pipers Creek Street. The subject is further identified by the Bexar County Appraisal District as Assessor’s Parcel No. (APN) 696159.

Legal Description
The subject property is legally described as:

Lot 2, Block 4, out of a 94.325-acre tract known as Crown Meadows Subdivision, according to the map or plat thereof recorded in Volume 9503, Page 77, Deed and Plat Records, Bexar County, Texas.

Use of Real Estate as of the Effective Date of Value
The subject property is currently vacant land.

Use of Real Estate as of the Date of this Report
Same as above

History of the Property
According to Bexar County Clerk Deed Records, title to the subject property is vested in Carmen M. De Leal. The property has been under the same ownership since March 22, 2017. The property is currently under contract to sell to the Cesar Chavez Foundation for $1,100,000. The contract sale price is well below the market value opinion expressed herein. According to the purchaser, the property was listed for sale as a mid-size residential tract zoned for single family-use. In lieu of increasing the sales price, the grantee was responsible for the cost to re-zone the property.

I have considered and analyzed the known history of the subject in the development of my opinion and conclusion.
Type and Definition of Value
The appraisal problem (the term “Purpose of Appraisal” has been retired from appraisal terminology) is to develop an opinion of the market value of the subject property. “Market Value,” as used in this appraisal, is defined as “the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.” Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- *Buyer and seller are typically motivated.*
- *Both parties are well informed or well advised, each acting in what they consider their own best interests;*
- *A reasonable time is allowed for exposure in the open market;*
- *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- *The price represents the normal consideration for the property sold unaffected by special or creative financing or sale concessions granted by anyone associated with the sale.*

The value conclusions apply to the value of the subject property under the market conditions presumed on the effective date(s) of value.

Please refer to the Glossary in the Addenda section for additional definitions of terms used in this report.

**Definition of Fee Simple Estate**

*Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.*

**Valuation Scenarios, Property Rights Appraised, and Effective Dates of Value**

Per the scope of my assignment I developed opinions of value for the subject property under the following scenarios of value:

<table>
<thead>
<tr>
<th>Valuation Scenario</th>
<th>Effective Date of Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>As Is Market Value of the Fee Simple Interest</td>
<td>October 2, 2016</td>
</tr>
</tbody>
</table>

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1. Source: Code of Federal Regulations, Title 12, Banks and Banking, Part 722.2-Definitions
Date of Report
The date of this report is October 9, 2017, which is the same as the date of the letter of transmittal.

List of Items Requested but Not Provided
Survey

Assumptions and Conditions of the Appraisal
The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are subject to the General Assumptions and Limiting Conditions contained in the report. The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

Extraordinary Assumptions
- The appraiser was not provided a current survey of the appraised property. This appraisal is conducted under the extraordinary assumption that the information related to the land area provided by the owner, client, and Bexar County Appraisal District is correct. This appraisal and the value conclusion contained herein is subject to survey. The use of this extraordinary assumption might affect assignment results.

Hypothetical Conditions
- None.
Scope of Work

The elements addressed in the Scope of Work are (1) the extent to which the subject property is identified, (2) the extent to which the subject property is inspected, (3) the type and extent of data researched, (4) the type and extent of analysis applied, (5) the type of appraisal report prepared, and (6) the inclusion or exclusion of items of non-realty in the development of the value opinion. These items are discussed as below.

Extent to Which the Property Was Identified

The three components of the property identification are summarized as follows:

- **Legal Characteristics** - The subject was legally identified via the Bexar County Clerk deed records.
- **Economic Characteristics** - Economic characteristics of the subject property were identified via a search of data sources and public records, field surveys, and interviews with multiple knowledgeable real estate brokers and professionals in the area was conducted to obtain and verify relevant financial and economic data, as well as a comparison to properties with similar locational and physical characteristics.
- **Physical Characteristics** - The subject was physically identified via a full inspection on October 2, 2017. Additionally, the appraiser toured the market area to determine the physical and economic characteristics of the region.

The appraiser identified the problem with the client and has not completed any other appraisal assignments related to the subject property in the past three years. The appraiser has completed a number of appraisal assignments related to multi-family land within the San Antonio MSA; therefore, the appraiser possesses the appropriate knowledge and experience to competently complete this assignment.

Extent to Which the Property Was Inspected

Brett E. Weatherbie, MAI and Keith W. Ditta toured the subject on October 2, 2017. The appraiser made descriptive notes and sufficient photographs were taken to adequately depict the appraised property. The immediate neighborhood and surrounding market area was inspected by the appraiser to assist in determining the development characteristics of the market area.

Type and Extent of Data Researched

I researched and analyzed: (1) market area data, (2) property-specific market data, (3) zoning and land-use data, and (4) current data on comparable listings and transactions. The appraiser visited with local real estate brokers, property managers, appraisers and other area real estate market participants. These interviews assisted the appraiser in understanding real estate trends in the subject property general market area along with confirmation of comparable property transactions, listings, and rental rates of similar properties.

Type and Extent of Analysis Applied (Valuation Methodology)

I observed surrounding land use trends, the condition of any improvements, demand for the subject property, and relevant legal limitations in concluding a highest and best use. I then valued the subject based on that highest and best use conclusion.
There are four primary methodologies available for the estimation of land value: (1) Sales Comparison, (2) Land Residual Method, (3) Ground Rent Capitalization, and (4) Subdivision Development Method (Discounted Cash Flow). While other methods, such as Extraction and Allocation, are applicable under limited conditions, one or more of these approaches are used in most circumstances to derive an indication of land value.

- **Sales Comparison Approach** - In the sales comparison approach, value is indicated by recent sales and/or listings of comparable properties in the market, with the appraiser analyzing the impact of material differences in both economic and physical elements between the subject and the comparables.

- **Direct Capitalization: Land Residual Method** - The land residual methodology involves estimating the residual net income to the land by deducting from total potential income the portion attributable to the improvements, assuming development of the site at its highest and best use. The residual income is capitalized at an appropriate rate, resulting in an indication of land value.

- **Direct Capitalization: Ground Rent Capitalization** – A market derived capitalization rate is applied to the net income resulting from a ground lease. This can represent the leased fee or fee simple interest, depending on whether the income potential is reflective of a lease in place or market rental rates.

- **Yield Capitalization: Subdivision Development Method** – Also known as Discounted Cash Flow Analysis (DCF), the methodology is most appropriate for land having multiple lot development in the near term as the highest and best use. The current site value is represented by discounting the anticipated cash flow to a present value, taking into consideration all necessary costs of development, maintenance, administration, and sales throughout the absorption period.

- **Approaches Applied** – All of these approaches to value were considered. I assessed the availability of data and applicability of each approach to value within the context of the characteristics of the subject property and the needs and requirements of the client. Based on this assessment, I relied upon the Sales Comparison (land only) which has been utilized to form an opinion of the market value of the appraised property. The Cost and Income Capitalization Approaches have not been utilized as the subject is unimproved and is not income producing in its current unimproved state. Further discussion of the extent of my analysis and the methodology of each approach is provided later in the respective valuation sections.

The most appropriate unit of comparison in the valuation analysis is the sales price per gross square foot of land area. The Sales Comparison Approach utilizes the comparison of various properties that are considered similar to the appraised property. The sales price per square foot of land area is directly compared to the comparable sales based on various characteristics which can have an impact on or affect value.
Appraisal Conformity and Report Type

I developed my analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA); and the requirements of my client as I understand them.

This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a. USPAP gives appraisers flexibility to vary the level of information presented in the report dependent on the intended use and intended users of the appraisal. The appraisal is presented in an Appraisal format which is to support the data, reasoning, and analyses used in the appraisal assignment. Information contained in this report, although intended to be sufficient for the needs of the client, may not be sufficient for the needs of any third party who might try to rely on this analysis for their own decision-making purposes. Third parties are advised to seek their own experts and counsel.
City of San Antonio Analysis

LOCATION MAP

Subject Property
Overview
The subject is located in San Antonio, in Bexar County. It is part of the San Antonio MSA. San Antonio, the seventh largest city by population (within the city limits) in the nation, is the center of economic activity for the South Texas area. San Antonio, the county seat of Bexar County, is located 150 miles north of the Mexico border, 70 miles south of Austin, 190 miles west of Houston, and 250 miles south of Dallas. San Antonio lies within an eight-county area known as the San Antonio Metropolitan Statistical Area (MSA), which includes the counties of Bexar, Atascosa, Bandera, Comal, Guadalupe, Kendall, Medina, and Wilson. The MSA changed in 2003 from four counties to eight counties.

Population
The 2010 population for the City of San Antonio was 1,327,407, with the 2010 population of the San Antonio MSA being 2,142,508. San Antonio's population increased 19.1% between 1980 and 1990, increased 22.3% between 1990 and 2000, and increased 15.97% between 2000 and 2010. The population of the San Antonio MSA increased 21.68% between 1980 and 1990, increased 20.2% between 1990 and 2000, and increased 20.1% between 2000 and 2010.

<table>
<thead>
<tr>
<th>Area</th>
<th>2000</th>
<th>2010</th>
<th>Annual % Change 2000 - 10</th>
<th>Estimated 2017</th>
<th>Projected 2022</th>
<th>Annual % Change 2017 - 22</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States of America</td>
<td>281,421,906</td>
<td>308,745,538</td>
<td>1.0%</td>
<td>327,514,834</td>
<td>341,323,594</td>
<td>0.8%</td>
</tr>
<tr>
<td>Texas</td>
<td>20,851,820</td>
<td>25,145,561</td>
<td>2.1%</td>
<td>28,296,099</td>
<td>30,737,777</td>
<td>1.7%</td>
</tr>
<tr>
<td>San Antonio MSA</td>
<td>1,711,703</td>
<td>2,142,508</td>
<td>2.5%</td>
<td>2,453,759</td>
<td>2,689,996</td>
<td>1.9%</td>
</tr>
<tr>
<td>City of San Antonio</td>
<td>1,150,947</td>
<td>1,327,407</td>
<td>1.5%</td>
<td>1,442,472</td>
<td>1,531,205</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

Source: Site-to-Do-Business (STDB Online)

Employment
San Antonio has enjoyed steady employment growth and "low" unemployment during the years leading up to the economic downturn in 2008. Unemployment in the San Antonio MSA has remained relatively low when compared to the statewide and national rates during the last four years. San Antonio relies on commercial trade, service, government employment, and manufacturing, which results in a more balanced economy than other Texas cities that may rely on one dominant industry such as technology or oil. However, the Eagle Ford Shale oil and gas play occurring in South Texas has had a notable impact on employment figures for the San Antonio and South Texas market area. The chart below outlines employment statistics for the City of San Antonio as compared to the San Antonio MSA, the State of Texas and the United States.
EMPLOYMENT BY SECTOR

Employment by Industry - San Antonio MSA

<table>
<thead>
<tr>
<th>Industry</th>
<th>2017 Estimate</th>
<th>Percent of Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture/Mining</td>
<td>15,653</td>
<td>1.40%</td>
</tr>
<tr>
<td>Construction</td>
<td>89,446</td>
<td>8.00%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>62,612</td>
<td>5.60%</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>27,952</td>
<td>2.50%</td>
</tr>
<tr>
<td>Retail trade</td>
<td>133,050</td>
<td>11.90%</td>
</tr>
<tr>
<td>Transportation/Utilities</td>
<td>52,549</td>
<td>4.70%</td>
</tr>
<tr>
<td>Information</td>
<td>17,889</td>
<td>1.60%</td>
</tr>
<tr>
<td>Finance/Insurance/Real Estate Services</td>
<td>97,272</td>
<td>8.70%</td>
</tr>
<tr>
<td>Services</td>
<td>564,625</td>
<td>50.50%</td>
</tr>
<tr>
<td>Public Administration</td>
<td>58,140</td>
<td>5.20%</td>
</tr>
<tr>
<td>Total</td>
<td>1,118,070</td>
<td>100.1%</td>
</tr>
</tbody>
</table>

Source: Site-to-Do-Business (STDB Online)

Economic Base
The major industries in San Antonio include tourism, insurance, healthcare/biotechnology, military and telecommunications/telemarketing. The oil and gas industry has become a newly created economic driver for San Antonio and South Texas.

Tourism
San Antonio is a year-round tourist destination; tourism remains one of San Antonio’s most important industries. Approximately 34.4 million people visit San Antonio annually. The direct impact of the tourism industry is over $13.6 billion annually. The economic impact rose by 46% in a decade. The industry employs over 130,000 people and raises over $375 million in taxes and fees for local governments. San Antonio has also developed into a major convention city. Several new hotels have recently been completed or are under construction in downtown San Antonio to host convention visitors.

Insurance
Several major insurance companies have operations located in San Antonio, including United Services Automobile Association (USAA). USAA is a primary employer in San Antonio and is the fifth largest insurer of private automobiles in the country and the fourth largest homeowner insurer.

Healthcare/Biotechnology
The estimated annual economic impact of the city’s medical community exceeds $6 billion. The healthcare/biotech industry has grown significantly in the recent past and has become increasingly important in the health services industry. There are several major research organizations located in the city, including Southwest Foundation for Biomedical Research, Southwest Research Institute, The University of Texas Health Science Center, and the University of Texas at San Antonio.

Military
San Antonio is “home” to three military bases, including Randolph Air Force Base, Fort Sam Houston and Lackland Air Force Base. Kelly Air Force Base closed in 2001 (now Port San Antonio); however,
several major functions of the base are used for privatization. The City of San Antonio purchased the base from the United States Air Force to redevelop Kelly for use by private industry. Brooks Air Force Base has also been reformatted into Brooks City Base.

**Eagle Ford Shale**

The Eagle Ford Shale, beginning just 40 miles south of San Antonio, benefits from high liquid yields across much of the play. Higher oil prices through mid-2014 helped spur development as oil, condensate, and NGLs (ethane, propane and butane) all command better prices than natural gas. The Eagle Ford drilling boom has brought development levels not seen before in the region south of San Antonio. From a market perspective, the Eagle Ford Shale has had a notable positive impact on market activity.
San Antonio is the regional headquarters for not only the major corporations present in the Eagle Ford play, but many of the supply and service companies as well. Companies such as Baker Hughes, Schlumberger, Halliburton, Chesapeake, Weatherford, etc. have made major capital investments in the San Antonio area in the last several years.

In mid to late 2014, the price of oil began a downward spiral. Essentially, oil prices in late 2014 were approximately half of oil prices in early 2014. Pricing of oil has improved in the last few months. Lower oil pricing has affected rig counts, employment, and a number of related businesses in the South Texas area. The effect of lower oil prices on the San Antonio economy and area real estate (residential, commercial, industrial, etc.) has been somewhat offset by the general strength of the overall Texas economy.

Corporate Influence
While a number of large corporations such as USAA, Valero, H-E-B, Frost Bank, etc. have headquartered in San Antonio, AT&T, the nation’s largest telecommunications company, announced in early 2008 its decision to move its corporate headquarters along with 700 employees to Dallas, Texas. A statement released by AT&T stated that “San Antonio will continue to be a major operations and employment center” with approximately 5,300 telecom operations division employees remaining in the city; about 1,700 more than was originally relocated to the city from St. Louis in 1992.

Unemployment
The following table exhibits current and past unemployment rates as obtained from the Bureau of Labor Statistics. Overall, the San Antonio MSA has a favorable unemployment rate as compared to the state and country at 3.7%.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>United States of America</td>
<td>9.3%</td>
<td>8.5%</td>
<td>7.9%</td>
<td>6.7%</td>
<td>5.6%</td>
<td>5.0%</td>
<td>4.7%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Texas</td>
<td>7.8%</td>
<td>6.9%</td>
<td>6.2%</td>
<td>5.4%</td>
<td>4.2%</td>
<td>4.2%</td>
<td>4.5%</td>
<td>4.4%</td>
</tr>
<tr>
<td>San Antonio MSA</td>
<td>7.0%</td>
<td>6.4%</td>
<td>5.7%</td>
<td>4.9%</td>
<td>3.7%</td>
<td>3.5%</td>
<td>3.6%</td>
<td>3.6%</td>
</tr>
<tr>
<td>City of San Antonio</td>
<td>6.8%</td>
<td>6.3%</td>
<td>5.6%</td>
<td>4.8%</td>
<td>3.6%</td>
<td>3.3%</td>
<td>3.6%</td>
<td>3.6%</td>
</tr>
</tbody>
</table>

Median Household Income
Total median household income for the region is presented in the following table. Overall, the subject’s MSA and city compare favorably to the state and the country.

<table>
<thead>
<tr>
<th>Area</th>
<th>Estimated 2017</th>
<th>Projected 2022</th>
<th>Annual % Change 2017 - 22</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States of America</td>
<td>$56,124</td>
<td>$62,316</td>
<td>2.2%</td>
</tr>
<tr>
<td>Texas</td>
<td>$56,247</td>
<td>$62,805</td>
<td>2.3%</td>
</tr>
<tr>
<td>San Antonio MSA</td>
<td>$56,143</td>
<td>$62,224</td>
<td>2.2%</td>
</tr>
<tr>
<td>City of San Antonio</td>
<td>$49,003</td>
<td>$53,211</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

*Source: Site-to-Do-Business (STDB Online)*

Conclusions
San Antonio, the second largest city in the state, enjoys a diverse economy with continued growth in the fields of healthcare, biotechnology, telecommunications, higher education and an expanding tourism market, a developing oil/gas industry and continued job growth. The location of San Antonio at the crossroads of three interstate highways and its proximity to Mexico are expected to increase San Antonio’s role in international trade in the future because of the North American Free Trade Agreement (NAFTA). The economic outlook for San Antonio is for continued above-average growth due to low business costs, a young bilingual workforce, proximity to Mexico and the Eagle Ford Shale oil and gas play.
Neighborhood Analysis

NEIGHBORHOOD MAP
Overview
The appraised property is located along the southwest side of Culebra Road extending south to the northeast corner of Ingram Road and Pipers Creek Street. The property is positioned along the southwest side of Culebra Road approximately 0.97 mile north of Loop 410. Highway 151 is to the southwest and Wurzbach/Ingram Road is to the northeast. The property is not located near a signalized intersection along either one of its frontages. Culebra Road is a six-lane road with a combination of raised medians and dedicated turn lanes. Ingram Road is a four-lane road with a raised median. Pipers Creek Street is a two-lane road with curb side parking.

Neighborhood location & Boundaries
General neighborhood boundaries include Bandera Road to the east, Grissom Road/Westover Hills Boulevard to the north, Highway 151 to the south and Callaghan Road to the west.

Demographics
The following table depicts the area demographics in San Antonio within a 1, 3, and 5-mile radius from the subject property. The surrounding area’s population size has grown significantly over the last 17 years.

<table>
<thead>
<tr>
<th>Description</th>
<th>1-Mile Radius</th>
<th>3-Mile Radius</th>
<th>5-Mile Radius</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>13,547</td>
<td>74,175</td>
<td>249,033</td>
</tr>
<tr>
<td>2010</td>
<td>17,126</td>
<td>101,813</td>
<td>311,539</td>
</tr>
<tr>
<td>2017</td>
<td>20,258</td>
<td>115,171</td>
<td>340,656</td>
</tr>
<tr>
<td>2022 Projection</td>
<td>22,348</td>
<td>124,597</td>
<td>362,584</td>
</tr>
<tr>
<td>2000-2010 Annual Rate</td>
<td>2.37%</td>
<td>3.22%</td>
<td>2.26%</td>
</tr>
<tr>
<td>2010-2017 Annual Rate</td>
<td>2.34%</td>
<td>1.71%</td>
<td>1.24%</td>
</tr>
<tr>
<td>2017-2022 Annual Rate</td>
<td>1.98%</td>
<td>1.59%</td>
<td>1.26%</td>
</tr>
<tr>
<td>Households</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>5,598</td>
<td>25,767</td>
<td>84,181</td>
</tr>
<tr>
<td>2010</td>
<td>7,110</td>
<td>36,375</td>
<td>108,139</td>
</tr>
<tr>
<td>2017</td>
<td>8,157</td>
<td>40,819</td>
<td>117,529</td>
</tr>
<tr>
<td>2022 Projection</td>
<td>8,943</td>
<td>44,137</td>
<td>125,287</td>
</tr>
<tr>
<td>2000-2010 Annual Rate</td>
<td>2.42%</td>
<td>3.51%</td>
<td>2.54%</td>
</tr>
<tr>
<td>2010-2017 Annual Rate</td>
<td>1.91%</td>
<td>1.60%</td>
<td>1.16%</td>
</tr>
<tr>
<td>2017-2022 Annual Rate</td>
<td>1.86%</td>
<td>1.58%</td>
<td>1.29%</td>
</tr>
<tr>
<td>2016 Median Age</td>
<td>30.0</td>
<td>31.8</td>
<td>32.2</td>
</tr>
<tr>
<td>2016 Avg. Household Size  (persons)</td>
<td>2.48</td>
<td>2.82</td>
<td>2.85</td>
</tr>
<tr>
<td>Household Income (Year 2017)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Median HH Income</td>
<td>$45,553</td>
<td>$52,580</td>
<td>$51,794</td>
</tr>
<tr>
<td>Average HH Income</td>
<td>$55,941</td>
<td>$64,409</td>
<td>$64,289</td>
</tr>
<tr>
<td>Est. Per Capita Inc.</td>
<td>$22,090</td>
<td>$22,878</td>
<td>$22,565</td>
</tr>
</tbody>
</table>

*Per Esri September 2017
Transportation Routes
Major thoroughfares in the neighborhood include Highway 151 and Loop 410. Secondary transportation routes include Ingram Road, Potranco Road, Marbach Road, Fredericksburg Road, Vance Jackson Bandera Road, Reed Road, Grissom Road, etc.

Neighborhood Land Use
The subject neighborhood is located in an area with mixed residential and commercial land uses. An approximate breakdown of the development in the area is as follows.

<table>
<thead>
<tr>
<th>LAND USES</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Built up:</td>
<td>95.0%</td>
</tr>
<tr>
<td>Residential:</td>
<td>30.0%</td>
</tr>
<tr>
<td>Retail/Commercial:</td>
<td>30.0%</td>
</tr>
<tr>
<td>Office</td>
<td>10.0%</td>
</tr>
<tr>
<td>Multi-Family:</td>
<td>20.0%</td>
</tr>
<tr>
<td>Vacant</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

Loop 410 has historically had commercial and retail development along its northwest sector. Specifically, The Ingram Park Mall and the Westover Market Places are some area amenities that serve the surrounding population. Ingram Park consists of small, medium and large/big box retailers within its premises. The Westover Market Place has been recently constructed and is a new regional outlet center located just west of the subject at the northwest corner of Loop 410 and Highway 151. Retail growth typically follows “rooftops” or single-family residences that have been and continue to be developed in the northwest and far northwest submarkets of San Antonio.

Properties in the immediate vicinity of the subject property include Monarch Dental and Granite at Tuscany Hills apartments to the north, Doral Club apartments to the east, townhomes to the south, and Three Fountains apartments to the west. Other properties in the immediate area include Stone Hill apartments, the Legacy Modern townhomes, Crown Meadows residential subdivision, Valero gas station, Pipers Creek retail center, Crown Pointe retail center, Ingram Auto Center, etc.

Conclusion
The immediate market area is densely developed with residential, multi-family, commercial and service related development. The majority of development in the area is long-standing. The general market area, specifically along Loop 410, State Highway 151 and Loop 1604 has experienced tremendous growth over the past decade. Area development continues to expand westward towards a beyond Loop 1604. The outlook for the immediate market area is considered stable while the greater market area continues to experience positive growth trends.
Site Description

AERIAL VIEW
FEMA FLOODPLAIN MAP
The following description is based on my property inspection, assessor records, and information provided by the client, owner, property manager, and/or broker.

**Site Characteristics**

**Location:**
Gross Land Area: 7.668 Acres or 334,018 SF
Usable Land Area: 7.66800 Acres or 334,018 SF
Usable Land %: 100.0%
Shape: Irregular
Topography: Generally level to gently sloping
Grade: At street grade
Utilities: Public utilities are available to the site
Off-Site Improvements: Typical utility and street infrastructure
Interior or Corner: Interior
Signalized Intersection: No: No traffic signal at, or near, the site
Excess Land: None
Surplus Land: None

**Street Frontage / Access**

<table>
<thead>
<tr>
<th>Frontage Road</th>
<th>Primary</th>
<th>Secondary</th>
<th>Tertiary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Name:</td>
<td>Culebra Road</td>
<td>Ingram Road</td>
<td>Pipers Creek Street</td>
</tr>
<tr>
<td>Street Type:</td>
<td>Paved city street</td>
<td>Paved city street</td>
<td>Paved city street</td>
</tr>
<tr>
<td>Frontage (Linear Ft.):</td>
<td>356.00</td>
<td>188.00</td>
<td>504 ft.</td>
</tr>
<tr>
<td>Number of Curb Cuts:</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Access**

Street Name: Culebra Road, Ingram Road, Pipers Creek Street.
Frontage Feet: Approximately 356 feet along Culebra Road, 188 feet along Ingram Road, and 504 feet along Pipers Creek Street.
At Signalized Intersection: No

**Site Improvements**

Off-Site Improvements: Typical utility and street infrastructure; concrete sidewalk, gutter drains, bus stop, etc.
Utilities: Public utilities are available to the site.
On-Site Improvements: None
### Flood Zone Data
- **Flood Map Panel/Number:** 48029C036G
- **Flood Map Date:** 09-29-2010
- **Flood Zone:** Zone "X"; 0% in Floodplain
- **Site Area in Flood:** 0.00%

### Other Site Conditions
- **Soil Type:** This appraiser was not provided a soil or subsoil survey of the appraised property. If environmental contamination is present, the value conclusions contained herein may change.
- **Environmental Issues:** To the knowledge of the appraiser, there are no known environmental issues that adversely affect the value of the appraised site.
- **Easements/Encroachments:** To the knowledge of the appraiser, there are no known easements or encumbrances that adversely affect the value of the appraised site.

### Adjacent Land Uses
- **North:** Single-story brick office building (Monarch Dental), two-story brick office building, and the granite at Tuscany Hills apartment complex
- **South:** Townhomes
- **East:** Doral Club apartments
- **West:** Three Fountains apartments

### Site Ratings
- **Location:** Average
- **Access:** Good
- **Visibility:** Good
- **Overall Site:** Average

### Zoning Designation
- **Zoning Jurisdiction:** City of San Antonio Zoning and Planning Commission
- **Zoning Classification:** Multi-family (MF-33),
- **Zoning Comments:** Multi-family dwelling, single-family dwelling (detached, attached or townhouse), two-family dwelling, three-family dwelling, four-family dwelling, row-house or zero lot line dwelling, with a maximum density of 33 units per acre, assisted living home, skilled nursing facility, foster family home, public and private schools, college fraternity dwelling, off-campus school dormitory/housing.
Analysis/Comments on Site

The appraised property is located on the southwest side of Culebra Road in an area of commercial and multi-family development. The site is irregular in shape, has generally level to gently sloping topography, has access to all public utilities, is at street grade, and is not located within the 100-year floodplain according to FEMA.
Photographs of Appraised Property

Looking southeast along Culebra Road with the subject to the right.

Looking northwest along Culebra Road with the subject property to the left.
Photographs of the Appraised Property

Looking southwest across the subject property from Culebra Road.

Looking south along Pipers Creek Street with the subject property to the left.
Assessment & Tax Data

Assessment Methodology
The appraised property is identified under Property ID Numbers 696159 according to Bexar County Appraisal District records. A plat of the appraised property is provided below.

TAX PLAT

The property is located within the following tax jurisdictions.

<table>
<thead>
<tr>
<th>Taxing Entity</th>
<th>2017 Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bexar County Road &amp; Flood</td>
<td>$0.015700</td>
</tr>
<tr>
<td>San Antonio River Authority</td>
<td>$0.017290</td>
</tr>
<tr>
<td>Alamo Community College</td>
<td>$0.149150</td>
</tr>
<tr>
<td>University Health System</td>
<td>$0.276235</td>
</tr>
<tr>
<td>Bexar County</td>
<td>$0.293250</td>
</tr>
<tr>
<td>City of San Antonio</td>
<td>$0.558270</td>
</tr>
<tr>
<td>Northside ISD</td>
<td>$1.375500</td>
</tr>
<tr>
<td><strong>Total Tax Rate</strong></td>
<td><strong>$2.685395</strong></td>
</tr>
</tbody>
</table>
Assessed Values and Property Taxes
The subject's assessed values, applicable tax rates and total taxes, including direct assessments, are shown in the following table:

<table>
<thead>
<tr>
<th>Bexar County Year</th>
<th>Actual 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Appraised Value</strong></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>$998,710</td>
</tr>
<tr>
<td>Improvements:</td>
<td>$0</td>
</tr>
<tr>
<td>Total:</td>
<td>$998,710</td>
</tr>
<tr>
<td>Per Square Foot:</td>
<td>$2.99</td>
</tr>
<tr>
<td>% Change:</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Assessment Ratio</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>100.00%</td>
</tr>
<tr>
<td><strong>Assessed Value</strong></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>$998,710</td>
</tr>
<tr>
<td>Improvements:</td>
<td>$0</td>
</tr>
<tr>
<td>Total:</td>
<td>$998,710</td>
</tr>
<tr>
<td>% Change:</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Tax Rate</strong></td>
<td>$2.685400</td>
</tr>
<tr>
<td>% Change:</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Millage Rate</strong></td>
<td>per $100</td>
</tr>
<tr>
<td><strong>Tax Expense</strong></td>
<td>Actual 2017</td>
</tr>
<tr>
<td>Total:</td>
<td>$26,819</td>
</tr>
<tr>
<td>Special Assessments:</td>
<td>$0</td>
</tr>
<tr>
<td>Total Taxes:</td>
<td>$26,819</td>
</tr>
<tr>
<td>Per Square Foot:</td>
<td>$0.08</td>
</tr>
</tbody>
</table>

**Conclusion**
According to the Bexar County Tax Assessor's Office, the subject's property taxes are current as of the date of value. The assessed value is lower than the market value expressed herein. It is likely that the assessed value of the property will increase in the future.
Highest & Best Use

The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. Determination of highest and best use results from the judgment and analytical skills of the appraiser. It represents an opinion, not a fact. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

Analysis of Highest and Best Use as if Vacant

In developing the highest and best use of the property as though vacant, we focus on: 1) the existing use, 2) a projected development, 3) a subdivision, 4) an assemblage, or 5) holding the land as an investment.

Physically Possible
The appraised site includes approximately 7.668 acres of land. The size of the site limits the legal development only by the size of the improvements that can be constructed. The property is irregular in shape and has three street frontage. The property is not encumbered by any adverse easements or encumbrances. The property has access to public utilities and is not in the 100-year floodplain according to FEMA. The site exhibits generally level to gently sloping topography. Physical limitations to development are few.

Legally Permissible
The property is located in Bexar County within the City of Limits of San Antonio. The property is zoned “MF-33”. Multi-family dwelling, single-family dwelling (detached, attached or townhouse), two-family dwelling, three-family dwelling, four-family dwelling, row-house or zero lot line dwelling, with a maximum density of 33 units per acre, assisted living home, skilled nursing facility, foster family home, public and private schools, college fraternity dwelling, off-campus school dormitory/housing. There are no known municipal regulations, historic district controls or burdensome building codes or environmental regulations that would adversely affect the value of the appraised site.

Financially Feasible
From a financial standpoint, any property use which is expected to produce a positive rate of return is regarded as being feasible. In analyzing the most feasible use, as if vacant, the appraiser has considered the factors discussed above. The appraised property is located along the main east/west traffic artery in the subject neighborhood. Area development is long standing. There are few quality mid to large acreage multi-family sites located in the immediate market area. The area surrounding the subject is residential in nature with single-family residential located along secondary traffic arteries and multi-family development located along main arterial roads.

Based on the physical and legal characteristics of the property, financial feasibility could likely be achieved with multi-family development.
Maximally Productive
Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. Considering the factors discussed above, the maximally productive use as though vacant is for multi-family development, as warranted by demand.

Conclusion of Highest and Best Use As If Vacant
The conclusion of the highest and best use as if vacant is for multi-family development, as warranted by demand.

Most Probable Buyer/User
As of the date of value, the most probable buyer/user of the subject property is an investor.
Appraisal Methodology

Three Approaches to Value
There are three traditional approaches typically available to develop indications of real property value: the Cost, Sales Comparison, and Income Capitalization Approaches.

Cost Approach
The Cost Approach is based upon the principle of substitution, which states that a prudent purchaser would not pay more for a property than the amount required to purchase a similar site and construct similar improvements without undue delay, producing a property of equal desirability and utility. This approach is particularly applicable when the improvements being appraised are relatively new or proposed, or when the improvements are so specialized that there is little or no sales or rental data from comparable properties.

Sales Comparison Approach
The Sales Comparison Approach (land only) involves the direct comparison of sales and listings of similar properties, adjusting for differences between the subject property and the comparable properties. This method can be useful for valuing general purpose properties or vacant land. For improved properties, it is particularly applicable when there is an active sales market for the property type being appraised – either by owner-users or investors. The strength of this approach is that if comparable market data is available, it should adequately reflect the attitudes of typical buyers and sellers in the marketplace.

Income Capitalization Approach
The Income Capitalization Approach is based on the principle of anticipation, or the assumption that value is created by the expectation of benefits to be derived in the future, such as expected future income flows including the reversion, or future re-sale of the property appraised. Its premise is that a prudent investor will pay no more for the property than he or she would for another investment of similar risk and cash flow characteristics. The income capitalization approach is widely used and relied upon in appraising income-producing properties, especially those for which there is an active investment sales market.

Subject Valuation
The Sales Comparison Approach (land only) was used in the valuation of the property. The Cost and Income Capitalization Approaches were not utilized, as the subject is vacant and not income producing in its unimproved state.
Sales Comparison Approach

Methodology
Land is most often valued using the Sales Comparison Approach. This approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same utility. In the Sales Comparison Approach, the opinion of market value is based on closed sales, listings, and pending sales of properties similar to the subject property.

A systematic procedure for applying the sales comparison approach includes the following steps: (1) researching and verifying transactional data, (2) selecting relevant units of comparison, (3) analyzing and adjusting the comparable sales for differences in various elements of comparison, and (4) reconciling the adjusted sales into a single value indication for the subject site.

Unit of Comparison
The unit of comparison depends on land use economics and how buyers and sellers use the property. The unit of comparison in this analysis is price per square foot of gross land area.

Elements of Comparison
Elements of comparison are the characteristics of properties and transactions that cause the prices of real estate to vary. The main elements of comparison in sales comparison analysis are as follows: (1) real property rights conveyed; (2) financing terms; (3) conditions of sale; (4) expenditures made immediately after purchase; (5) market conditions; (6) location; (7) physical characteristics; (8) economic characteristics; (9) zoning/use; and (10) non-realty components of value.

Comparable Sales Data
A search of data sources and public records, a field survey, and interviews with knowledgeable real estate professionals in the area was also conducted to obtain and verify properties comparable to the subject property that have sold or been listed recently in the competitive market.

Five sales were utilized in valuation analysis, as these comparable properties are judged to be the most useful in developing an indication of the market value of the subject property. The following pages include a comparable sales map, comparable sales sheets and a discussion of the specific adjustments.
<table>
<thead>
<tr>
<th>No.</th>
<th>Name/Location</th>
<th>Size (Acres)</th>
<th>Sale Status</th>
<th>Sale Price</th>
<th>Sale Price/SF</th>
<th>Sale Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vacant Land, South side of Culebra Road, San Antonio, Bexar County, Texas</td>
<td>9.620</td>
<td>Closed Sale</td>
<td>$2,600,000</td>
<td>$6.20</td>
<td>Jan-17</td>
</tr>
<tr>
<td>2</td>
<td>Vacant Land, 600 Ira Lee Road, San Antonio, Bexar County, Texas</td>
<td>3.056</td>
<td>Closed Sale</td>
<td>$594,117</td>
<td>$4.46</td>
<td>Jan-16</td>
</tr>
<tr>
<td>3</td>
<td>Vacant Land, 11580 Wild Pine, San Antonio, Bexar County, Texas</td>
<td>11.173</td>
<td>Closed Sale</td>
<td>$2,919,290</td>
<td>$6.00</td>
<td>Dec-15</td>
</tr>
<tr>
<td>4</td>
<td>Vacant Land, East side of City Base Landing at Research Plaza, San Antonio, Bexar County, Texas</td>
<td>20.550</td>
<td>Closed Sale</td>
<td>$3,580,284</td>
<td>$4.00</td>
<td>Oct-15</td>
</tr>
<tr>
<td>5</td>
<td>Vacant Land, Near the SWC of Hausman Road &amp; Loop 1604, Helotes, Bexar County, Texas</td>
<td>17.630</td>
<td>Closed Sale</td>
<td>$2,372,735</td>
<td>$3.09</td>
<td>Oct-14</td>
</tr>
</tbody>
</table>
## Property Identification

<table>
<thead>
<tr>
<th>Property/Sale ID</th>
<th>58578/19994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Type</td>
<td>Land</td>
</tr>
<tr>
<td>Address</td>
<td>South side of Culebra Road at the Terminus of Les Harrison Drive</td>
</tr>
<tr>
<td>City, State Zip</td>
<td>San Antonio, Texas 78250</td>
</tr>
<tr>
<td>County</td>
<td>Bexar</td>
</tr>
<tr>
<td>MSA</td>
<td>San Antonio</td>
</tr>
<tr>
<td>Map Latitude</td>
<td>29.488209</td>
</tr>
<tr>
<td>Map Longitude</td>
<td>-98.689123</td>
</tr>
<tr>
<td>Tax ID</td>
<td>Out of 664696 (1268632)</td>
</tr>
<tr>
<td>Proposed Use</td>
<td>Apartments</td>
</tr>
</tbody>
</table>

## Transaction Data

<table>
<thead>
<tr>
<th>Sale Status</th>
<th>Closed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grantor</td>
<td>Jay Khadem</td>
</tr>
<tr>
<td>Grantee</td>
<td>NRP Easterling Culebra Apartments SLP LLC</td>
</tr>
<tr>
<td>Sale Date</td>
<td>January 9, 2017</td>
</tr>
<tr>
<td>Sale Price</td>
<td>$2,600,000</td>
</tr>
<tr>
<td>Adjusted Sale Price</td>
<td>$2,600,000</td>
</tr>
<tr>
<td>$/Acre</td>
<td>$270,343</td>
</tr>
<tr>
<td>$/SF</td>
<td>$6.21</td>
</tr>
<tr>
<td>Sale Confirmed By</td>
<td>JCG</td>
</tr>
<tr>
<td>Deed Reviewed by:</td>
<td>JCG</td>
</tr>
<tr>
<td>Property Rights</td>
<td>Fee Simple</td>
</tr>
<tr>
<td>Financing</td>
<td>Cash to Seller</td>
</tr>
<tr>
<td>Conditions of Sale</td>
<td>Arm's Length</td>
</tr>
</tbody>
</table>
### Property Description

<table>
<thead>
<tr>
<th>Property</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acres</td>
<td>9.617</td>
</tr>
<tr>
<td>Land SF</td>
<td>418,935</td>
</tr>
<tr>
<td>Primary Frontage (Feet)</td>
<td>80.00</td>
</tr>
<tr>
<td>Primary Frontage Name</td>
<td>Culebra Road</td>
</tr>
<tr>
<td>Visibility</td>
<td>Average</td>
</tr>
<tr>
<td>Access</td>
<td>Average</td>
</tr>
<tr>
<td>Shape</td>
<td>Irregular</td>
</tr>
<tr>
<td>Topography</td>
<td>Level to gentle downward slope to south</td>
</tr>
<tr>
<td>Utilities</td>
<td>All available</td>
</tr>
<tr>
<td>In Flood Plain</td>
<td>Yes</td>
</tr>
<tr>
<td>Flood Zone</td>
<td>Less than 5-10% in floodplain</td>
</tr>
<tr>
<td>Flood Map Number</td>
<td>48029C0355G</td>
</tr>
<tr>
<td>Flood Map Effective Date</td>
<td>09-29-2010</td>
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<tr>
<td>Zoning Code</td>
<td>MF-18</td>
</tr>
<tr>
<td>Encumbrances Desc</td>
<td>Typical PUEs</td>
</tr>
</tbody>
</table>

### Additional Information

**Property Remarks:** School District: Northside ISD  
Surrounding Land Use: Vacant land, commercial, and single family residential

**Legal Description:** 9.62 acres out of the G.W. Lewis Survey No. 189, Abstract No. 441, New City Block 17639, City of San Antonio, Bexar County, Texas.
Land Comparable No. 2

<table>
<thead>
<tr>
<th>Property Identification</th>
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<tbody>
<tr>
<td>Property/Sale ID</td>
<td>58581/19997</td>
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<tr>
<td>Property Type</td>
<td>Land</td>
</tr>
<tr>
<td>Address</td>
<td>600 Ira Lee Road</td>
</tr>
<tr>
<td>City, State Zip</td>
<td>San Antonio, Texas</td>
</tr>
<tr>
<td>County</td>
<td>Bexar</td>
</tr>
<tr>
<td>MSA</td>
<td>San Antonio</td>
</tr>
<tr>
<td>Map Latitude</td>
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<td>Map Longitude</td>
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<td>Tax ID</td>
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<td>Proposed Use</td>
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<table>
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</thead>
<tbody>
<tr>
<td>Sale Status</td>
<td>Closed</td>
</tr>
<tr>
<td>Grantor</td>
<td>Starbear, Ltd.</td>
</tr>
<tr>
<td>Grantee</td>
<td>Saivosh Fakhri Ravari and Laura Elizabeth Ravari</td>
</tr>
<tr>
<td>Sale Date</td>
<td>January 20, 2016</td>
</tr>
<tr>
<td>Sale Price</td>
<td>$594,117</td>
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<td>Adjusted Sale Price</td>
<td>$594,117</td>
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<tr>
<td>$/Acre</td>
<td>$194,410</td>
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<td>$/SF</td>
<td>$4.46</td>
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<td>Sale Confirmed By</td>
<td>Brett Weatherbie</td>
</tr>
<tr>
<td>Sale Confirmed With</td>
<td>Diane Alexander (agent)</td>
</tr>
<tr>
<td>Confirmed With Phone</td>
<td>713-591-9902</td>
</tr>
<tr>
<td>Confirmation Date</td>
<td>04-05-2017</td>
</tr>
<tr>
<td>Deed Reviewed by:</td>
<td>JCG</td>
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<td>Property Rights</td>
<td>Fee Simple</td>
</tr>
<tr>
<td>Financing</td>
<td>Cash to Seller</td>
</tr>
<tr>
<td>Conditions of Sale</td>
<td>Arm's Length</td>
</tr>
<tr>
<td>Sale Remarks</td>
<td>$250,000 note payable to H-Town Lending, LLC</td>
</tr>
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</table>
### Property Description

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
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<tbody>
<tr>
<td>Land Acres</td>
<td>3.056</td>
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<tr>
<td>Land SF</td>
<td>133,119</td>
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<tr>
<td>Primary Frontage (Feet)</td>
<td>448.00</td>
</tr>
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<td>Primary Frontage Name</td>
<td>Ira Lee</td>
</tr>
<tr>
<td>Visibility</td>
<td>Average</td>
</tr>
<tr>
<td>Access</td>
<td>Average</td>
</tr>
<tr>
<td>Shape</td>
<td>Irregular</td>
</tr>
<tr>
<td>Topography</td>
<td>Level to slight downward slope towards Salado Creek</td>
</tr>
<tr>
<td>Utilities</td>
<td>All available</td>
</tr>
<tr>
<td>In Flood Plain</td>
<td>Yes</td>
</tr>
<tr>
<td>Flood Zone</td>
<td>Approx. 5-10%: Zone &quot;X&quot; and &quot;AE&quot;</td>
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</tr>
<tr>
<td>Flood Map Effective Date</td>
<td>09-29-2010</td>
</tr>
<tr>
<td>Zoning Code</td>
<td>MF-33</td>
</tr>
<tr>
<td>Easements/Encumbrances</td>
<td>No</td>
</tr>
<tr>
<td>Encumbrances Desc</td>
<td>Typical PUEs</td>
</tr>
</tbody>
</table>

### Additional Information

| Property Remarks:       | School District: Northeast ISD               |
|                        | Surrounding Land Uses: Single family residence, stable, vacant land, apartments, and Salado Creek |
| Legal Description:     | 3,056 acres out of the G. Rodriguez Survey No. 131, Abstract 621, located in New City Block 12613, Bexar County, Texas. |
**LAND COMPARABLE NO. 3**

![Map Image]

**Property Identification**

<table>
<thead>
<tr>
<th>Property/Sale ID</th>
<th>59127/20475</th>
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</thead>
<tbody>
<tr>
<td>Property Type</td>
<td>Multi-Family</td>
</tr>
<tr>
<td>Address</td>
<td>11580 Wild Pine</td>
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<tr>
<td>City, State Zip</td>
<td>San Antonio, Texas 78253</td>
</tr>
<tr>
<td>County</td>
<td>Bexar</td>
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<tr>
<td>MSA</td>
<td>San Antonio</td>
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<tr>
<td>Map Latitude</td>
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<td>Map Longitude</td>
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<td>1064311</td>
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**Transaction Data**

<table>
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<tr>
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<tbody>
<tr>
<td>Grantor</td>
<td>Laredo S, Ltd</td>
</tr>
<tr>
<td>Grantee</td>
<td>Vista Pointe at Wilde Pin, Ltd.</td>
</tr>
<tr>
<td>Sale Date</td>
<td>December 30, 2015</td>
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<tr>
<td>Sale Price</td>
<td>$2,919,290</td>
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<td>Adjusted Sale Price</td>
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<td>$/Acre</td>
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<td>$/SF</td>
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<tr>
<td>Sale Confirmed By</td>
<td>Brett Weatherbie</td>
</tr>
<tr>
<td>Property Rights</td>
<td>Fee Simple</td>
</tr>
<tr>
<td>Financing</td>
<td>Cash to Seller</td>
</tr>
<tr>
<td>Conditions of Sale</td>
<td>Arm’s Length</td>
</tr>
</tbody>
</table>
Property Description

<table>
<thead>
<tr>
<th>Property Description</th>
<th>Value</th>
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<tbody>
<tr>
<td>Land Acres</td>
<td>11.173</td>
</tr>
<tr>
<td>Land SF</td>
<td>486,696</td>
</tr>
<tr>
<td>Primary Frontage (Feet)</td>
<td>1,529.00</td>
</tr>
<tr>
<td>Primary Frontage Name</td>
<td>SWS Wild Pine</td>
</tr>
<tr>
<td>Visibility</td>
<td>Average</td>
</tr>
<tr>
<td>Access</td>
<td>Average</td>
</tr>
<tr>
<td>Shape</td>
<td>Irregular</td>
</tr>
<tr>
<td>Topography</td>
<td>Gently Sloping</td>
</tr>
<tr>
<td>Utilities</td>
<td>All available</td>
</tr>
<tr>
<td>In Flood Plain</td>
<td>No</td>
</tr>
<tr>
<td>Flood Zone</td>
<td>0%: Zone &quot;X&quot;</td>
</tr>
<tr>
<td>Flood Map Number</td>
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</tr>
<tr>
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<td>09-29-2010</td>
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<td>Easements/Encumbrances</td>
<td>No</td>
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<tr>
<td>Encumbrances Desc</td>
<td>None Adverse</td>
</tr>
</tbody>
</table>

Additional Information

Property Remarks: 11.173-acre tract of vacant, raw land, located along the south side of Wild Pine, at the intersection with Evan Cypress, just north of Alamo Ranch Parkway and west of Loop 1604. The tract will reportedly be developed with a 120-unit apartment complex (10.74 units/acre). The tract featured a fairly substantial slope in topography, dropping from roughly 960’ at the northwest corner to 897’ at the east end of the tract. The property featured native tree and brush cover at time of sale, and the east end of the tract featured a substantial portion being encumbered by drainage easements. The property was outside of the incorporated city limits and was therefore not subject to zoning restrictions.

Legal Description: Lot 7, Block 64, C.B. 4413, Vista point Apartments, Bexar County, Texas
**LAND COMPARABLE NO. 4**

![Map Image]

---

**Property Identification**

- **Property/Sale ID**: 9583/8756
- **Property Type**: Land
- **Address**: East side of City Base Landing at Research Plaza
- **City, State Zip**: San Antonio, Texas 78223
- **County**: Bexar
- **MSA**: San Antonio
- **Map Latitude**: 29.346241
- **Map Longitude**: -98.432876
- **Plat Book/Map Number**: 9684/126-131
- **Tax ID**: 1226636

---

**Transaction Data**

- **Sale Status**: Closed
- **Grantor**: Brooks Development Authority
- **Grantee**: Vantage at Brooks City Base, LLC
- **Sale Date**: October 5, 2015
- **Sale Price**: $3,580,284
- **Adjusted Sale Price**: $3,580,284
- **$/Acre**: $174,240
- **$/SF**: $4.00
- **Deed Vol./Page**: 17494/968
- **Sale Confirmed By**: Brett Weatherbie
- **Confirmation Date**: 04-25-2016
- **Property Rights**: Fee Simple
- **Financing**: Cash to Seller
- **Conditions of Sale**: Arm’s Length
- **Sale Remarks**: Sale price was quoted at $4.00/SF
Property Description

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td>Land Acres</td>
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<tr>
<td>Land SF</td>
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<tr>
<td>Primary Frontage (Feet)</td>
<td>1,441.00</td>
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<td>Usable Land Acres</td>
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<td>Usable Land Area (SF)</td>
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<td>Visibility</td>
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<td>Access</td>
<td>Average</td>
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<tr>
<td>Shape</td>
<td>Irregular</td>
</tr>
<tr>
<td>Topography</td>
<td>Generally level</td>
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<tr>
<td>Utilities</td>
<td>Electric, Telephone, Public Water, Gas</td>
</tr>
<tr>
<td>In Flood Plain</td>
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</tr>
<tr>
<td>Flood Zone</td>
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<td>Flood Map Effective Date</td>
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<td>Zoning Classification</td>
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<td>Easements/Encumbrances</td>
<td>No</td>
</tr>
<tr>
<td>Encumbrances Desc</td>
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</table>

Additional Information

Legal Description: Lot 4, Block 3, New City Block 10879, BCB - Units 4, 5B, 6A and 6B an addition to the City of San Antonio, Bexar County, Texas
7.668 ACRES OF LAND
SALES COMPARISON APPROACH

LAND COMPARABLE NO. 5

Property Identification

<table>
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<th>Property/Sale ID</th>
<th>8782/8016</th>
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<tr>
<td>Property Type</td>
<td>Land</td>
</tr>
<tr>
<td>Property Name</td>
<td>Vacant Land</td>
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<tr>
<td>Address</td>
<td>Hausman Road &amp; Loop 1604</td>
</tr>
<tr>
<td>City, State Zip</td>
<td>Helotes, Texas 78023</td>
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<td>County</td>
<td>Bexar</td>
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Transaction Data

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<td>Grantor</td>
<td>Capital Foresight Ltd. Partnership</td>
</tr>
<tr>
<td>Grantee</td>
<td>Hausman Residential, LP</td>
</tr>
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<td>Sale Date</td>
<td>October 22, 2014</td>
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<td>Sale Price</td>
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<td>Adjusted Sale Price</td>
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<tr>
<td>$/Acre</td>
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<td>$/SF</td>
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<td>Deed Vol./Page</td>
<td>14867/4536</td>
</tr>
<tr>
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<td>Mitchell Kirkpatrick</td>
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<td>Sale Confirmed With</td>
<td>Contract</td>
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<td>Confirmation Date</td>
<td>02-17-2015</td>
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<td>Financing</td>
<td>Cash to Seller</td>
</tr>
<tr>
<td>Conditions of Sale</td>
<td>Arm’s Length</td>
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### Property Description

<table>
<thead>
<tr>
<th>Property Description</th>
<th>Value</th>
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<td>Land SF</td>
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<td>Primary Frontage (Feet)</td>
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</tr>
<tr>
<td>Primary Frontage Name</td>
<td>Hausman Road</td>
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<tr>
<td>Visibility</td>
<td>Average</td>
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<tr>
<td>Access</td>
<td>Average</td>
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<tr>
<td>Shape</td>
<td>Irregular</td>
</tr>
<tr>
<td>Topography</td>
<td>Generally level</td>
</tr>
<tr>
<td>Utilities</td>
<td>Electric, Telephone, Public Water, Gas</td>
</tr>
<tr>
<td>In Flood Plain</td>
<td>Yes</td>
</tr>
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<td>Flood Zone</td>
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<td>09-29-2010</td>
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<td>Zoning Classification</td>
<td>Limited Density Multi-Family</td>
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<tr>
<td>Easements/Encumbrances</td>
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</tr>
<tr>
<td>Encumbrances Desc</td>
<td>None Adverse</td>
</tr>
</tbody>
</table>

### Additional Information

**Property Remarks:** Property is approximately 22% in flood plain.

**Legal Description:** A 17.626 acre or 767,785 square feet, more or less, tract of land out of that 20.167 acre tract recorded in Volume 12332, Page 1593 in the Official Public Records of Bexar County, Texas in the Jose Maria Cadena Survey No. 267, Abstract No. 182, County Block 4536, in New City Block 14867, of the City of San Antonio, Bexar County, Texas.
Land Sales Comparison Analysis
When necessary, adjustments were made for differences in various elements of comparison, including property rights conveyed, financing terms, conditions of sale, expenditures made immediately after purchase, market conditions, location, and other physical characteristics. If the element in comparison is considered superior to that of the subject, we applied a negative adjustment. Conversely, a positive adjustment was applied if inferior. A summary of the elements of comparison follows.

Transaction Adjustments
Transaction adjustments include (1) real property rights conveyed, (2) financing terms, (3) conditions of sale, and (4) expenditures made immediately after purchase. These items, which are applied prior to the market conditions and property adjustments, are discussed as follows:

All of the comparables have conveyed the fee simple estate interest and are arm's length, cash-to-seller transactions and are similar to the appraised property; therefore, no adjustments are warranted for financing or condition of sale.

Market Conditions Adjustment
Market conditions change over time because of inflation, deflation, fluctuations in supply and demand, or other factors. Changing market conditions may create a need for adjustment to comparable sale transactions completed during periods of dissimilar market conditions.

The date of appraisal is October 2, 2017. The comparable sales range in date of transaction from October 2014 to January 2017. Comparable No. 1 transacted in January 2017 and reflects current pricing; therefore, no adjustment is warranted. Comparable Nos. 2, 3, 4 and 5 are somewhat dated transactions; therefore, upward adjustments are warranted.

Property Adjustments
Property adjustments are usually expressed quantitatively as percentages or dollar amounts that reflect the differences in value attributable to the various characteristics of the property. In some instances, however, qualitative adjustments are used. These adjustments are based on locational and physical characteristics and are applied after transaction and market conditions adjustments.

The adjustments are discussed as follows.
Location
The subject property is located at 7796 Culebra Road, San Antonio, Bexar County, Texas. The property is in the northwest submarket of the San Antonio MSA, more specifically along the southwest side of Culebra Road heading south until it ends at the northeast corner off Ingram Road and Pipers Creek Street. The subject is in an area that is in its growth stage in an average submarket. All comparable sales are located in superior locations due to their established nature and more desirable area amenities in comparison to the subject property; therefore, downward adjustments are warranted.

Land Size (Acres)
The subject property contains 7.668 acres of land. The comparable sales range in size from 3.056 to 20.550 acres. Generally speaking, smaller similar properties command higher pricing on a per unit basis compared to larger properties. Based on this premise, Comparable Nos. 1, 3, 4 and 5 are larger in comparison to the subject property; therefore, upward adjustments are warranted. Comparable Sale No. 2 is smaller in size in comparison to the subject property; therefore, a downward adjustment is warranted.

Primary Frontage
The appraised property has approximately 356 feet of frontage along Culebra Road, 188 feet along Ingram Road, and 504 feet along Pipers Creek Street. Comparable Nos. 1 and 2 have inferior frontage characteristics in comparison to the appraised property; therefore, upward adjustments are warranted. Comparable Nos. 3, 4 and 5 have similar frontage characteristics in comparison to the subject; therefore, no adjustments are warranted.

Zoning
The subject property is currently zoned "MF-33", Multi-Family. Comparable Sale Nos. 2, 3 and 4 have similar zoning characteristics in comparison to the subject allowing for similar development density. As such, no adjustments are warranted. Comparable Nos. 1 and 5 are zoned MF-18, which limits the potential development density; therefore, upward adjustments are warranted.

Floodplain
The subject property is not located in the 100-year floodplain per FEMA. A property's location within floodplain areas is typically a negative factor due to the increased costs of raising improvements up out of the floodplain, as well as additional insurance costs associated with improvements. Similar to the subject property, Comparable Nos. 1, 2, 3 and 4 are not located within the 100-year floodplain; therefore, no adjustments are warranted. Comparable No. 5 has approximately 22% of it's land area within the 100-year floodplain and is inferior in comparison to the subject; therefore, an upward adjustment is warranted.

Summary of Adjustments
Based on the preceding comparative analysis, I have summarized adjustments to the comparable sales on the following table. I completed a quantitative analysis. These adjustments are based on my market research, best judgment, and experience in the appraisal of similar properties.
### COMPARABLE LAND SALES ADJUSTMENT GRID

#### 7.668 Acres at 7796 Culebra Road

<table>
<thead>
<tr>
<th>Comparable No.</th>
<th>Subject</th>
<th>1</th>
<th>Adj.</th>
<th>2</th>
<th>Adj.</th>
<th>3</th>
<th>Adj.</th>
<th>4</th>
<th>Adj.</th>
<th>5</th>
<th>Adj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>7796 Culebra Road, San Antonio, Bexar County, Texas</td>
<td>South side of Culebra Road, San Antonio, Bexar County, Texas</td>
<td>600 Ira Lee Road, San Antonio, Bexar County, Texas</td>
<td>11580 Wild Pine, San Antonio, Bexar County, Texas</td>
<td>East side of City Base Landing at Research Plaza, San Antonio, Bexar County, Texas</td>
<td>Near the SWC of Hausman Road &amp; Loop 1604, Helotes, Bexar County, Texas</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Price</td>
<td>$2,600,000</td>
<td>$594,117</td>
<td>$2,919,290</td>
<td>$3,580,284</td>
<td>$2,372,735</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Price/SF</td>
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<td>$6.00</td>
<td>$4.00</td>
<td>$3.09</td>
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<td></td>
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</tr>
<tr>
<td>Market Conditions</td>
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<td>Fee Simple</td>
<td>Fee Simple</td>
<td>Fee Simple</td>
<td>Fee Simple</td>
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<tr>
<td>Adjusted Price/SF</td>
<td>$6.20</td>
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<td>$6.00</td>
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<tr>
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<td>Cash-to-Seller</td>
<td>Cash-to-Seller</td>
<td>Cash-to-Seller</td>
<td>Cash-to-Seller</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted Price/SF</td>
<td>$6.20</td>
<td>$4.46</td>
<td>$6.00</td>
<td>$4.00</td>
<td>$3.09</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Condition of Sale</td>
<td>Arm’s Length</td>
<td>Arm’s Length</td>
<td>Arm’s Length</td>
<td>Arm’s Length</td>
<td>Arm’s Length</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted Price/SF</td>
<td>$6.20</td>
<td>$4.46</td>
<td>$6.00</td>
<td>$4.00</td>
<td>$3.09</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Date of Sale</td>
<td>Jan-17</td>
<td>Jan-16</td>
<td>3%</td>
<td>Dec-15</td>
<td>6%</td>
<td>Oct-15</td>
<td>6%</td>
<td>Oct-14</td>
<td>9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADJUSTED PRICE/SF</td>
<td>$6.20</td>
<td>$4.60</td>
<td>$6.36</td>
<td>$4.24</td>
<td>$3.37</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Adjustments</td>
<td>Location</td>
<td>Average</td>
<td>Superior</td>
<td>0%</td>
<td>Superior</td>
<td>10%</td>
<td>Superior</td>
<td>25%</td>
<td>Superior</td>
<td>10%</td>
<td>Superior</td>
</tr>
<tr>
<td>Land Size (Acres)</td>
<td>7.67</td>
<td>9.62</td>
<td>0%</td>
<td>3.06</td>
<td>10%</td>
<td>11.17</td>
<td>5%</td>
<td>20.55</td>
<td>15%</td>
<td>17.63</td>
<td>15%</td>
</tr>
<tr>
<td>Physical Characteristics</td>
<td>Approx. 356 ft. along Culebra Road, 188 ft. along Ingram Road, and 504 ft. along Pipers Creek Street</td>
<td>Approx. 80 ft. along Culebra Road</td>
<td>Approx. 488 ft. along Ira Lee Road</td>
<td>Approx. 1,529 ft. along Wild Pine</td>
<td>Approx. 1,441 ft. along City Base Landing</td>
<td>Approx. 1,127 ft. along Hausman Road</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary Frontage</td>
<td>5%</td>
<td>5%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shape/Configuration</td>
<td>Irregular</td>
<td>Irregular</td>
<td>Irregular</td>
<td>Irregular</td>
<td>Irregular</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access</td>
<td>Good</td>
<td>Average</td>
<td>0%</td>
<td>Average</td>
<td>0%</td>
<td>Average</td>
<td>0%</td>
<td>Average</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Visibility</td>
<td>MF-33</td>
<td>MF-18</td>
<td>0%</td>
<td>MF-33</td>
<td>0%</td>
<td>MF-33</td>
<td>0%</td>
<td>MF-18</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zoning</td>
<td>No</td>
<td>Yes; Approx 5-10%</td>
<td>0%</td>
<td>Yes; Approx 5-10%</td>
<td>0%</td>
<td>No</td>
<td>0%</td>
<td>No</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flood Plain</td>
<td>Public</td>
<td>Public</td>
<td>0%</td>
<td>Public</td>
<td>0%</td>
<td>Public</td>
<td>0%</td>
<td>Public</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topography</td>
<td>Generally level to gently sloping</td>
<td>Generally level to gently sloping</td>
<td>Gently sloping</td>
<td>Generally level to gently sloping</td>
<td>Generally level to gently sloping</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Easements</td>
<td>None Adverse</td>
<td>None Adverse</td>
<td>None Adverse</td>
<td>None Adverse</td>
<td>None Adverse</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Adjustments</td>
<td>-15%</td>
<td>-15%</td>
<td>-20%</td>
<td>5%</td>
<td>5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INDICATED VALUE/SF</td>
<td>$5.27</td>
<td>$3.91</td>
<td>$5.09</td>
<td>$4.45</td>
<td>$3.54</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimum Indicated Value</td>
<td>$3.54</td>
<td>$4.90</td>
<td>$3,500,000 (RD)</td>
<td>$4.45</td>
<td>$3.54</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maximum Indicated Value</td>
<td>$5.27</td>
<td>$5.09</td>
<td>$5.09</td>
<td>$4.45</td>
<td>$3.54</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Indicated Value</td>
<td>$4.45</td>
<td>$4.90</td>
<td>$5.09</td>
<td>$4.45</td>
<td>$3.54</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Conclusion

From the market data available, several sales in the competitive market areas were selected as most comparable to the subject with the unadjusted sale prices per square foot ranging from $3.09 to $6.20 per square foot. After adjustments, the comparable sales indicated a range from $3.54 to $5.27 per square foot, with an average of $4.45 per square foot. The following table summarizes the unadjusted and adjusted unit price ranges:

<table>
<thead>
<tr>
<th>Metric</th>
<th>Unadjusted</th>
<th>Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Sales Price per Gross Square Foot</td>
<td>$3.09</td>
<td>$3.54</td>
</tr>
<tr>
<td>Maximum Sales Price per Gross Square Foot</td>
<td>$6.21</td>
<td>$5.27</td>
</tr>
<tr>
<td>Median Sales Price per Gross Square Foot</td>
<td>$4.46</td>
<td>$4.45</td>
</tr>
<tr>
<td>Mean Sales Price per Gross Square Foot</td>
<td>$4.75</td>
<td>$4.45</td>
</tr>
</tbody>
</table>

Though indicating a relatively wide range, all five of the comparable sales are considered meaningful indicators of value.

Based on this analysis, the indicated “as is” market value for the fee simple estate interest of the 7.668 acres of land located at 7796 Culebra Road in San Antonio, Bexar County, Texas as of October 2, 2017, is summarized as follows:

<table>
<thead>
<tr>
<th>VALUE INDICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Land Sales Comparison Approach</strong></td>
</tr>
<tr>
<td>Date of Value</td>
</tr>
<tr>
<td>Value Per Land Area (SF)</td>
</tr>
<tr>
<td>Land Area (SF)</td>
</tr>
<tr>
<td>Indicated Value</td>
</tr>
</tbody>
</table>

Analysis of Recent Transactions
The property is currently under contract to sell to the Cesar Chavez Foundation for $1,100,000. The contract sale price is well below the market value opinion expressed herein. According to the purchaser, the property was listed for sale as a mid-size residential tract zoned for single family-use. In lieu of increasing the sales price, the grantee was responsible for the cost to re-zone the property.

Exposure and Marketing Periods
Exposure time may be defined as: the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal.

The reasonable marketing time is an opinion of the amount of time it might take to sell a real property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Based on statistical information about days on market, escrow length,
and marketing times gathered through national investor surveys, sales verification, and interviews of market participants, marketing and exposure time estimates of nine months or less is considered reasonable and appropriate for the subject property.
General Assumptions & Limiting Conditions

This appraisal is subject to the following limiting conditions:

1. The legal description – if furnished to us – is assumed to be correct.

2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.

3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Valbridge Property Advisors | San Antonio will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.

4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.

5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.

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

7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Valbridge Property Advisors | San Antonio is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser’s then current hourly rate plus reimbursement of expenses.

8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.

10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.

11. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.

12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.

13. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.

14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Valbridge Property Advisors | San Antonio and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.

15. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.

16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Valbridge Property Advisors | San Antonio.
17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.

18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

19. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject property’s flood zone classification from a licensed surveyor.

20. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our “Income and Expense Projection” are anticipated.

21. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.

22. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client’s responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.

23. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.
24. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immoveable obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.

25. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer). We reserve the right to use an alternative source of building size and amend the analysis, narrative and concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.

26. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, we reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.

27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and we reserve the right to amend this appraisal if substantial differences are discovered.

28. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.
29. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an 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 could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.

30. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.

31. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.

32. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.

33. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.

34. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.
35. You and Valbridge Property Advisors | Valbridge Property Advisors | San Antonio both agree that any dispute over matters in excess of $5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Valbridge Property Advisors | San Antonio and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Valbridge Property Advisors | San Antonio or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Valbridge Property Advisors | San Antonio for this assignment, and under no circumstances shall any claim for consequential damages be made.

36. Valbridge Property Advisors | Valbridge Property Advisors | San Antonio shall have no obligation, liability, or accountability to any third party. Any party who is not the “client” or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Valbridge Property Advisors | San Antonio. “Client” shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Valbridge Property Advisors | San Antonio and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Valbridge Property Advisors | San Antonio harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Valbridge Property Advisors | San Antonio in such action, regardless of its outcome.

37. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Valbridge Property Advisors | San Antonio. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.

38. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.
39. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.

40. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.
Certification – Brett E. Weatherbie, MAI

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

4. The undersigned Brett E. Weatherbie has not performed any services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.

7. 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 value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

9. Brett E. Weatherbie, MAI made a personal inspection of the property that is the subject of this report.

10. Keith W. Ditta provided significant real property appraisal assistance to the person signing this certification, unless otherwise noted.

11. 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 Standards of Professional Appraisal Practice of the Appraisal Institute.

12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

13. As of the date of this report, I, Brett E. Weatherbie, MAI had completed the continuing education program for Designated Members of the Appraisal Institute.

Brett E. Weatherbie, MAI
Managing Director
State Certified General
Real Estate Appraiser
TX-1337354-G
Addenda

Subject Photographs

Looking southeast across the subject property from Pipers Creek Street.

Looking north from at the subject from Ingram Road.

Looking southeast along Ingram Road with the subject property to the left.

Looking southwest along the west property line from Culebra Road.
Engagement Letter

August 16, 2017

Ms. Jennifer Bartlett
Director of Acquisitions
Housing & Economic Development
Cesar Chavez Foundation
316 W. 2nd Street, Suite 600
Los Angeles, CA 90012-3531

RE: Market Value Appraisal
7.668 Acres of Land
7796 Culebra Road
San Antonio, Bexar County, Texas

Dear Ms. Bartlett:

As requested Valbridge Property Advisors proposes to complete a market value appraisal of 7.668 acres of land located at 7796 Culebra Road in San Antonio, Bexar County, Texas. More specifically, the property is located on the south side of Culebra Road and northeast side of Pipers Creek Street, west of Loop 410 in northwest San Antonio. The property is further identified as Assessor's parcel Number (APN) 696159 by the Bexar County Appraisal District.

The appraisal will be completed in conformance with and subject to the Uniform Appraisal Standards of Appraisal Practice (USFAP), as well as the Policies, Practices, Standards, and Code of Ethics of the Appraisal Institute. The purpose of the appraisal is to estimate the as is market value of the fee simple estate interest in the 7.668-acre property.

The fee estimate for completion of the appraisal assignment is $2,000. The time frame for completion is two weeks from your written authorization to proceed and receipt of a retainer of half of the fee or $1,000.
Thank you for the opportunity to be of service in this important appraisal matter. If you have any questions or concerns please feel free to contact me.

Respectfully submitted,
Valbridge Property Advisors

[Signature]
Brett E. Weatherbie, MAI
Managing Director
State Certified General
Real Estate Appraiser
TX-1337354-G

Agreed and Accepted

[Signature]
[Name (type or print)]

[Title]
[Date]
[9-11-17]

Valbridge Property Advisors | Dugger, Conoday, Grafe, Inc.
NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSfers AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

GENERAL WARRANTY DEED

Date: March 22, 2017

Grantor: MANUEL RODRIGUEZ SHADE, ANGELO RODRIGUEZ SHADE, IRMA RODRIGUEZ SHADE and JOSE RODRIGUEZ SHADE

Grantee's Mailing Address:

Eden, 963
Cal. San Pedro, Tijuana, CoA, Mexico 29100

County

Grantee: CARMEN M. DE LEAL

Grantee's Mailing Address:

1234 Golden Road
San Antonio, TX 78248

County

Consideration:

TEN AND NO/100 DOLLARS ($10.00) and other good and valuable consideration.

Property (including any improvements):

SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN FOR ALL PURPOSES.

Reservations from and Exceptions to Conveyance and Warranty:

Validly existing easements, rights-of-way, and prescriptive rights, whether of record or not; all presently recorded and validly existing instruments, other than conveyances of the surface fee estate, that affect the Property; and taxes for 2017, which Grantee assumes and agrees to pay, and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

Grantee, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs,
successors, and assigns forever. Grantee binds Grantee and Grantee's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

GRANTOR:

MANUEL RODRIGUEZ SHADE

ANGELO RODRIGUEZ SHADE

IRMA RODRIGUEZ SHADE

JOSE RODRIGUEZ SHADE

STATE OF COAH, MEXICO

COUNTY OF

This instrument was acknowledged before me on MARCH 22, 2017 by MANUEL RODRIGUEZ SHADE, Notary Public, State of COAHUILA, MEXICO.
TORRENTE, COAHUILA

STATE OF MXICO )

COUNTY OF )

This instrument was acknowledged before me on MARCH 22, 2017 by ANGEL

RODRIGUEZ SHADE

LIC. ARTURO NOVELO GUERRA
NOTARIO PUBLICO NO. 10
Notary Public, State of COAHUILA, MXICO

TORRENTE, COAHUILA

STATE OF MXICO )

COUNTY OF )

This instrument was acknowledged before me on MARCH 22, 2017 by IRMA

RODRIGUEZ SHADE

LIC. ARTURO NOVELO GUERRA
NOTARIO PUBLICO NO. 10
Notary Public, State of COAHUILA, MXICO

TORRENTE, COAHUILA

STATE OF MXICO )

COUNTY OF )

This instrument was acknowledged before me on MARCH 22, 2017 by JOSE

RODRIGUEZ SHADE

LIC. ARTURO NOVELO GUERRA
NOTARIO PUBLICO NO. 10
Notary Public, State of COAHUILA, MXICO

GENERAL WARRANTY DEED
PAGE 3 OF 4
AFTER RECORDING RETURN TO:
CARMEN M. DE LEAL.

GENERAL WARRANTY DEED
PAGE 4 OF 4
Doc# 20170077133
# Pages 5
04/25/2017 4:27PM
e-Filed & e-Recorded in the
Official Public Records of
BEXAR COUNTY
GERARD C. RICKHOFF
COUNTY CLERK
Fees $38.00

STATE OF TEXAS
COUNTY OF BEXAR
This is to Certify that this document
was e-FILED and e-RECORDED in the Official
Public Records of Bexar County, Texas
on this date and time stamped thereon.
04/25/2017 4:27PM
COUNTY CLERK, BEXAR COUNTY TEXAS
Correction Deed

Deed Correction Instrument

Description of Original Instrument ("Original Instrument"):

Document title: General Warranty Deed
Grantor: Maria Teresa Rodriguez Castillo, Aurelia Isabel Rivero Rodriguez, Maria Del Refugio Rivero Rodriguez and Florentino Rivero Rodriguez
Grantee: Carmen M. De Leal

Date: May 1, 2017

Original Date of Execution: March 22, 2017
Original Recording Information: Recorded April 25, 2017 under Bexar County Clerk’s file number 20170077134

This Correction Instrument is filed pursuant to Section 5.028 of the Texas Property Code.

1. My full legal name is Lori Mayer. I am over the age of eighteen (18) years and am qualified to make these corrections based on my personal knowledge of the facts relative to the correction.

2. I am an Escrow Officer for First American Title Company.

3. I am making this correction of the General Warranty Deed, with regard to the following clerical error in the Original Instrument:

Ex.A was not recorded with Deed

4. The Original Instrument should correctly read as follows with respect to the error described above, this being a non-material change to the Original Instrument.

LOT 2, BLOCK 4, OUT OF A 94.325 ACRE TRACT KNOWN AS CROWN MEADOWS SUBDIVISION, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 9503, PAGE 77, DEED AND PLAT RECORDS, BEXAR COUNTY, TEXAS, AND BEING OUT OF THE ELIZABETH PLUNKETT SURVEY NO. 72, ABSTRACT NO. 573, COUNTY BLOCK 4433, BEXAR COUNTY, TEXAS, SAID 7.668 ACRES BEING MORE FULLY DESCRIBED AS FOLLOWS:

BEGINNING: AT A POINT IN THE NORTHERNMOST CORNER OF LOT 2, BLOCK 4, CROWN MEADOWS SUBDIVISION, AND CONTINUING ALONG THE FOLLOWING COURSES:

THENCE: S 40° 41' 00" EAST, A DISTANCE OF 371.54 FEET TO A POINT FOR ANGLE;
THENCE: S 49° 19' 00" WEST, A DISTANCE OF 709.09 FEET TO A POINT FOR ANGLE;

THENCE: S 12° 11' 00" WEST, A DISTANCE OF 301.99 FEET TO A POINT FOR ANGLE;

THENCE: FOLLOWING AN ARC TO THE LEFT, SAID ARC HAVING A CENTRAL ANGLE OF 13° 37' 48" AND A RADIUS OF 743.00 FEET, A CHORD BEARING OF N 66° 53' 42" WEST, AND AN ARC DISTANCE OF 176.75 FEET TO A POINT OF REVERSE CURVATURE;

THENCE: FOLLOWING AN ARC TO THE RIGHT, SAID ARC HAVING A CENTRAL ANGLE OF 85° 53' 36" AND A RADIUS OF 25.00 FEET, A DISTANCE OF 37.48 FEET TO A POINT FOR TANGENCY;

THENCE: N 12° 11' 00" EAST, A DISTANCE OF 185.72 FEET TO A POINT FOR CURVATURE;

THENCE: FOLLOWING AN ARC TO THE LEFT, SAID ARC HAVING A CENTRAL ANGLE OF 29° 15' 37" AND A RADIUS OF 630.00 FEET, A CHORD BEARING OF N 02° 26' 48" WEST, AND AN ARC DISTANCE OF 321.73 FEET TO A POINT FOR ANGLE;

THENCE: N 49° 19' 00" EAST, A DISTANCE OF 676.83 FEET TO A POINT, SAID POINT BEING THE POINT OF BEGINNING OF THE HEREINBEFORE DESCRIBED 7.668 ACRE TRACT.

A.P.N. 18284-004-0020

5. I have given Notice of this correction of the Original Instrument by sending a copy of this Correction Instrument by email delivery to each party to the Original Instrument pursuant to the requirements in Section 5.028(d)(2) of the Texas Property Code.

6. This Correction Instrument will be recorded in all counties where the Original Instrument was recorded.
The State of Texas
County of Bexar

Acknowledged before me this ___ day of May, 2017 by Lori Mayer.

[Signature]
Lori Mayer

Notary Public in and for the State of Texas

After Recording Return to:
First American Title
3602 Paesanos Pkwy STE 202
San Antonio, TX 78231
TEXAS ASSOCIATION OF REALTORS®
COMMERCIAL CONTRACT - UNIMPROVED PROPERTY
USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.
©Texas Association of REALTORS®, Inc. 2016

1. PARTIES: Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

   Seller: LEAL CARMEN M
   Address: 1224 Golden Pond, San Antonio, TX 78248-1502
   Phone: ___________________ E-mail: amar52@hotmail.com
   Fax: ___________________ Other:

   Buyer: Cesar Chavez Foundation (or assigns) ["CCF"]
   Address: 316 W 2nd St Ste 600, Los Angeles, CA 90012-3631
   Phone: (213)-362-0260 E-mail: ppark@chavezfoundation.org
   Fax: (213)-362-0265 Other:

2. PROPERTY:

   A. "Property" means that real property situated in ___________ County, Texas at
      7796 Culebra Rd, San Antonio, TX 78251
      (address) and that is legally described on the attached Exhibit ___________ or as follows:
      Approximately 7.62 acres having a legal description of NCB 18284 BLK 4 LOT 2 CROWN
      MEADOWS SUBDIVISION

   B. Seller will sell and convey the Property together with:
      (1) all rights, privileges, and appurtenances pertaining to the Property, including Seller’s right, title, and
          interest in any minerals, utilities, adjacent streets, alleys, strips, gors, and rights-of-way;
      (2) Seller’s interest in all leases, rents, and security deposits for all or part of the Property; and
      (3) Seller’s interest in all licenses and permits related to the Property.

      (Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)
      (If mineral rights are to be reserved an appropriate addendum should be attached.)

3. SALES PRICE:

   A. At or before closing, Buyer will pay the following sales price for the Property:
      (1) Cash portion payable by Buyer at closing __________________________________________ $ 330,000.00
      (2) Sum of all financing described in Paragraph 4 __________________________________________ $ 770,000.00
      (3) Sales price (sum of 3A(1) and 3A(2)) ____________________________________________ $ 1,000,000.00

(TAR-1062) 1-1-10
Initiated for Identification by Seller ___________________________ and Buyer ___________________________
Page 1 of 13
Printed with permission by RealPage 16079 Paleo and RealChavez, Michigan 48074 www.REAUS.COM
B. Adjustment to Sales Price: (Check (1) or (2) only.)

(1) The sales price will not be adjusted based on a survey.

(2) The sales price will be adjusted based on the latest survey obtained under Paragraph 6B.

(a) The sales price is calculated on the basis of $________ per:

(1) square foot of total area, net area.

(2) acre of total area, net area.

(b) "Total area" means all land area within the perimeter boundaries of the Property. "Net area" means total area less any area of the Property within:

(1) public roadways;

(2) easements other than those that directly provide utility services to the Property; and

(3) ____________

(c) If the sales price is adjusted by more than ________ % of the stated sales price, either party may terminate this contract by providing written notice to the other party within ________ days after the terminating party receives the survey. If neither party terminates this contract or if the variance is less than the stated percentage, the adjustment to the sales price will be made to the cash portion of the sales price payable by Buyer.

4. FINANCING: Buyer will finance the portion of the sales price under Paragraph 3A(2) as follows:

A. Third Party Financing: One or more third party loans in the total amount of $776,000.00 ________

This contract:

(1) is contingent upon Buyer obtaining third party financing.

(2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum (TAR-1931).

B. Assumed: In accordance with the attached Commercial Contract Financing Addendum (TAR-1931), Buyer will assume the existing promissory note secured by the Property, which balance at closing will be $________.

C. Seller Financing: The delivery of a promissory note and deed of trust to Seller under the terms of the attached Commercial Contract Financing Addendum (TAR-1931) in the amount of $________

5. EARNEST MONEY:

A. Not later than 3 days after the effective date, Buyer must deposit $29,000.00 ________ as earnest money with First American Title (title company) at 3602 Paseos Pkwy #302 (address) Lori Mayer (closer).

If Buyer fails to timely deposit the earnest money, Seller may terminate this contract or exercise any of Seller's other remedies under Paragraph 15 by providing written notice to Buyer before Buyer deposits the earnest money.

B. Buyer will deposit an additional amount of $15,000.00 ________ with the title company to be made part of the earnest money on or before:

(1) ________ days after Buyer's right to terminate under Paragraph 7B expires; or

(2) expiration of feasibility period.

Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.
7.668 ACRES OF LAND
ADDENDA

C. Buyer may instruct the title company to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

6. TITLE POLICY AND SURVEY:

A. Title Policy:

(1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by any underwriter of the title company in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:

(a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and

(b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.

(2) The standard printed exceptions as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:

☐ (a) will not be amended or deleted from the title policy,

X (b) will be amended to read "shortages in areas" at the expense of Buyer ☐ Seller.

(3) Within __10__ days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

B. Survey: Within __10__ days after the effective date:

☐ (1) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. The survey must be made in accordance with the: (i) ALTA/ACSM Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition. Seller will reimburse Buyer __________________________ (insert amount) of the cost of the survey at closing, if closing occurs.

☐ (2) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the: (i) ALTA/ACSM Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.

X (3) Seller will deliver to Buyer and the title company a true and correct copy of Seller's most recent survey of the Property along with an affidavit required by the title company for approval of the existing survey. If the existing survey is not acceptable to the title company, Seller, at Seller's expense, will obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to Buyer and the title company within 20 days after Seller receives notice that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 20 days if necessary for Seller to deliver an acceptable survey within the time required. Buyer will reimburse Seller $0.00 __________________________ (insert amount) of the cost of the new or updated survey at closing, if closing occurs.

C. Buyer's Objections to the Commitment and Survey:

(1) Within __10__ days after Buyer receives the commitment, copies of the documents evidencing the title exceptions, and any required survey, Buyer may object in writing to matters disclosed in the items if: (a) the matters disclosed are a restriction upon the Property or constitute a defect or encumbrance to title other than those permitted by this contract or items that Seller will satisfy at closing or Buyer will assume at closing; or (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA). If Paragraph 6B(1) applies,
Commercial Contract - Unimproved Property concerning 7798 Culibra Rd., San Antonio, TX 78251

Buyer is deemed to receive the survey on the earlier of: (i) the date of Buyer's actual receipt of the survey; or (ii) of the deadline specified in Paragraph 6B.

(2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.

(3) Buyer's failure to timely object or terminate under this Paragraph 6C is a waiver of Buyer's right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

7. PROPERTY CONDITION:

A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing: N/A

B. Feasibility Period: Buyer may terminate this contract for any reason within 60 days after the effective date (feasibility period) by providing Seller written notice of termination. (Check only one box.)

☐ (1) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less $1,000.00 that Seller will retain as independent consideration for Buyer's unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the title company. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to deposit the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.

☐ (2) Not later than 3 days after the effective date, Buyer must pay Seller $ as independent consideration for Buyer's right to terminate by tendering such amount to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to pay the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.

C. Inspections, Studies, or Assessments:

(1) During the feasibility period, Buyer, at Buyer's expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.

(2) Buyer must:

(a) employ only trained and qualified inspectors and assessors;

(b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;

(c) abide by any reasonable entry rules or requirements of Seller;

(d) not interfere with existing operations or occupants of the Property; and

(e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.
TEXAS ASSOCIATION OF REALTORS®
COMMERCIAL CONTRACT - UNIMPROVED PROPERTY

PARTIES: Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: LEAL CAMILO M

Address: 1224 Golden Pond, San Antonio, TX 78248-1502
Phone: ______________ E-mail: amgr52@hotmail.com
Fax: ______________ Other:

Buyer: CESAR CHAVEZ FOUNDATION (or assigns) ("CCF")

Address: 316 W 2nd St Ste 600, Los Angeles, CA 90012-3531
Phone: (213)362-0260 E-mail: ppark@chavezfoundation.org
Fax: (213)362-0265 Other:

PROPERTY:

A. "Property" means that real property situated in Bexar County, Texas at 7796 Culebra Rd, San Antonio, TX 78251 (address) and that is legally described on the attached Exhibit or as follows: Approximately 7.66 acres having a legal description of NCB 18264 BLK 4 LOT 2 CROWN MEADOWS SUBDIVISION

B. Seller will sell and convey the Property together with:

1. all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, going, and rights-of-way;
2. Seller's interest in all leases, rents, and security deposits for all or part of the Property; and
3. Seller's interest in all licenses and permits related to the Property.

(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)

(Rif mineral rights are to be reserved an appropriate addendum should be attached.)

SALES PRICE:

A. At or before closing, Buyer will pay the following sales price for the Property:

(1) Cash portion payable by Buyer at closing $336,000.00
(2) Sum of all financing described in Paragraph 4 $770,000.00
(3) Sales price (sum of 3A(1) and 3A(2)) $1,106,000.00
7.668 ACRES OF LAND
ADDENDA

Commercial Contract - Unimproved Property concerning 1396 Callebra Rd, San Antonio, TX 78231

B. Adjustment to Sales Price: (Check (1) or (2) only)

[ ] (1) The sales price will not be adjusted based on a survey.
[ ] (2) The sales price will be adjusted based on the latest survey obtained under Paragraph 6B.

(a) The sales price is calculated on the basis of $___________ per:
   [ ] (i) square foot of [ ] total area [ ] net area.
   [ ] (ii) acre of [ ] total area [ ] net area.

(b) "Total area" means all land area within the perimeter boundaries of the Property. "Net area" means total area less any area of the Property within:
   [ ] (i) public roadways;
   [ ] (ii) rights-of-way and easements other than those that directly provide utility services to the Property; and
   [ ] (iii) 

(c) If the sales price is adjusted by more than ________% of the stated sales price, either party may terminate this contract by providing written notice to the other party within ________ days after the terminating party receives the survey. If neither party terminates this contract or if the variance is less than the stated percentage, the adjustment to the sales price will be made to the cash portion of the sales price payable by Buyer.

4. FINANCING: Buyer will finance the portion of the sales price under Paragraph 3A(2) as follows:

[ ] A. Third Party Financing: One or more third party loans in the total amount of $770,000.00.

   This contract:
   [ ] (1) is contingent upon Buyer obtaining third party financing,
   [ ] (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum (TAR-1931).

[ ] B. Assumption: In accordance with the attached Commercial Contract Financing Addendum (TAR-1931), Buyer will assume the existing promissory note secured by the Property, which balance at closing will be $______.

[ ] C. Seller Financing: The delivery of a promissory note and deed of trust to Seller under the terms of the attached Commercial Contract Financing Addendum (TAR-1931) in the amount of $______.

5. EARNEST MONEY:

A. Not later than 3 days after the effective date, Buyer must deposit $20,000.00 as earnest money with First American Title (title company) at 3602 Paesanos Pkwy #202 (address) [closer].

   If Buyer fails to timely deposit the earnest money, Seller may terminate this contract or exercise any of Seller's other remedies under Paragraph 15 by providing written notice to Buyer before Buyer deposits the earnest money.

B. Buyer will deposit an additional amount of $15,000.00 with the title company to be made part of the earnest money on or before:
   [ ] (i) _______ days after Buyer's right to terminate under Paragraph 7B expires; or
   [x] (ii) expiration of Feasibility Period.

   Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.

(TAR-1802) 1-1-16
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Commercial Contract - Unimproved Property concerning 7756 Culebra Rd, San Antonio, TX 78251

C. Buyer may instruct the title company to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

6. TITLE POLICY AND SURVEY:

A. Title Policy:

(1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by any underwriter of the title company in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
   (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
   (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.

(2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
   (a) will not be amended or deleted from the title policy.
   (b) will be amended to read "shortages in areas" at the expense of [ ] Buyer [X] Seller.

(3) Within 10 days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

B. Survey: Within 10 days after the effective date:

(1) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. The survey must be made in accordance with the: (i) ALTA/ACSM Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition. Seller will reimburse Buyer ___ (insert amount) of the cost of the survey at closing, if closing occurs.

(2) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the: (i) ALTA/ACSM Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.

(3) Seller will deliver to Buyer and the title company a true and correct copy of Seller's most recent survey of the Property along with an affidavit required by the title company for approval of the existing survey. If the existing survey is not acceptable to the title company, Seller, at Seller's expense, will obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to Buyer and the title company within 20 days after Seller receives notice that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 20 days if necessary for Seller to deliver an acceptable survey within the time required. Buyer will reimburse Seller ___ (insert amount) of the cost of the new or updated survey at closing, if closing occurs.

C. Buyer's Objections to the Commitment and Survey:

(1) Within 10 days after Buyer receives the commitment, copies of the documents evidencing the title exceptions, and any required survey, Buyer may object in writing to matters disclosed in the items if: (a) the matters disclosed are a restriction upon the Property or constitute a defect or encumbrance to title other than those permitted by this contract or liens that Seller will satisfy at closing or Buyer will assume at closing; or (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA). If Paragraph 6B(1) applies,
Commercial Contract - Unimproved Property concerning 7796 Culberson Rd, San Antonio, TX 78251

Buyer is deemed to receive the survey on the earlier of: (i) the date of Buyer's actual receipt of the survey, or (ii) of the deadline specified in Paragraph 6B.

(2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.

(3) Buyer's failure to timely object or terminate under this Paragraph 6C is a waiver of Buyer's right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

7. PROPERTY CONDITION:
A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing: N/A

B. Feasibility Period: Buyer may terminate this contract for any reason within 60 days after the effective date (feasibility period) by providing Seller written notice of termination. (Check only one box.)

☐ (1) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less $1,000.00 that Seller will retain as independent consideration for Buyer's unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the title company. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to deposit the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.

X (2) Not later than 3 days after the effective date, Buyer must pay Seller $_________ as independent consideration for Buyer's right to terminate by tendering such amount to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to pay the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.

C. Inspections, Studies, or Assessments:
(1) During the feasibility period, Buyer, at Buyer's expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.

(2) Buyer must:
(a) employ only trained and qualified inspectors and assessors;
(b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;
(c) abide by any reasonable entry rules or requirements of Seller;
(d) not interfere with existing operations or occupants of the Property; and
(e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.
(3) Except for those matters that arise from the negligence of Seller or Seller's agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract.

D. Property Information:

(1) Delivery of Property Information: Within 10 days after the effective date, Seller will deliver to Buyer: (Check all that apply.)
   - (a) copies of all current leases pertaining to the Property, including any modifications, supplements, or amendments to the leases;
   - (b) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will pay in full on or before closing;
   - (c) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
   - (d) copies property tax statements for the Property for the previous 2 calendar years;
   - (e) plate of the Property;
   - (f) copies of current utility capacity letters from the Property's water and sewer service provider; and
   - (g) ________________________________

(2) Return of Property Information: If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: (Check all that apply.)
   - (a) return to Seller all those items described in Paragraph 70(1) that Seller delivered to Buyer in other than an electronic format and all copies that Buyer made of those items;
   - (b) delete or destroy all electronic versions of those items described in Paragraph 70(1) that Seller delivered to Buyer or Buyer copied; and
   - (c) deliver copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed.

E. Contracts Affecting Operations: Until closing, Seller: (1) will operate the Property in the same manner as on the effective date under reasonably prudent business standards; and (2) will not transfer or dispose of any part of the Property, any interest or right in the Property, or any of the personal property or other items described in Paragraph 2B or sold under this contract. After the feasibility period ends, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's written approval.

8. LEASES:

A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer's written consent. Seller must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:
   - (1) any failure by Seller to comply with Seller's obligations under the leases;
   - (2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
   - (3) any advance sums paid by a tenant under any lease;
   - (4) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and

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Initials for Identification by Seller and Buyer
Commercial Contract - Unimproved Property concerning 7760 Culebra Rd, San Antonio, TX 78251

(5) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.

B. Estoppel Certificates: Within NA days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than NA by each tenant that leases space in the Property. The estoppel certificates must include the certifications contained in the current version of TAR Form 1938 - Commercial Tenant Estoppel Certificate and any additional information requested by a third party lender providing financing under Paragraph 4 if the third party lender requests such additional information at least 10 days prior to the earliest date that Seller may deliver the signed estoppel certificates.

9. BROKERS:

A. The brokers to this sale are:

Principal Broker: Powers Real Estate

Agent: Israel Cepeoa
Address: 11503 Jones Maltsberger San Antonio, TX 76216
Phone & Fax: 210-722-0740
E-mail: Cepeoa.israel@yahoo.com
License No.: 609847

Cooperating Broker: Peloton Real Estate Partners San Antonio, LLC

Agent: Brad Hardy
Address: 250 W Nottingham apts 115
San Antonio, TX 78209
Phone & Fax: 210/239-1172
E-mail: bhardy@peloton-ee.com
License No.: 963964

Principal Broker: (Check only one box.)

☑ represents Seller only.
☐ represents Buyer only.
☐ is an intermediary between Seller and Buyer.

Cooperating Broker represents Buyer.

B. Fees: (Check only (1) or (2) below.)

☐ (1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller. Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties' signatures to this contract.

☑ (2) At the closing of this sale, Seller will pay:

Principal Broker a total cash fee of: ☐ $3,000 ☑ % of the sales price.

Cooperating Broker a total cash fee of: ☑ $3,000 ☐ % of the sales price.

The cash fees will be paid in Bexar County, Texas. Seller authorizes the title company to pay the brokers from the Seller's proceeds at closing.

NOTICE: Chapter 62, Texas Property Code, authorizes a broker to secure an earned commission with a lien against the Property.

C. The parties may not amend this Paragraph 9 without the written consent of the brokers affected by the amendment.

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Initiated for identification by Seller and Buyer.

Page 6 of 13
10. CLOSING:

A. The date of the closing of the sale (closing date) will be on or before the later of:
   (1) ____________ days after the expiration of the feasibility period.
   (__________).
   (2) 7 days after objections made under Paragraph 6C have been cured or waived.

B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 15.

C. At closing, Seller will execute and deliver, at Seller's expense, a ☐ general ☐ special warranty deed.
   The deed must include a vendor's lien or any part of the sales price is financed. The deed must convey
   good and indefeasible title to the Property and show no exceptions other than those permitted under
   Paragraph 6 or other provisions of this contract. Seller must convey the Property:
   (1) with no liens, assessments, or other security interests against the Property which will not be
   satisfied out of the sales price, unless securing loans Buyer assumes;
   (2) without any assumed bans in default; and
   (3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or
   trespassers except tenants under the written leases assigned to Buyer under this contract.

D. At closing, Seller, at Seller's expense, will also deliver to Buyer:
   (1) tax statements showing no delinquent taxes on the Property;
   (2) an assignment of all leases to or on the Property;
   (3) to the extent assignable, an assignment to Buyer of any licenses and permits related to the
   Property;
   (4) evidence that the person executing this contract is legally capable and authorized to bind Seller;
   (5) an affidavit acceptable to the title company stating that Seller is not a foreign person or, if Seller is
   a foreign person, a written authorization for the title company to: (i) withhold from Seller's proceeds
   an amount sufficient to comply applicable tax law; and (ii) deliver the amount to the Internal
   Revenue Service (IRS) together with appropriate tax forms; and
   (6) any notices, statements, certificates, affidavits, releases, and other documents required by this
   contract, the commitment, or law necessary for the closing of the sale and issuance of the title
   policy, all of which must be completed by Seller as necessary.

E. At closing, Buyer will:
   (1) pay the sales price in good funds acceptable to the title company;
   (2) deliver evidence that the person executing this contract is legally capable and authorized to bind
   Buyer;
   (3) sign and send to each tenant in a lease for any part of the Property a written statement that:
      (a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and
      (b) specifies the exact dollar amount of the security deposit;
   (4) sign an assumption of all leases then in effect; and
   (5) execute and deliver any notices, statements, certificates, or other documents required by this
   contract or law necessary to close the sale.

F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

11. POSSESSION: Seller will deliver possession of the Property to Buyer upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. Any possession by Buyer before closing or by Seller after closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.
12. SPECIAL PROVISIONS: The following special provisions apply and will control in the event of a conflict with other provisions of this contract. (If special provisions are contained in an Addendum, identify the Addendum here and reference the Addendum in Paragraph 220.) See Attached Special Provisions Addendum.

13. SALES EXPENSES:

A. Seller’s Expenses: Seller will pay for the following at or before closing:
   (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
   (2) release of Seller’s loan liability, if applicable;
   (3) tax statements or certificates;
   (4) preparation of the deed;
   (5) one-half of any escrow fee;
   (6) costs to record any documents to cure title objections that Seller must cure; and
   (7) other expenses that Seller will pay under other provisions of this contract.

B. Buyer’s Expenses: Buyer will pay for the following at or before closing:
   (1) all loan expenses and fees;
   (2) preparation of any deed of trust;
   (3) recording fees for the deed and any deed of trust;
   (4) premiums for flood insurance as may be required by Buyer’s lender;
   (5) one-half of any escrow fee;
   (6) other expenses that Buyer will pay under other provisions of this contract.

14. PRORATIONS:

A. Prorations:
   (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.
   (2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.
   (3) If Buyer assumes a loan or is taking the Property subject to an existing lease, Seller will transfer to Buyer any reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer shall reimburse such amounts to Seller by an appropriate adjustment at closing.

B. Rollback Taxes: If Seller’s use or change in use of the Property before closing results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of the Seller. If this sale or Buyer’s use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.

C. Rent and Security Deposits: At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 14C survives closing.

[Signature Block]
15. DEFAULT:

A. If Buyer fails to comply with this contract, Buyer is in default and Seller, as Seller's sole remedy(ies), may terminate this contract and receive the earnest money, as liquidated damages for Buyer's failure except for any damages resulting from Buyer's inspections, studies or assessments in accordance with Paragraph 7C(3) which Seller may pursue; or

☐ enforce specific performance, or seek such other relief as may be provided by law.

B. If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates, survey or the commitment, Buyer may:

(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or

(2) extend the time for performance up to 15 days and the closing will be extended as necessary.

C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:

(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or

(2) enforce specific performance, or seek such other relief as may be provided by law, or both.

16. CONDEMNATION: If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:

A. terminate this contract by providing written notice to Seller within 15 days after Buyer is advised of the condemnation proceedings and the earnest money, less any independent consideration paid under Paragraph 7B(1), will be refunded to Buyer; or

B. appear and defend in the condemnation proceedings and any award, at Buyer's election, belong to:

(1) Seller and the sales price will be reduced by the same amount; or

(2) Buyer and the sales price will not be reduced.

17. ATTORNEY'S FEES: If Buyer, Seller, any broker, or the title company is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney's fees. This Paragraph 17 survives termination of this contract.

18. ESCROW:

A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing costs, and any excess will be refunded to Buyer. If no closing occurs, the title company may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of the title company from all parties.

B. If one party makes written demand for the earnest money, the title company will give notice of the demand by providing to the other party a copy of the demand. If the title company does not receive written objection to the demand from the other party within 15 days after the date the title company sent the demand to the other party, the title company may disburse the earnest money to the party making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and the title company may pay the same to the creditors.

C. The title company will deduct any independent consideration under Paragraph 7B(1) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.

D. If the title company complies with this Paragraph 18, each party hereby releases the title company from all claims related to the disbursement of the earnest money.
E. Notices under this Paragraph 18 must be sent by certified mail, return receipt requested. Notices to the title company are effective upon receipt by the title company.

F. Any party who wrongfully fails or refuses to sign a release acceptable to the title company within 7 days after receipt of the request will be liable to the other party for: (i) damages; (ii) the earnest money; (iii) reasonable attorney’s fees; and (iv) all costs of suit.

G. [ ] Seller [ ] Buyer intend(s) to complete this transaction as a part of an exchange of like-kind properties in accordance with Section 1031 of the Internal Revenue Code, as amended. All expenses in connection with the contemplated exchange will be paid by the exchanging party. The other party will not incur any expense or liability with respect to the exchange. The parties agree to cooperate fully and in good faith to arrange and consummate the exchange so as to comply to the maximum extent feasible with the provisions of Section 1031 of the Internal Revenue Code. The other provisions of this contract will not be affected in the event the contemplated exchange fails to occur.

19. MATERIAL FACTS: To the best of Seller’s knowledge and belief; (Check only one box.)

☐ A. Seller is not aware of any material defects to the Property except as stated in the attached Commercial Property Condition Statement (TAR-1408).

☒ B. Except as otherwise provided in this contract, Seller is not aware of:
   (1) any subsurface: structures, pits, waste, springs, or improvements;
   (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;
   (3) any environmental hazards or conditions that materially affect the Property;
   (4) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
   (5) whether radon, asbestos containing materials, ureaformaldehyde foam insulation, lead-based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants), or other pollutants or contaminants of any nature now exist or ever existed on the Property;
   (6) any wetlands, as defined by federal or state law or regulation, on the Property;
   (7) any threatened or endangered species or their habitat on the Property;
   (8) any present or past infestation of wood-destroying insects in the Property’s improvements;
   (9) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
   (10) any condition on the Property that violates any law or ordinance.

(Describe any exceptions to (1)-(10) in Paragraph 12 or an addendum.)

20. NOTICES: All notices between the parties under this contract must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission to the parties’ addresses or facsimile numbers stated in Paragraph 1. The parties will send copies of any notices to the broker representing the party to whom the notices are sent.

☒ A. Seller also consents to receive any notices by e-mail at Seller’s e-mail address stated in Paragraph 1.

B. Buyer also consents to receive any notices by e-mail at Buyer’s e-mail address stated in Paragraph 1.

21. DISPUTE RESOLUTION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this contract that may arise. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator. This paragraph survives termination of this contract. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

22. AGREEMENT OF THE PARTIES:

A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns. This contract is to be construed in accordance with the laws of the State of Texas.
Commercial Contract - Unimproved Property concerning 7796 Celebra Rd, San Antonio, TX 78251

If any term or condition of this contract shall be held to be invalid or unenforceable, the remainder of this contract shall not be affected thereby.

B. This contract contains the entire agreement of the parties and may not be changed except in writing.

C. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.

D. Addenda which are part of this contract are: (Check all that apply.)
   (1) Property Description Exhibit identified in Paragraph 2;
   (2) Commercial Contract Financing Addendum (TAR-1931);
   (3) Commercial Property Condition Statement (TAR-1408);
   (4) Commercial Contract Addendum for Special Provisions (TAR-1940);
   (5) Notice to Purchaser of Real Property in a Water District (MUD);
   (6) Addendum for Coastal Area Property (TAR-1915);
   (7) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TAR-1916);
   (8) Information About Brokerage Services (TAR-2501); and
   (9) __________________________________________

(Note: Counsel for the Texas Association of REALTORS® (TAR) has determined that any of the foregoing addenda which are promulgated by the Texas Real Estate Commission (TREC) or published by TAR are appropriate for use with this form.)

E. Buyer may not assign this contract, if Buyer assigns this contract, Buyer will not be relieved of any future liability under this contract only if the assignee assumes, in writing, all obligations and liability of Buyer under this contract.

23. TIME: Time is of the essence in this contract. The parties require strict compliance with the times for performance. If the last day to perform under a provision of this contract falls on a Saturday, Sunday, or legal holiday, the time for performance is extended until the end of the next day which is not a Saturday, Sunday, or legal holiday.

24. EFFECTIVE DATE: The effective date of this contract for the purpose of performance of all obligations is the date the title company receives this contract after all parties execute this contract.

25. ADDITIONAL NOTICES:

   A. Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a title policy.

   B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 40, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.

   C. Notice Required by §13.257, Water Code: "The real property, described below, that you are about to purchase may be located in a certified water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certified area. If your property is located in a certified area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. This may be required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certified area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property." The real property is described in Paragraph 2 of this contract.

(TAR-1902) 1-1-16

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D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135 of the Texas Natural Resources Code requires a notice regarding coastal area property to be included as part of this contract.

E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract.

F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality’s ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.

G. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Buyer should review local building codes, ordinances and other applicable laws to determine their effect on the Property. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers. Brokers are not qualified to determine the credit worthiness of the parties.

H. NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment’s normal operating level, Seller hereby notifies Buyer: “The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flooded conditions.”

26. CONTRACT AS OFFER: The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on January 23, 2017, the offer will lapse and become null and void.

READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. CONSULT your attorney BEFORE signing.

Seller: Carmen M. Leal

By: Adalberto Garza
Printed Name: Adalberto Garza
Title: P.O.A to Carmen M. Leal

Buyer: Cesar Chavez Foundation for Education (CCFE)

By: Paul S. Park
Printed Name: Paul S. Park
Title: General Counsel

[Signature]

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AGREEMENT BETWEEN BROKERS

Principal Broker agrees to pay (Cooperating Broker) a fee when the Principal Broker’s fee is received. The fee to be paid to Cooperating Broker will be:

$_________ or _________% of the sales price, or _________% of the Principal Broker’s fee.

The title company is authorized and directed to pay Cooperating Broker from Principal Broker’s fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

Principal Broker: ____________________________

Cooperating Broker: ____________________________

By: ____________________________

By: ____________________________

ATTOREYS

Seller’s attorney: ____________________________

Address: ____________________________

Phone & Fax: ____________________________

E-mail: ____________________________

Buyer’s attorney: ____________________________

Address: ____________________________

Phone & Fax: ____________________________

E-mail: ____________________________

Seller’s attorney requests copies of documents, notices, and other information:

☐ the title company sends to Seller.

☐ Buyer sends to Seller.

Buyer’s attorney requests copies of documents, notices, and other information:

☐ the title company sends to Buyer.

☐ Seller sends to Buyer.

ESCROW RECEIPT

The title company acknowledges receipt of:

☐ A. the contract on this day (effective date);

☐ B. earnest money in the amount of $_________ in the form of ________

Title company: ____________________________

Address: ____________________________

By: ____________________________

Phone & Fax: ____________________________

E-mail: ____________________________

Assigned file number (CPF): ____________________________
ADDENDUM TO COMMERCIAL CONTRACT BETWEEN THE UNDERSIGNED PARTIES CONCERNING THE PROPERTY AT:

7796 Culebra Rd, San Antonio, TX 78254

The following special provisions apply and will control in the event of a conflict with the other provisions of the contract:

1. As it relates to Closing in Paragraph 10, Seller agrees too Purchaser shall have the right to extend the Closing Date three (3) times for a period of an additional thirty (30) days each by notifying Seller in writing a minimum of 5 days prior to the then scheduled Closing Date (the “Extension Request”). Upon submitting such request, Buyer must deliver an additional $10,000 to the Title Company (“Extension Fee”) within 5 business days after delivery of the written Extension Request. Such Extension Fee shall be added to the Earnest Money deposit held by the Title Company. The Extension Fee shall be non-refundable subject to Buyers rights to receive a refund of the Earnest Money as found in the Contract.

2. If Seller is unable to deliver any of the Property information as requested per the terms and time frames found in Section 7(D) of the Contract, Seller shall notify Buyer in writing within 10 days of the Effective Date that either a) the requested information is not applicable to this transaction; b) Seller does not have such information in Sellers possession and why.

3. If Buyer is unable to obtain a zoning change for the Property from R-6 to MF-33 prior to the Closing Date then Buyer shall have the right to terminate the subject Contract by providing written notice to Seller and upon such termination, Buyer shall receive a refund of the Earnest Money. Seller shall cooperate with Buyer with regard to any approvals necessary in obtaining a zoning change MF-33. Any costs associated with such zoning change shall be paid by Buyer.

Sellers: Carmen M. Leal
By: Adolfo Barza
By (signature): ADOLFO BARZA
Printed Name: ADOLFO BARZA
Title: P.O.A. to Carmen M. Leal

Buyers: Cesar Chavez Foundation
By: Paul S. Park
By (signature):
Printed Name: GENERAL COUNSEL
Title: GENERAL COUNSEL

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ADDENDUM TO COMMERCIAL CONTRACT BETWEEN THE UNDERSIGNED PARTIES CONCERNING THE PROPERTY AT
7796 Culebra Rd, San Antonio, TX 78251

The portion of the Sales Price not payable in cash will be paid as follows: (Check all that apply.)

☐ A. THIRD PARTY FINANCING:

(1) The contract is contingent upon Buyer obtaining a third party loan(s) secured by the Property in the amount of $ See Paragraph E, for not less than N/A years with the initial interest rate not to exceed N/A % per annum and payments calculated on an amortization period of no less than N/A years.

(2) Buyer will apply for the third party loan(s) described in Paragraph A(1) promptly after the effective date. If Buyer cannot obtain the loan(s), Buyer may give Seller written notice within N/A days after the effective date and the contract will terminate and the earnest money, less any independent consideration under Paragraph 78(1) of the contract, will be refunded to Buyer. If Buyer does not give such notice within the time required, this contract will no longer be subject to the contingency described in this Paragraph A.

(3) Each note to be executed under this addendum is to be secured by vendor's and deed of trust lien.

☐ B. ASSUMPTION:

(1) Buyer will assume the unpaid principal balance of the existing promissory note secured by the Property payable to ____________________________ dated ______________ which balance at closing will be $____________.

(2) Buyer's initial payment will be the first payment due after closing. Buyer's assumption of the existing note includes all obligations imposed by the deed of trust securing the note, recorded in the real property records of the county where the Property is located.

(3) If the unpaid principal balance of the assumed loan as of the date of closing varies from the loan balance stated in Paragraph B(1), the cash payable at closing will be adjusted by the net amount of any variance; provided, if the total principal balance of the assumed loan varies in an amount greater than $_____________ at closing, either party may terminate this contract and the earnest money will be refunded to Buyer unless either party elects to eliminate the excess in the variance by an appropriate adjustment at closing.

(4) Buyer may terminate the contract and the earnest money, less any independent consideration under Paragraph 78(1) of the contract, will be refunded to Buyer if the note holder on assumption requires:

(a) Buyer to pay an assumption fee in excess of $____________ and Seller declines to pay such excess;

(b) an increase in the interest rate to more than _____ %; or

(c) any other modification of the loan documents.

(5) Unless Seller is released of liability on any assumed note, Seller requires a vendor's lien and deed of trust to secure assumption, which will be automatically released on execution and delivery of a release by the note holder.
Commercial Contract Financing Addendum concerning 7796 Culebra Rd, San Antonio, TX 78251

(6) If assumption approval is required by the note holder, Buyer will apply for assumption approval within ________ days after the effective date of the contract and will make every reasonable effort to obtain assumption approval. If Buyer cannot obtain assumption approval, Buyer may give Seller written notice within ________ days after the effective date and the contract will terminate and the earnest money, less any independent consideration under Paragraph 7B(1) of the contract, will be refunded to Buyer. If Buyer does not give such notice within the time required and Buyer does not close because Buyer is not able to assume the existing note, Buyer will be in default.

C. SELLER FINANCING:

(1) At closing, Buyer will execute and deliver a promissory note (the note) from Buyer to Seller in the amount of $__________, bearing ________% interest per annum. Matured, unpaid amounts will bear interest at the maximum rate of interest allowed by law.

(2) The note will be payable as follows:

(a) In one payment, due ________________ after the date of the note, with interest payable: [____] monthly [____] (1) ________.

(b) In installments of $______________ including interest ________ plus interest beginning ________________ after the date of the note and continuing at [____] monthly [____] intervals thereafter for ________ when the entire balance of the note will be due and payable.

(c) Interest only in [____] monthly [____] installments for the first ________ years and thereafter in installments of $______________ including interest ________ plus interest beginning ________________ after the date of the note and continuing at [____] monthly [____] intervals thereafter for ________ when the entire balance of the note will be due and payable.

(3) The note will be secured by vender’s and deed of trust liens and an assignment of leases payable at the place designated by Seller.

(4) The note will provide that if Buyer fails to timely pay an installment within 10 days after the installment is due, Buyer will pay a late fee equal to 5% of the installment not paid.

(5) The note [____] will [____] not provide for liability (personal or corporate) against the maker in the event of default.

(6) The note may be prepaid in whole or in part at any time without penalty. Any prepayments are to be applied to the payment of the installments of principal last maturing and interest will immediately cease on the prepaid principal.

(7) The lien securing payment of the note will be inferior to any lien securing any superior note described in this addendum. If an owner’s policy of title insurance is furnished, Buyer, at Buyer’s expense, will furnish Seller with a mortgage title policy in the amount of the note at closing.

(8) If all or any part of the Property is sold or conveyed without Seller’s prior written consent, Seller, at Seller’s option, may declare the outstanding principal balance of the note, plus accrued interest, immediately due and payable. Any of the following is not a sale or conveyance of the Property:

(a) the creation of a subordinate lien;

(b) a sale under a subordinate lien;

(c) a deed under threat or order of condemnation;

(d) a conveyance solely between the parties; or

(e) the passage of title by reason of death of a maker or operation of law.
Commercial Contract Financing Addendum concerning 7796 Culebra Rd, San Antonio, TX 78251

(5) **Deposit for Taxes and Insurance:** Together with the principal and interest installments, Buyer shall deposit with Seller a pro rata part of the estimated annual ad valorem taxes on the Property and a pro rata part of the estimated annual insurance premiums for the improvements on the Property.

(a) If Buyer deposits taxes and insurance deposits with Seller, Buyer agrees that the taxes and insurance deposits are only estimates and may be insufficient to pay total taxes and insurance premiums. Buyer agrees to pay any deficiency within 30 days after Seller notifies Buyer of any deficiency. Buyer's failure to pay the deficiency is a default under the deed of trust.

(b) If any superior lien holder on the Property collects payments for taxes and insurance, any requirement to deposit taxes and insurance deposits with Seller under this addendum is inoperable so long as payments are being made to the superior lien holder.

(10) Any event that constitutes a default under any superior lien constitutes a default under the deed of trust securing the note.

(11) The note will include a provision for reasonable attorney's fees for any collection action.

(12) Unless the parties agree otherwise, the form of the note and loan documents will be as found in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

D. **CREDIT APPROVAL ON ASSUMPTION OR SELLER FINANCING:**

(1) To establish Buyer's creditworthiness for assumption approval or seller financing, Buyer will deliver to Seller the following information (Buyer's documentation) within _____ days after the effective date of the contract:

- [ ] verification of employment, including salary;
- [ ] verification of funds on deposit in financial institutions;
- [ ] current financial statement;
- [ ] credit report;
- [ ] tax returns for the following years: ____________________________;
- [ ] ____________

(2) If Buyer does not timely deliver Buyer's documentation or Seller determines, in Seller's sole discretion, that Buyer's creditworthiness is not acceptable, Seller may terminate the contract by giving written notice to Buyer not later than _____ days after the date Buyer must deliver Buyer's documentation under Paragraph D(1) and the earnest money, less any Independent consideration under Paragraph 7B(1) of the contract, will be refunded to Buyer. If Seller does not timely terminate the contract under this paragraph, Seller will be deemed to have accepted Buyer's credit.

E. **SPECIAL PROVISIONS:**

Section A of this Addendum is deleted and replaced with the following:

A. **LIHTC APPROVAL**

The Contract is contingent upon Buyer obtaining approval and receiving an award of Low Income Housing Tax Credits (LIHTC) from Texas Department of Housing & Community Affairs (TDHCA) in the 2017 9% Low Income Housing Tax Credit Cycle and third party financing for construction and equity.
Commercial Contract Financing Addendum concerning 7786 Culebra Rd, San Antonio, TX 78251

Seller: LEAL CARMEN
By:
By (signature):
Printed Name: ADRIANO CARMEN
Title: P.O.A. TO CARMEN LEAL

Buyer: Cesar Chavez Foundation
By: Paul S. Park
By (signature):
Printed Name: Paul Park
Title: General Counsel

By:
By (signature):
Printed Name:
Title:
7.668 ACRES OF LAND
ADDENDA

Information About Brokerage Services

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:
- A BROKER is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A SALES AGENT must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):
- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counteroffer from the client;
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the owner or owner's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties, the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:
* Must treat all parties to the transaction impartially and fairly;
* May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction;
* Must not, unless specifically authorized in writing to do so by the party, disclose:
  - that the broker will pay a price greater than the price submitted in a written offer; and
  - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISHED:
- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

<table>
<thead>
<tr>
<th>Licensed Broker</th>
<th>License No.</th>
<th>Email</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate</td>
<td>9003924</td>
<td><a href="mailto:Lisa@powersrealestate.com">Lisa@powersrealestate.com</a></td>
<td></td>
</tr>
<tr>
<td>Luxury Property</td>
<td>600937</td>
<td><a href="mailto:Lisa@powersrealestate.com">Lisa@powersrealestate.com</a></td>
<td>210-808-2105</td>
</tr>
</tbody>
</table>

| Designated Broker of Sales Agent | Email | Phone |
|********************************|-------|-------|
| Lisa Powers | 600937 | Lisa@powersrealestate.com |

<table>
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<tr>
<td>Israel Cepeda</td>
<td>600937</td>
<td><a href="mailto:Cepeda.israel@gmail.com">Cepeda.israel@gmail.com</a></td>
<td>210-722-0700</td>
</tr>
</tbody>
</table>

Regulated by the Texas Real Estate Commission
Information available at www.trec.texas.gov

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Glossary

Definitions are taken from The Dictionary of Real Estate Appraisal, 6th Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP), and Building Owners and Managers Association International (BOMA).

**Absolute Net Lease**
A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

**Amortization**
The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

**As Is Market Value**
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Dictionary)

**Base Rent**
The minimum rent stipulated in a lease. (Dictionary)

**Base Year**
The year on which escalation clauses in a lease are based. (Dictionary)

**Building Common Area**
In office buildings, the areas of the building that provide services to building tenants but which are not included in the office area or store area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common area are floor common areas, parking space, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

**Building Rentable Area**
The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

**Certificate of Occupancy (COO)**
A formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy. (Dictionary)

**Common Area Maintenance (CAM)**
The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property. (Dictionary)

The amount of money charged to tenants for their shares of maintaining a shopping center’s common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security and upkeep. (ICSC – International Council of Shopping Centers, 4th Ed.)

**Condominium**
A multiunit structure, or a unit within such a structure, with a condominium form of ownership. (Dictionary)

**Conservation Easement**
An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement. (Dictionary)

**Contributory Value**
A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)
Debt Coverage Ratio (DCR)
The ratio of net operating income to annual debt service (DCR = NOI/Im), which measures the relative ability of a property to meet its debt service out of net operating income; also called debt service coverage ratio (DSCR). A larger DCR typically indicates a greater ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary)

Deed Restriction
A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

Depreciation
1) In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date.
2) In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset’s life; calculated using a variety of standard techniques. (Dictionary)

Disposition Value
The most probable price that a specified interest in property should bring under the following conditions:
- Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgeably;
- The seller is under compulsion to sell;
- Both parties are acting in what they consider to be their best interests;
- An adequate marketing effort will be made during the exposure time;
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

Easement
The right to use another’s land for a stated purpose. (Dictionary)

EIFS
Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

Effective Date
1) The date on which the appraisal or review opinion applies. (SVP)
2) In a lease document, the date upon which the lease goes into effect. (Dictionary)

Effective Gross Income (EGI)
The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. (Dictionary)

Effective Rent
Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs). (Dictionary)

EPDM
Ethylene Propylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings. (Dictionary)

Escalation Clause
A clause in an agreement that provides for the adjustment of a price or rent based on some event or index. e.g., a provision to increase rent if operating expenses increase; also called escalator clause, expense recovery clause or stop clause. (Dictionary)

Estoppel Certificate
A signed statement by a party (such as a tenant or a mortgagee) certifying, for another’s benefit, that certain facts are correct, such as that a lease exists, that there are no defaults, and that rent is paid to a certain date. (Black’s) In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an estoppel letter. (Dictionary)

Excess Land
Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. (Dictionary)

Excess Rent
The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. (Dictionary)
Expense Stop
A clause in a lease that limits the landlord’s expense obligation, which results in the lessee paying operating expenses above a stated level or amount. (Dictionary)

Exposure Time
1) The time a property remains on the market.
2) The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; Comment: Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market. (Dictionary)

Extraordinary Assumption
An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinions or conclusions. Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.)

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary)

Floor Common Area
In an office building, the areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. (BOMA)

Full Service (Gross) Lease
A lease in which the landlord receives stipulated rent and is obligated to pay all of the property’s operating and fixed expenses; also called a full service lease. (Dictionary)

Furniture, Fixtures, and Equipment (FF&E)
Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-Concern Value
An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern or market value of the total assets of the business. (Dictionary)

Gross Building Area (GBA)
1) Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
2) Gross leasable area plus all common areas.
3) For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space. (Dictionary)

Gross Measured Area
The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

Gross Up Method
A method of calculating variable operating expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as “grossed up.” (Dictionary)

Gross Retail Sellout
The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions. Also called the aggregate of the retail values, aggregate retail selling price or sum of the retail values. (Dictionary)

Ground Lease
A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

Ground Rent
The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)
HVAC
Heating, ventilation, air conditioning (HVAC) system. A unit that regulates the temperature and distribution of heat and fresh air throughout a building. (Dictionary)

Highest and Best Use
1) The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2) The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset’s existing use of for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
3) [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions) (Dictionary)

Hypothetical Condition
1) A condition that is presumed to be true when it is known to be false. (SVP – Standards of Valuation Practice, effective January 1, 2015)
2) 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. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.) (Dictionary)

Industrial Gross Lease
A type of modified gross lease of an industrial property in which the landlord and tenant share expenses. The landlord receives stipulated rent and is obligated to pay certain operating expenses, often structural maintenance, insurance and real property taxes, as specified in the lease. There are significant regional and local differences in the use of this term. (Dictionary)

Insurable Value
A type of value for insurance purposes. (Typically this includes replacement cost less basement excavation, foundation, underground piping and architect’s fees). (Dictionary)

Investment Value
The value of a property to a particular investor or class of investors based on the investor’s specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)

Just Compensation
In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position pecuniarily as he or she would have been if the property had not been taken. (Dictionary)

Leased Fee Interest
The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary)

Leasehold Interest
The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. (Dictionary)

Lessee (Tenant)
One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

Lessor (Landlord)
One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

Liquidation Value
The most probable price that a specified interest in property should bring under the following conditions:
- Consummation of a sale within a short time period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller are acting prudently and knowledgeable.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interests.
- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)
Loan to Value Ratio (LTV)
The ratio between a mortgage loan and the value of the property pledged as security, usually expressed as a percentage. (Dictionary)

Major Vertical Penetrations
Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

Market Rent
The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TIs). (Dictionary)

Market Value
The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.
(Dictionary)

Marketing Time
An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation and Statement on Appraisal Standards No. 6, “Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions” address the determination of reasonable exposure and marketing time.) (Dictionary)

Master Lease
A lease in which the fee owner leases a part or the entire property to a single entity (the master lease) in return for a stipulated rent. The master lessee then leases the property to multiple tenants. (Dictionary)

Modified Gross Lease
A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property’s operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease. (Dictionary)

Operating Expense Ratio
The ratio of total operating expenses to effective gross income (TOE/EGI); the complement of the net income ratio, i.e., OER = 1 – NIR (Dictionary)

Option
A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the optionee) to buy, sell, or lease real estate for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

Partial Interest
Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common, easement, or life interest. (Dictionary)

Pass Through
A tenant’s portion of operating expenses that may be composed of common area maintenance (CAM), real property taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

Potential Gross Income (PGI)
The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)
Prospective Future Value Upon Completion
A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report. ... The prospective market value – as completed - reflects the property’s market value as of the time that development is expected to be complete. (Dictionary)

Prospective Future Value Upon Stabilization
A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report. ... The prospective market value – as stabilized - reflects the property’s market value as of the time the property is projected to achieve stabilized occupancy. For an income-producing property, stabilized occupancy is the occupancy level that a property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties. (Dictionary)

Replacement Cost
The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. (Dictionary)

Reproduction Cost
The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building. (Dictionary)

Retrospective Value Opinion
A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." (Dictionary)

Sandwich Leasehold Estate
The interest held by the sandwich leaseholder when the property is subleased to another party; a type of leasehold estate. (Dictionary)

Sublease
An agreement in which the lessee in a prior lease conveys the right of use and occupancy of a property to another, the sublessee, for a specific period of time, which may or may not be coterminous with the underlying lease term. (Dictionary)

Subordination
A contractual arrangement in which a party with a claim to certain assets agrees to make his or her claim junior, or subordinate, to the claims of another party. (Dictionary)

Surplus Land
Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

Triple Net (Net Net Net) Lease
An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called NNN lease, net net net lease, or fully net lease. (Dictionary)

(The market definition of a triple net lease varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

Usable Area
The measured area of an office area, store area, or building common area on a floor. The total of all the usable areas for a floor shall equal floor usable area of that same floor. (BOMA)

Value-in-Use
The value of a property assuming a specific use, which may or may not be the property’s highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. (Dictionary)
Qualifications of Brett E. Weatherbie, MAI  
Managing Director  
Valbridge Property Advisors | San Antonio  
bweatherbie@valbridge.com

Independent Valuations for a Variable World

**Education**
- *Bachelor of Arts Degree, Psychology*, Auburn University, June 1996
- School of Business, University of Texas at Austin, 1991-1994

During his education at Texas A&M University, he completed 18 hours of core real estate courses.

**Specialized Education**
Received credit for and successfully completed the following Appraisal/Real Estate Courses:

**Appraisal Institute**
- Uniform Standards of Professional Appraisal Practice - USPAP
- Business Practices and Ethics
- Basic Appraisal Principles (110)
- Basic Appraisal Procedures (120)
- General Market Analysis and Highest and Best Use (400G)
- Basic Income Capitalization (310)
- General Applications (320)
- Appraisal Curriculum Overview – General
- Advanced Income Capitalization (520)
- Advanced Sales Comparison & Cost Approaches (530)
- Report Writing & Valuation Analysis (540)
- Advanced Applications (550)
- Fundamentals of Separating Real Property, Personal Property, & Intangible Business Assets (833)

**American Society of Farm Managers and Rural Appraisers**
- Requirements of UASFLA - the "Yellow Book"

**Texas A&M University – Commerce**
- Basic Real Estate Appraisal (Appraisal VII 271)
- Uniform Residential Appraisal Report (Appraisal X 2101)
- Farm and Ranch Marketing (CERM 05)
- Principles of Real Estate I (0111)
- Principles of Real Estate II (0112)
- Texas Law of Agency (1111)

**Board of Tax Professional Examiners**
- Texas Property Tax System (Course 1)
McKissock, LP

- Supervisor-Trainee Course for Texas

Experience

Presently and since August 2004, Brett E. Weatherbie has been employed by Valbridge Property Advisors | San Antonio formerly known as Dugger, Canaday, Grafe, Inc. He is a Partner/Shareholder and serves as a Managing Director in the firm. He earned his MAI designation in August 2012. Currently, he is recognized as a State Certified General Real Estate Appraiser by the Texas Appraiser Licensing and Certification Board.

Experience includes appraisal and consulting assignments related to commercial, retail, office, medical office, hotel/lodging (luxury, full service and limited service), industrial, manufacturing, office-warehouse, multi-family, residential subdivisions, residential single-family, commercial land, farm and ranch, coastal/gulf coast properties, “Yellow Book” appraisals (Uniform Appraisal Standards for Federal Land Acquisitions), conservation easements, undivided interest valuations, litigation support equal & uniform analysis and special purpose/use properties including, automobile & rail-car manufacturing facilities, steel mills, fuel terminals & petroleum storage facilities, student housing, religious facilities, automobile dealerships, car washes, as well as a wide variety of income producing properties. He has qualified as an expert witness and has testified for real estate related matters in Court.

Generally, his trade area includes South, West and Central Texas with a special interest in the San Antonio MSA, Laredo and surrounding Webb and Zapata Counties, Corpus Christi and the surrounding Texas Gulf Coast Region, the IH-35 corridor (New Braunfels, San Marcos, Kyle and Buda), and the Austin MSA. Mr. Weatherbie has also completed appraisals in Colorado. Clients served include financial institutions, governmental agencies, non-profit organizations, attorneys, individuals, and corporations.

A native of San Antonio, he graduated from Clark High School in 1991. After attending The University of Texas at Austin where he was enrolled in the School of Business, he graduated from Auburn University in 1996. He enlisted in The U.S. Army in 1997 and was assigned to the Army World Class Athlete Program. An alternate to the 2000 Olympic Team, he also achieved a silver medal at the 1999 Pan American Games, a team gold medal in the 1999 Military World Championships, and a team silver medal at the 2002 Military World Championships.

During July 2003 to July 2004, he was employed by the Bexar County Appraisal District in San Antonio, Texas, as a Class II Appraiser.

Professional Affiliations Include the Following Organizations

- Designated Member of the Appraisal Institute, MAI (No. 464704, August 2012)
- State Certified General Real Estate Appraiser (No. TX-1337354-G, September 2007)
- First Vice President - South Texas Chapter of the Appraisal Institute (Present)
- Second Vice President – South Texas Chapter of the Appraisal Institute (2016)
- Treasurer – South Texas Chapter of the Appraisal Institute (2015)
- Secretary – South Texas Chapter of the Appraisal Institute (2014)
- Board of Directors Member - South Texas Chapter of the Appraisal Institute (2013)
- Board of Directors Member - South Texas Chapter of the Appraisal Institute (2012)
• Associate Member Committee Chair - South Texas Chapter of the Appraisal Institute (2011-2012)

Recent Seminars and Lectures
• Appraisal Institute Leadership Development & Advisory Council (May 2017)
• TALCB Statutes, Rules and Current Trends in enforcement (June 2016)
• Appraisal Institute Leadership Development & Advisory Council (May 2016)

Honors & Awards
• 2016 Recipient of the Ted Anglyn Outstanding Participant Award for outstanding contribution as a first-year participant in the Leadership Development & Advisory Council
Qualifications of Keith W. Ditta
Appraiser Analyst
Valbridge Property Advisors | San Antonio
kditta@valbridge.com

Independent Valuations for a Variable World

Education
- Bachelor of Business Administration, Real Estate Finance and Development, University of Texas at San Antonio - 2014

Specialized Education
The Appraisal Institute:
- General Appraiser Income Approach Part 1
- General Appraiser Sales Comparison Approach

Champion’s School of Real Estate:
- Basic Appraisal Principles
- Basic Appraisal Procedures
- Uniform Standards of Professional Appraisal Practice (USPAP)
- Real Estate Principles II
- Law of Agency
- Law of Contracts
- Promulgated Contract Forms

Professional Affiliations Include the Following Organizations
- Affiliate, The Appraisal Institute – South Texas Chapter

Certifications
- Texas Appraisers Licensing and Certification Board (TALCB) - Appraiser Trainee (TX-1340987)
- Texas Real Estate Commission (TREC) - Texas Real Estate Agent (License No. 656323)

Experience
Presently and since May 2015, Keith W. Ditta has been employed by Valbridge Property Advisors | San Antonio formerly known as Dugger, Canaday, Grafe, inc. Keith is currently recognized as an Appraiser Analyst. Experience includes appraisal assignments related to commercial, special purpose, farm and ranch properties, and development projects. Assignments have been completed for a variety of clients including attorneys, lenders, trust departments, families, developers, etc.

A San Antonio native, Keith was raised in Cypress, Texas where he graduated from Cypress Fairbanks High School in 2009. Keith attended the University of Texas at San Antonio, where he graduated with a Bachelor of Business Administration with a concentration in Real Estate Finance and Development.
You may wish to laminate the pocket identification card to preserve it.

The person named on the reverse is licensed by the Texas Appraiser Licensing and Certification Board.

Inquiry as to the status of this license may be made to:

Texas Appraiser Licensing and Certification Board
P.O. Box 12188
Austin, TX 78711-2188
www.talcb.texas.gov
(512) 906-3001
Fax (512) 906-3089

BRETT EDWARD WEATHERBIE
12 CHELSEA WAY
SAN ANTONIO, TX 78209
Texas Appraiser Licensing and Certification Board
P.O. Box 12188 Austin, Texas 78711-2188
Appraiser Trainee
Authorization: TX 1340987 Trainee I.D. Number: 999997347
Issued: 10/20/2015 Expires: 10/31/2017
Trainee: KEITH WOODBURY DITTA
Sponsor: BRETT EDWARD WEATHERBIE Certification #: TX 1337354 C
I. D. Number: 881246913

The Texas Appraiser Licensing and Certification Board authorizes the named person to act as an Appraiser Trainee under the sponsorship of the certified appraiser noted above, pursuant to Texas Occupations Code, Chapter 1103. An "Appraiser Trainee may perform appraisals only under the direct supervision of the Trainee’s sponsoring appraiser(s) who signs the report and is responsible for the conduct of the Appraiser Trainee. An Appraiser Trainee may be sponsored by one or more certified appraisers.

Douglas E. Oldmixon Commissioner
Company Information on Valbridge Property Advisors

- Valbridge is the largest national commercial real estate valuation and advisory services firm in North America:
  - Total number of MAIs (200 on staff)
  - Total number of office locations (68 across the U.S.)
  - Total number of staff (675 strong)

- Valbridge covers the U.S. from coast to coast.

- Valbridge services all property types, including special-purpose properties.

- Valbridge provides independent valuation services. We are not owned by a brokerage firm or investment company.

- Every Valbridge office is led by a senior managing director who holds the MAI designation of the Appraisal Institute.

- Valbridge is owned by our local office leaders.

- Valbridge welcomes single-property assignments as well as portfolio, multi-market and other bulk-property engagements.