

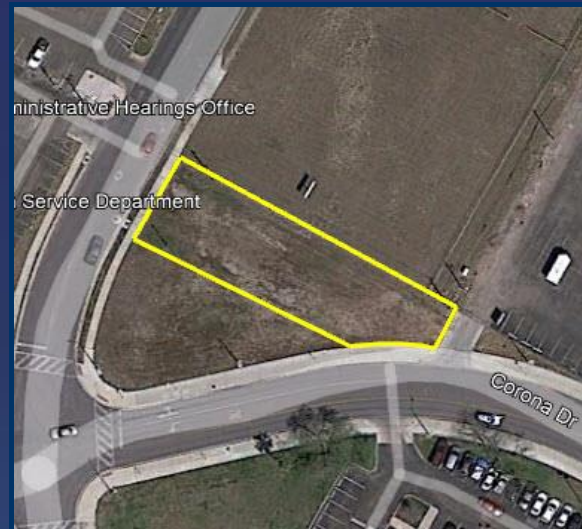


Valbridge
PROPERTY ADVISORS

Appraisal Report

0.260-Acre of Land
Flynn Parkway and Corona Drive
Corpus Christi, Nueces County, Texas 78411

Report Date: March 9, 2023



FOR:

Mr. Raj Patel
6603 Northeast Zac Lentz Parkway
Victoria, Texas 77904

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TX01-23-0112-002



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March 9, 2023

Brett Weatherbie, MAI, AI-GRS
Senior Managing Director
bweatherbie@valbridge.com

Mr. Raj Patel
6603 Northeast Zac Lentz Parkway
Victoria, Texas 77904

RE: Appraisal Report
0.260-Acre of Land
Flynn Parkway and Corona Drive
Corpus Christi, Nueces County, Texas 78411

Dear Mr. Patel:

In accordance with your request, we have performed an appraisal of the above referenced property. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to the value opinions. This letter of transmittal does not constitute an appraisal report and the rationale behind the value opinion(s) reported cannot be adequately understood without the accompanying appraisal report.

The subject property, as referenced above, is located approximately 100 feet north of the intersection of Flynn Parkway and Corona Drive. The subject site is a 0.260-acre, or 11,326-square-foot parcel. The site exhibits generally level topography and features frontage along Flynn Parkway and Corona Drive. Due to the site's proximity to the intersection of Flynn Parkway, Corona Drive and Tiger Lane, the subject is inaccessible by vehicle and no vehicular access points will be granted. The site is bisected by a City of Corpus Christi utility easement (underground utilities). No structural improvements are to be constructed on the easement. An overhead electrical line extends along the northeast property line. The site has access to public utilities. According to FEMA flood maps, the subject is located outside of the 100% floodplain; however, a portion of the property is located within the 500-year floodplain. The subject is not currently recognized by the Nueces County Appraisal District.

The “across the fence” valuation methodology has been utilized in the appraisal of the 0.260-acre subject tract. The concept of “across the fence” valuation involves first appraising a hypothetical economic land unit then applying the concluded unit value to the calculated land area of the subject (0.260-acre). The premise of this methodology is that the subject should be worth at least as much as the land to which it abuts or passes.

The “across the fence” valuation involves first appraising a hypothetical economic land unit, then applying the concluded unit value to the appraised 0.260-acre to derive the fee simple value of the appraised property. This includes making any requisite adjustments or analysis to account for appraising the subject property subject to existing easements, etc. An economic land unit is characterized as a parcel of land with frontage, depth, size, shape, soil conditions, topography, access and other characteristics typical of those found in the market area under a designated highest and best use reflective of the subject.

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

The client in this assignment is Mr. Raj Patel and the intended users of this report are Mr. Raj Patel and the City of Corpus Christi. The intended use is for asset valuation for potential purchasing decisions. The value opinions reported herein are subject to the definitions, assumptions, limiting conditions, and certifications contained in this report.

The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results:

Extraordinary Assumptions:

- The subject property is currently inaccessible by vehicle from any public roadway. Due to the subject's proximity to the intersection of Flynn Parkway, Corona Drive and Tiger Lane, and based on conversations with city officials, no vehicular access points will be granted. This appraisal is conducted under the extraordinary assumption that the subject will be inaccessible from any public roadway in perpetuity.

Hypothetical Conditions:

- For the purpose of this analysis, a “hypothetical economic land unit” or parent tract has been utilized in the valuation of the 0.260-acre subject property. In the valuation analysis, the hypothetical economic land unit is to be located in the immediate area of the 0.260-acre subject, is 1.500 acres in size, and exhibits generally similar physical characteristics.

The value conclusions are based on the analysis in the following report and presented in the following table:

Value Conclusion

Component	As Is
Value Type	Market Value
Real Property Interest	Fee Simple
Effective Date of Value	February 21, 2023
Value Conclusion	\$8,500



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

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Summary of Salient Facts

Property Identification

Property Address	Flynn Parkway and Corona Drive Corpus Christi, Nueces County, Texas 78411
Latitude & Longitude	27.715518, -97.392648
Tax Parcel Number	N/A
Property Owner	City of Corpus Christi

Site

Zoning	General Commercial (CG-2)
FEMA Flood Map No.	48335C0510G
Flood Zone	Zone X
Gross Land Area	0.260 acres
Usable Land Area	0.260 acres
Excess Land Area	0.000 acres
Surplus Land Area	0.000 acres
Total Land Area	0.260 acres

Valuation Opinions

Highest & Best Use - As Vacant	Assemblage with adjoining land.
Reasonable Exposure Time	12 months
Reasonable Marketing Time	12 months

Value Conclusion

Component	As Is
Value Type	Market Value
Real Property Interest	Fee Simple
Effective Date of Value	February 21, 2023
Value Conclusion	\$8,500

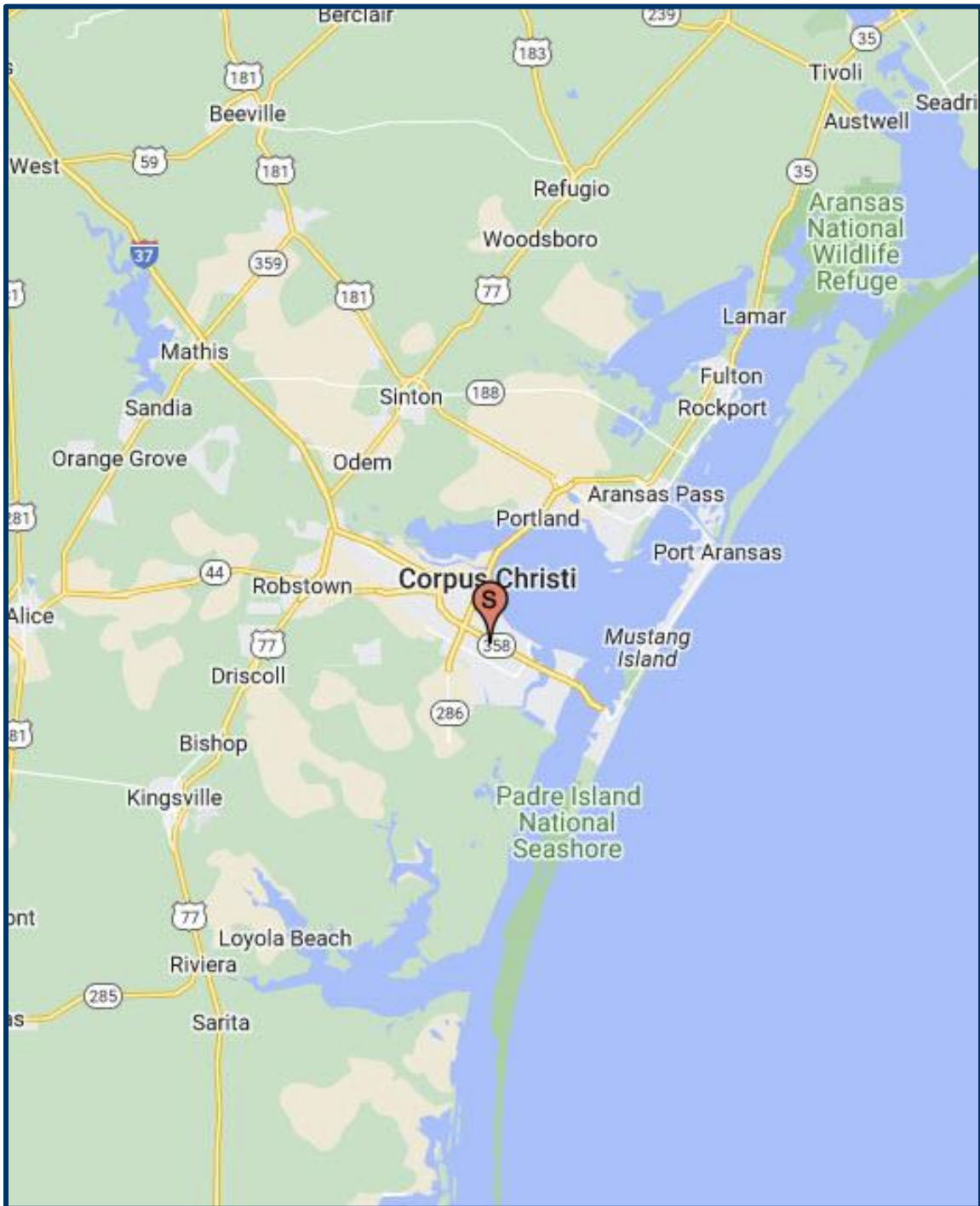
Extraordinary Assumptions

- The subject property is currently inaccessible by vehicle from any public roadway. Due to the subject's proximity to the intersection of Flynn Parkway, Corona Drive and Tiger Lane, and based on conversations with city officials, no vehicular access points will be granted. This appraisal is conducted under the extraordinary assumption that the subject will be inaccessible from any public roadway in perpetuity.

Hypothetical Conditions

- For the purpose of this analysis, a "hypothetical economic land unit" or parent tract has been utilized in the valuation of the 0.260-acre subject property. In the valuation analysis, the hypothetical economic land unit is to be located in the immediate area of the 0.260-acre subject, is 1.500 acres in size, and exhibits generally similar physical characteristics.

Location Map



Introduction

Client and Intended Users of the Appraisal

The client in this assignment is Raj Patel and the intended users of this report are Mr. Raj Patel and the City of Corpus Christi. Under no circumstances shall any of the following parties be entitled to use or rely on the appraisal or this appraisal report:

- i. The borrower(s) on any loans or financing relating to or secured by the subject property,
- ii. Any guarantor(s) of such loans or financing; or
- iii. Principals, shareholders, investors, members or partners in such borrower(s) or guarantors.

Intended Use of the Appraisal

The intended use of this report is for asset valuation for potential purchasing decisions.

Real Estate Identification

The subject property is located approximately 100 feet north of the intersection of Flynn Parkway and Corona Drive, Corpus Christi, Nueces County, Texas 78411. The subject is not currently recognized by the Nueces County Appraisal District.

Legal Description

Being a portion of Lot Number 1, in Block Number 1, of Marks Tract, an addition to the City of Corpus Christi, Nueces County, Texas, according to the established Map and Plat of said addition of record in Volume 37, Page 184 of the Map Records of Nueces County, Texas.

Use of Real Estate as of the Effective Date of Value

As of the current date of value, the subject was vacant land.

Use of Real Estate as Reflected in this Appraisal

Same as above.

Ownership of the Property

According to Nueces County Deed Records, title to the subject property is vested in City of Corpus Christi.

History of the Property

Ownership of the subject property has not changed within the past three years. The appraised property has been under continuous long-term ownership by the City of Corpus Christi for many years.

Type and Definition of Value

The appraisal problem is to develop an opinion of the market value of the subject property. Market value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale with the buyer and seller each acting prudently, 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 interest;*
- *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 sales concessions granted by anyone associated with the sale¹*

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

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

Opinions of value for the subject property were developed under the following valuation scenarios:

Valuation Scenario	Effective Date of Value
As Is Market Value of the Fee Simple Interest	February 21, 2023

Date of Report

The date of this report is March 9, 2023.

List of Items Requested but Not Provided

- None

Assumptions and Conditions of the Appraisal

This appraisal assignment and the opinions reported herein are subject to the General Assumptions and Limiting Conditions contained in the report and the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results.

¹ *FIRREA Code of Federal Regulations, Title 12, Part 34 Subpart C - 34.42, 1990; also Interagency Appraisal and Evaluation Guidelines, Federal Register / Vol.75, No. 237, 2010*

Extraordinary Assumptions

- The subject property is currently inaccessible by vehicle from any public roadway. Due to the subject's proximity to the intersection of Flynn Parkway, Corona Drive and Tiger Lane, and based on conversations with city officials, no vehicular access points will be granted. This appraisal is conducted under the extraordinary assumption that the subject will be inaccessible from any public roadway in perpetuity.

Hypothetical Conditions

- For the purpose of this analysis, a "hypothetical economic land unit" or parent tract has been utilized in the valuation of the 0.260-acre subject property. In the valuation analysis, the hypothetical economic land unit is to be located in the immediate area of the 0.260-acre subject, is 1.500 acres in size, and exhibits generally similar physical characteristics.

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 Nueces County deed records.
- Economic Characteristics - The subject property economic characteristics were identified via in-house economic data, public information, subscriber-based data, market participants, etc.
- Physical Characteristics - The subject was physically identified via a tour of the subject property completed by the appraiser. The appraiser made descriptive notes and has taken sufficient photographs to adequately depict the appraised property. The immediate neighborhood and surrounding market area were toured by the appraisers to assist in determining the development characteristics of the market area.

Extent to Which the Property Was Inspected

An appraisal inspection of the subject property was completed on February 21, 2023.

Type and Extent of Data Researched

The following data was 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. Professionals familiar with the subject market/property type were also interviewed.

Type and Extent of Analysis Applied (Valuation Methodology)

Surrounding land use trends, the condition of any improvements, demand for the subject property, and relevant legal limitations were observed in the process of concluding a highest and best use for the subject property. The subject property was then valued based on the highest and best use conclusion.

Appraisers develop an opinion of property value with specific appraisal procedures that reflect three distinct methods of data analysis: the cost approach, sales comparison approach, and income capitalization approach. One or more of these approaches are used in all estimations of value.

- Cost Approach - In the cost approach, the value indication reflects the sum of current depreciated replacement or reproduction cost, land value, and an appropriate entrepreneurial incentive or profit.
- 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.

- Income Capitalization Approach - In the income capitalization approach, value is indicated by the capitalization of anticipated future income. There are two types of capitalization: direct capitalization and yield capitalization, more commonly known as discounted cash flow (DCF) analysis.

All these approaches to value were considered. The availability of data and applicability of each approach to value within the context of the characteristics of the subject property, along with the needs and requirements of the client, were assessed. Based on this assessment, the Sales Comparison Approach was developed. The Cost Approach has not been developed as the subject is vacant land void of structural improvements. The Income Capitalization Approach is not applicable and has not been developed.

The “across the fence” valuation methodology has been utilized in the appraisal of the 0.260-acre subject tract. The concept of “across the fence” valuation involves first appraising a hypothetical economic land unit then applying the concluded unit value to the calculated land area of the subject (0.260-acre). The premise of this methodology is that the subject should be worth at least as much as the land to which it abuts or passes.

The “across the fence” valuation involves first appraising a hypothetical economic land unit, then applying the concluded unit value to the appraised 0.260-acre to derive the fee simple value of the appraised property. This includes making any requisite adjustments or analysis to account for appraising the subject property subject to existing easements, etc. An economic land unit is characterized as a parcel of land with frontage, depth, size, shape, soil conditions, topography, access and other characteristics typical of those found in the market area under a designated highest and best use reflective of the subject.

Tracts of land in the immediate market area are typically commercially oriented sites that typically range in size from 1.00 to 5.00 acres. The comparable sales utilized in the Sales Comparison Approach to follow, range in size from 0.832 to 1.997 acres. Based on a survey of the surrounding market area, comparable land sales and the appraiser’s knowledge and experience, it is the appraiser’s opinion that the appropriate hypothetical economic land unit to be utilized in the initial valuation of the appraised property is 1.50 acres. A 1.50-acre commercially oriented vacant tract of land is considered a typical economic land unit in the immediate and general market area of the appraised property.

For the purpose of this analysis, a “hypothetical economic land unit” or parent tract has been utilized in the valuation of the 0.260-acre subject property. In the valuation analysis, the hypothetical economic land unit is to be located in the immediate area of the 0.260-acre subject, is 1.500 acres in size, and exhibits generally similar physical characteristics. Further discussion of the extent of our analysis and the methodology of each approach is provided later in the respective valuation sections.

Appraisal Conformity and Report Type

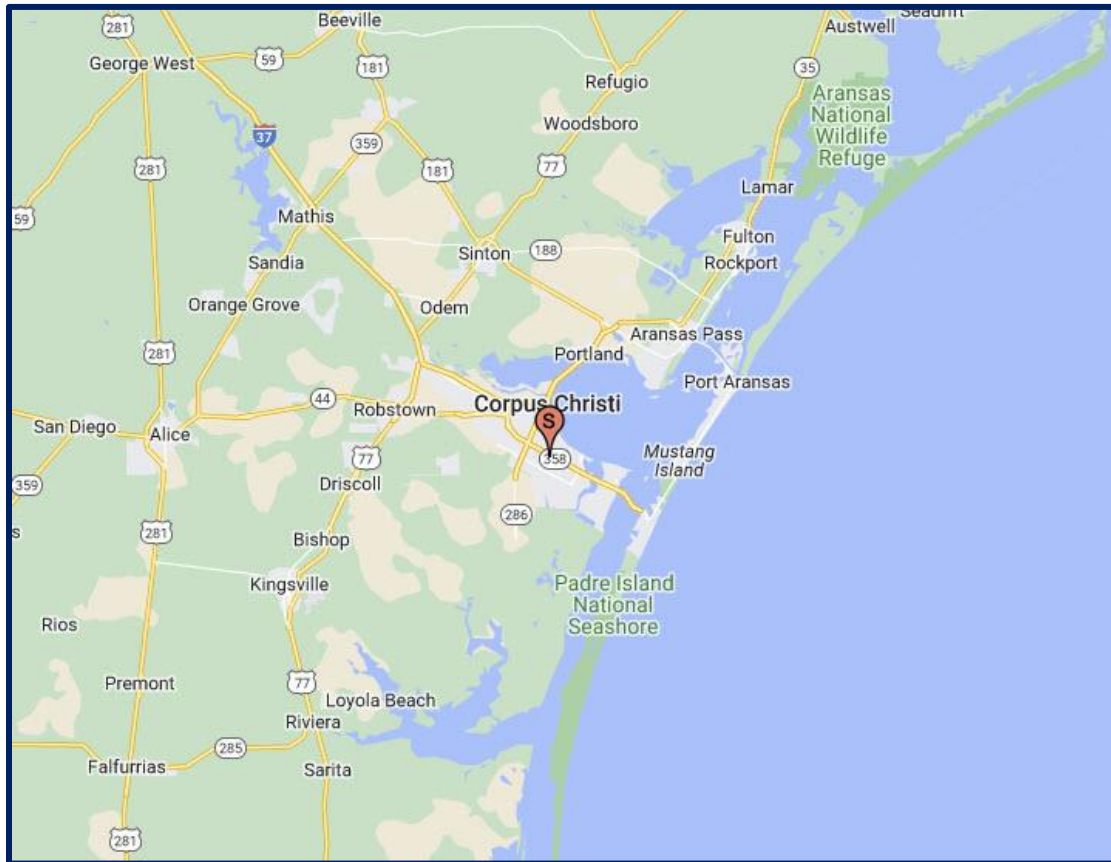
The analyses, opinions, and conclusions were developed, and this report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute; and the requirements of our client. This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a.

Personal Property/FF&E

All items of non-realty are excluded from this analysis. The opinion of market value developed herein is reflective of real estate only.

Regional and Market Area Analysis

REGIONAL MAP



Overview

The subject is located in Corpus Christi, in Nueces County. It is part of the Corpus Christi MSA. Corpus Christi is the largest community in Nueces County and the Coastal Bend region and is the county seat of Nueces County. As of 2022, the population of Corpus Christi is 306,036. It is the eighth largest city in the State of Texas. The Corpus Christi MSA includes Nueces, Aransas, and San Patricio counties. Industries with headquarters or divisions located within the City's boundaries, or within the MSA include industrial, petrochemical, construction, meat processing, convenience store, banking, and financial services.

Population

Population characteristics relative to the subject property are presented in the following table.

Population

Area	2020	Estimated 2022	Annual Δ 2020 - 22	Projected 2027	Annual Δ 2022 - 27
United States	331,449,281	335,707,897	0.6%	339,902,796	0.2%
Texas	25,145,561	30,157,100	9.5%	31,502,395	0.9%
Corpus Christi, TX (MSA)	405,027	425,071	2.4%	428,212	0.1%
Nueces County	340,223	355,260	2.2%	356,837	0.1%
Corpus Christi, TX	305,199	320,242	2.4%	321,962	0.1%

Source: ESRI (ArcGIS)

Employment

Corpus Christi 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. The amount of construction and repairs has and will continue to have a great impact on employment and overall economic standing as a result of the destruction to infrastructure from Hurricane Harvey. The chart below outlines employment statistics for the Corpus Christi MSA 2022 estimates.

Employment by Industry - Corpus Christi, TX (MSA)

Industry	2022 Estimate	Percent of Employment
Agriculture/Forestry/Fishing/Hunting	901	0.44%
Mining/Quarrying/Oil & Gas Extraction	4,392	2.14%
Construction	21,553	10.52%
Manufacturing	13,354	6.52%
Wholesale Trade	4,608	2.25%
Retail Trade	22,736	11.10%
Transportation/Warehousing	10,265	5.01%
Utilities	1,853	0.90%
Information	2,080	1.02%
Finance/Insurance	6,861	3.35%
Real Estate/Rental/Leasing	4,879	2.38%
Professional/Scientific/Tech Services	10,048	4.91%
Management of Companies/Enterprises	67	0.03%
Admin/Support/Waste Management Services	7,623	3.72%
Educational Services	17,550	8.57%
Health Care/Social Assistance	30,203	14.75%
Arts/entertainment/Recreation	2,110	1.03%
Accommodation/Food Services	19,092	9.32%
Other Services (excl Public Administration)	11,113	5.43%
Public Administration	13,500	6.59%
Total	204,788	100.0%

Source: ESRI (ArcGIS)

Unemployment

The following table exhibits current and past unemployment rates as obtained from the Bureau of Labor Statistics. Overall, the Region's unemployment is slightly above the national and state averages.

Unemployment Rates

Area	YE 2018	YE 2019	YE 2020	YE 2021	YE 2022
United States	3.9%	3.7%	8.1%	5.3%	3.6%
Texas	3.9%	3.5%	7.7%	5.7%	3.6%
Corpus Christi, TX (MSA)	5.0%	4.3%	9.1%	7.2%	4.5%
Nueces County, TX	4.7%	4.1%	8.9%	6.9%	4.3%
Corpus Christi, TX	4.6%	4.1%	8.9%	6.9%	4.3%

Source: www.bls.gov

not seasonally adjusted; ¹January - most recent for US, others lag by 1-2 mos.)

Median Household Income

Total median household income for the region is presented in the following table. Overall, the subject's MSA and county compare favorably to the state and the country.

Median Household Income

Area	Estimated 2022	Projected 2027	Annual Δ 2022 - 27
United States	\$62,203	\$67,325	1.6%
Texas	\$70,834	\$81,850	2.9%
Corpus Christi, TX (MSA)	\$64,517	\$77,544	3.7%
Nueces County	\$64,271	\$77,126	3.7%
Corpus Christi, TX	\$64,811	\$77,486	3.6%

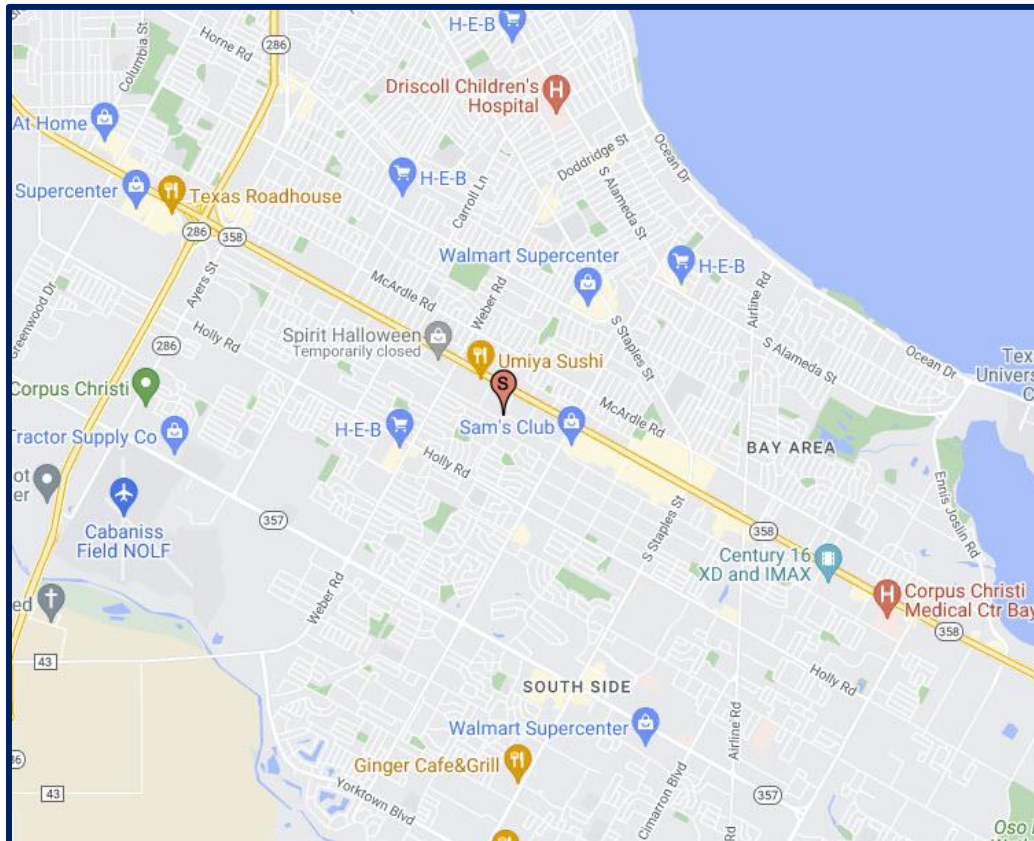
Source: ESRI (ArcGIS)

Conclusions

Overall, the Corpus MSA is slightly inferior when compared to national and state demographic characteristics such as unemployment rate, population growth, median household income, etc.; however, with the current initiatives discussed above the outlook for the Corpus Christi MSA is considered positive.

City and Neighborhood Analysis

NEIGHBORHOOD MAP



Overview

The subject is located at the intersection of Flynn Parkway and Corona Drive in the south-central section of Corpus Christi in Nueces County. The subject's immediate area is characterized by commercial land use to include retail along commuter routes with secondary commercial, light industrial, and residential subdivision development backing primary commercial development.

Neighborhood Location and Boundaries

The subject neighborhood is located in the southcentral section of Corpus Christi. The area is urban in nature. The neighborhood is bounded by South Padre Island Drive to the north, Airline Road to the east, Saratoga Boulevard to the south, and Crosstown Expressway to the west.

Transportation Access

Within the immediate area of the subject property, transportation access helps define the character of its development. Major travel and commuter routes within the area of the subject property include Staples Street and South Padre Island Drive. Access to the area is considered average.

Demographics

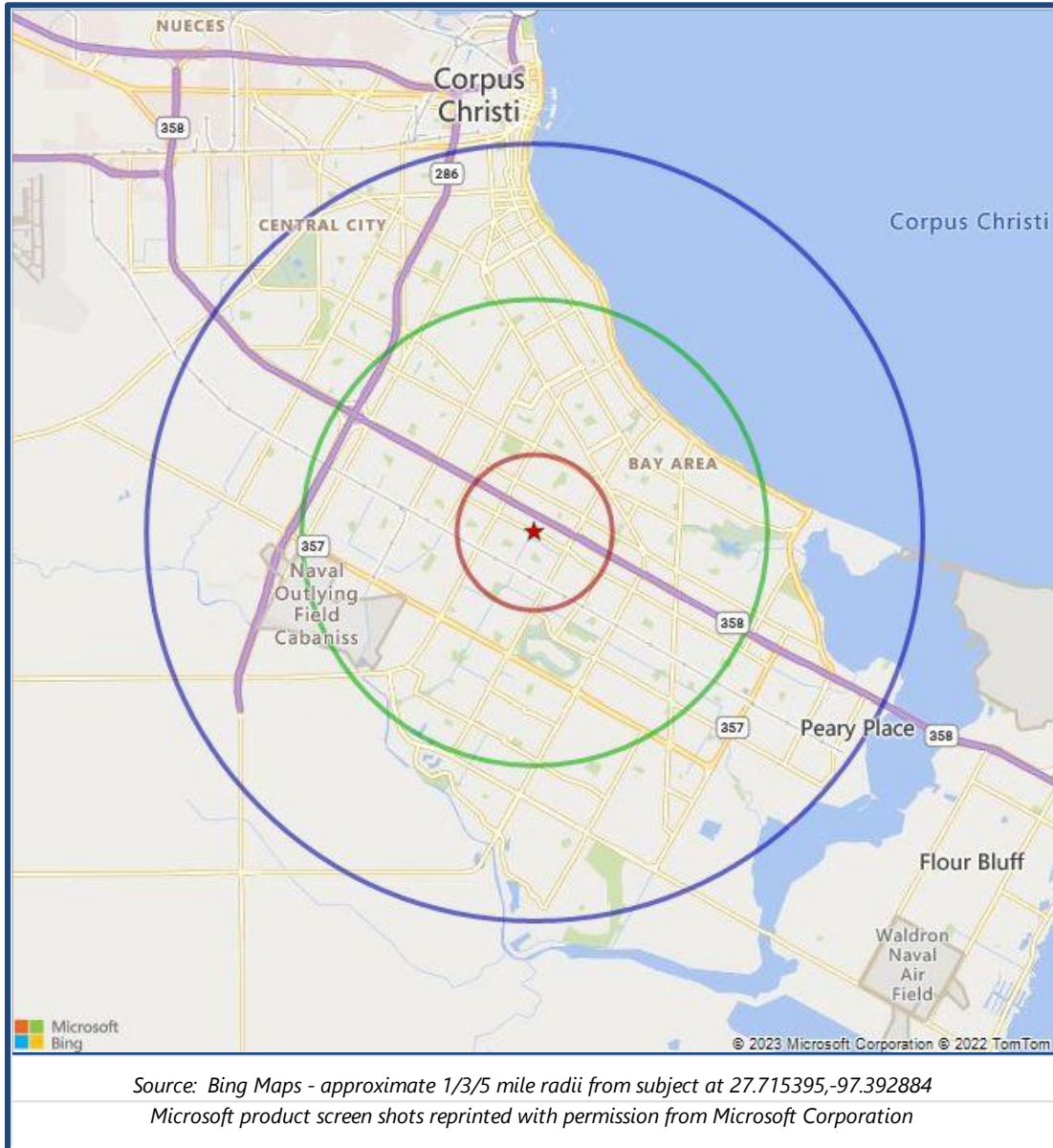
The following table depicts the area demographics in Corpus Christi within a one-, three-, and five-mile radius from the subject.

Neighborhood Demographics

Radius (Miles)	1 Mile	3 Mile	5 Mile
Population Summary			
2010 Population	17,459	131,752	216,131
2022 Population Estimate	16,745	130,158	226,283
2027 Population Projection	16,632	129,431	225,150
Annual % Change (2022 - 2027)	-0.1%	-0.1%	-0.1%
Housing Unit Summary			
2010 Housing Units	7,157	54,642	87,679
% Owner Occupied	52.2%	52.0%	54.1%
% Renter Occupied	39.8%	40.4%	37.8%
2022 Housing Units	7,075	56,340	94,685
% Owner Occupied	50.7%	51.8%	54.0%
% Renter Occupied	38.6%	38.3%	36.1%
2027 Housing Units	7,085	56,502	94,999
% Owner Occupied	51.0%	52.0%	54.2%
% Renter Occupied	37.7%	37.5%	35.3%
Annual % Change (2022 - 2027)	0.0%	0.1%	0.1%
Income Summary			
2022 Median Household Income Estimate	\$57,958	\$63,900	\$63,673
2027 Median Household Income Projection	\$67,729	\$76,219	\$76,320
Annual % Change	3.2%	3.6%	3.7%
2022 Per Capita Income Estimate	\$27,278	\$32,172	\$31,765
2027 Per Capita Income Projection	\$31,723	\$37,410	\$36,844
Annual % Change	3.1%	3.1%	3.0%

Source: ESRI (ArcGIS)

(Lat: 27.715395, Lon: -97.392884)



Within a three-mile radius, the reported population is 130,158 with a projected growth rate of approximately -0.1% annually. There are 56,340 housing units within that three-mile radius. The growth rate is expected to be 0.1% annually. Most of the housing is owner-occupied. Our research indicates that property values in the area are stable to increasing.

Within a three-mile radius, the median household income is \$63,900. Looking ahead, annual household income growth is projected at 3.6% per year.

Nuisances & External Obsolescence

Neighborhood properties have adequate levels of maintenance. No adverse or unfavorable factors were observed.

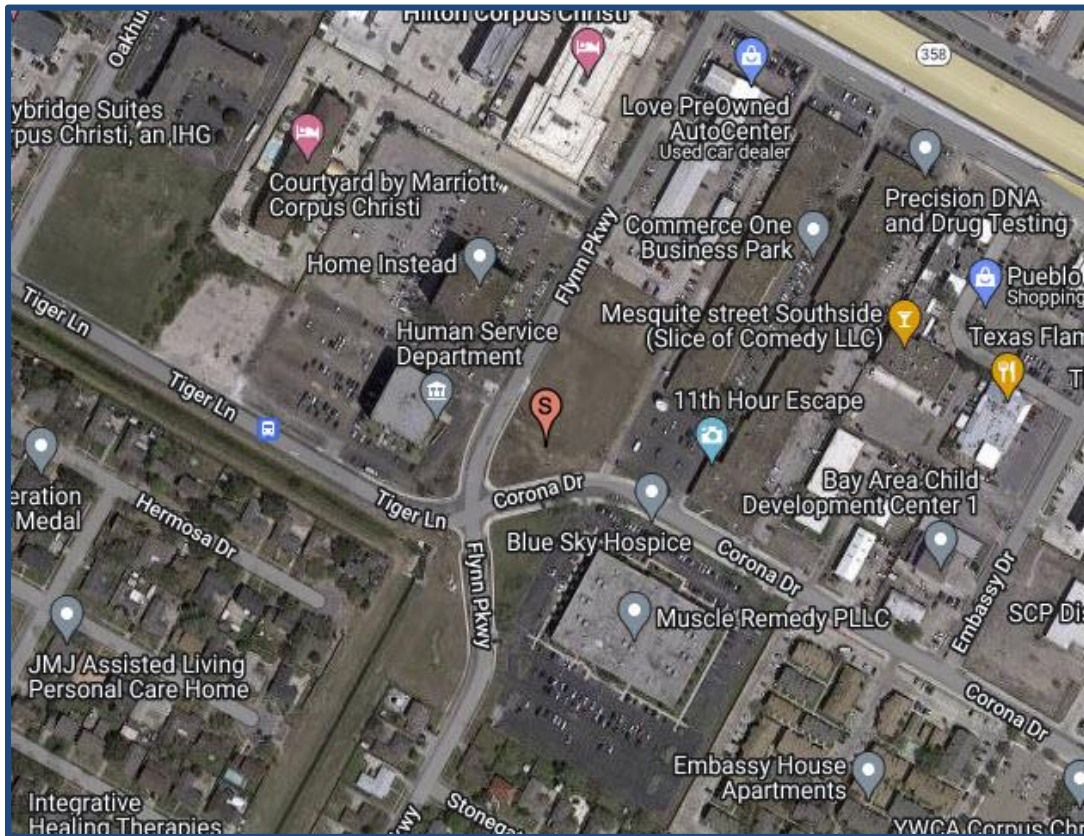
Neighborhood Life Cycle

Most neighborhoods are classified as being in one of four stages: **growth**, **stability**, **decline**, or **renewal**. Overall, the subject neighborhood is in the stable stage of its life cycle.

Immediate Area Uses

The below aerial photo exhibits the uses located in the subject's immediate vicinity.

IMMEDIATE AREA USES



Source: ESRI (ArcGIS)

Uses along Flynn Parkway in the vicinity of the subject are primarily commercial in nature with a mix of office, hotel/lodging, and retail development. As shown above, the density of uses in the area is sporadic with some vacant land remaining available in the area.

Analysis and Conclusions

The neighborhood is characterized by a mix of commercial development and scattered undeveloped-vacant land use along commuter routes with residential land use set further back. The overall outlook for the area appears stable to slightly positive for the near term.

Site Description

The subject site is located approximately 100 feet north of the intersection of Flynn Parkway and Corona Drive. The characteristics of the site are summarized as follows:

Site Characteristics

Gross Land Area:	0.260 Acre or 11,326 SF
Usable Land Area:	0.260 Acre or 11,326 SF
Usable Land %:	100.0%
Shape:	Generally Rectangular
Topography:	Level
Drainage:	Appears adequate
Grade:	At street grade
Utilities:	Public utilities available
Off-Site Improvements:	Public infrastructure
Interior or Corner:	Through Lot
Signalized Intersection:	No
Excess/Surplus Land:	None

Street Frontage / Access

Frontage Road	Primary	Secondary
Street Name:	Flynn Parkway	Corona Drive
Street Type:	Urban Collector	Urban Collector
Frontage (Linear Ft.):	70.00	60.00
Number of Curb Cuts:	0	0

Additional Access

Alley Access: No

Flood Zone Data

Flood Map Panel/Number:	48335C0510G
Flood Map Date:	10-13-2022
Flood Zone:	Zone X; According to FEMA flood maps, the subject is located outside of the 100% floodplain; however, a portion of the property is located within the 500-year floodplain
Portion in Flood Hazard Area:	0.00%

Other Site Conditions

Soil Type:	The appraiser has not been provided a soil or subsoil survey of the appraised property. This appraisal is based on the assumption that there are no soil or subsoil characteristics, including any sort of environmental contamination, which would adversely impact the site. If environmental contamination is present, the value conclusions contained herein may change.
Environmental Issues:	To the knowledge of the appraisers, there are no known environmental issues that adversely affect the value of the appraised site.
Easements/Encroachments:	Bisected by City of Corpus Christi utility easement. An overhead electrical line extends along the northeast property line.

Adjacent Land Uses

North:	Vacant Land
South:	Vacant land
East:	Commercial development
West:	Commercial development

Site Ratings

Access:	None
Visibility:	Good

Zoning Designation

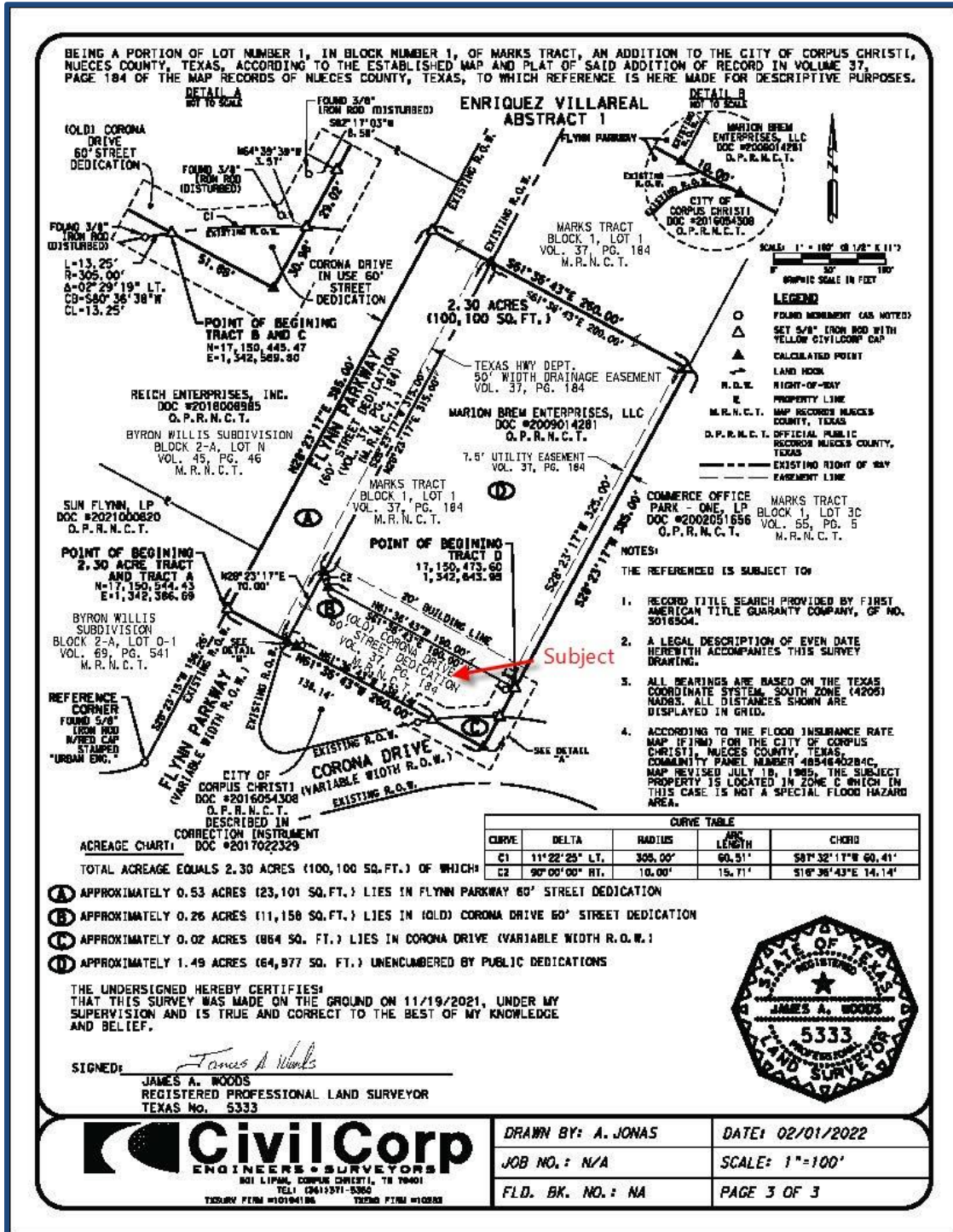
Zoning Jurisdiction:	City of Corpus Christi
Zoning Classification:	CG-2, General Commercial
Permitted Uses:	A variety of commercial uses

Analysis/Comments on Site

The appraised site includes 0.260-acre of land. The property is generally rectangular in shape and is located approximately 100 feet north of the intersection of Flynn Parkway and Corona Drive in Corpus Christi, Texas. The site exhibits generally level topography and features frontage along Flynn Parkway and Corona Drive. The property is currently inaccessible from any public roadway. Due to the site's proximity to the intersection of Flynn Parkway, Corona Drive and Tiger Lane, and based on conversations with city officials, vehicular access points will not be granted.

The site is bisected by a City of Corpus Christi utility easement (underground utilities). No structural improvements are to be constructed on the easement area. The only permitted uses over the easement are landscaping or paving. The city reserves the right to remove any paving located over the easement area as necessary for repairs, etc. An overhead electrical line extends along the northeast property line. The cost of repairing/repaving is borne by the property owner. The site has access to public utilities. According to FEMA flood maps, the subject is located outside of the 100% floodplain; however, a portion of the property is located within the 500-year floodplain.

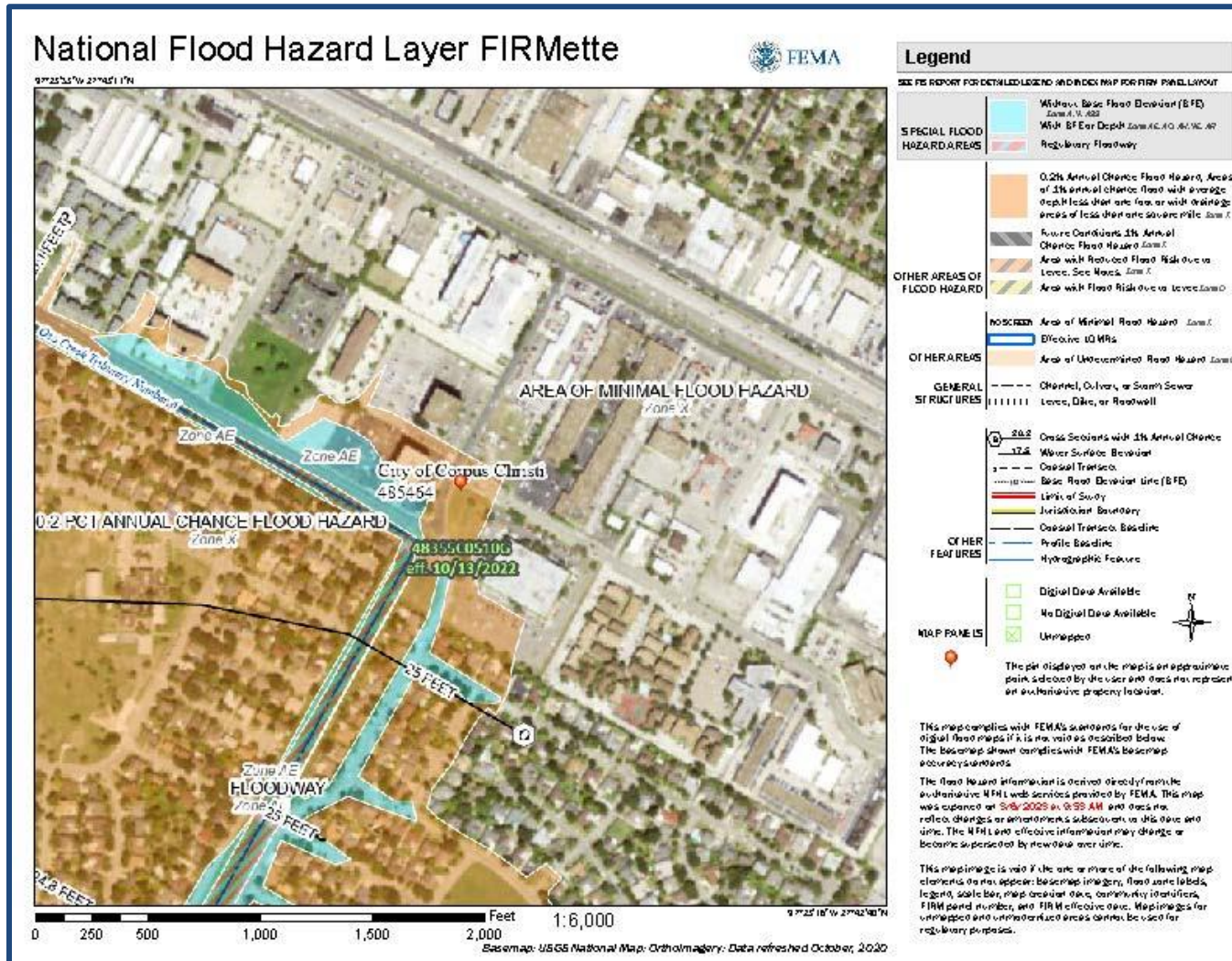
SURVEY



AERIAL VIEW



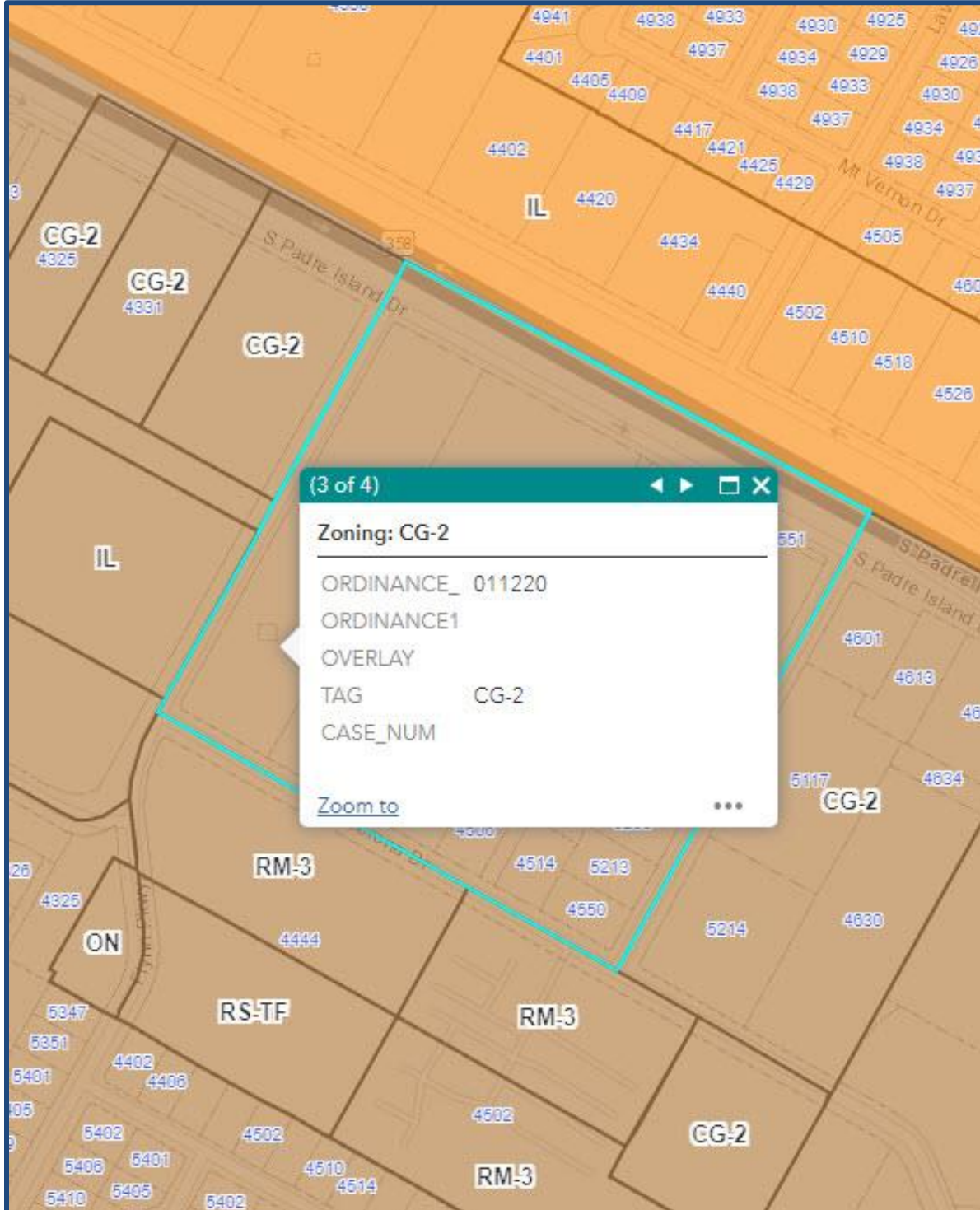
FLOOD MAP



FLOOD MAP – AERIAL VIEW



ZONING MAP



Subject Photographs



View looking northwest at subject from Corona Drive



View looking southeast at subject from Flynn Parkway

Assessment and Tax Data

Assessment Methodology

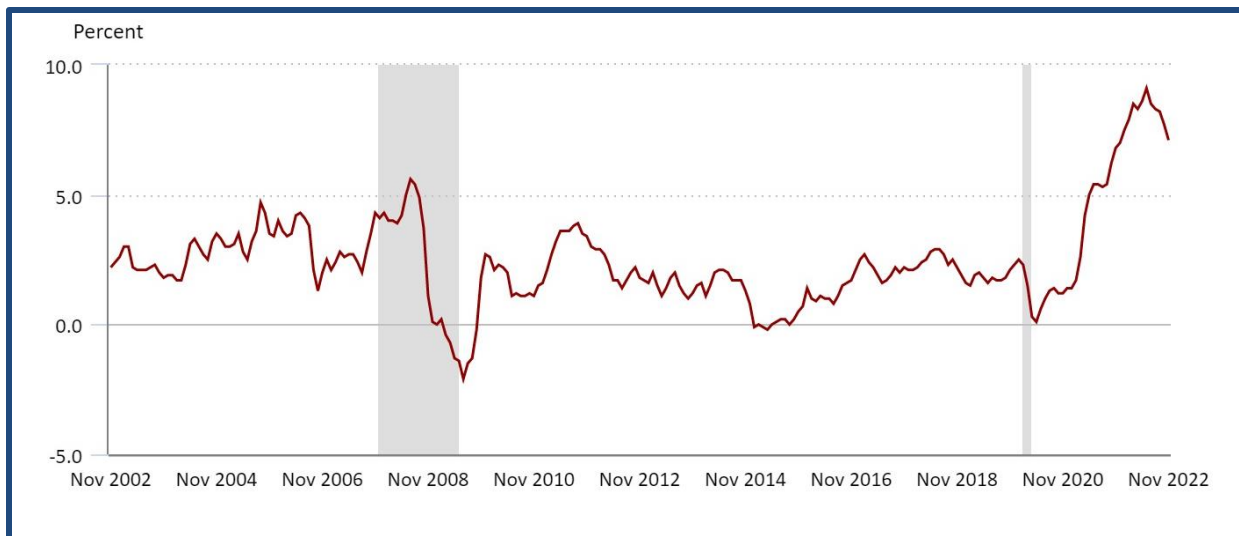
The subject is not currently recognized by the Nueces County Appraisal District.

Market Analysis

Inflation

Inflation is perhaps the biggest 2023 concern for CRE markets and investors. High inflation rates are being driven by both demand (stimulus, more businesses opening, high savings rates) and supply factors (labor shortages and supply chain disruptions). While at the highest rate in 30 years, inflation will likely stay high for the next year. The following table presents historical inflations rates:

ANNUAL CPI RATE OF CHANGE



Source: U.S. Bureau of Labor Statistics

The November 2022 CPI reading was an annual rate of 7.1%, down from the annual rate of 9.0% in June, a pace not seen since 1990. Because of the unique nature of the causes of this rate of inflation, the demand outlook does not point to accelerating inflation over the medium term, which is most important for the overall economic outlook and for decision makers at the Federal Reserve. Market participants anticipate that the Fed will continue to hike interest rates in early 2023 to combat inflation. The biggest risk is that unexpected runaway inflation would be damaging to the economy and negatively affect commercial property markets. However, this is not the expected scenario and elevated inflation can have a net positive impact on commercial property values.

Interest Rates

To combat inflation, the Federal Reserve raised the federal funds rate by 25 basis points in March 2022, reflecting the first increase since 2018. However, this increase had little to no impact in year over year inflation and the Federal Reserve raised rates by an additional 50 basis points in May 2022, followed by 75 basis points in June, July, September, and November 2022. Interest rate increases were moderated in December at 50 basis points in response to CPI rolling over.

Interest rate increases affect capital-intensive industries like real estate. As credit becomes more expensive, investor return requirements increase, which can lead to higher capitalization rates expectations. As inflation persists and the market anticipates additional rate hikes by the Fed, slower growth in CRE pricing and transactions is expected.

In general, nominal (non-inflation adjusted) real estate returns perform well under a variety of rate environments, while inflation-adjusted real estate returns are strongest during periods of stability, according to research done by Trepp. In a March 2022 report on interest rates and commercial real estate, moderate declines or slight increases (0 to 50 basis points) create the strongest returns, with median annual growth at 3.1%. Trepp outlined the following possible impacts of higher interest rates on major CRE sectors:

Multifamily

Issuance in this sector surged in the low-interest-rate environment of 2020 and 2021. Sharply higher interest rates put a dent in issuance in late 2022, as higher borrowing costs reduced demand for debt financing. In the long-term, issuance could rebound. Despite the current trend of declining unemployment and rising income, wage inflation is outpacing price inflation as of now. If this inflation trend continues, consumer demand could be pushed further toward rental properties.

However, the market is currently experiencing a shift away from renting. According to data from the United States Census Bureau, the homeownership rate increased to 65.5% in Q4 2021, a decline from the Q2 2020 peak of 67.9% (a rate height that has yet to be surpassed by those seen post-2008 financial crisis). Additionally, those between the ages of 25 to 29 have increased their homeownership share to 35.4%, up from 34.8% a year earlier, possibly suggesting that younger families are moving away from renting.

Office

The office sector also benefited from the low-interest-rate environment. However, rising interest rates have resulted in an overall drag on growth in 2022 with some companies reducing their projections for future office space needs. With that in mind, landlords have been more willing to lock in tenants at their current rates rather than risk losing them. However, firms are in the midst of the debate over hybrid, in-person, and fully remote expectations from employees, and some are choosing to offload their excess office spaces and either downsize or do away with their in-person spaces for good.

Additionally, rising rates have been problematic when it comes to refinancing. The office market is already in turmoil and rising interest rates are adding to the uncertainty in the market.

Retail

With rising interest rates and a slowing economy, some retailers may curtail plans for growth in response to an up-and-coming potential drop in disposable consumer income. This curtailment may make it more difficult to backfill vacant spaces and lead to consolidation by retailers. Investors could choose to approach 2023 with a more conservative view of retail occupancy going forward.

Lodging

The hotel industry faces challenges from both a supply and demand perspective. CMBS lenders abruptly stopped funding loans when the pandemic took effect in 2020, but, since then lodging loan issuance has picked up. While this seems like good news, the uptick in issuance could prove too fast and there is a potential for the supply to outpace demand. There may not be enough demand to absorb the new supply if consumers and businesses maintain and reduce their levels of spending.

Conclusions

Various market participants will feel the effects of rising interest rates. As highlighted above, each sector of the CRE space will react differently to these rising rates. Ultimately there was some volatility in late 2022 experience across most CRE sectors, which is expected to continue until interest rates moderate.

Highest and Best Use Analysis

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.

Highest and Best Use As Though Vacant

The primary determinants of the highest and best use as though vacant are (1) Legal permissibility, (2) Physical possibility, (3) Financial feasibility, and (4) Maximum productivity.

Legally Permissible

The subject site is zoned CG-2, General Commercial, which controls the general nature of permissible uses and is appropriate for the location and physical elements of the subject property. The location of the subject property is appropriate for the uses allowed, as noted previously, and a change in zoning is unlikely. The site is bisected by a City of Corpus Christi utility easement. No structural improvements are allowed on the easement. The only permitted uses over the easement are for landscaping or paving. The city reserves the right to remove any paving located over the easement area as necessary for repairs, etc. The cost of repairing/repaving is borne by the property owner. An overhead electrical line extends along the northeast property line. The site is significantly adversely affected by the limitations imposed by utility easement.

Physically Possible

The physical characteristics of the subject site are presented in the Site Description. The site is currently inaccessible from any public roadway. As previously discussed, due to the site's proximity to the intersection of Flynn Parkway, Corona Drive and Tiger Lane, and based on conversations with city officials, no vehicular access points will be granted. Elements such as size, shape, availability of utilities, known hazards (flood, environmental, etc.), and other potential influences were considered. The utility of the site is severely adversely impacted by lack of access from a public roadway.

Financially Feasible

A review of published yield, rental and occupancy rates suggests that there is a balanced supply of commercial development and demand is marginally sufficient to support construction costs and timely absorption of additional inventory in this market. Based on the subject's legally permissible and physically possible limitations discussed above, the only financially feasible use for the subject is assemblage with adjoining land.

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 these factors, the maximally productive use as though vacant is for assemblage with adjoining land.

Highest and Best Use As Though Vacant Conclusion

The conclusion of the highest and best use as though vacant is for assemblage with adjoining land.

Most Probable Buyer

As of the date of value, the most probable buyer of the subject property is an adjacent landowner.

Land Valuation

Methodology

Site Value is most often estimated using the sales comparison approach. This approach develops an indication of market value by analyzing closed sales, listings, or pending sales of properties similar to the subject, focusing on the difference between the subject and the comparables using all appropriate elements of comparison. This approach is based on the principles of supply and demand, balance, externalities, and substitution, or the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership.

The “across the fence” valuation methodology has been utilized in the appraisal of the 0.260-acre subject tract. The concept of “across the fence” valuation involves first appraising a hypothetical economic land unit then applying the concluded unit value to the calculated land area of the subject (0.260-acre). The premise of this methodology is that the subject should be worth at least as much as the land to which it abuts or passes.

The “across the fence” valuation involves first appraising a hypothetical economic land unit, then applying the concluded unit value to the appraised 0.260-acre to derive the fee simple value of the appraised property. This includes making any requisite adjustments or analysis to account for appraising the subject property subject to existing easements, etc. An economic land unit is characterized as a parcel of land with frontage, depth, size, shape, soil conditions, topography, access and other characteristics typical of those found in the market area under a designated highest and best use reflective of the subject.

Tracts of land in the immediate market area are typically commercially oriented sites that typically range in size from 1.00 to 5.00 acres. The comparable sales utilized in the Sales Comparison Approach to follow, range in size from 0.832 to 1.997 acres. Based on a survey of the surrounding market area, comparable land sales and the appraiser’s knowledge and experience, it is the appraiser’s opinion that the appropriate hypothetical economic land unit to be utilized in the initial valuation of the appraised property is 1.50 acres. A 1.50-acre commercially oriented vacant tract of land is considered a typical economic land unit in the immediate and general market area of the appraised property.

For the purpose of this analysis, a “hypothetical economic land unit” or parent tract has been utilized in the valuation of the 0.260-acre subject property. In the valuation analysis, the hypothetical economic land unit is to be located in the immediate area of the 0.260-acre subject, is 1.500 acres in size, and exhibits generally similar physical characteristics.

Unit of Comparison

The unit of comparison selected depends on the appraisal problem and nature of the property and is intended to explain or mirror market behavior. The primary unit of comparison in the market and applied in this analysis is price per usable square foot.

Elements of Comparison

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The primary elements of comparison considered in sales comparison analysis are as follows: (1) property rights conveyed, (2) financing terms, (3) conditions of sale, (4) expenditures made immediately after purchase, (5) market conditions, (6) location and (7) physical characteristics.

Comparable Sales Data

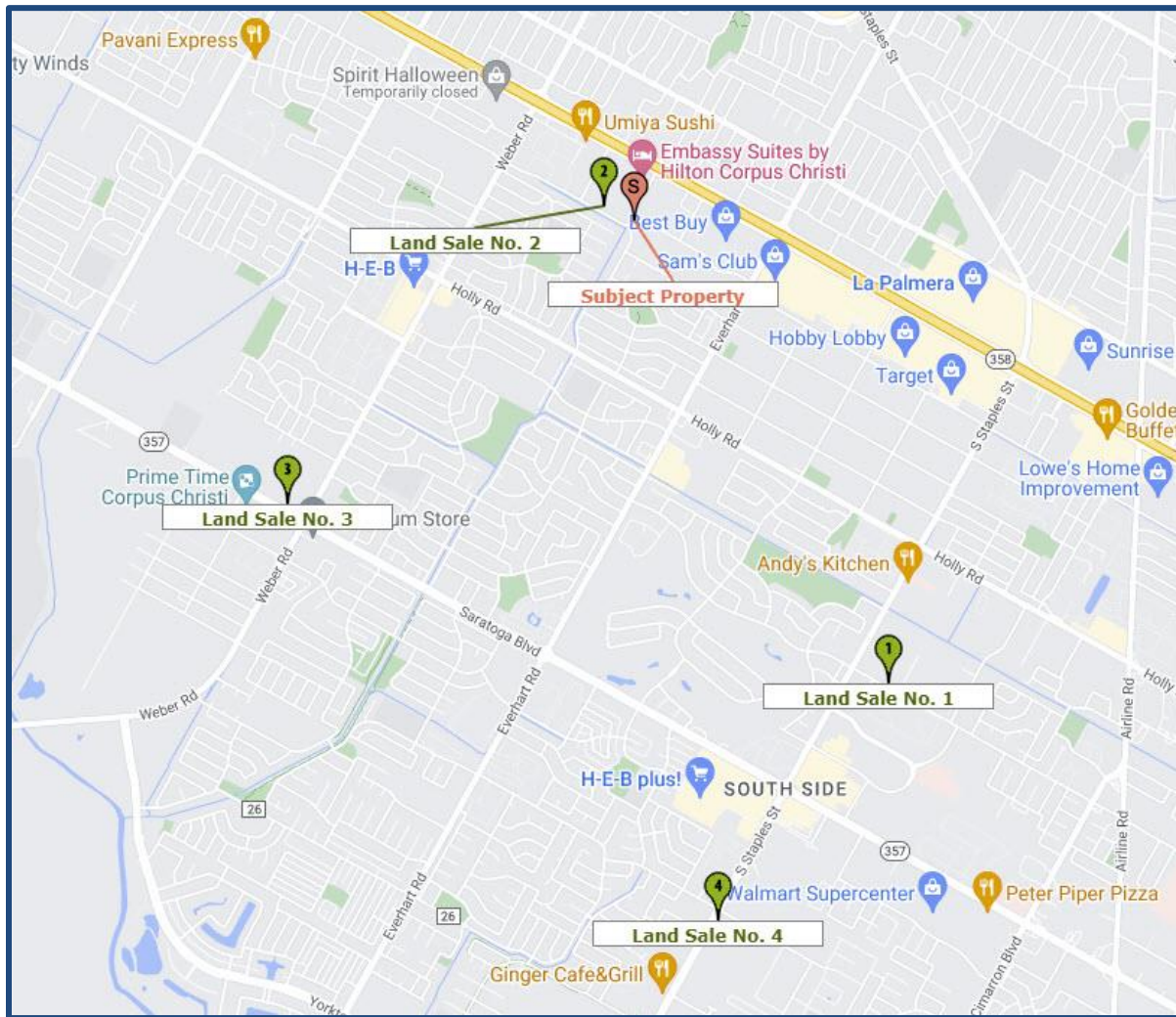
The market was studied to identify sales and listings of typical commercial tracts in the subject's market area. These properties typically have similar locations and physical characteristics. Of these transactions, sufficient sales data was available for the following sale comparables, which were analyzed to estimate a unit value for the economic unit.

The following table summarizes the sale comparables utilized and a map illustrating the location of each in relation to the subject property follows. Details of each comparable follow the location map.

Land Sales Summary

Comp. No.	Date of Sale	Usable Acres	Location	Zoning	Sales Price Actual	Per Sq. Ft.	
1	February-23	0.832	5718 & 5722 Wooldridge Road	Corpus Christi, Texas	IL	\$485,000	\$13.38
2	December-22	1.029	4302 Tiger Lane	Corpus Christi, Texas	CG-1	\$432,000	\$9.64
3	May-22	0.950	3910 Saratoga Boulevard	Corpus Christi, Texas	CG-1	\$745,200	\$18.00
4	August-20	1.997	6702 S Staples St.	Corpus Christi, Texas	CG-2	\$1,566,000	\$18.00

COMPARABLE SALES MAP



LAND COMPARABLE 1

Property Identification

Property Name	5718 & 5722 Wooldridge Road
Address	5718 & 5722 Wooldridge Road
City County State Zip	Corpus Christi, Nueces County, Texas 78414
MSA	Corpus Christi
Tax ID	605323
VPA Property/Sale ID	11297655/1635116

Transaction Data

Sale Status	Closed
Sale Date	February 28, 2023
Grantor/Seller	Robert Gonzalez
Grantee/Buyer	M Lots, LLC
Recording Number	2023005260
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Arm's Length
Sales Price	\$485,000
Post-Sale Exp. Adj.	\$0
Non-Realty Items Adj.	\$0
Adjusted Sales Price	\$485,000

Adjusted Sales Price Indicators

Price per Gross Acre	\$582,933
Price per Gross SF	\$13.38
Price per Usable Acre	\$582,933
Price per Usable SF	\$13.38
Price per Front Foot	\$2,550.08

Verification

Confirmed By	Wes Collier
Confirmation Source	Wayne Lundquist
Confirmation Contact	361-510-7371



Property Description

Gross Land Area	0.832 Acres/36,242 SF
Usable Land Area	0.83200 Acres/36,242 SF
Frontage Feet	190.19
Depth	195.00
Street Access	Average
Rail Access	No
Water/Port Access	No
Visibility	Average
Corner/Interior	Interior
Shape	Rectangular
Topography	Level
Utilities	Public utilities available
Flood Hazard Zone	Zone X
% in Flood Hazard	0.00%
Zoning Code	IL Light Industrial

Remarks

The site includes 0.832-acre of land located along the north side of Wooldridge Road in the southeastern section of Corpus Christi. The site exhibits generally level topography and features approximately 190 feet of frontage along Wooldridge Road. Public utilities are available to the property. According to FEMA flood maps, the site is located outside of the 100-year floodplain. The immediate area surrounding the site includes predominantly light industrial development intermingled with retail, office, and multi-family uses. The site is zoned LI, Light Industrial, and is well suited for development as permitted by zoning. The property was purchased by M Lots, LLC on February 2, 2023. The asking price for the subject was \$498,000. The final sales price was \$485,000. The transaction is recorded in Document No. 2023005260.

LAND COMPARABLE 2

Property Identification

Address	4302 Tiger Lane
City County State Zip	Corpus Christi, Nueces County, Texas 78411
MSA	Corpus Christi
Tax ID	593907
VPA Property/Sale ID	11300020/1635305

Transaction Data

Sale Status	Closed
Sale Date	December 1, 2022
Grantor/Seller	Sun Flynn, L.P.
Grantee/Buyer	Red Gold Dragons, LLC
Recording Number	2022054290
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Arm's Length
Sales Price	\$432,000
Post-Sale Exp. Adj.	\$0
Non-Realty Items Adj.	\$0
Adjusted Sales Price	\$432,000

Adjusted Sales Price Indicators

Price per Gross Acre	\$419,825
Price per Gross SF	\$9.64
Price per Usable Acre	\$419,825
Price per Usable SF	\$9.64
Price per Front Foot	\$2,160.00

Verification

Confirmed By	Wes Collier
Confirmation Source	Wayne Lundquist
Confirmation Contact	361-854-4448

Remarks

The property includes 1.029 acres located along the north side of Tiger Lane in the southern section of Corpus Christi. The tract is in an area of mixed residential, multi-family, and governmental office use. The property is an interior tract with single-sided frontage along Tiger Lane. The site is zoned General Commercial by the City of Corpus Christi. According to FEMA flood maps, approximately 30%-40% of the property is located within the 100-year floodplain.



Property Description

Gross Land Area	1.029 Acres/44,823 SF
Usable Land Area	1.02900 Acres/44,823 SF
Frontage Feet	200.00
Visibility	Average
Corner/Interior	Interior
Shape	Rectangular
Topography	Level
Utilities	Public utilities available
Flood Hazard Zone	Zone A
% in Flood Hazard	35.00%
Zoning Code	CG-1 General Commercial

LAND COMPARABLE 3

Property Identification

Address	3910 Saratoga Boulevard
City County State Zip	Corpus Christi, Nueces County, Texas 78415
MSA	Corpus Christi
Tax ID	603299
VPA Property/Sale ID	11300023/1635308

Transaction Data

Sale Status	Closed
Sale Date	May 31, 2022
Grantor/Seller	Corpus Christi Island Apartment Villas Management Group, LLC
Grantee/Buyer	Oloyo Investments, Ltd.
Recording Number	2022027069
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Arm's Length
Sales Price	\$745,200
Post-Sale Exp. Adj.	\$0
Non-Realty Items Adj.	\$0
Adjusted Sales Price	\$745,200

Adjusted Sales Price Indicators

Price per Gross Acre	\$784,091
Price per Gross SF	\$18.00
Price per Usable Acre	\$784,091
Price per Usable SF	\$18.00
Price per Front Foot	\$4,968.00

Verification

Confirmed By	Wes Collier
Confirmation Source	Wayne Lundquist

Remarks

The property includes 0.950-acre located along the north side of Saratoga Boulevard in the southern section of Corpus Christi. The tract is in an area of primarily retail and light industrial development. The property is an interior tract with single-sided frontage along Saratoga Boulevard. The site is zoned General Commercial by the City of Corpus Christi.



Property Description

Gross Land Area	0.950 Acres/41,399 SF
Usable Land Area	0.95040 Acres/41,399 SF
Frontage Feet	150.00
Visibility	Average
Corner/Interior	Interior
Shape	Rectangular
Topography	Level
Utilities	Public utilities available
Flood Hazard Zone	Zone X
% in Flood Hazard	0.00%
Zoning Code	CG-1 General Commercial

LAND COMPARABLE 4

Property Identification

Property Name	Staples Land
Address	6702 S Staples St.
City County State Zip	Corpus Christi, Nueces County, Texas 78414
MSA	Corpus Christi
VPA Property/Sale ID	11004267/1438616

Transaction Data

Sale Status	Closed
Sale Date	August 4, 2020
Grantor/Seller	Staples Timbergate Highway Property, LLC
Grantee/Buyer	Staples Plaza, LLC
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Arm's Length
Sales Price	\$1,566,000
Financing Adj.	\$0
Sale Conditions Adj.	\$0
Post-Sale Exp. Adj.	\$0
Non-Realty Items Adj.	\$0
Adjusted Sales Price	\$1,566,000

Adjusted Sales Price Indicators

Price per Gross Acre	\$784,082
Price per Gross SF	\$18.00
Price per Usable Acre	\$784,080
Price per Usable SF	\$18.00
Price per Front Foot	\$6,264.00

Verification

Confirmed By	Mitchell Kirkpatrick
Confirmation Source	Wayne Lundquist
Confirmation Contact	361-510-7371

Remarks

This is the sale of a 2.00 acre parcel at the southeast corner of S. Staples and Timbergate Drive. This is a signalized intersection. The site also has frontage on Timbergate Drive which is a secondary thoroughfare.



Property Description

Proposed Use	Commercial
Gross Land Area	1.997 Acres/87,000 SF
Usable Land Area	1.99724 Acres/87,000 SF
Frontage Feet	250.00
No. of Lots	1
Street Access	Good
Rail Access	No
Water/Port Access	No
Visibility	Good
Corner/Interior	Corner
Shape	Rectangular
Topography	Level
Utilities	Water, sewer, gas, electrical
Flood Hazard Zone	Zone X
Zoning Code	CG-2 Commercial

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, a negative adjustment was applied. 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:

Real Property Rights Conveyed

Real property rights conveyed influence sales prices and must be considered when analyzing a sale comparable. The property rights appraised reflect the fee simple interest. All of the sale comparables conveyed the same interest; therefore, no adjustments were required.

Financing Terms

The transaction price of one property may differ from that of an identical property due to different financial arrangements. Sales involving financing terms that are not at or near market terms require adjustments for cash equivalency to reflect typical market terms. A cash equivalency procedure discounts the atypical mortgage terms to provide an indication of value at cash equivalent terms. All of the sale comparables involved typical market terms by which the sellers received cash or its equivalent and the buyers paid cash or tendered typical down payments and obtained conventional financing at market terms for the balance. Therefore, no adjustments for this category were required.

Conditions of Sale

When the conditions of sale are atypical, the result may be a price that is higher or lower than that of a normal transaction. Adjustments for conditions of sale usually reflect the motivations of either a buyer or a seller who is under duress to complete the transaction. Another more typical condition of sale involves the downward adjustment required to a comparable property's for-sale listing price, which usually reflects the upper limit of value. No adjustments for atypical conditions or for-sale listings were warranted.

Expenditures Made Immediately After Purchase

A knowledgeable buyer considers expenditures required upon purchase of a property, as these costs affect the price the buyer agrees to pay. Such expenditures may include: costs to demolish and remove any portion of the improvements, costs to petition for a zoning change, and/or costs to remediate environmental contamination.

The relevant figure is not the actual cost incurred, but the cost anticipated by both the buyer and seller. Unless the sales involved expenditures anticipated upon the purchase date, no adjustments to the comparable sales are required for this element of comparison. The parties to these transactions did not anticipate expenditures were required immediately after purchase; therefore, no adjustments were warranted.

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.

Discussions with market participants and a review of market data indicated overall market conditions for vacant land properties in the subject's market area have been improving with recent transactions confirming this trend. The comparable sales range in date of transaction from August 2020 to February 2023; thus, slight 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 reasoning for the property adjustments made to each sale comparable follows. The discussion analyzes each adjustment category deemed applicable to the subject property.

Location

Location adjustments may be required when the locational characteristics of a comparable are different from those of the subject. These characteristics can include general neighborhood characteristics, proximity to major thoroughfares, proximity to employment centers and amenities, neighboring properties, and accessibility.

The subject site is located approximately 100 feet north of the intersection of Flynn Parkway and Corona Drive. Flynn Parkway and Corona Drive are secondary traffic corridors developed with primarily secondary commercial, multi-family, and single-family residential development. Comparable Sale No. 1 is located along Wooldridge Road. Comparable Sale No. 2 is located along Tige Lane in close proximity to the subject. The locational characteristics exhibited by Comparable Sale Nos. 1 and 2 are considered similar to the subject; therefore, no adjustments are required. Comparable Sale Nos. 3 and 4 are located along Saratoga Boulevard and South Staples Street, respectively. Saratoga Boulevard and South Staples Street are primary neighborhood traffic corridors that exhibit higher traffic counts and more dense commercial development along the routes. The locational characteristics exhibited by Comparable Sale Nos. 3 and 4 are considered superior to the appraised property; thus, downward adjustments are warranted.

Size

The size adjustment addresses variance in the physical size of the comparables and that of the subject, as a larger parcel typically commands a lower price per unit than a smaller parcel. This inverse relationship is due, in part, to the principle of "economies of scale."

Based on an analysis of similar properties within the subject's market area as well as the comparable sales utilized in the following land valuation analysis, the appraiser has considered a 1.50-acre economic unit. The comparable sales range in size from 0.832-acre to 1.997 acres. Comparable Sale Nos. 1, 2, and 3 are smaller than the appraised economic unit; thus, downward adjustments are applied. Comparable Sale No. 4 is larger than the appraised economic unit; therefore, an upward adjustment is appropriate.

Corner Exposure

Tracts with major corner exposure typically command higher prices in the marketplace, as opposed to mid-block or interior locations. For retail users, the hard corner of an intersection may be marketed to a fairly large pool of small users (e.g. service stations, fast food restaurants, etc.) for sale.

The subject site is a through lot with frontage along Flynn Parkway and Corona Drive. Comparable Sale Nos. 1, 2, and 3 are interior locations with single-sided frontage considered inferior to the appraised tract; therefore, upward adjustments are applied. Comparable Sale No. 4 is a corner location with frontage along South Staples Street and Timbergate Drive. The corner exposure exhibited by Comparable Sale No. 4 is considered similar in comparison to the appraised tract; thus, no adjustment is required.

Floodplain

A property's location within flood zone 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. According to FEMA flood maps, the appraised property is located outside of the 100-year floodplain. According to FEMA flood maps, Comparable Sale Nos. 1, 3, and 4 are located outside the 100-year floodplain; thus, no adjustments are warranted. According to FEMA flood maps, Comparable Sale No. 2 exhibits approximately 30-40% exposure to the 100-year floodplain; as such, an upward adjustment is appropriate.

Zoning

The highest and best use of sale comparables should be very similar to that of the subject property. When comparables with the same zoning as the subject are lacking or scarce, parcels with slightly different zoning, but a highest and use similar to that of the subject may be used as comparables. These comparables may require an adjustment for differences in utility if the market supports such adjustment.

The appraised tract is zoned General Commercial. Comparable Sale No. 1 is zoned Light Industrial which restricts the development to lower densities, etc. The zoning classification exhibited by Comparable Sale No. 1 is considered inferior to the appraised tract; thus, an upward adjustment is warranted. Comparable Sale Nos. 2, 3, and 4 are zoned General Commercial 1 and 2 which is considered similar to the appraised tract; as such, no adjustments are required.

Summary of Adjustments

A summary of the adjustments made to the sale comparables is presented in the following table:

LAND SALES ADJUSTMENT GRID – ECONOMIC UNIT

Subject		Sale # 1	Sale # 2	Sale # 3	Sale # 4
Sale ID		1635116	1635305	1635308	1438616
Date of Value & Sale	February-23	February-23	December-22	May-22	August-20
Unadjusted Sales Price		\$485,000	\$432,000	\$745,200	\$1,566,000
Usable Acres	1.500	0.832	1.029	0.950	1.997
Unadjusted Sales Price per Usable Sq. Ft.		\$13.38	\$9.64	\$18.00	\$18.00
Transactional Adjustments					
Property Rights Conveyed	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>
Adjusted Sales Price		\$13.38	\$9.64	\$18.00	\$18.00
Financing Terms	<i>Cash to Seller</i>	<i>Cash to Seller</i>	<i>Cash to Seller</i>	<i>Cash to Seller</i>	<i>Cash to Seller</i>
Adjusted Sales Price		\$13.38	\$9.64	\$18.00	\$18.00
Conditions of Sale	<i>Typical</i>	<i>Arm's Length</i>	<i>Arm's Length</i>	<i>Arm's Length</i>	<i>Arm's Length</i>
Adjusted Sales Price		\$13.38	\$9.64	\$18.00	\$18.00
Expenditures after Sale		\$0	\$0	\$0	\$0
Adjusted Sales Price		\$13.38	\$9.64	\$18.00	\$18.00
Market Conditions Adjustments					
Elapsed Time from Date of Value		<i>0.05 years</i>	<i>0.22 years</i>	<i>0.73 years</i>	<i>2.55 years</i>
Market Trend Through	February-23	0.2%	0.7%	2.2%	7.7%
Analyzed Sales Price		\$13.40	\$9.70	\$18.39	\$19.38
Physical Adjustments					
Location	<i>Flynn Parkway and Corona Drive</i>	<i>5718 & 5722 Wooldridge Road</i>	<i>4302 Tiger Lane</i>	<i>3910 Saratoga Boulevard</i>	<i>6702 S Staples St.</i>
	<i>Corpus Christi, Texas</i>	<i>Corpus Christi, Texas</i>	<i>Corpus Christi, Texas</i>	<i>Corpus Christi, Texas</i>	<i>Corpus Christi, Texas</i>
Adjustment		-	-	-20.0%	-20.0%
Size	<i>1.500 acres</i>	<i>0.832 acres</i>	<i>1.029 acres</i>	<i>0.950 acres</i>	<i>1.997 acres</i>
Adjustment		-9.0%	-6.0%	-7.0%	3.0%
Shape/Depth	<i>Irregular</i>	<i>Rectangular</i>	<i>Rectangular</i>	<i>Rectangular</i>	<i>Rectangular</i>
Adjustment		-	-	-	-
Corner Exposure	<i>Corner</i>	<i>Interior</i>	<i>Interior</i>	<i>Interior</i>	<i>Corner</i>
Adjustment		10.0%	10.0%	10.0%	-
Frontage/Access	<i>Typical</i>	<i>Primary - 190 feet</i>	<i>Primary - 200 feet</i>	<i>Primary - 150 feet</i>	<i>Primary - 250 feet & Secondary - 225 feet</i>
Adjustment		-	-	-	-
Utilities	<i>Public utilities available</i>	<i>Public utilities available</i>	<i>Public utilities available</i>	<i>Public utilities available</i>	<i>Public utilities available</i>
Adjustment		-	-	-	-
Floodplain	<i>Zone X</i>	<i>Zone X</i>	<i>Approximately 30-40% Zone A</i>	<i>Zone X</i>	<i>Zone X</i>
Adjustment		-	30.0%	-	-
Zoning	<i>CG-2</i>	<i>IL</i>	<i>CG-1</i>	<i>CG-1</i>	<i>CG-2</i>
Adjustment		10.0%	-	-	-
Easements/Encumbrances	<i>None adverse</i>	<i>None adverse</i>	<i>None adverse</i>	<i>None adverse</i>	<i>None adverse</i>
Adjustment		-	-	-	-
Net Physical Adjustment		11.0%	34.0%	-17.0%	-17.0%
Adjusted Sales Price per Usable Square Foot		\$14.88	\$13.00	\$15.27	\$16.08

Conclusion

The land comparables were adjusted based on pertinent elements of comparison with the unadjusted and adjusted unit sales prices presented in the following table:

Land Sale Statistics

Metric	Unadjusted	Analyzed	Adjusted
Min. Sales Price per Usable Square Foot	\$9.64	\$9.70	\$13.00
Max. Sales Price per Usable Square Foot	\$18.00	\$19.38	\$16.08
Median Sales Price per Usable Square Foot	\$15.69	\$15.90	\$15.07
Mean Sales Price per Usable Square Foot	\$14.76	\$15.22	\$14.81

All four of the comparable sales are considered meaningful indicators of value. The adjusted prices of the sales ranged from \$13.00 to \$16.08 per square foot with an average or \$14.81 per square foot and a median of \$15.07 per square foot. Three of the comparable sales indicate a closely aligned range from \$14.88 to \$16.08 per square foot with an average of \$15.41 per square foot.

The “across the fence” valuation methodology has been utilized in the appraisal of the 0.260-acre subject. The concept of “across the fence” valuation involves first appraising a hypothetical economic land unit then applying the concluded unit value to the calculated land area of the subject (0.260 acres). The premise of this methodology is that the subject should be worth at least as much as the land to which it abuts or passes.

The final step in the valuation of the appraised 0.260-acre property is to apply the indicated market value on a per acre basis to the 0.260-acre subject. When the indicated market value of \$15.00 per acre is applied to the 0.260-acre property, the indicated market value is \$170,000.

Based on this analysis, the land value indication is summarized as follows:

Land Value Conclusion			
Reasonable Adjusted Comparable Range			
0.260 acres	x	\$14.88 psf	= \$168,531
0.260 acres	x	\$16.08 psf	= \$182,122
Preliminary Market Value Opinion			(Rounded)
0.260 acres	x	\$15.00 psf	= \$170,000

Access and Easement Limitations

The final step in the valuation of the appraised 0.260-acre tract is the consideration of the impact of the denial of access by the City of Corpus Christi as well the utility easement bisecting the subject.

The initial market value conclusion estimated herein reflects the unencumbered fee simple title interest in the 0.260-acre property, subject to typical easements and encumbrances. Fee simple ownership in the property is compared to a "bundle of sticks" (also known as bundle of rights theory) where each "stick" represents a separate right or inherent interest in ownership. These rights include the following:

1. right to sell an interest,
2. right to lease an interest,
3. right to occupy and use a property,
4. right to mortgage an interest,
5. right to give interest away, and
6. right to do nothing.

The appraised site includes 0.260-acre of land. The property is a generally rectangular in shape and is located approximately 100 feet north of the intersection of Flynn Parkway and Corona Drive in Corpus Christi, Texas. The property is currently inaccessible from any public roadway. Due to the site's proximity to the intersection of Flynn Parkway, Corona Drive and Tiger Lane, no vehicular access points will be granted.

The site is bisected by a City of Corpus Christi utility easement. No structural improvements are allowed on the easement. The only permitted uses over the easement are for landscaping or paving. The city reserves the right to remove any paving located over the easement area as necessary for repairs, etc. The cost of repairing/repaving is borne by the property owner.

The subject is commercially oriented in nature. Due to the denial of access as well as the extensive limitations imposed by the City of Corpus Christi utility easement that bisects the site, a potential owner of the appraised property has, in essence, lost the ability to occupy and use the subject to its highest and best use, which is for commercial development.

The appraiser has reviewed a published article (Right of Way Magazine, "The Valuation of Easements", Sherwood, November/December 2014) which outlines a basic analysis of typical easement encumbrances.

A summary of the chart is as follows:

% of Fee	Comments	Potential Types of Easements
90% - 100%	Severe impact on surface use; conveyance of future uses	Overhead electric, flowage easements, railroad right of way, irrigation canals, exclusive access easements
75% - 89%	Major impact on surface use; conveyance of future uses	Overhead electric, pipelines, drainage easements, railroad right of way, flowage easements
51% - 74%	Some impact on surface use; conveyance of ingress/egress rights	Pipelines, scenic easements
50%	Balanced use by both owner and easement holder	Water or sewer lines, cable lines, telecommunications
26% - 49%	Location along a property line location across non-usable land area	Water or sewer line, cable lines
11% - 25%	Subsurface air rights with minimal effect on use and utility; location with a setback	Air rights, water or sewer lines
0% - 10%	Nominal effect on use and utility	Small subsurface easement

It is the appraiser's opinion that the restrictions associated with the denial of access and the extensive limitations imposed by the City of Corpus Christi utility easement, are generally consistent with the discount outlined above where there is a major to severe impact on surface use, conveyance and ingress/egress rights, and future uses. The indicated range in discounts is 75%-100%.

The limitations imposed on the appraised property significantly impact the legally permissible uses of the subject property; and severely impact the highest and best use of the subject property, which is commercial in nature. Based on the above discussion and considering the discounts indicated by various easements, it is the appraiser's opinion that the appropriate discount to be applied to the appraised property resulting from the denial of access and limitations imposed by the City of Corpus Christi utility easement fall near the upper end of the range exhibited by the published article, or 95.0%.

The calculations addressing the market value of the 0.260 acres of land subject to the denial of access and zoning requirements are outlined as follows:

Initial market value of the 0.260-acre tract (RD):	\$170,000
Multiplied by Reciprocal of 95% Discount	X 5%
	\$8,500
 Indicated Market Value subject:	 \$8,500 (RD)

Reconciliation

Summary of Value Indications

Our concluded market value for the subject property is summarized in the following table

Value Conclusion	
Component	As Is
Value Type	Market Value
Real Property Interest	Fee Simple
Effective Date of Value	February 21, 2023
Value Conclusion	\$8,500

Given the availability and reliability of data within the Sales Comparison Approach, this approach was given sole weight in reconciling to the final value conclusions. Furthermore, properties such as the subject property are typically purchased by market participants, who primarily rely upon the methods employed by the Sales Comparison Approach.

The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results:

Extraordinary Assumptions:

- The subject property is currently inaccessible by vehicle from any public roadway. Due to the subject's proximity to the intersection of Flynn Parkway, Corona Drive and Tiger Lane, and based on conversations with city officials, no vehicular access points will be granted. This appraisal is conducted under the extraordinary assumption that the subject will be inaccessible from any public roadway in perpetuity.

Hypothetical Conditions:

- For the purpose of this analysis, a "hypothetical economic land unit" or parent tract has been utilized in the valuation of the 0.260-acre subject property. In the valuation analysis, the hypothetical economic land unit is to be located in the immediate area of the 0.260-acre subject, is 1.500 acres in size, and exhibits generally similar physical characteristics.

Exposure Time and Marketing Period

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 12 months and 12 months, respectively, are considered reasonable and appropriate for the subject property.

General Assumptions and Limiting Conditions

This appraisal is subject to the following general assumptions and 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 | 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 | 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. Appraiser is not responsible for determining whether the date of value requested by Client is appropriate for Client's intended use.
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 | 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 | 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, immobile 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 more precise measurement, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer) as an alternative source. If this alternative measurement source reflects or reveals substantial differences with the measurements used within the report, upon request of the client, the appraiser will submit a revised report for an additional fee.
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, upon request of the client, the appraiser will submit a revised report for an additional fee.
27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, and a review of the final plans and specifications reveals substantial differences upon request of the client the appraiser will submit a revised report for an additional fee.

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 | 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 | 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 | San Antonio for this assignment, and under no circumstances shall any claim for consequential damages be made.
36. 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 | San Antonio. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold 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 | San Antonio harmless from and against any liability, loss, cost, or expense incurred or suffered by 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.
41. The global outbreak of a "novel coronavirus" (known as COVID-19) was officially declared a pandemic by the World Health Organization (WHO). It is currently unknown what direct, or indirect, effect, if any, this event may have on the national economy, the local economy or the market in which the subject property is located. The reader is cautioned, and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of this event, or any event, subsequent to the effective date of the appraisal.

Certification – Brett E. Weatherbie, MAI, AI-GRS

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, AI-GRS. made a personal inspection of the property that is the subject of this report.
10. Wesley T. Collier 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, AI-GRS, had completed the continuing education program for Designated Members of the Appraisal Institute.



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

Addenda

Glossary

Qualifications

- Brett E. Weatherbie, MAI, AI-GRS - Senior Managing Director
- Wesley T. Collier – Appraiser Analyst

Information on Valbridge Property Advisors

Office Locations

Glossary

Definitions are taken from The Dictionary of Real Estate Appraisal, 7th 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. (Interagency Appraisal and Evaluation Guidelines) Note that the use of the “as is” phrase is specific to appraisal regulations pursuant to FIRREA applying to appraisals prepared for regulated lenders in the United States. The concept of an “as is” value is not included in the Standards of Valuation Practice of the Appraisal Institute, Uniform Standards of Professional Appraisal Practice, or International Valuation Standards. (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 that 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)

Bulk Value

The value of multiple units, subdivided plots, or properties in a portfolio as though sold together in a single transaction. (Dictionary)

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, [amenities,] and upkeep. (ICSC – International Council of Shopping Centers, 4th Ed.)

Condominium

An attached, detached, or stacked unit within or attached to a structure with common areas that are held as tenants in common (an undivided interest) with other owners in the project. The units can be residential, commercial, industrial, or parking spaces or boat docks. These units are commonly defined by state laws in their locations. Because units can be stacked on top of other units, these units can be defined both vertically and horizontally. (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 ($DCR = NOI \div I_m$), 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

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 value of the improvement on the same date.

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:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation;
3. Both the buyer and seller are acting prudently and knowledgeably;
4. The seller is under compulsion to sell;
5. The buyer is typically motivated;
6. Both parties are acting in what they consider to be their best interests;

7. An adequate marketing effort will be made during the exposure time;
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and
9. 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.

This definition can also be modified to provide for valuation with specified financing terms. (Dictionary)

Double Net (Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net lease is defined as a lease in which the tenant is responsible to pay both property taxes and premiums for insuring the building(s). (Valbridge)

(The market definition of a double net lease varies depending on the market)

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 opinion applies. (SVP)
2. The date to which an appraiser's analyses, opinions, and conclusions apply; also referred to as date of value. (USPAP, 2020-2021 ed.)
3. The date that a 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.

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. An opinion, based on supporting market data, of the 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. (USPAP, 2020-2021 ed.)

Extraordinary Assumption

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. (USPAP)

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. In essence, floor common area represents all of the area on the floor that is common to that respective floor with the exception of those areas that penetrate through the floor, such as the elevator shaft and stairwell. The significant point to be made is that floor common area is not part of the tenant's usable area. (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 Sellout Value (Sum of the Retail Values)

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. An appraisal has an effective date, but summing the sale prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. 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 or 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)
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)

Insurable Value (Replacement Cost for Insurance Purposes)

The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design, and layout for insurance coverage purposes guaranteeing that damaged property is replaced with new property (i.e., depreciation is not deducted). (Dictionary)

Investment Value

1. 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)
2. The value of an asset to the owner or a prospective owner given individual investment or operational objectives (may also be known as worth). (IVS)

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 (Leasehold Estate)

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)

See also Positive Leasehold and Negative Leasehold.

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:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. 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 under all the conditions requisite to a fair lease transaction, the lessee and the lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby:

1. Lessee and lessor are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
4. The rent reflects specified terms and conditions, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, and tenant improvements (TIs). (Appraisal Institute)

Market Value

The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: 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:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. 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; 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)

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)

Master Lease

1. A lease in which a part or the entire property is leased to a single entity (the master lessee) in return for a stipulated rent. The master lessee then subleases the property to multiple tenants.
2. The first lease in a sandwich lease. (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)

Negative Leasehold

A lease situation in which the market rent is less than the contract rent. (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 or easement. (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)

Percentage Lease

A lease in which the rent or some portion of the rent represents a specified percentage of the volume of business, productivity, or use achieved by the tenant. (Dictionary)

Positive Leasehold

A lease situation in which the market rent is greater than the contract rent. (Dictionary)

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy. (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 that 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)

TPO

Thermoplastic polyolefin, a resilient synthetic roof covering.

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

1. The amount determined by discounting the future cash flows (including the ultimate proceeds of disposal) expected to be derived from the use of an asset at an appropriate rate that allows for the risk of the activities concerned. (FASB Accounting Standards Codification, Master Glossary)
2. Formerly used in valuation practice as a synonym for *contributory value* or *use value*. (Dictionary)

VTAB (Value of the Total Assets of a Business)

The total amount that the real property, tangible personal property, and intangible property assets of a business would sell for in an asset-based transaction. (Dictionary)

Qualifications

Qualifications of Brett E. Weatherbie, MAI, AI-GRS
Senior Managing Director
Valbridge Property Advisors | San Antonio | Austin
bweatherbie@valbridge.com



Education

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

Designations/Certifications

- Designated Member of the Appraisal Institute, MAI, August 2012)
- Designated Member of the Appraisal Institute, AI-GRS, March 2022
- State Certified General Real Estate Appraiser; State of Texas; Certification No. TX-1337354-G

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)
- Fundamentals of the Uniform Appraisal Standards for Federal Land Acquisitions
- Review Theory - General

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 | Austin. He is a Partner/Shareholder and serves as a Senior Managing Director in the firms.

Real Estate Specializations

Experience includes appraisal and consulting assignments related to commercial, retail, office, medical office, hotel/lodging, industrial, manufacturing, multi-family, residential subdivisions, residential single-family, commercial land, farm and ranch, coastal/gulf coast properties, USFLA ("Yellow Book") compliant appraisals, 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, 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 primary trade area includes South, West and Central Texas. Mr. Weatherbie has also completed appraisals in Colorado, Michigan, Montana, Arkansas and Indiana. Clients served include financial institutions, governmental agencies, non-profit organizations, attorneys, individuals, and corporations.

Having grown up in San Antonio, Brett 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, and a team gold medal in the 1999 Military World Championships.

From 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

- Valbridge Property Advisors, Inc. Board of Directors (Present)
- Appraisal Institute Leadership Development & Advisory Council Planning Committee (Present)
- Appraisal Institute National Nominating Committee (2021)
- President - South Texas Chapter of the Appraisal Institute (2018)
- First Vice President - South Texas Chapter of the Appraisal Institute (2017)
- 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 (2016, 2017 & 2019)

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

BRETT EDWARD WEATHERBIE
865 ESTES AVENUE
SAN ANTONIO, TX 78209



TALCB
TEXAS APPRAISER LICENSING &
CERTIFICATION BOARD

Certified General Real Estate Appraiser

Appraiser: **BRETT EDWARD WEATHERBIE**

License #: TX 1337354 G	License Expires: 09/30/2023	
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Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title:
Certified General Real Estate Appraiser

For additional information or to file a complaint please contact TALCB at www.talcb.texas.gov.



Chelsea Buchholtz
Commissioner

Qualifications of Wesley T. Collier
Appraiser Analyst
Valbridge Property Advisors | San Antonio
wcollier@valbridge.com



Independent Valuations for a Variable World

Education

- *Master of Business Administration, Texas State University - August 2005*
- *Bachelor of Business Administration in Finance, Texas State University - August 2002*

Specialized Education

Appraisal Institute (Courses Completed):

- Basic Appraisal Principles
- Basic Appraisal Procedures
- Uniform Standards of Professional Appraisal Practice (USPAP)
- Texas Appraising for the Supervisor and Trainee
- Real Estate Finance, Statistics, and Valuation Modeling
- General Appraiser Income Approach I
- General Appraiser Income Approach II
- Advanced Income Approach

Professional Affiliations

- Alamo Heights United Methodist Church: Board of Stewards 2018-Present
- Northwood Presbyterian Day School: Board of Directors 2018-Present
- Northwood Presbyterian Day School Board of Directors: Treasurer 2019-Present

Designations/Certifications

- Appraiser Trainee License No. TX-1342289.

Real Estate Specializations-

- Commercial, retail, office, and industrial properties
- Estate planning
- Convenience stores
- Working, recreational, and game managed ranches
- Income producing properties
- Government acquisitions

Experience

Presently and since May 1, 2020, Wes Collier has been employed by Valbridge Property Advisors | San Antonio, where he works as an Appraiser Trainee Analyst. Valuation experience includes appraisal assignments related to farm and ranch, industrial properties, estates, and government acquisitions.

A native of Uvalde, TX, Wes graduated from Uvalde High School and then attended Texas State University. Previous experience includes work in both the financial advisory and oil/gas industries.

WESLEY COLLIER
2826 BENT BOW DR
SAN ANTONIO, TX 78209



TALCB
TEXAS APPRAISER LICENSING &
CERTIFICATION BOARD

Appraiser Trainee



Trainee: Wesley Collier
Authorization #: TX 1342289 Trainee **Expires: 06/30/2024**

Review the list of the above Trainee's Supervisors on the License Holder Search at www.talcb.texas.gov.

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title: Appraiser Trainee

For additional information or to file a complaint please contact TALCB at www.talcb.texas.gov.


Chelsea Buchholtz
Commissioner



Valbridge

PROPERTY ADVISORS



FAST FACTS COMPANY INFORMATION

- Valbridge is the largest independent commercial property valuation and advisory service firm in North America.
 - Total number of MAI-designated appraisers (200+ on staff)
 - Total number of office locations (80+ across the U.S.)
 - Total number of staff (675+ strong)
- Valbridge covers the entire U.S. from coast to coast.
- Valbridge specializes in appraising all types of real property.
- Valbridge provides independent valuation services. We are NOT owned by a brokerage firm or investment company.
- Every Valbridge office is overseen by a senior managing director who holds the MAI designation of the Appraisal Institute.
- Valbridge is owned by local offices.
- Valbridge welcomes single-property assignments as well as portfolio, multi-market, and other bulk-property engagements.

Valbridge Property Advisors, Inc.

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VALBRIDGE PROPERTY ADVISORS OFFICE LOCATIONS

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4732 Woodmere Blvd.
Montgomery, AL 36106
(334) 277-5077

ARIZONA

6061 E. Grant Rd.
Tucson, AZ 85712
(520) 321-0000

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4915 Calloway Dr., Ste. 101
Bakersfield, CA 93312
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San Luis Obispo, CA 93401
(805) 544-2472

3160 Crow Canyon Pl.
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(925) 327-1660

825 Colorado Blvd., Ste. 243
Los Angeles, CA 90041
(626) 486-9327

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1530 The Alameda, Ste. 100
San Jose, CA 95126
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23272 Two Rivers Rd., Ste. 101
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5345 Arapahoe Ave., Ste. 7
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COLORADO (CONT'D)

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1099 Main Ave., Ste. 311
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17 Covewood Dr.
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(860) 246-4606

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10950 San Jose Blvd.
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301 Almeria Ave., Ste. 350
Coral Gables, FL 33134
(305) 639-8029

734 Rugby St.
Orlando, FL 32804
(407) 493-6426

2711 Poinsettia Ave.
West Palm Beach, FL 33407
(561) 833-5331

2240 Venetian Ct.
Naples, FL 34109
(239) 514-4646

2601 West Horatio St. Unit 6
Tampa, FL 33609
(321) 228-6488

GEORGIA

2675 Paces Ferry Rd., Ste. 425
Atlanta, GA 30339
(404) 354-2331

IDAHO

1459 Tyrell Ln., Ste. B
Boise, ID 83706
(208) 336-1097

IDAHO (CONT'D)

1875 N. Lakewood Dr., Ste. 100
Coeur d'Alene, ID 83814
(208) 292-2965

ILLINOIS

566 W. Lake St., Ste. 240
Chicago, IL 60661
(312) 429-0132

INDIANA

6801 Lake Plaza Dr., Ste. C-301
Indianapolis, IN 46220
(317) 687-2747

KANSAS

10990 Quivira Rd., Ste. 100
Overland Park, KS 66210
(913) 451-1451

KENTUCKY

1890 Star Shoot Pkwy.
Lexington, KY 40509
(502) 585-3651

9401 Williamsburg Plaza, Ste. 204
Louisville, KY 40222
(502) 585-3651

LOUISIANA

2030 Dickory Ave., Ste. 200
Elmwood, LA 70123
(504) 541-5100

MARYLAND

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(781) 790-5645

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Detroit, MI 48226
(313) 986-3313

2127 University Park Dr.
Okemos, MI 48864
(517) 336-0001

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224 Avalon Cir.
Brandon, MS 39047
(601) 853-0736

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(662) 617-2350

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St. Louis, MO 63139
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(702) 242-9369

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(775) 204-4100

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(973) 970-9333

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(737) 242-8585

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American Fork, UT 84003
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(757) 345-0010

5107 Center St., Ste. 2B
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(757) 345-0010

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