

**APPRAISAL REPORT
BELT LINE ROAD PROJECT
PARCEL 20R
PEG OFFICE, LLC
PROFESSIONAL OFFICE BUILDING AND MULTI-LEVEL PARKING GARAGE
3939 BELT LINE ROAD
ADDISON, DALLAS COUNTY, TEXAS**

FOR

**TOWN OF ADDISON
16801 WESTGROVE DRIVE
ADDISON, TEXAS 75001**

**PYLES WHATLEY CORPORATION
11551 FOREST CENTRAL DRIVE, SUITE 220
DALLAS, TEXAS 75243**

PYLES ★ WHATLEY CORPORATION
Real Estate Consultants

Wendell Pyles, MAI, SR/WA

Jan Whatley (1953-2013)

February 21, 2014

Ms. Lisa Pyles
Director of Infrastructure Operations and Services
Town of Addison
16801 Westgrove Drive
Addison, Texas 75001

Re: A real estate appraisal of Parcel 20R, a proposed partial acquisition in the Belt Line Road Project, located at the at the northeast corner of Belt Line Road and Commercial Drive, Addison, Dallas County, Texas

Dear Ms. Pyles:

At your request, we submit this appraisal report to estimate the market value of the above referenced property. We have made an inspection of the property and considered factors pertinent to and indicative of value including Addison area characteristics, market area data and trends, locational amenities, highest and best use, and other elements of value.

Methodology and terminology used throughout the report may be found in *The Appraisal of Real Estate*, 14th Edition, as published by the Appraisal Institute.

The subject property is a tract of land totaling 165,524 square feet, improved with a professional office building and multilevel parking facility, located along Belt Line Road and Commercial Drive. This appraisal report is in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) as provided by the Appraisal Foundation. Our opinion of value for the subject is effective as of January 25, 2014.

The appraisal problem, as applied to the subject, is to determine the property's market value and the total compensation due to the property owner for the proposed acquisition. "Market Value is the price which the property would bring when it is offered for sale by one who desires, but is not obliged to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future." *City of Austin v. Cannizzo*, 267 S.W. 2d 808 (Tex. 1954).

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 Ms. Lisa Pyles
 February 21, 2014

With reference to the preceding definition, our opinions of value are as follows:

Whole Property (Market Value)	\$	3,314,927	
Part To Be Acquired in Fee Simple			\$ 6,432
Remainder - Before Taking	\$	3,308,495	
Remainder - After Taking	\$	3,308,495	
Total Compensation			\$ 6,432

**All land and improvements in the acquisition area.*

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

The following report sets forth a description of the property along with a summary of the market data considered and the conclusions derived from such data. Your attention is directed to the general assumptions and limiting conditions on the following pages, as well as the extraordinary assumptions and hypothetical conditions.

If you should have questions concerning any portion of this appraisal report, please contact our office.

Respectfully submitted,

PYLES★WHATLEY CORPORATION

Charles Stearman, SR/WA
 State of Texas Certification # TX-1335388-G

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

BELT LINE ROAD PROJECT – PARCEL 20R


Parcel Owner	3939 Belt Line Road	
Parcel Number	20R	
Location	3939 Belt Line Road Addison, Texas 75001	
Mapsco	DA-14-A	
Whole Property Land Area	3.800 acres	(or 165,524 SF)
Part To Be Acquired - Fee Simple	0.0091	(or 397 SF)
Zoning	PD; Planned Development	
Highest & Best Use	Hold For Office Improvement	
Reasonable Exposure Time	12 to 18 months	
Effective Date of the Appraisal	January 10, 2014	
Date of Appraisal Report	February 21, 2014	
Whole Property (Market Value)	\$	3,314,927
Part To Be Acquired in Fee Simple	\$	6,432
Remainder - Before Taking	\$	3,308,495
Remainder - After Taking	\$	3,308,495
Total Compensation	\$	6,432

**All land and improvements in the acquisition area.*

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SUMMARY OF IMPORTANT FACTS**

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ADDENDA**TAX INFORMATION****FIELD NOTES/PARCEL SKETCH**

SCOPE OF THE ASSIGNMENT

Purpose of the Appraisal

The purpose of this appraisal is to estimate the market value of the subject property: the whole property, part to be acquired, remainder property, and any damages to the remainder property. This is an Appraisal Report that is intended to comply with the reporting requirements set forth under Standards Rule 2-2 (a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and intended user(s) for the intended use stated below. The appraisers are not responsible for unauthorized use of this report.

Client, Intended Use, and Intended User

The Town of Addison is the client of Pyles Whatley Corporation. The intended use of this appraisal is to assist the client in their determination of total compensation due to the property owner - the market value of the property to be acquired and any remainder damages. The intended users are the Town of Addison and its officers, employees, and agents, and Halff Associates, Inc. Any other user or uses are not intended or authorized. Use of this appraisal for any other use or by another user may invalidate the findings and conclusions.

The client has been notified that the appraiser has not appraised the subject property in the three years preceding the date of this report.

Effective Date of the Appraisal

The subject property is appraised as of January 25, 2014, the effective date, and is subject to the market influences and economic conditions, which existed on that date. The subject property was inspected on January 25, 2014.

Date of Report: February 21, 2014

Interest(s) Valued Fee Simple Estate and Easement Estate

A Fee Simple Estate is definable as absolute ownership, unencumbered by another interest or estate, and subject only to the limitations of eminent domain, escheat, police power, or taxation.

Easement Estate is defined as an interest in real property that conveys use, but not ownership, of a portion of an owner's property.

SCOPE OF THE ASSIGNMENT

Identification of Property

The subject is located in the Town of Addison, Dallas County, Texas. Situated at the northeast corner of Belt Line Road and Commercial Drive, the property's street address is 3939 Belt Line Road, Addison, Texas 75001. The subject site is improved with a professional office building and multilevel parking facility. According to the information provided, the subject tract comprises 165,524 square feet (3.80 acres). Abutting uses are vacant land to the north, an electric transmission line corridor to the east, Belt Line Road to the south, and Commercial Drive to the west.

The subject is currently used as a professional office building and multilevel parking facility. The property appraised is identified as the subject land and affected site improvements.

Legal Description

The subject is legally described as being Lots 1, 2R, 3R, and 4R, Block 1, Belt Line-Marsh Business Park, an addition to the City of Addison.

Subject History

According to available information, ownership is vested in 3939 Belt Line, Ltd. The property transferred to 3939 Belt Line, Ltd from 7920-3939 Belt Line Properties, LP on February 1, 2013, as recorded in Instrument Number 201300031784, Deed Records of Dallas County, Texas. The purchase price is not disclosed. The improvements include a multi-tenant professional office building and a multilevel parking garage. With the exception of ongoing leasing activity, no other transactions are noted to have taken place in the past five years.

This information is included only to satisfy the requirements of USPAP. It is not intended as a guarantee of title or chain of title. Any interested party should obtain a title search performed by a qualified title expert as needed.

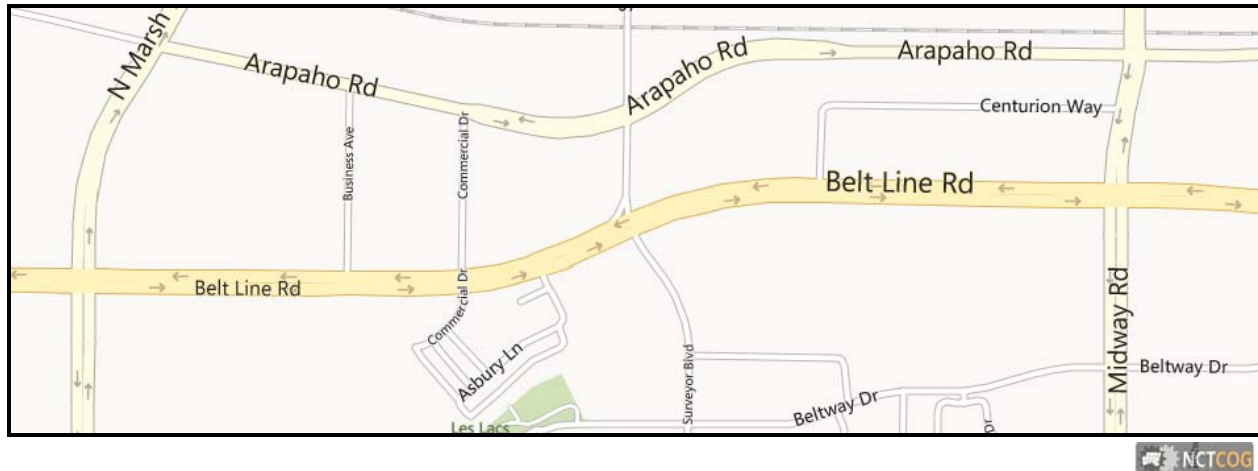
Inspection Information

We attempted to notify the subject property owner by certified mail. The property owner, or representative, could not be contacted for an on-site inspection. The property was inspected from the nearest public streets.

SCOPE OF THE ASSIGNMENT

Project Description

The Belt Line Road Project by the Town of Addison is for the undergrounding of electrical utilities along Belt Line Road, between Marsh Lane and Midway Road, in Addison, Texas. The purpose is to enhance the streetscape. Permanent and temporary easements and fee simple acquisitions are required. The type and use of the acquisitions vary by parcel. The acquisition areas are for electrical utilities and switchgear, drainage facilities, manholes, street right-of-way, landscaping, and sidewalks and crosswalk ramps. The construction date has not been determined.



Project Influence

The subject property is appraised excluding consideration of the effect, if any, on value of the whole property and the part to be acquired caused by the proposed public improvements, and excluding any non-compensable damages to the remainder property that result because of the part acquired or the public project. We conclude that the impending project has no effect on the whole property or on the comparable market data used herein.

Part To Be Acquired

The Town of Addison proposes to acquire a part of the subject property for the Belt Line Road Project. The proposed acquisition is fee simple estate. Per the enclosed parcel survey and field notes, the part to be acquired in fee simple estate totals 397 square feet square feet (0.0091 acres).

Appraisal Problem

The appraisal problem, as applied to the subject, is to determine the market value of the fee simple interest in the subject property and determine the total compensation due to the property owner for the proposed acquisition. In addressing this problem, the principles of utility, substitution, and anticipation are considered in the following valuation.

SCOPE OF THE ASSIGNMENT

Data Researched

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

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

Competency

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

Procedure

For this report, the area was inspected and the highest and best use analyzed considering the factors of physically possible, legally permissible, financially feasible, and maximally productive. The cost, sales comparison, and income capitalization approaches are applicable for appraisal purposes. In this case, the cost approach is utilized to determine the value of site improvements in the proposed acquisition area, and the sales comparison approach is utilized to determine the land value. The resulting value indications are reconciled to one final opinion of value of the whole property.

In accordance with USPAP Standards rule 1-2(e), only the affected land and site improvements are addressed and valued in this report. The analysis of the building improvements and operating income of the property are in no way affected by the proposed acquisition, as the new right-of-way line lies approximately 150 feet from the subject building improvements, but no closer than the distance from the building to the existing right-of-way line along Belt Line Road.

Exposure Time

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

SCOPE OF THE ASSIGNMENT

Considering the state of the economy, properties of the subject type, and market participants' actions, an exposure time of 12 to 18 months is concluded for the subject property – at a value consistent with the conclusions of this report.

Scope of Work

Pyles Whatley Corporation, through its licensed appraisers, has performed all aspects of the real estate appraisal report, to include the following:

- Identified the property and interests to be appraised;
- Communicated with the Town of Addison personnel, and Halff Associates, Inc. (the design and engineering consultant), and as appropriate, other service providers, and landowners, regarding the appraisal assignment;
- When possible, communicated with the property owner regarding the history and the condition of the subject property;
- Researched the public records for data on the subject property, including zoning, assessments, taxes, acreage, buildings and site improvements, and maps;
- Performed a preliminary search of all available resources to determine market trends, influences and other significant factors pertinent to the subject properties. Inspected the subject property and subject area, and photographed the subject and relevant comparable sales and income properties; although due diligence has been exercised in inspection of the properties, the appraiser is not an expert in such matters as soils, structural engineering, hazardous waste, environmental conditions, the ADA, and other similar matters, and no warranty is given as to these elements;
- Performed an analysis of the highest and best use of the subject property;
- Researched and collected relevant data (land sales, escrow sales, and listings and other market data) as present in the market area (from public and private sources) and of sufficient quality to express an opinion of value as defined in the appraisal reports;
- Gathered and analyzed the market data to reach an estimate of market value for the appropriate interest in the subject, using the methodology and valuation approaches that are relevant to the assignment;
- Assembled and wrote the narrative report, complete with maps, photos, and supporting addenda;
- Prepared and submitted a written appraisal report of the property as requested by the client;
- A narrative appraisal report meets the client's requirements.

DEFINITION OF MARKET VALUE

The definition of market value is:

“Market Value is the price which the property would bring when it is offered for sale by one who desires, but is not obliged to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future.” *City of Austin v. Cannizzo*, 267 S.W. 2d 808 (Tex. 1954).

In this report, a market value opinion of the fee simple interest in the real property is developed.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

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

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

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

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

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

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

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

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

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

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

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

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

Due to the multiplicity of mathematical calculations used in standard appraisal practice, rounded values, e.g., rounded to whole dollars or whole units of measure such as linear feet or square feet, may result in inexact sums of components. The typical difference in such cases does not materially affect the value conclusions of this appraisal report or the total compensation due to the property owner.

EXTRAORDINARY ASSUMPTIONS/HYPOTHETICAL CONDITIONS

Extraordinary Assumptions/Hypothetical Conditions: The Uniform Standards of Professional Appraisal Practice require the disclosure of hypothetical conditions and extraordinary assumptions when employed in the development of an appraisal. The use of these may have affected the assignment results.

As defined in the Uniform Standards of Professional Appraisal Practice, an extraordinary assumption is “an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinions or conclusions.”

As defined in the Uniform Standards of Professional Appraisal Practice, a hypothetical condition is “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.”

The subject is appraised conditioned upon the following:

In the remainder condition the subject is appraised as though the Town of Addison project is complete and in place and the part acquired has been put to the use for which it was acquired.

The subject site is located along Belt Line Road Project. Adequate, legal access to the subject is assumed available as of the appraisal date.

A legal opinion of the deed covering the subject property is not available. It is assumed that the deed does not contain any right, restriction, or reservation that would affect the value conclusions of this report.

The appraisal of the property before the acquisition is based on the hypothetical condition of the subject being the whole site, plus the improvements located in the area to be acquired. As such, the reported value before the acquisition is based on the hypothetical condition of other site improvements, including the main subject building and parking garage, being excluded in the valuation.

The above are set forth for appraisal purposes and no legal reasoning is intended. The reader should be aware that in the event any of the above proves false or improperly applied, the conclusions of this appraisal could be changed or invalidated.

MARKET AREA

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

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

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

Market Area Influences

The subject property is located in the town of Addison, Texas, situated in the Dallas-Fort Worth metropolitan area. The market area is considered to be the Town of Addison, and the surrounding cities of Carrollton, Farmers Branch, and Dallas, and ultimately the Dallas Fort Worth Metropolitan area as the subject property competes with similar properties in this trade area. An area analysis and a subject vicinity description are presented in the following pages.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

The subject property in this report is located in the Dallas/Fort Worth Metropolitan Area, one of the major financial and population centers in the nation. Therefore, an overview of the Metroplex is appropriate.

Downtown Dallas



Fort Worth

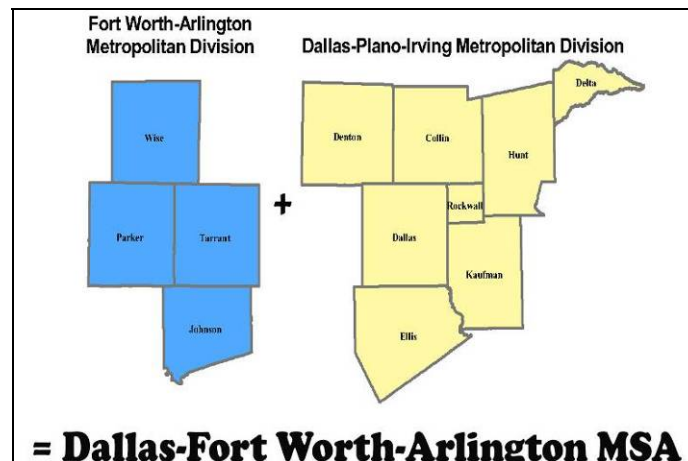


Photograph Courtesy of the Dallas Convention & Visitors Bureau

CLASSIFICATION

The classifications represented in the Dallas/Fort Worth area are:

Metropolitan Statistical Area (MSA) and Metropolitan Division (MD)



With a population of over 6.4 million, Dallas/Fort Worth and the surrounding area is the fourth largest MSA under this classification. The DFW MSA is comprised of two Metropolitan Divisions; Dallas-Plano-Irving or Dallas MD on the east and Fort Worth-Arlington or Fort Worth MD on the west. The Dallas MD includes Collin, Dallas, Delta, Denton, Ellis, Hunt, Kaufman, and Rockwall Counties with a 2013 estimated population of over 4.3 million. The Fort Worth MD is comprised of Johnson, Parker, Tarrant, and Wise Counties with a 2013 estimated population of over 2.3 million.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

CITY AND COUNTY CHARACTERISTICS

History/Introduction

The city of Dallas, located in Dallas County, began as a small Trinity River settlement founded in 1841 by John Neely Bryan. Shortly after its founding, Dallas became part of the wagon train route, the Central National Highway of the Republic of Texas. Dallas was incorporated in 1857 despite its small population, and by 1870 had a population of only 2,960.

In the 1870's, Dallas citizens, bent on making their mark in the Southwest, coaxed the Houston & Texas Central Railroad, which ran north/south, and the westbound Texas Pacific Railroad to the city, thereby becoming a crossing point for the Northeast and Southwest.

With the advent of the railroad, Dallas quickly grew to 38,500 by 1890, and by 1920 the nation was referring to Dallas as "Big D". The city's growth has been mostly attributable to the efforts and influences of the business and private sector. Dallas became the center of finance and business in the Southwest when it petitioned for and received one of the twelve District Federal Reserve Banks in 1913. Since that time, Dallas has become the fifth largest financial center in the United States.

Situated in North Texas, Dallas and Fort Worth serve as the principal cities of the DFW metropolitan area (commonly called the Metroplex). Dallas is the main economic center while Fort Worth is the second largest cultural and economic center of the Metroplex.

Demographics/Population

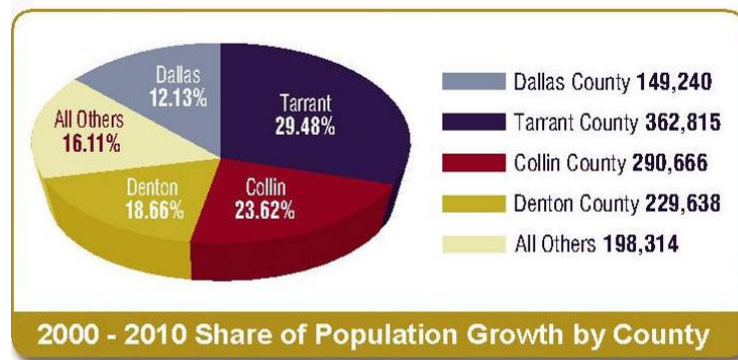
The DFW MSA is the fourth largest metro area in the nation and larger than 33 US states. Dallas is the third largest city in Texas and ninth in the nation. Dallas County is the ninth most populous county in the nation at 2,385,990 persons. Within the Dallas MD is an estimated 2012 population of 4,298,130. Fort Worth ranks as the fifth largest city in the state of Texas and eighteenth in the United States. The city serves as the county seat for Tarrant County, which consists of a 2012 population of 1,831,230. Within the Fort Worth MD is a population count of 2,163,280.

From 2000 to 2008, the Dallas-Fort Worth-Arlington MSA was second only to the Atlanta region in growth nationwide. With a growth rate of 2.7%, the MSA population increased by an estimated 947,907 persons.

The Dallas MD experienced a growth rate of 24.5% between 2000 and 2012, indicating slightly lower growth than in the Fort Worth MD, which experienced a 26.5% growth rate. Over the past twelve years, the MSA as a whole has grown in population by 25.2%.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

The breakdown of growth by the four major counties of the MSA are as follows:



Dallas/Fort Worth also ranks sixth in the nation in terms of urbanized land area. The urbanized area that includes the two cities and their contiguous suburbs consumed 1,407 miles of open land between 1990 and 2000 and grew by more than one-third.

Urban Area (1990-2000)	Total Area (square miles)	Urban Area (1990-2000)	Total Area (square miles)
New York	3,353	Dallas/Fort Worth	1,407
Los Angeles	1,859	Boston	1,736
Chicago	2,123	Washington DC	1,157
Philadelphia	1,799	Detroit	1,261
Miami	1,116	San Francisco	758

The subsequent table illustrates growth trends, in total numbers and annualized percentages, of all the major cities, suburbs, and statistical regions from 1990 to 2012.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

POPULATION ANNUALIZED GROWTH RATES						
AREA	1990	2000	2010	2011	2012	2011-2012 Percent Change
DFW MSA	3,885,415	5,161,544	6,366,542	6,409,700	6,461,410	0.8
Dallas MD	2,553,362	3,451,226	4,230,520	4,262,910	4,298,130	0.8
Collin County	264,036	491,675	782,341	792,150	804,390	1.5
Dallas County	1,852,810	2,218,899	2,368,139	2,380,510	2,385,990	0.2
Denton County	273,525	432,976	662,614	669,930	683,010	2.0
Ellis County	85,167	111,360	149,610	151,030	152,580	1.0
Hunt County	64,343	76,596	86,129	86,860	87,290	0.5
Kaufman County	52,220	71,397	103,350	103,440	104,600	1.1
Rockwall County	25,604	43,080	78,337	78,990	80,270	1.6
Fort Worth MD	1,361,034	1,710,318	2,136,022	2,146,790	2,163,280	0.8
Johnson County	97,165	126,811	150,934	151,440	153,060	1.1
Parker County	64,785	88,495	116,927	117,570	118,860	1.1
Tarrant County	1,170,103	1,446,219	1,809,034	1,818,240	1,831,230	0.7
Wise County	34,679	48,793	59,127	59,540	60,130	1.0
Addison	8,783	13,250	13,056	13,060	13,680	4.7
Allen	18,309	43,554	84,246	84,820	86,600	2.1
Arlington	261,721	322,969	365,438	365,530	365,860	0.1
Carrollton	82,169	109,576	119,097	119,360	121,150	1.5
Coppell	16,881	35,958	38,659	38,870	38,950	0.2
Dallas	1,006,877	1,188,580	49,047	49,210	49,540	0.7
Denton	66,270	80,537	113,383	114,520	115,810	1.1
Duncanville	35,008	36,081	38,524	38,600	38,610	0.0
Farmers Branch	24,250	27,508	28,616	28,600	28,620	0.1
Fort Worth	447,619	534,694	741,206	748,450	757,810	1.3
Frisco	6,138	33,714	116,989	121,670	125,500	3.1
Garland	180,650	215,768	226,876	227,670	228,060	0.2
Grand Prairie	99,616	127,427	175,396	176,320	176,980	0.4
Irving	155,037	191,615	216,290	218,080	218,850	0.4
Lewisville	46,521	77,737	95,290	95,430	96,000	0.6
McKinney	21,283	54,269	131,117	133,010	136,180	2.4
Mesquite	101,484	124,523	139,824	139,890	139,950	0.0
Murphy	1,547	3,109	17,708	17,860	18,020	0.9
Plano	128,713	222,030	259,841	260,500	261,900	0.5
Richardson	74,840	91,802	99,223	99,870	100,450	0.6
Wylie	8,716	14,965	41,427	42,040	42,690	1.5
<i>Source: North Central Texas Council of Governments</i>						

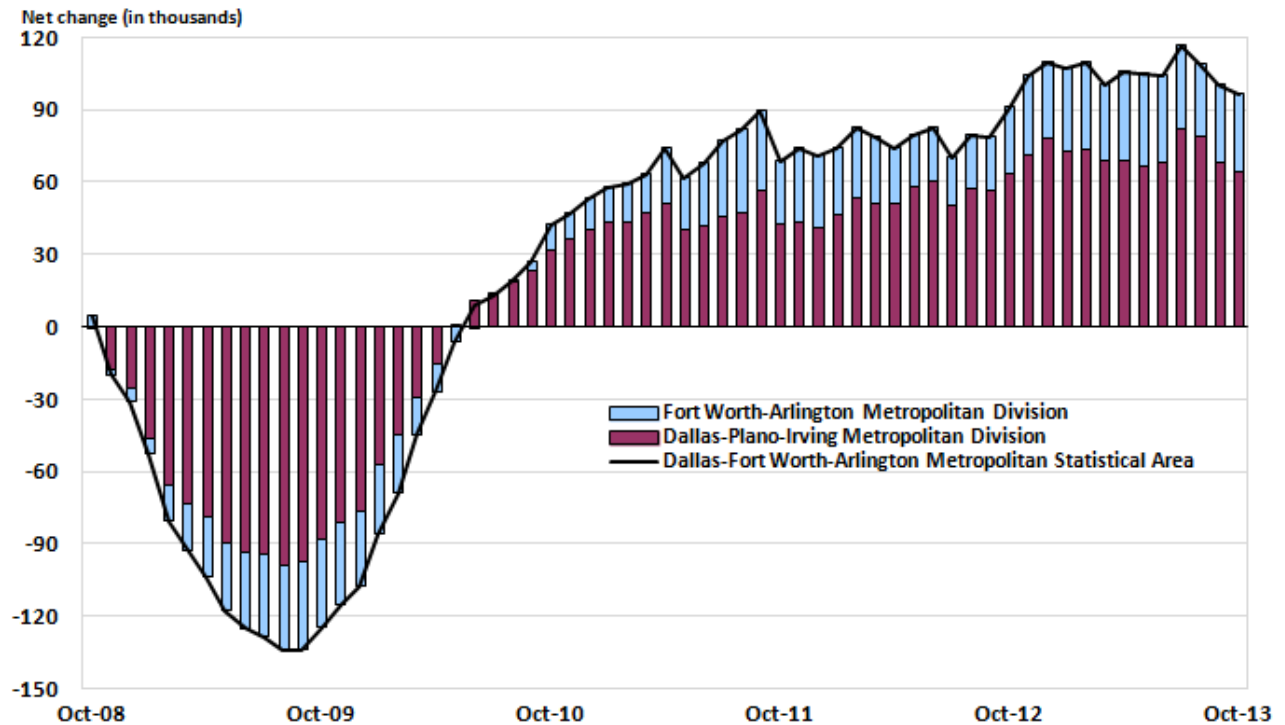
DALLAS/FORT WORTH METROPOLITAN ANALYSIS

EMPLOYMENT AND ECONOMIC BASE

DFW MSA Employment

From 1995 to 2000, the DFW MSA was consistently one of the leaders in new job creation, with annual gains in the range of 70,000 to 125,000 jobs. However, the region posted job losses totaling 36,500, or -1.3% decline for the year ending 2001, primarily due to layoffs in the high tech and telecom sectors. This was a record loss and twice the previous record of 19,500 job losses in 1991. In total, only three years of negative job growth are recorded in the last fifteen years. Employment bases of the MSAs are growing and the unemployment figures are typically slightly superior to the U.S. as a whole. Total nonfarm employment in the Dallas-Fort Worth-Arlington Metropolitan Statistical Area stood at 3,114,800 in July 2013, up 111,800 over the year, the U.S. Bureau of Labor Statistics reported. From July 2012 to July 2013, local nonfarm employment rose 3.7 percent, more than twice the national increase of 1.7 percent. Regional Commissioner Stanley W. Suchman noted that among the 12 largest metropolitan areas in the country, Dallas ranked first in the rate of job growth.

Chart 1. Total nonfarm employment, over-the-year net change in the Dallas metropolitan area and its divisions, October 2008–October 2013



DALLAS/FORT WORTH METROPOLITAN ANALYSIS

Dallas-Fort Worth-Arlington was 1 of the nation's 12 largest metropolitan statistical areas in July 2013. All of these areas experienced over-the-year job growth during the period, with five exceeding the national average of 1.7 percent. The fastest rate of job growth was registered in Dallas, up 3.7 percent, closely followed by Houston-Sugar-Land-Baytown, up 3.6 percent.

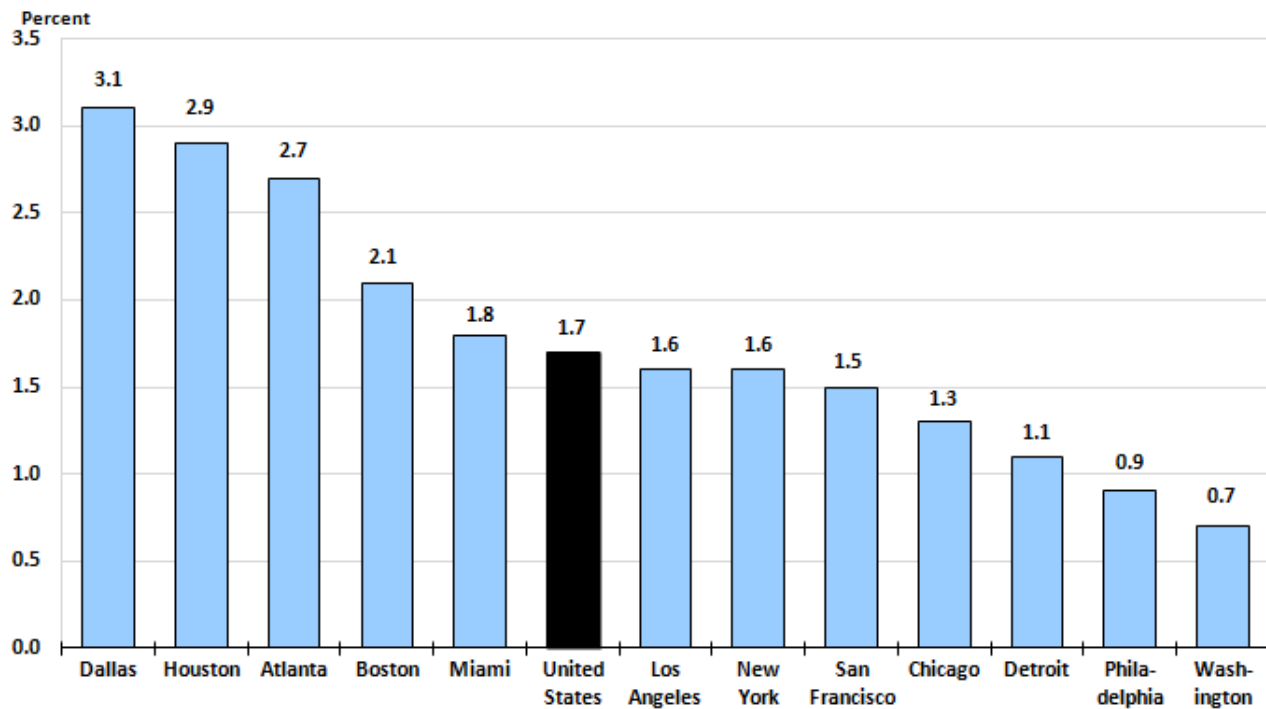
Civilian Employment (In Thousands)

August 2013

United States	144,509,000	State of Texas	11,981.9
Abilene	80.1	Longview	111.1
Amarillo	127.4	Lubbock	139.8
Austin-Round Rock-San Marcos	931.1	McAllen-Edinburg-Mission	277.6
Beaumont-Port Arthur	169.4	Midland	92.6
Brownsville-Harlingen	146.1	Odessa	84.1
Bryan-College Station	107.3	San Angelo	53.8
Corpus Christi	208.9	San Antonio-New Braunfels	968.9
Dallas-Plano-Irving MD	2,150.5	Sherman-Denison	54.3
El Paso	293.7	Texarkana	59.0
Fort Worth-Arlington MD	1,077.6	Tyler	95.5
Houston-Baytown-Sugarland	2,916.2	Victoria	58.7
Killeen-Temple-Fort Hood	159.1	Waco	110.2
Laredo	94.8	Wichita Falls	66.7

Source: Texas Workforce Commission -Texas Labor Market Review, September 2013

Chart 3. Over-the-year percent change in employment, United States and 12 largest metropolitan areas, October 2013

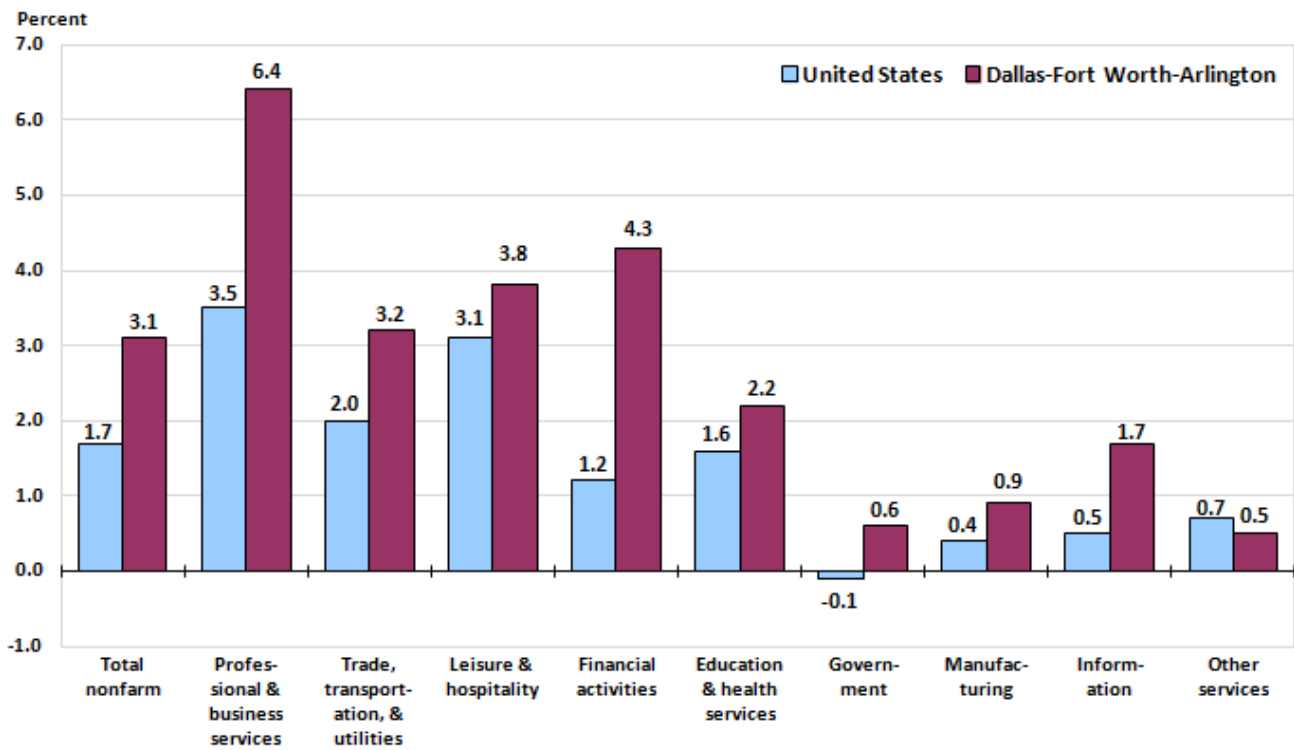


Source: U.S. Bureau of Labor Statistics.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

In previous years, the DFW diversified economic base has generated employment opportunities, which caused substantial amounts of growth and expansion. The Dallas/Fort Worth job market has changed from a traditional manufacturing and low-skill employment to the service, high tech, and high skill employment. The subsequent chart illustrates employment growth in industry sectors in Dallas/Fort Worth and nationwide.

Chart 2. Over-the-year percent change in employment by industry supersector, United States and the Dallas-Fort Worth-Arlington metropolitan area, October 2013



Trade, professional, business, and other services, manufacturing, and government make up the bulk of the jobs within the Dallas/Fort Worth area.

Local Companies

The metropolitan area boasts a long list of national and international corporate headquarters, with many major companies relocating to DFW in the past twenty years. The availability of reasonably priced land, lower living cost for employees, favorable climate, and reasonable housing are great incentives.

DFW MSA is home to 19 Fortune 500 Companies. These companies include Exxon Mobil, AT&T, AMR Corporation, Texas Instruments, Fluor, Kimberly-Clark, J.C Penney, Energy Transfer Holdings, Energy Transfer Equity, Atmos Energy, and several others.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

The largest North Texas private companies based on revenue include 7-Eleven, Inc., Energy Future Holdings, Michaels Stores Inc., Baylor Health Care System, The Neiman Marcus Group, Texas Health Resources, Glazers Distributors, Sammons Enterprises, Sabre Holdings, and Mary Kay Inc.

Below are the top ten private-sector employers located in North Texas:

Dallas/Fort Worth	
Top Ten Employers	No. of Local Employees
American Airlines	24,700
Bank of America	20,000
Texas Health Resources	19,230
Dallas ISD	18,314
Baylor Health Care System	17,097
AT&T Inc.	15,800
Lockheed Martin	14,126
JPMorgan Chase	13,500
UT Southwestern Medical Center at Dallas	13,122
City of Dallas	12,836
<i>Source: Dallas Business Journal 2013 Book of Lists</i>	

The largest North Texas public companies based on revenue include Exxon Mobil Corp., AT&T Inc., AMR Corp., Fluor Corp., Kimberly-Clark Corp., J.C. Penney Co. Inc., Southwest Airlines Co., Holly Frontier Corp., Texas Instruments Inc., and Dean Foods.

Below are the top ten public-sector employers located in North Texas:

Dallas/Fort Worth	
Top Ten Employers	No. of Local Employees
Dallas ISD	18,314
UT-Southwestern Medical Center at Dallas	13,122
City of Dallas	12,836
United States Postal Service	10,439
Fort Worth ISD	10,129
Parkland Health & Hospital System	8,134
Arlington ISD	7,907
Dallas County	7,411
Garland ISD	7,300
Dallas County Community College District	7,076
<i>Source: Dallas Business Journal 2013 Book of Lists</i>	

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

DALLAS/FORT WORTH INVESTMENT CRITERIA

According to the Real Estate Research Center's 3rd Quarter 2013 Real Estate Report, investment criteria are as follows:

DALLAS/FT. WORTH

3RD QUARTER 2013

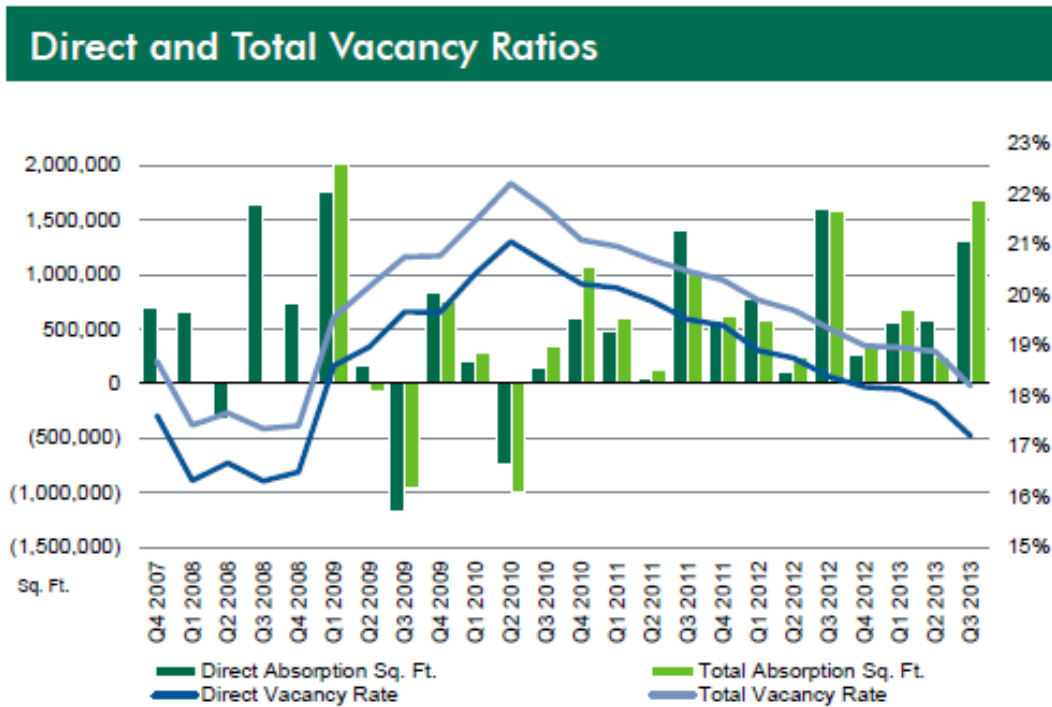
Dallas/Ft. Worth Investment Criteria First-Tier ¹ Investment Properties													
	Pre-Tax Yield (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rates			
	RERC Estimate	South Region	U.S.	RERC Estimate	South Region	U.S.	RERC Estimate	South Region	U.S.	National Value	South Value	National Rent	South Rent
Offc - CBD	8.7	9.3	9.0	7.1	7.6	7.3	7.9	8.4	8.0	2.1	1.6	1.9	1.4
Offc - Suburban	9.2	9.5	9.4	7.6	7.8	7.7	8.2	8.5	8.4	1.9	2.0	1.5	1.6
Ind - Warehouse	8.8	9.4	9.1	7.2	7.8	7.6	7.8	8.4	8.2	2.6	2.6	2.1	2.0
Ind - R&D	9.4	9.8	9.6	7.7	8.1	7.9	8.4	8.8	8.5	1.9	2.1	1.7	1.8
Ind - Flex	9.5	9.8	9.6	7.9	8.2	7.9	8.5	8.9	8.6	2.0	1.8	1.7	1.5
Ret - Reg Mall	8.5	9.1	9.1	7.0	7.5	7.5	7.7	8.2	8.1	1.3	1.3	1.3	1.2
Ret - Pwr Center	8.9	9.1	9.2	7.5	7.6	7.5	8.1	8.2	8.2	1.7	1.9	1.5	1.5
Ret - Neigh/ Comm.	9.0	9.3	9.3	7.5	7.8	7.7	8.1	8.3	8.4	2.1	2.5	1.9	2.1
Apartment	7.9	8.3	8.1	5.9	6.5	6.3	6.6	7.2	7.0	3.5	3.6	3.0	3.4
Hotel	10.1	10.3	10.2	8.2	8.4	8.5	9.0	9.2	9.2	2.6	3.1	2.2	2.7
Average	9.0	9.4	9.3	7.4	7.7	7.6	8.0	8.4	8.3	2.2	2.2	1.9	1.9

¹ First-tier investment properties are defined as new or newer quality construction in prime to good locations.
Source: RERC Investment Survey.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

Office Market

According to the *CB Richard Ellis 3rd Quarter 2013 D/FW Marketview*, the Dallas/Fort Worth office market is experiencing a steady decline in vacancy rates. Overall, vacancy rates have been declining, with lease rates slightly decreasing in the most recent quarters. With the uncertainty in the global economy, investors have become lease aggressive in the office market, with the quantity of proposed office projects declining. Medical offices continue as the strongest sector within the office inventory.

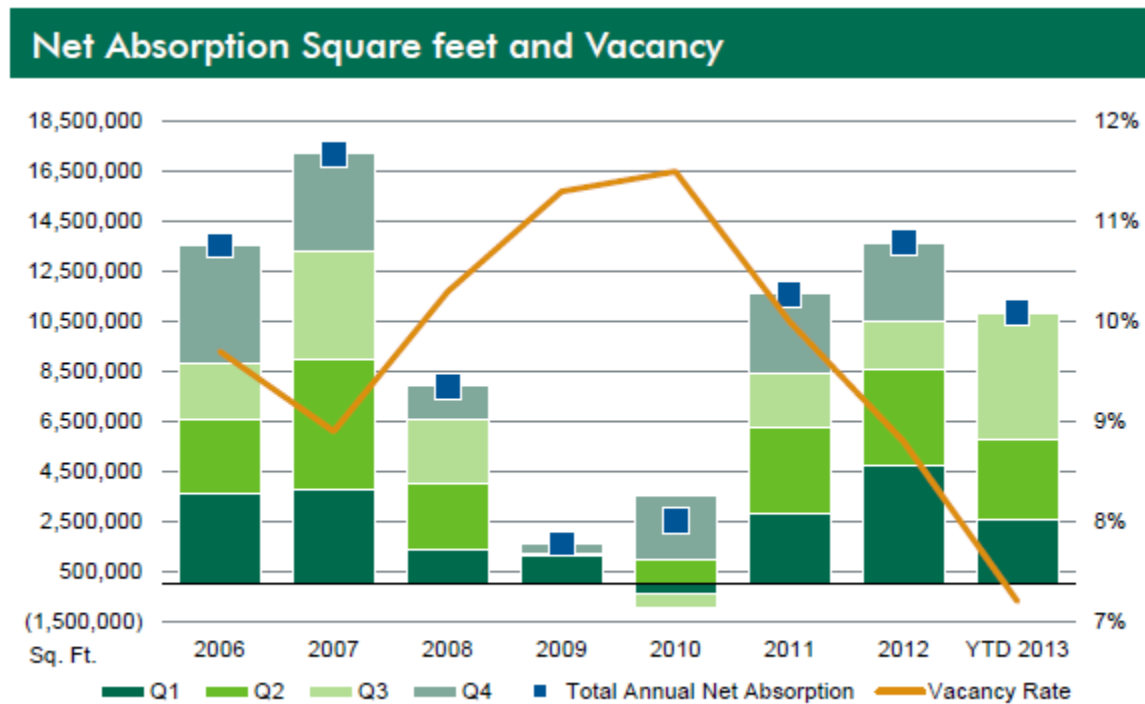


Source: CBRE Research, Q3 2013.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

Industrial Market

According to *CB Richard Ellis*, the industrial market showed signs of continued recovery into 2013. During the past three years, absorption has decreased and then bottomed out; however, for the sixth consecutive quarter, net absorption in the Dallas/Fort Worth industrial market has increased and vacancy rates have dropped. This indicates a growth in demand for space that will be necessary to move the market back to its pre-recession health. As tenants continue to read about the sluggish economy, they expect lower rent as a result. Supply will be increasing slightly, as construction has picked up and two speculative industrial developments have been announced.



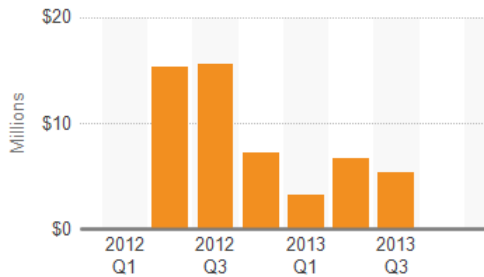
Source: CBRE Research, Q3 2013.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

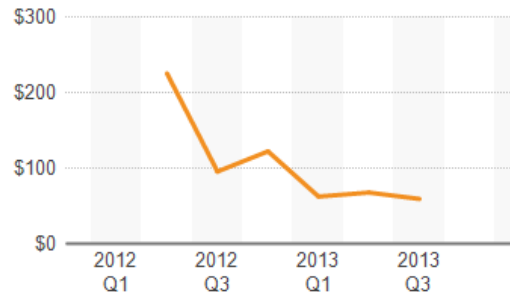
Hospitality

The Dallas/Fort Worth Metropolitan Area remains strong in terms of the hospitality industry. The overall state of Texas market showed a 7% increase in revenue growth in the third quarter of 2013, largely driven by a 9.5% increase in the oil and gas exploration and production regions. However, Dallas/Fort Worth benefitted from a solid 5% gain in room revenue. With current broader market occupancy currently at 62.6%, the third quarter saw a 3.4% increase in occupancy from the previous period, and a 1.3% increase from the same period one year ago.

Sales Volume

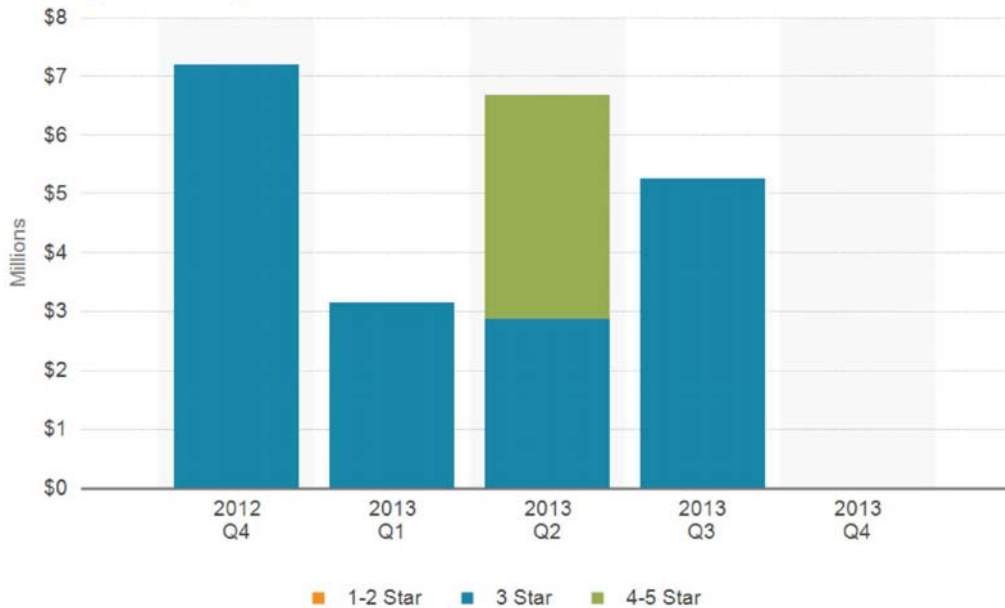


Average Sales Price Per SF



Sales volume as well as average sales price per square foot has declined in 2013 in comparison to 2012. This marks not only a decrease in properties offered for sale, but a recent shift away from upscale and full service properties. As displayed in the chart below, the midscale, limited service market remains consistent.

Sales Vol by Star Rating



Source: CoStar

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

Retail

The Dallas/Fort Worth retail market continues to improve as occupancy and demand increases and rental rates remain level. Retail net absorption has been positive since 3rd quarter 2009 and is anticipated to continue. Of the total retail market inventory, neighborhood centers dominated the distribution with 32% of the market and strip centers at 24% of the inventory.

The Dallas/Fort Worth retail market is comprised of 84.7 million square feet. Relative to the other markets in the US, Dallas/Fort Worth is the 2nd largest by inventory size. Currently, Dallas/Ft. Worth has 13 square feet of neighborhood & community retail space per capita compared to the U.S. inventory level of 12.9 square feet per capita. The current Dallas/Fort Worth retail vacancy rate of 8.4% ranks 76th overall in the US. The vacancy rate has decreased by 500 basis points over the last year. Over the next five years, the vacancy rate is expected to decrease slightly.

Dallas/Fort Worth retail sales per capita are \$15,143. This is the 52nd largest sales per capita among US markets. Retail sales per capita are expected to grow by an annual rate of 3.1% over the next five years. This is projected to drive the Dallas/Fort Worth annual absorption of 1.2% as a percent of total inventory over the next five-years.

Currently, 1,163,127 square feet of neighborhood and community retail space is under construction, representing 1.4% of total inventory. Annual new supply is projected to represent 0.9% of total inventory. Over the last four years retail rents have fallen by 0.6% in Dallas/Fort Worth. The outlook in retail market fundamentals is expected to drive annual rental growth of 2.2% over the next five years. The 2012 estimated retail health ratio for Dallas/Fort Worth is 91.3 as compared to the average for all markets ratio of 99.7.

Retail Trends

In 2011, 64 retail transactions closed totaling \$1,095.9 million. Year-to-date 2012, 40 retail transactions have closed totaling \$1,015.2 million. This level of transaction activity compares to 2007 when 126 retail transactions closed for a total of \$2,260.0 million.

New developments of higher density, mixed-use centers offer unique opportunities to both businesses and residents of the Dallas–Fort Worth region. These developments are situated along the new light rail lines and include: Mockingbird Station, West Village, Victory Park, and Park Lane Place in Dallas, and Montgomery Plaza, Museum Place, and Sundance Square in Fort Worth. In addition, historic downtowns are being redeveloped into attractive regional destinations, including downtowns in Plano, McKinney, Denton, Carrollton, and Grapevine.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

DFW ECONOMY

Market Center/Conventions

Located north of the Dallas Central Business District is the Dallas Market Center. This 150 acre, five building complex is the largest wholesale mart complex in the United States. Since its opening in the early 1950's, this center has grown to include a total of 5.1 million square feet consisting of the International Floral and Gift Center, Market Hall, Trade Mart, and the World Trade Center.

The Dallas Market Center annually conducts more than fifty major markets for more than 200,000 professional buyers. The World Trade Center offers many services vital for international commerce, including consular offices, and trade commissions, foreign buying offices, translation and customs brokers.

The Dallas Convention Center (DCC) underwent a \$100 million expansion, completed in 2002. The Convention Center now features the world's largest singular column-free exhibit hall in the world, at 203,000 square feet and comprises one million square feet of exhibit space, ballrooms, meeting rooms, and is the only convention centre in the nation to have an art museum on the premises. The latest addition to the Dallas Convention Center is large enough to hold The Ballpark at Arlington (home to the Texas Rangers), and still have enough room so that the longest home run hit out of the ballpark would still be in the Convention Center. The DCC hosts 3,600 conventions annually and is one of the leading conventions sites in the US bringing more than \$4.2 billion to the Dallas economy.

Dallas/Fort Worth International Airport

The Dallas/Fort Worth International Airport, which opened January 1974, has had an enormous impact on the economy of the DFW metroplex. Located roughly sixteen miles northwest of the Dallas CBD and employing approximately 305,000 people, the 18,000-acre space is the second largest airport facility in the nation.

The airport has 5 terminals, 7 runways, 155 gates, and 191 destinations. D/FW Airport includes 12 instrument landing approaches and 3 control towers giving it the capacity of the three New York airports combined. D/FW is the only airport where four planes can land simultaneously. Twenty passenger airlines operate out of D/FW, of which eleven are commuter airlines, and nine are foreign flag airlines.

D/FW International Airport ranks eighth in the world, serving 57,806,918 passengers in 2011, 5,509,372 of which were international travelers. DFW also ranks fourth in the world in terms of operations with 646,803 takeoff/departures in 2011. Approximately 158,375 passengers travel daily through D/FW Airport. In 2011, 58% of the passenger makeup consisted of connecting flights while 42% was local.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

American Airlines makes D/FW its home base with a high amount of total passengers on a monthly basis. D/FW Airport is also home to an impressive global distribution center with several cargo carriers, 2.6 million square feet of cargo facilities and a foreign trade zone with direct highway access. Covering more than 250 acres, this area is developing into a full service free trade zone. D/FW generates an estimated \$16.6 billion annually to the metroplex economy.

Alliance Airport

The Alliance Airport is the world's first industrial/ air cargo and corporate airport in the nation and is designed to serve the needs of business as opposed to passenger service. Alliance Airport is located 15 miles north of downtown Fort Worth, 12 miles northwest of the Dallas/Fort Worth International Airport, and 29 miles to the northwest of downtown Dallas. This project, created by Ross Perot Jr., the city of Fort Worth and the FAA, is a master-planned industrial and commercial facility, which houses more than 140 companies – including over 62 from the Fortune 500, Global 500 and Forbes' List of Top Private Companies. Alliance is the only Foreign Trade Zone in North Texas with combined air, rail and highway access. In conjunction with the airport, Circle T Ranch, a 2,500-acre master-planned community, and Heritage, a 2,300-acre residential community, are transforming northern Tarrant County into a modern urban environment. Alliance Town Center is becoming the center of activity for the growing North Fort Worth area. The center includes a 500 acre retail center, Heritage Marketplace, luxury apartments, hospitals and more.

Las Colinas

Located on major traffic routes between the Dallas/Fort Worth International Airport, downtown Dallas, and the dense residential area of North Dallas, Las Colinas has become one of the major mixed-use developments in the nation. This master planned community covers approximately 12,000 acres within the city of Irving. With 22.3 million square feet of office space, Las Colinas is currently home to more than 2,000 companies. Las Colinas features three private country clubs and four championship golf courses surrounded by residential communities. The Four Seasons Las Colinas Resort has hosted the PGAs Byron Nelson Championship since it opened in 1986. It also contains high-rise office towers, retail centers, apartment complexes, and leisure facilities.

DALLAS/FORT WORTH QUALITY OF LIFE

Education

Educational facilities offered by the city of Dallas and the surrounding areas have grown to keep pace with the increasing population. As of 2010, the DFW MSA consisted of almost 100 school districts and over 1,800 schools with a total enrollment of over 1.1 million. Teacher-pupil ratios ranged from 15 to 3:15. The Dallas and Fort Worth Independent School districts ranked 5th among the largest school districts in the nation.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

Twenty, four-year colleges and universities, and five community college districts with a combined total 20 campuses are within one hundred miles of the DFW MSA. Several notable institutions of higher education are located within the MSA.

- Dallas Baptist University
- Texas Christian University
- Texas Wesleyan University
- Baylor College of Dentistry
- Southern Methodist University
- Texas A&M University - Commerce
- University of Dallas
- University of North Texas
- Texas Woman's University
- University of Texas at Dallas
- University of Texas at Arlington
- University of Texas Southwestern Medical Center

Along with these colleges and universities are 75 technical and vocational programs in the Dallas/Fort Worth area. More than 280,000 full- and part-time students attend public and private four year colleges, universities, professional schools, community colleges or senior and graduate level institutions located in this region.

Recreation

Dallas and Fort Worth both offer a wide range of recreational and cultural amenities. Located within 100 miles of DFW are 406 area parks encompassing almost 23,000 acres and more than 60 lakes and reservoirs covering approximately 550,000 acres. DFW has more than 175 museums and galleries, 50 pro and community theatres and dozens of local symphony and chamber orchestras, ballet groups and opera associations. The Dallas Arts District, a sixty-acre section of the Dallas Central Business District, is taking shape into what is expected to become a major focal point in the Dallas arts community. Anchored by the Dallas Museum of Art, the Meyerson Symphony Center, and Nasher Sculptor Garden, the Dallas Arts District is the largest urban arts district in the country.

The Fort Worth Cultural District is home to several museums that are applauded for their architecture and the quality of their collections. Such museums include the Amon Carter Museum of American Art, Kimbell Art Museum, Modern Art Museum of Fort Worth, National Cowgirl Museum and Hall of Fame, Cattle Raisers Museum, and the Fort Worth Museum of Science and History.

Downtown Fort Worth encompasses Sundance Square in thirty five historic blocks where people live, work, stay, and play. Sundance Square is filled with great places to eat, shops and galleries, night clubs, live music and theater, Bass Performance Hall, and more.

The Fort Worth Stockyards is a nationally recognized historic district and is a major tourist attraction in the area. Stockyards Station is the only location that holds a daily longhorn cattle drive, the Fort Worth Herd. Cowboys drive the herd down East Exchange Avenue twice daily. The Stockyards is also home to the world's first indoor rodeo and opens the doors Friday and Saturday nights. Billy Bob's Texas, once a barn for prize cattle during the stock shows, is now 100,000 square feet where you can enjoy real bull riding, games, and performances by some of the biggest country music artists.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

Dallas/Fort Worth is host to a wide range of sporting events throughout the year: home to the Dallas Cowboys, Texas Rangers, Dallas Mavericks, Dallas Stars, and FC Dallas Soccer. The area is also host to the Cotton Bowl (Arlington), Byron Nelson Golf Tournament (Irving), Colonial Golf Tournament (Fort Worth), and the Mesquite Rodeo (Mesquite).

Texas Motor Speedway, a development of Bruton Smith, city of Fort Worth and Denton County, opened in 1997. This facility, located at State Highway 114 and Interstate 35W, has a capacity of 200,000 persons. TMS draws huge crowds and lends to accelerated development to the area north of Alliance Airport. Major events to TMS are the NASCAR Nextel Cup, Samsung/Radio Shack 500, Dickies 500, NASCAR Busch Grand National Series, O'Reilly 300, O'Reilly Challenge, IRL, and the Bombardier Learjet 500.

Lone Star Park, a class I horse racing facility, opened in Grand Prairie in 1997. The facility is located on Belt Line Road just to the north of Interstate 30. Lone Star Park covers 315 acres, includes a 36,000 square foot pavilion for simulcasting, and a seven story, 280,000 square foot grandstand with a capacity of roughly 8,000 people. The track has a one mile dirt oval and a 7 furlong turf track, and has accommodations for 1,600 horses across 32 barns. In 2004, it was the site of the Breeder's Cup, becoming the ninth race track to ever host a Breeders' Cup. At only seven years old, Lone Star Park is the youngest track to host the event.

Health Care

The city of Dallas excels in offering health care and medical related research facilities to the Southwest. Baylor Health Care Systems has been named 18th among the nation's Top 100 integrated health care networks by SDI, a leading health care market insight and analytics firm and the nation's premier rating system for IHN's. The Southwest Medical School of the University of Texas was ranked 17th among research medical schools and 23rd among primary care medical schools in the nation. Also, located in the Dallas area is the Wadley Institute of Molecular Medicine blood disease and cancer research facilities, and the headquarters for the American Heart Association, National Association for Retarded Children, and the American Association for Respiratory Therapy. Baylor college of Medicine is ranked 12th in medical research and 13th in primary care. Parkland Memorial Hospital ranks in the top 50 in five different medical fields.

Medical facilities in Fort Worth include: Baylor Health System, Cook's Children Health Care System, University of North Texas Health Science Center at Fort Worth, JPS Hospital, Plaza Medical Center of Fort Worth, The Center for Cancer and Blood Disorders, and Texas Health Harris Methodist Hospital Fort Worth.

Infrastructure

Water and wastewater needs are supplied by Dallas Water Utilities, North Texas Municipal Water District, Trinity River Authority, and Tarrant Regional Water District.

DALLAS/FORT WORTH METROPOLITAN ANALYSIS

CONCLUSIONS

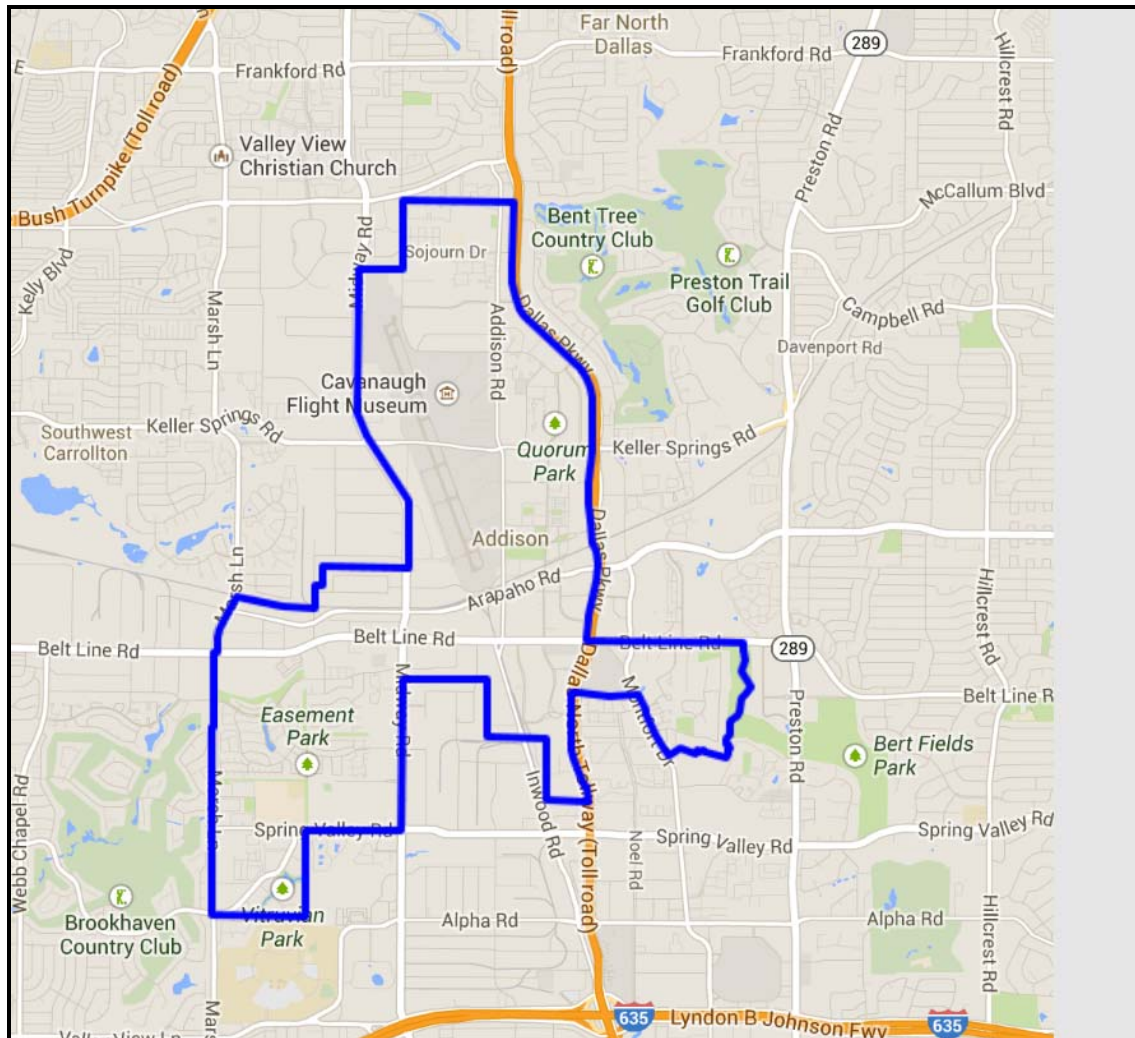
The foregoing city data and local area economic base activity are presented to establish growth and income patterns, which materially affect real estate development, real estate sales volume and value. The Dallas/Fort Worth area, based upon past performances and reasonable forecasts, should continue an upward growth trend, both in population and employment, particularly in the suburban cities.

As population in the suburban communities continues to increase, and as traffic in and around the Central Core becomes more congested, both residents and local firms are beginning to look toward new, outlying employment centers. This is especially seen in North Dallas along the LBJ Freeway/Dallas Parkway Corridors as well as master planned areas such as Las Colinas and Legacy Business Park.

For most sectors of the North Texas metropolitan market, appreciation continued in recent years until 2007. In 2008, the Metroplex saw a record number of single-family home foreclosures. The meltdown of the subprime lending market and collapse of major financial institutions virtually halted commercial and residential lending. Development trends from 2007 through 2009 were downward and sales volumes slowed dramatically. A slow recovery is underway, and while economic forecasts are varied, modest improvement seems to be a consensus. Overall, the Texas economy is proving more resilient and less over-built as compared to Florida, Arizona, Nevada, and California.

TOWN OF ADDISON ANALYSIS

The town of Addison, Texas is located 13 miles north of downtown Dallas, 16 miles northeast of DFW airport, and 11 miles north of Love Field airport. The town is bordered by the city of Carrollton to the west, Farmers Branch to the southwest, and Dallas to the south, east, and north.



History

Incorporated on June 15, 1953, the Town of Addison is located in the area known at one time as Peters Colony, and settled circa 1846. The area was not known as Addison until 1902, named after Addison Robertson, who served as the community's second postmaster. With the adoption of a new charter, the community became the Town of Addison on April 3, 1982.

In 1975, an election to allow liquor by the drink served in town was a major attribute to the expansion of businesses and restaurants. All combined, Addison's restaurants and eating establishments can seat over 20,000 patrons at one time.

TOWN OF ADDISON ANALYSIS

During the late 1970's and early 1980's, Addison experienced explosive growth. The Town of Addison is included in the Dallas-Fort Worth-Arlington Metropolitan Statistical Area, and hence benefits from the economic and population growth trends of the Dallas-Plano- Irving Metropolitan Division.

Government

Governed by a council-manager form of government, the Town Council consists of a Mayor and six members who are elected by at-large elections. The Council enacts ordinances and determines policies, adopts the budget, and appoints the City Manager, who is the chief administrator.

Population, Transportation, and Commerce

Addison contains an estimated 15,179¹ people in a total of 8,419 households. During the day, the population of the town of Addison is estimated to increase to over 100,000 persons, attributable to the large number of employers in the area, as well as the more than 170 restaurants, 27 hotels with over 4,000 rooms, and a large number of retail stores and office buildings along the primary thoroughfares. Furthermore, Addison is corporate headquarters to Dresser, Mary Kay Cosmetics, Jani-King, Palm Harbor Homes, and MillionAire. Average per capita income is estimated to be \$47,727 and average household income is \$63,279, with an average unemployment rate of 6.1%.

The town of Addison covers 4.4 square miles of land, roughly one-half of which is improved with Addison Airport. The airport runway is 7,203 x 100 feet, and is equipped for ILS/DME and VOR/DME instrument approaches. The airport has an average of 366 aircraft operations each day, with 88% being considered general aviation, and 12% being air taxi, charter, or commercial flights. Aircraft based at the airport total 774, 49% of which are single engine, 24% of which are multiple engine, 24% of which are jet aircraft, and 3% of which are helicopters.

Primary thoroughfares providing north/south linkage include the Dallas Parkway/Dallas North Tollway, Addison Road, Inwood Road, Midway Road, and Marsh Lane. East/west linkage is provided by Keller Springs Road, Arapaho Road, Belt Line Road, and Spring Valley Road.

The area is one of the heaviest-developed business centers in northern Dallas, with dense concentrations of low-, mid-, and high-rise office buildings, industrial districts, and retail and restaurant uses. Though Addison is better than 90 percent built out, the town continues to prosper into the new millennium, and prime real estate and redevelopment opportunities remain at and near the Addison Airport and are anticipated for the future.

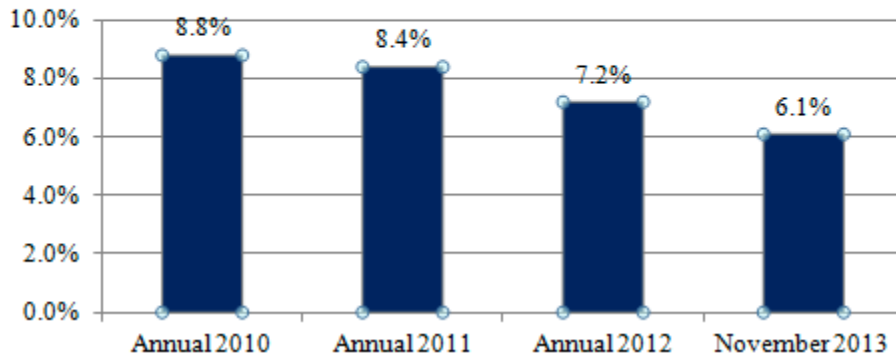
¹ United States Census, Addison, Texas Estimated 2012 Population.

Employment and Unemployment

The Texas Workforce Commission does not specifically track the unemployment rate for Addison. Addison historical unemployment rates are estimated to be at or lower than Dallas County as a whole.

**Unemployment Rate
Dallas County**

(Source: Texas Workforce Commission)

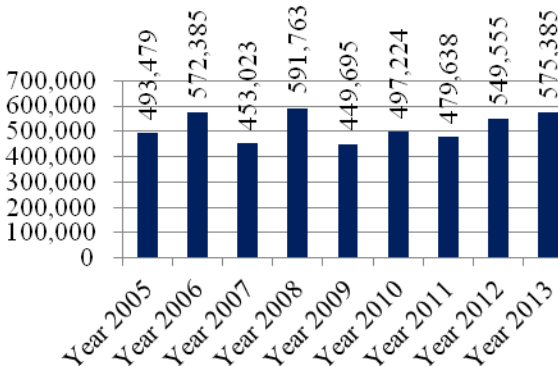


Retail Sales

In 2013, retail sales in the town of Addison totaled over \$575 million. Sales in 2005 totaled \$493 million, indicating 2% annual compounded growth. The number of retail businesses has increased from 427 in 2005 to 655 in 2013, indicating 5.5% annual compounded growth.

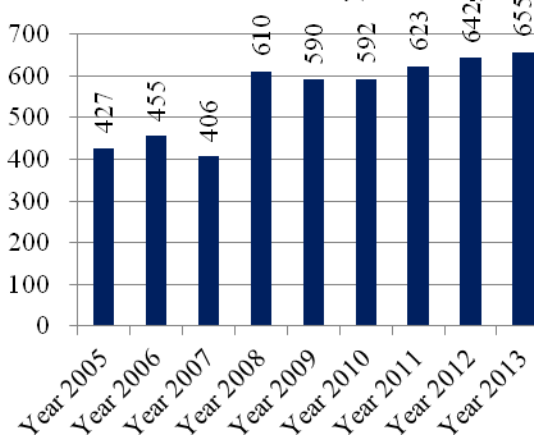
**Gross Retail Sales
(\$1,000s)**

Source: 2013 Texas Retail Survey (Eureka Group)



Retail Businesses

Source: 2013 Texas Retail Survey (Eureka Group)



Community Services

The town of Addison is served by the Dallas Independent School District and the Carrollton-Farmers Branch Independent School District. Fire and police protection are provided by the town of Addison. Electrical and telephone services are available through various providers, and natural gas is provided by Atmos Energy. Water and sewer services are also provided by the town of Addison.

Located between Addison Road, Addison Circle Drive, Quorum Drive, and Festival Way, Addison Circle Park is a 10-acre open space that serves as the special event site for the Town of Addison's community events such as: Taste of Addison, Kaboom Town, Oktoberfest, and others throughout the year.

Town of Addison Real Estate Market

The town of Addison is extensively developed with industrial, office, retail, and multifamily housing, with each property type considered in general terms below.

Industrial

A surveyed region, which includes Addison and neighboring areas, indicates a total of 101,377,615 square feet of industrial space, with a vacancy rate of 8.0% and average lease rates ranging from \$4.63 to \$7.51 per square foot on NNN terms.²

Office

In a manner similar to the industrial analysis, a surveyed region, which includes Addison and neighboring areas, indicates a total of 37,126,805 square feet of office space, with a vacancy rate of 14.5% and average lease rates of \$20.95 per square foot on full service terms.³

Retail

A surveyed region, including Addison and neighboring areas, indicates a total of 28,332,820 square feet of office space, with a vacancy rate of 8.7% and average lease rates of \$14.76 per square foot on NNN terms.⁴

Multi-Family Residential Apartments

In a survey of an area designated as "North Dallas/Addison", 106 properties are considered, with 28,727 units. The average rent per month is \$1.02 per square foot, with 92% occupancy.⁵

² CBRE, *MarketView*.

³ CBRE, *MarketView*.

⁴ CBRE, *MarketView*.

⁵ CBRE, *MarketView*.

TOWN OF ADDISON ANALYSIS

Single-Family and Multi-Family Owned Units

According to the 2010 United States Census for Addison, 73.4% of the 8,419 households are located in multifamily complexes (either condominium ownership or apartments). The remaining 2,239 units are detached single-family.⁶ Given the significant level of build-out in the town, new development is nominal. However, City Homes recently completed construction of 183 condominiums in the Addison Circle Urban Center. The homes range between 1,500 to more than 2,000 square feet.

Condominium list prices range from \$73,500 to \$280,000, or \$94.80 to \$141.03 per square foot. Detached single-family list prices range from \$182,500 to \$849,900, or \$93.63 to \$193.00 per square foot. Townhome list prices range from \$157,000 to \$382,000, or \$110.81 to \$189.14 per square foot.⁷

CONCLUSIONS

The Town of Addison is located along the prestigious Dallas Parkway corridor, and is a major employment center of northern Dallas. The locale is enhanced by residential areas in neighboring communities, and the area is expected to continue to be a major focal point in the commercial real estate market in the Dallas metropolitan area. Residential construction is evident in isolated areas throughout the town, but land availability will tend to retard this growth in the future.

The transportation network in the area is good and surrounding land uses are considered to be compatible and homogenous. The area is in proximity to employment centers and quality schools and services, and is considered a stable residential and commercial environment, with no noticeable nuisances or hazards. The majority of improvements are in the early to middle stages of economic life, and sufficient neighborhood services are accessible to service the community. The long-term prospects for the area and the subject property are positive.

⁶ United States Census, Addison, Texas Estimated 2012 Population.

⁷ North Texas Real Estate Information Systems (Local MLS), January 22, 2013.

SUBJECT VICINITY

The subject is located in the Belt Line Road corridor in the Town of Addison. The vicinity is west of Midway Road and east of Marsh Lane, and approximately one mile west of the Dallas North Tollway and 2.5 miles north of Interstate Highway 635 (LBJ Freeway).

The area consists of a variety of mostly commercial improvements, ranging from retail buildings and shopping centers, restaurants, office buildings, and others. The majority of improvements are adequately maintained and in average condition. The area is in a stable phase of its life cycle, with an estimated 95% of the land in use.

The traffic system is adequate to service the locale, with Belt Line Road as the primary east-west thoroughfare, and Midway Road and Marsh Lane the primary north-south routes. A number of connecting streets are interspersed throughout the area.

The following pages provide demographic data for the vicinity.

Neighborhood Demographics

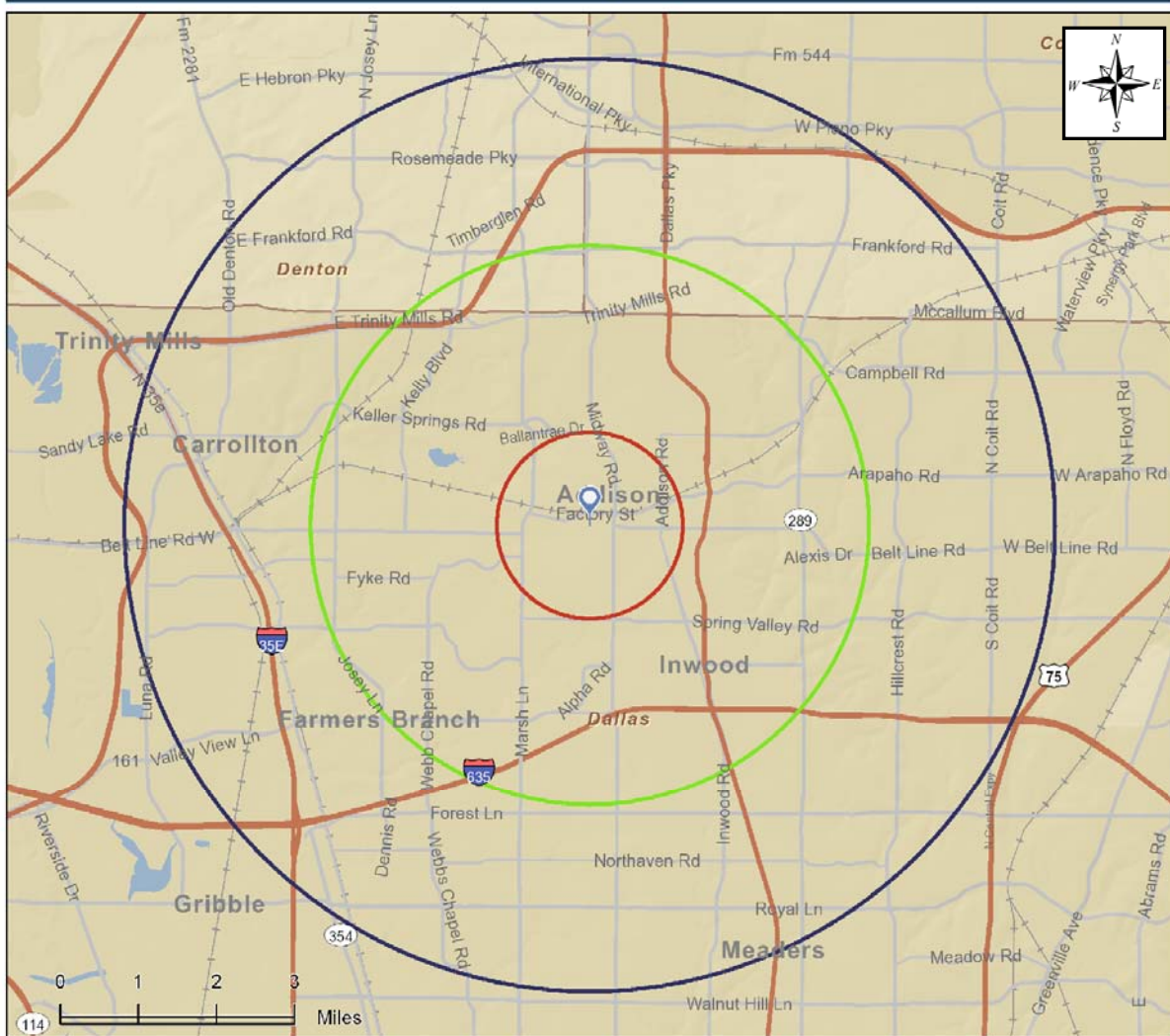
The following Executive Summary provided by Site To Do Business provides demographic and income data for 1-mile, 3-mile, and 5-mile radii centered on the subject's location.



Site Map

4101 Belt Line Rd, Addison, Texas, 75001
Ring: 1, 3, 5 Miles

Prepared by Wendell Pyles
Latitude: 32.954498
Longitude: -96.84323





Executive Summary

4101 Belt Line Rd, Addison, Texas, 75001
Rings: 1, 3, 5 mile radii

Prepared by Wendell Pyles
Latitude: 32.954498307
Longitude: -96.84323032

	1 mile	3 miles	5 miles
Population			
2000 Population	7,012	123,610	329,719
2010 Population	7,605	129,115	334,277
2013 Population	7,761	130,669	342,352
2018 Population	8,167	137,002	365,395
2000-2010 Annual Rate	0.82%	0.44%	0.14%
2010-2013 Annual Rate	0.63%	0.37%	0.74%
2013-2018 Annual Rate	1.02%	0.95%	1.31%
2013 Male Population	48.0%	49.3%	49.5%
2013 Female Population	52.0%	50.7%	50.5%
2013 Median Age	38.5	34.5	35.2

In the identified area, the current year population is 342,352. In 2010, the Census count in the area was 334,277. The rate of change since 2010 was 0.74% annually. The five-year projection for the population in the area is 365,395 representing a change of 1.31% annually from 2013 to 2018. Currently, the population is 49.5% male and 50.5% female.

Median Age

The median age in this area is 35.2, compared to U.S. median age of 37.3.

Race and Ethnicity

	1 mile	3 miles	5 miles
2013 White Alone	68.0%	64.1%	66.1%
2013 Black Alone	9.6%	11.6%	10.8%
2013 American Indian/Alaska Native Alone	1.4%	0.6%	0.6%
2013 Asian Alone	5.3%	6.1%	6.3%
2013 Pacific Islander Alone	0.0%	0.0%	0.0%
2013 Other Race	12.2%	14.3%	13.0%
2013 Two or More Races	3.4%	3.2%	3.1%
2013 Hispanic Origin (Any Race)	30.5%	36.3%	33.9%

Persons of Hispanic origin represent 33.9% of the population in the identified area compared to 17.4% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 75.0 in the identified area, compared to 62.1 for the U.S. as a whole.

Households

	1 mile	3 miles	5 miles
2000 Households	3,834	57,266	141,339
2010 Households	3,948	59,201	142,352
2013 Total Households	4,007	59,766	145,649
2018 Total Households	4,207	62,627	155,509
2000-2010 Annual Rate	0.29%	0.33%	0.07%
2010-2013 Annual Rate	0.45%	0.29%	0.71%
2013-2018 Annual Rate	0.98%	0.94%	1.32%
2013 Average Household Size	1.94	2.18	2.35

The household count in this area has changed from 142,352 in 2010 to 145,649 in the current year, a change of 0.71% annually. The five-year projection of households is 155,509, a change of 1.32% annually from the current year total. Average household size is currently 2.35, compared to 2.34 in the year 2010. The number of families in the current year is 82,475 in the specified area.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018. Esri converted Census 2000 data into 2010 geography.

February 05, 2014



Executive Summary

4101 Belt Line Rd, Addison, Texas, 75001
Rings: 1, 3, 5 mile radii

Prepared by Wendell Pyles
Latitude: 32.954498307
Longitude: -96.84323032

	1 mile	3 miles	5 miles
Median Household Income			
2013 Median Household Income	\$62,922	\$52,481	\$55,316
2018 Median Household Income	\$80,212	\$63,365	\$70,125
2013-2018 Annual Rate	4.98%	3.84%	4.86%
Average Household Income			
2013 Average Household Income	\$85,302	\$78,205	\$87,071
2018 Average Household Income	\$101,065	\$92,945	\$103,450
2013-2018 Annual Rate	3.45%	3.51%	3.51%
Per Capita Income			
2013 Per Capita Income	\$42,970	\$35,871	\$37,066
2018 Per Capita Income	\$50,765	\$42,605	\$44,037
2013-2018 Annual Rate	3.39%	3.50%	3.51%

Households by Income

Current median household income is \$55,316 in the area, compared to \$51,314 for all U.S. households. Median household income is projected to be \$70,125 in five years, compared to \$59,580 for all U.S. households

Current average household income is \$87,071 in this area, compared to \$71,842 for all U.S. households. Average household income is projected to be \$103,450 in five years, compared to \$83,667 for all U.S. households

Current per capita income is \$37,066 in the area, compared to the U.S. per capita income of \$27,567. The per capita income is projected to be \$44,037 in five years, compared to \$32,073 for all U.S. households

Housing

2000 Total Housing Units	3,987	61,039	149,051
2000 Owner Occupied Housing Units	1,503	21,530	66,227
2000 Owner Occupied Housing Units	2,331	35,736	75,112
2000 Vacant Housing Units	153	3,773	7,712
2010 Total Housing Units	4,238	65,099	155,171
2010 Owner Occupied Housing Units	1,626	22,468	66,521
2010 Renter Occupied Housing Units	2,322	36,733	75,831
2010 Vacant Housing Units	290	5,898	12,819
2013 Total Housing Units	4,292	66,294	159,466
2013 Owner Occupied Housing Units	1,650	22,178	66,906
2013 Renter Occupied Housing Units	2,357	37,588	78,743
2013 Vacant Housing Units	285	6,528	13,817
2018 Total Housing Units	4,450	68,833	168,844
2018 Owner Occupied Housing Units	1,815	23,656	72,411
2018 Renter Occupied Housing Units	2,392	38,972	83,098
2018 Vacant Housing Units	243	6,206	13,335

Currently, 42.0% of the 159,466 housing units in the area are owner occupied; 49.4%, renter occupied; and 8.7% are vacant. Currently, in the U.S., 56.4% of the housing units in the area are owner occupied; 32.3% are renter occupied; and 11.3% are vacant. In 2010, there were 155,171 housing units in the area - 42.9% owner occupied, 48.9% renter occupied, and 8.3% vacant. The annual rate of change in housing units since 2010 is 1.22%. Median home value in the area is \$235,948, compared to a median home value of \$177,257 for the U.S. In five years, median value is projected to change by 2.38% annually to \$265,381.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018. Esri converted Census 2000 data into 2010 geography.

February 05, 2014

Conclusions

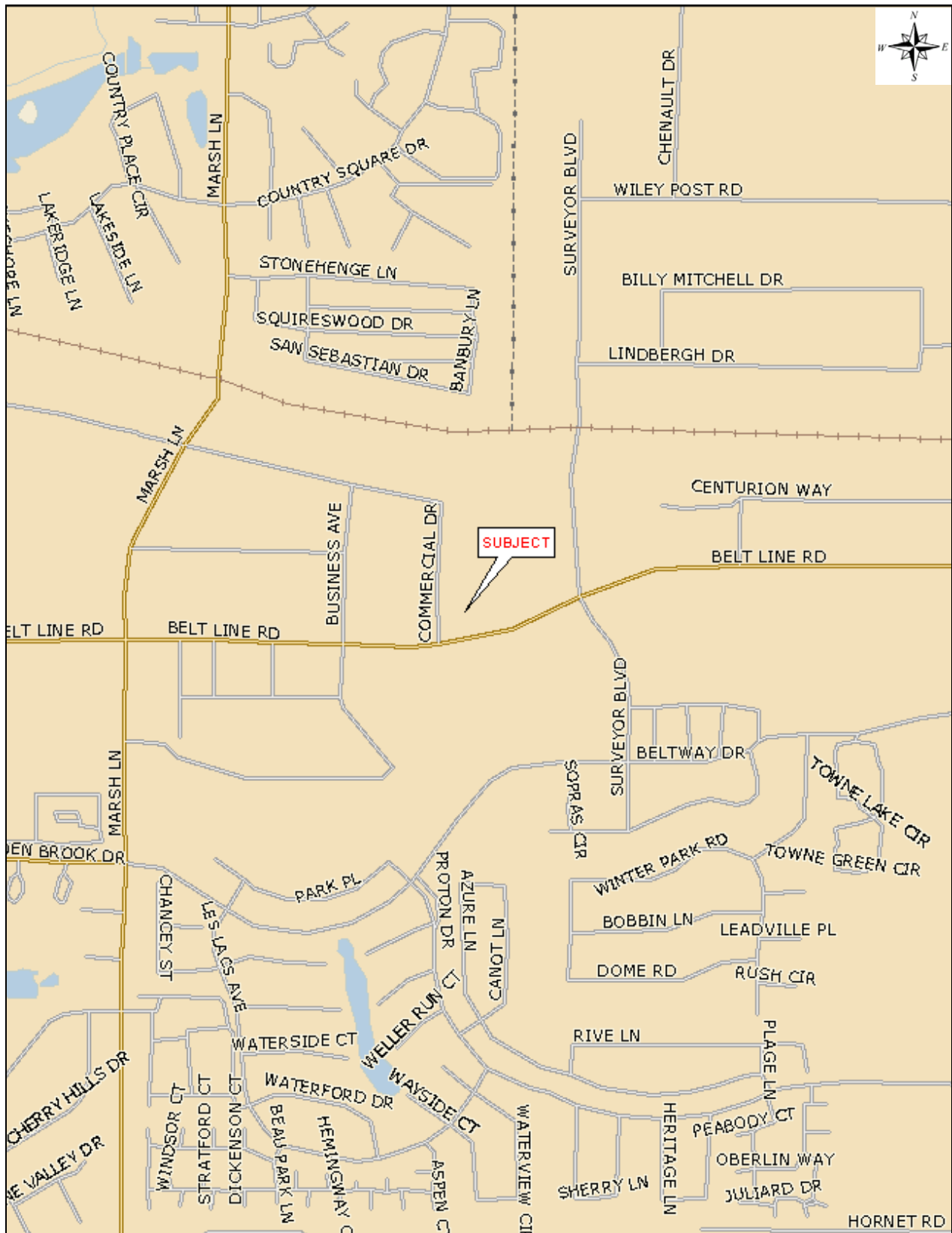
The immediate neighborhood is a diverse employment center in northern Dallas, and is enhanced by the surrounding residential areas. The transportation network in the area is good. Major roadways, regional freeways and toll roads provide good access for the area.

The area has enjoyed favorable economic opportunities. Characterized as a stable commercial and residential environment, the vicinity is a mixture of retail and restaurant buildings, office buildings, hotels, and office-warehouses and light industrial uses. The subject is congruent with neighborhood land uses.

The subject area is in a stable phase of development and in proximity to employment centers and quality schools and services with few improvements needing repairs and/or renovations. Consequently, some new construction, as well as renovation of older properties, is more likely to occur within the subject area in the near future. Additionally, there appears to be no detrimental influences upon the area that would inhibit the income-producing capabilities of the improved properties.

No noticeable nuisances or hazards are in the area and the majority of improvements are in the early to middle stages of economic life, and sufficient area services are accessible to service the community. The long-term prospects for the area and the subject property are positive.

LOCATION MAP



SUBJECT PROPERTY

The whole subject property is improved with a professional office building and multilevel parking facility, located at 3939 Belt Line Road, Addison, Dallas County, Texas.

SITE DATA

Site/Dimensions/Frontage

Based on the information available, the whole property tract is rectangular in shape, and contains 165,524 square feet, or 3.80 acres. The subject fronts the northern line of Belt Line Road for approximately 337 linear feet, and the eastern line of Commercial Drive for approximately 544 feet. The subject is approximately 544 feet deep, throughout the tract.

Abutting Uses

Abutting uses are vacant land to the north, an electric transmission line corridor to the east, Belt Line Road to the south, and Commercial Drive to the west.

Linkages

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

Access

Belt Line Road is a six-lane, divided thoroughfare. Commercial Drive is a two-lane, undivided roadway. Overall, access for the neighborhood is rated as good. Access to and from the subject is good and via the single curb cuts along both Belt Line Road and Commercial Drive. Visibility and exposure of the subject are rated good.

Topography/Flood Zone

The topography of the tract is mostly level and at street grade, and is not problematic to development. According to FEMA flood hazard map 48113C0180J dated August 23, 2001, the subject is determined to be outside the 100-year floodplain, with the exception of approximately 20%, being within Zone 'X', and possibly in the 100-year floodplain, in an area across the middle of the tract. Drainage of the site appears graded. Underground drainage is in place, and is assumed to mitigate the flooding hazard. No representation is made that the site will or will not flood. A hydrological study or survey is required for confirmation of flood-designated boundaries.

Environmental Conditions

To our knowledge, a Phase I Environmental Site Assessment has not been completed for the subject property as of the date of inspection. A current Phase I ESA is recommended. The subject is appraised predicated on the absence of detrimental environmental conditions. The conclusions of this appraisal report would be materially changed if detrimental environmental conditions affect the subject.

SUBJECT PROPERTY

Utilities/Community Services

Electricity, water, sewer, and phone services are available to the subject. Electric service and telecommunication services are available by various providers. Natural gas service is available from Atmos Energy. Water and wastewater is provided by the Town of Addison. Police and fire protection are provided by the Town of Addison. The property is located within the Dallas Independent School District.

Zoning

The site is zoned PD; Planned Development by the Town of Addison. The purpose of this district is to encourage better development in the town by allowing more flexibility in the planning and development of projects. It is the policy of the town that the developer shall inventory site conditions and environs, both natural and manmade, and shall provide appropriate protection of these elements prior to approval of the planned development district. The district is further designed to allow the city council greater control over the development of areas adjacent to residential districts. Professional office building and multilevel parking facilities are allowed in this zoning district.

Setback and height requirements are site specific and approved by the town on an individual basis.

Soils

Soils in this area vary and can require specific engineering considerations. This condition is considered typical for the area, and no unusually unstable soil-bearing capacities are known.

Easements

This valuation assumes that utility and access easements typical of this property type are present and that no detrimental easement conditions exist. This should not be considered as a guaranty or warranty, however, that adverse easements do not exist. Were the property to have any easements detrimental to the subject, the opinion of value concluded herein may be invalid.

Deed Restrictions

To our knowledge, no deed restrictions affect or limit the use of the property; however, this should not be considered as a guaranty or warranty that no such restrictions exist. Deed restrictions are a legal matter: normally discoverable only by a title search by a title attorney. It is recommended that a title search be made if any questions regarding deed restrictions arise.

SUBJECT PROPERTY

Wetlands

No visual evidence was observed to indicate whether wetlands exist on the subject site. Wetlands, as defined by Section 404 of the Clean Water Act, are those areas that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Swamps, bogs, fens, marshes, and estuaries are subject to federal environmental law.

SUBJECT IMPROVEMENTS

Improvements

The land is improved with a professional office building and multilevel parking facility and site improvements. According to the Dallas County Appraisal District, the recorded documents, the building consists of 106,784 square feet of gross building area, and 54,360 square feet of gross parking garage area.

Orientation

The building is irregular in shape and oriented to Belt Line Road. The distance is approximately 150 feet from the building to the existing right of way along Belt Line Road.

Age, Construction and Condition

According to tax records, the building was constructed in 1984. Based on visual observation from the public roadway, the building is of Class B construction, of steel frame and glass veneer construction on a concrete slab foundation. Quality is rated as good, and the improvements appear to be in good condition.

Our opinion of the improvements' effective age is estimated to be 30 years. According to Marshall & Swift Valuation Service, the typical economic life span for buildings of the same construction class and design as the subject is typically 60 years. Therefore, the subject is said to have a remaining economic life of 30 years (60 years less the effective age of 30 years).

No functional or economic obsolescence is noted. No items of deferred maintenance are observable.

SUBJECT PROPERTY

Site Improvements

Site improvements are comprised of concrete parking and drives, concrete curbing, perimeter site lighting, landscaping, dumpster enclosure, and an irrigation system. Landscaping includes trees, shrubs, bushes, and grass. Overall, the improvements appear to be adequately maintained and in good condition. Quality is rated as good. No items of deferred maintenance are observable.

Parking

The site has 324 striped parking spaces, 81 of which are covered in the parking garage. The parking requirement for the subject improvements area is ambiguous, as the planned development district provides for specific site plan approval, and does not apply blanket parking requirements to all improved properties in the district. The parking, access, and circulation are assumed adequate under the current requirements.

Occupancy and Rentals

It is further assumed the tenants occupy the property under lease agreements. The lease terms and property income and expense data are not available.

Functional Utility

Functional utility is defined as the ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards. The subject is a professional office building and multilevel parking facility. The improvements are functionally adequate given the architectural style, design and layout, traffic patterns, and the size and configuration of the improvements for this property type.

External Obsolescence

External obsolescence is considered to be the loss in value of the property resulting from an influence of negative forces not inherent with the property. It can be caused by the exertion of detrimental external forces upon the area or property itself. Specific examples are significant fluctuations in the local economy, noise from nearby expressways or airports, excessive taxes, supply and demand imbalances, special assessments or certain other governmental actions, the lack of financial liquidity in the marketplace, or the infiltration of unharmonious groups or land uses. This form of obsolescence is rarely, if ever, curable. The subject regional area is currently experiencing stable rental rates and occupancy levels, and external obsolescence does not appear to be in place for the site improvements valued in this appraisal report.

CONCLUSIONS

The subject is improved with a professional office building and multilevel parking facility, with adequate frontage and access via the three curb cuts along Commercial Drive. It appears that the condition of the improvements is good. The property appears to be a legal conforming use.

REAL ESTATE TAX ANALYSIS

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

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

The subject property is situated within the Town of Addison, and falls within the taxing jurisdictions of the Town of Addison, Dallas County, Dallas County Community College, Parkland Hospital District, and Dallas Independent School District. Pertinent 2013 tax rates for the subject are detailed below.

2013 TAX RATES (per \$100)	
Town of Addison	\$ 0.571800
Dallas County	\$ 0.253100
Dallas County Community College	\$ 0.124700
Parkland Hospital District	\$ 0.276000
Dallas Independent School District	\$ 1.282085
Total	\$ 2.507685

The Dallas Central Appraisal District account for the subject assessment for 2013 is summarized as follows:

Account Number	Land	Improvements	Total
10002100010010000	\$ 1,169,150	\$ 3,857,310	\$ 5,026,460
100021000102R0100	\$ 49,660	\$ 0	\$ 49,660
100026300A0010000	\$ 238,880	\$ 0	\$ 238,880
Total	\$ 1,457,690	\$ 3,857,310	\$ 5,315,000

Based on the preceding assessed value and pertinent tax rates, the subject's annual tax liability is calculated as follows:

Assessed Value	Tax		Indicated Tax Liability
	Rate/\$100		
\$5,315,000	x	\$2.507685	=
			\$ 133,283

Additionally, the assessed land value equates to \$8.81/SF of land area, and is below the concluded market value in this appraisal. This difference is typically due to the valuation methods of the appraisal district.

AERIAL PHOTOGRAPH



Red Lines denote approximate property boundary.
Orange Lines denote approximate area of acquisition.

SUBJECT PHOTOGRAPHS

PHOTOGRAPHED JANUARY 25, 2014



Belt Line Road, Looking East; subject on left.



Commercial Drive, Looking North; subject on right.

SUBJECT PHOTOGRAPHS



Looking Northwest at Southwest Corner, with Acquisition Area marked in Red



Looking Southeast at Southwest Corner, with Acquisition Area Marked in Red

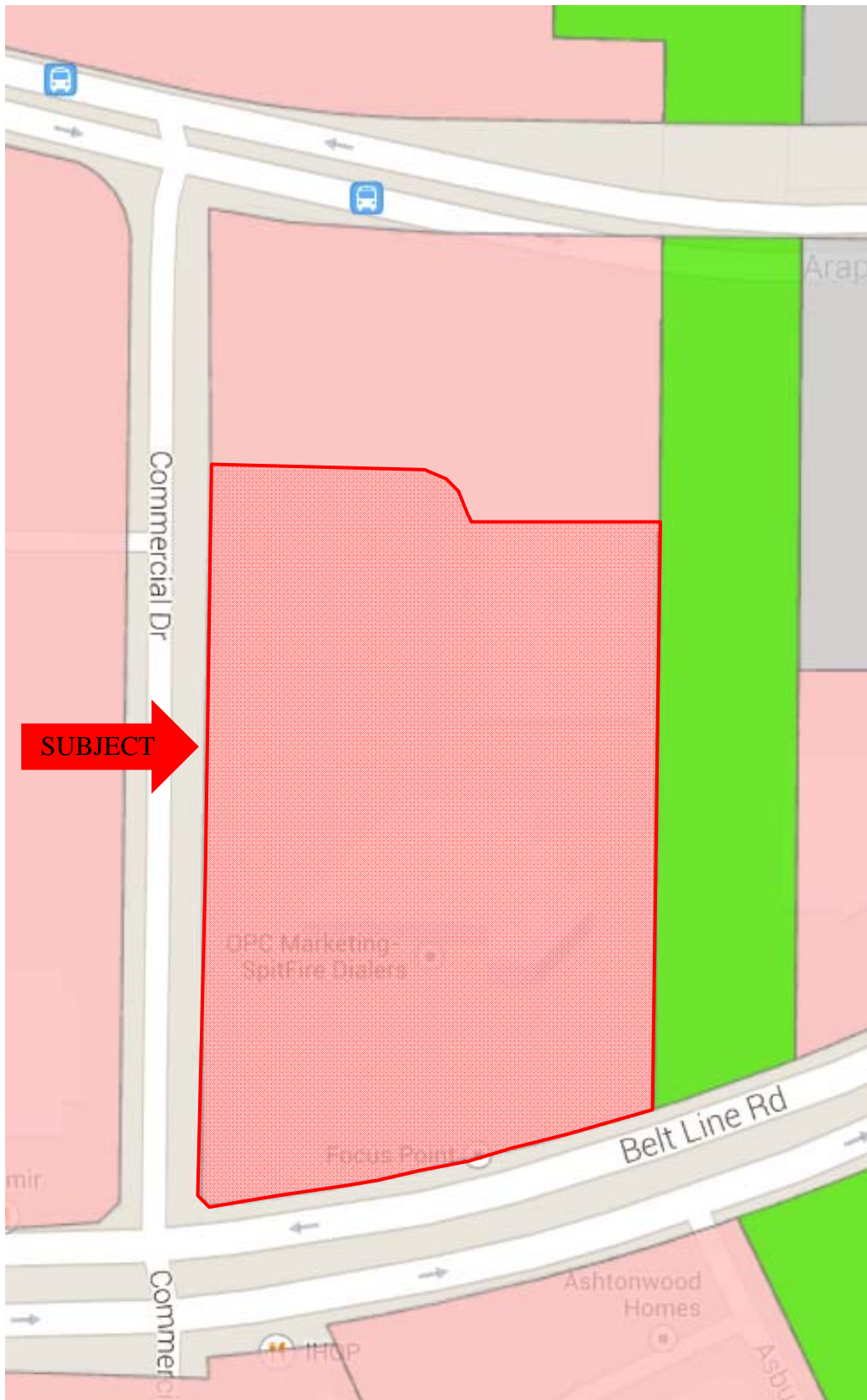
SUBJECT PHOTOGRAPHS



Building Improvements



Parking Garage



ORDINANCE NO. 085-020

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE, AS HERETOFORE AMENDED, SO AS TO CHANGE THE ZONING FROM DISTRICT "I-1" (INDUSTRIAL) TO DISTRICT "PD" (PLANNED DEVELOPMENT), LOCATED AT THE NORTHEAST CORNER OF BELT LINE ROAD AND COMMERCIAL DRIVE AND BEING MORE PARTICULARLY DESCRIBED IN THE BODY OF THIS ORDINANCE; ON APPLICATION FROM LA FOUNTAIN DEVELOPMENT; PROVIDING FOR SPECIAL CONDITIONS; PROVIDING FOR A PENALTY CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.

WHEREAS, application was made to amend the Comprehensive Zoning Ordinance of the Town of Addison, Texas, by making application for the same with the Planning and Zoning Commission of the Town of Addison, Texas, as required by State Statutes and the zoning ordinance of the Town of Addison, Texas, and all the legal requirements, conditions and prerequisites having been complied with, the case having come before the City Council of Addison, Texas, after all legal notices, requirements, conditions and prerequisites having been complied with, and

WHEREAS, the City Council of the Town of Addison, Texas, does find that there is a public necessity for the zoning change, that the public demands it, that the public interest clearly requires the amendment, and it is in the best interest of the public at large, the citizens of the Town of Addison, Texas, and

ZONING EXCERPT

helps promote the general welfare and safety of this community,
now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON,
TEXAS:

SECTION 1. That the Comprehensive Zoning Ordinance of the
Town of Addison, Texas, be, and the same is hereby amended by
amending the zoning map of the Town of Addison, Texas, so as to
give the hereinafter described property the zoning district
classification, to-wit: "PD" Planned Development. Said property
being in the Town of Addison, Texas, and being described as
follows:

BEING a tract of land situated in the D. Myers Survey,
Abstract No. 923, and the T. L. Chenoweth Survey, Abstract
No. 273, said tract also being part of Block 1 of the Belt
Line Marsh Business Park, an addition to the City of
Addison, according to the replat recorded in Volume 81060,
Page 0170, Deed Records, Dallas County, Texas, and being
more particularly described as follows:

BEGINNING at an iron rod found for corner in the East line
of Commercial Drive (a 60' R.O.W.) said corner being N 00
deg. 04' 38" E a distance of 10.00 feet from the North
line of Belt Line Road (a 100' R.O.W.);

THENCE N 00 deg. 04' 38" E, along the East line of
Commercial Drive, a distance of 777.27 feet to the
beginning of a curve to the left having a central angle of
77 deg. 52' 37" and a radius of 40.00 feet;

THENCE along said curve, in a Northwesterly direction, an
arc distance of 54.37 feet to the tangent point thereof in
the North line of Realty Road (a 60' R.O.W.);

THENCE N 77 deg. 47' 59" W, along the North line of Realty
Road, a distance of 290.00 feet to an iron rod found for
corner;

THENCE N 12 deg. 12' 01" E a distance of 345.87 feet to an
iron rod found for corner in the South line of the St.
Louis & Southwestern Railroad (a 100' R.O.W.), thence with
said Railroad as follows:

S 79 deg. 26' 58" E, a distance of 77.46 feet to an iron rod found for corner;

S 81 deg. 18' 58" E, a distance of 100.00 feet to an iron rod found for corner;

S 83 deg. 04' 58" E, a distance of 100.00 feet to an iron rod found for corner;

S 85 deg. 17' 58" E, a distance of 100.00 feet to an iron rod found for corner;

S 87 deg. 21' 58" E, a distance of 100.00 feet to an iron rod found for corner;

S 89 deg. 12' 58" E, a distance of 18.59 feet to an iron rod set at the Northwest corner of the T.P.&L. Tract;

THENCE S 00 deg. 04' 38" W, along the West line of said T.P.&L. Tract, a distance of 299.99 feet to an iron rod set for corner at the Southwest corner of the T.P.&L. Tract;

THENCE S 89 deg. 55' 22" E, along the South line of said T.P.&L. Tract a distance of 80.00 feet to an iron rod set for corner at the Southeast corner of the aforementioned T.P.&L. Easement, said west line also being the East line of the Belt Line - Marsh Business Park Addition;

THENCE S 00 deg. 04' 38" W, along the common easement and addition line, a distance of 794.95 feet to an iron rod found for corner in the North line of Belt Line Road, said corner also being the beginning of a curve to the right having a central angle of 10 deg. 08' 36", a radius of 1860.00 feet and a chord bearing of S 76 deg. 49' 25" W;

THENCE along said curve in a Westerly direction, along the North line of Belt Line Road, an arc distance of 329.29 feet to an iron rod found for corner;

THENCE N 48 deg. 56' 11" W, along the East corner clip off Commercial Drive, a distance of 13.12 feet to the POINT OF BEGINNING and containing 10.4117 acres of land (453,536 square feet), more or less.

SECTION 2. As provided in Planned Development District Article of the Comprehensive Zoning Ordinance, said property shall be improved in accordance with the development plans which are attached hereto and made a part hereof for all purposes.

SECTION 3. The following special conditions are placed on the above described property:

1. The traffic signal be installed at the intersection of Belt Line Road and Commercial at the developer's expense when a warrant study indicates it is necessary.
2. The parallel utility lines to the metering station south of Belt Line and Marsh be installed at the developer's expense prior to the issuance of a building permit for Phase III of the development.
3. The property be platted in accordance with the subdivision regulations.
4. At the time Phase III is platted, the right-of-way for the extension of Arapaho Road be dedicated to the City.
5. The staff receive written verification from the F.A.A. for approval of the height of the two 14-story buildings prior to the issuance of a building permit for their construction.

SECTION 4. All paved areas, permanent drives, streets and drainage structure shall be constructed in accordance with standard Town of Addison specifications adopted for such purpose.

SECTION 5. That any person, firm, or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in the Comprehensive Zoning Ordinance of the City as heretofore amended, and upon conviction shall be punished by a fine not to exceed the sum of Two Hundred Dollars (\$200.00) for each offense and that each day such violation shall continue to exist shall constitute a separate offense.

SECTION 6. That should any paragraph, sentence, subdivision, clause, phrase or section of this ordinance be adjudged or

ZONING EXCERPT

heid to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole or any part or provisions thereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of this ordinance as a whole.

SECTION 7. Whereas, the above described property requires that it be given the above zoning classification in order to permit its proper development and in order to protect the public interest, comfort and general welfare of the City and creates an urgency and an emergency for the preservation of the public health, safety and welfare and requires that this ordinance shall take effect immediately from and after its passage and publication of the caption as the law in such cases provides.

DULY PASSED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, on this the 9th day of April, 1985.


MAYOR

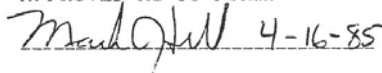
ATTEST:


CITY SECRETARY

CASE # 890-Z-1

TAX #

APPROVED AS TO FORM:



PROJECT DESCRIPTION

Addison Plaza is a 10.4117 acre (453,536 square foot) property located at the northeast corner of Belt Line Road and Commercial Drive.

The proposed development of this property is to construct four high quality, Class A office buildings (one seven story of 105,274 square feet, one twelve story of 184,285 square feet, and two fourteen stories of 309,084 square feet each) for a total of 907,727 square feet of office space and an independent, two story restaurant/retail facility of 14,000 square feet, giving a total area of 921,727 square feet and a Floor Area Ratio (F.A.R.) on the site of 2.03.

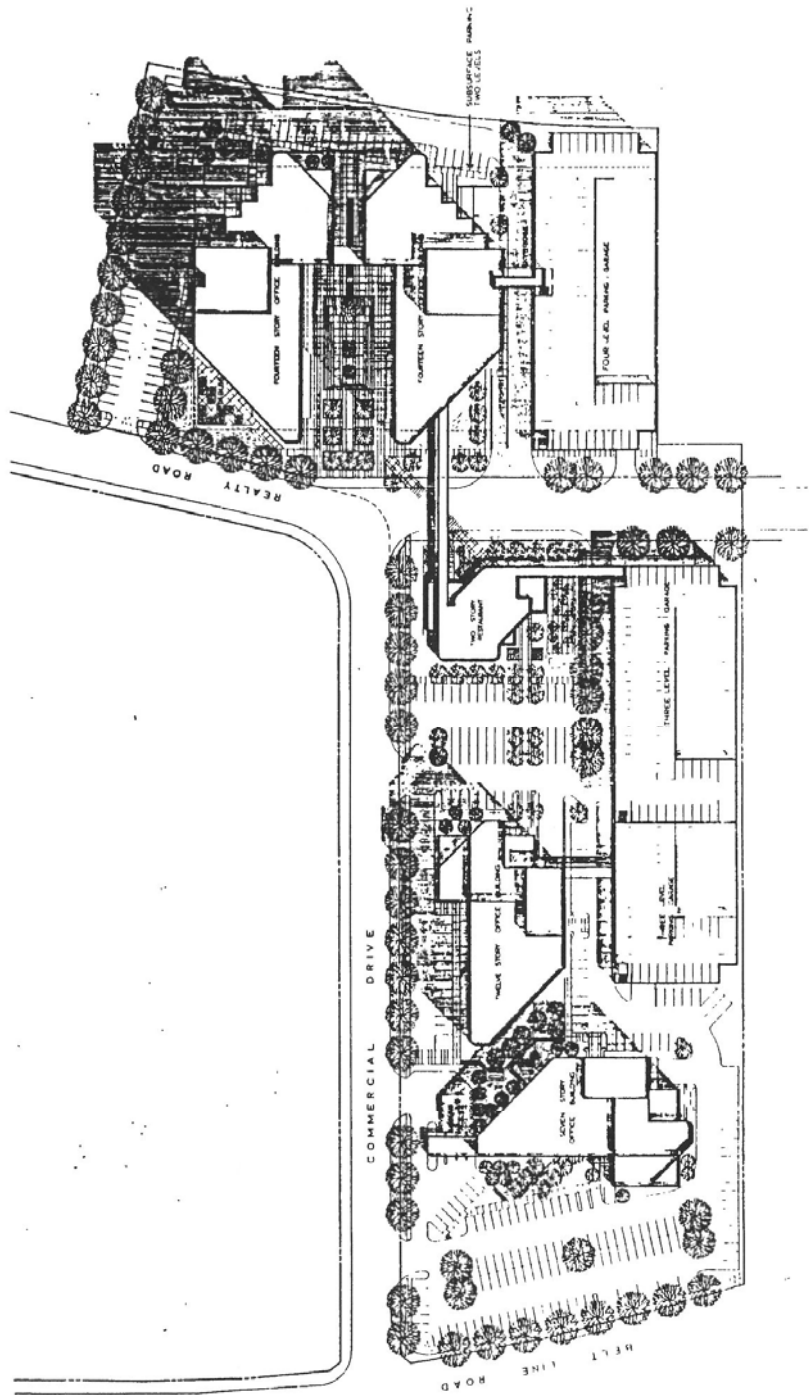
The seven-story office building is presently under construction and is expected to be ready for occupancy approximately June 1, 1985. The structural frame of the building is concrete beams and columns with a concrete pan joist system. The exterior of the building is being clad with a gray granite aggregate panel and a combination of gray-tinted insulating glass and clear insulating glass. Entry to the building is through a three-story atrium with black and gray granites, stainless steel, black aluminum, and several shades of blue and gray fabrics and paint colors used as finishes. A seating area is incorporated into the atrium. The upper floors of the building step out over the entrance to provide shelter and sense of scale.

The four future buildings would maintain the same character of materials and intimate scale. They would be undertaken at the rate of approximately one every eighteen to twenty four months. They would be interconnected by landscaped walks, courtyards, and an auxiliary skybridge system. Twenty-nine (29) percent of the site is landscaped area with several areas set aside for park benches, umbrella-covered tables, and water features. It is anticipated that there will be several restaurants and retail facilities accommodated within the development.

There are 309 surface parking stalls and 1,281 parking stalls in surface parking structures that are three and four level elements. A subsurface parking structure beneath phases three and four provides an additional 1,326 parking stalls. The parking structures are located to shield the view towards the Texas Power & Light substation at the northeast corner of the property, but is, itself screened from public exposure by means of landscaping and berms. The total parking furnished is 2,916 parking stalls and 2,616 parking stalls would be required at one per 300 square feet of usable building area.

This proposal seeks to provide a component to the City of Addison that will be a positive contribution to the environment and quality of life within the community.

ZONING EXCERPT



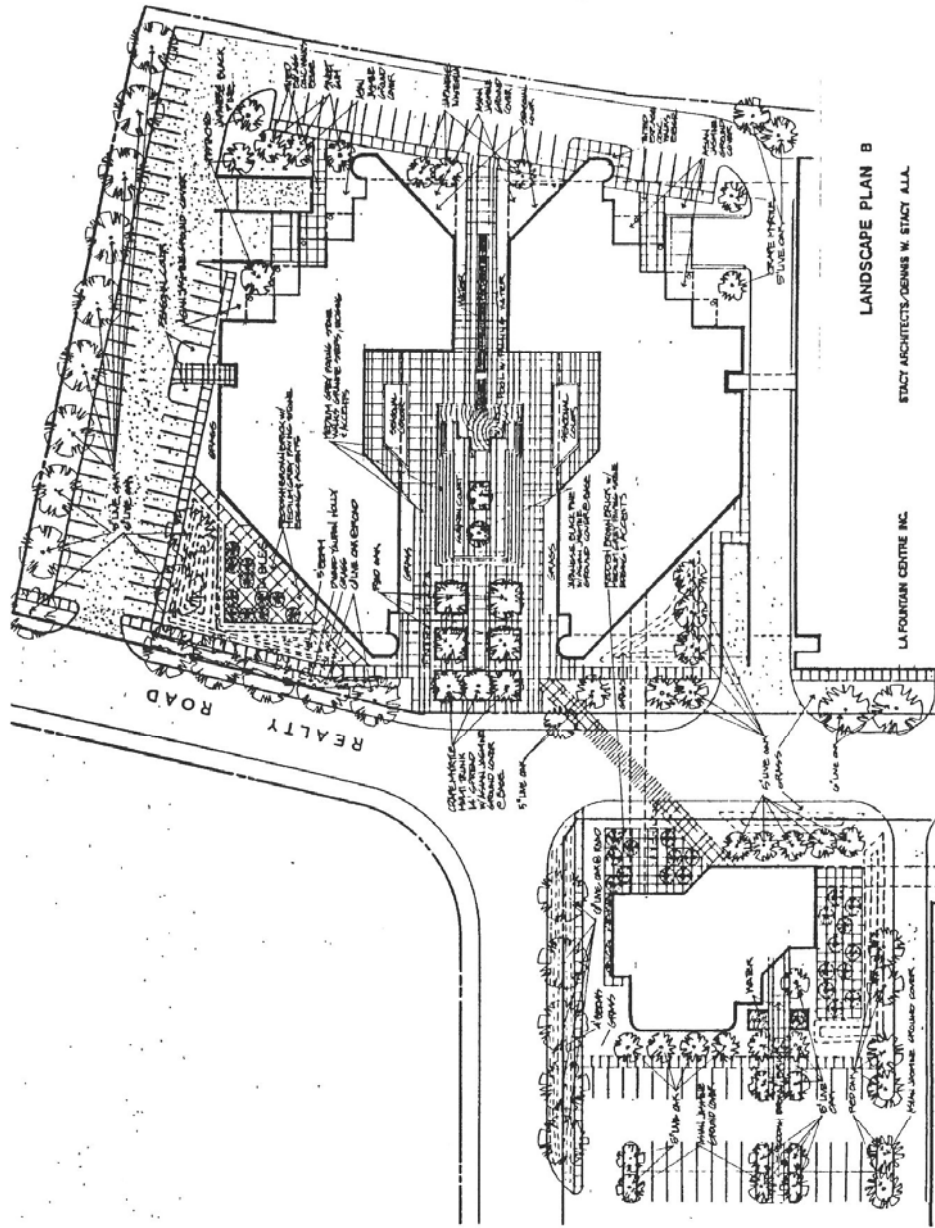
SITE PLAN

STACY ARCHITECTS/ADAMS W. STACY AIA

LA FOUNTAIN CENTRE INC.



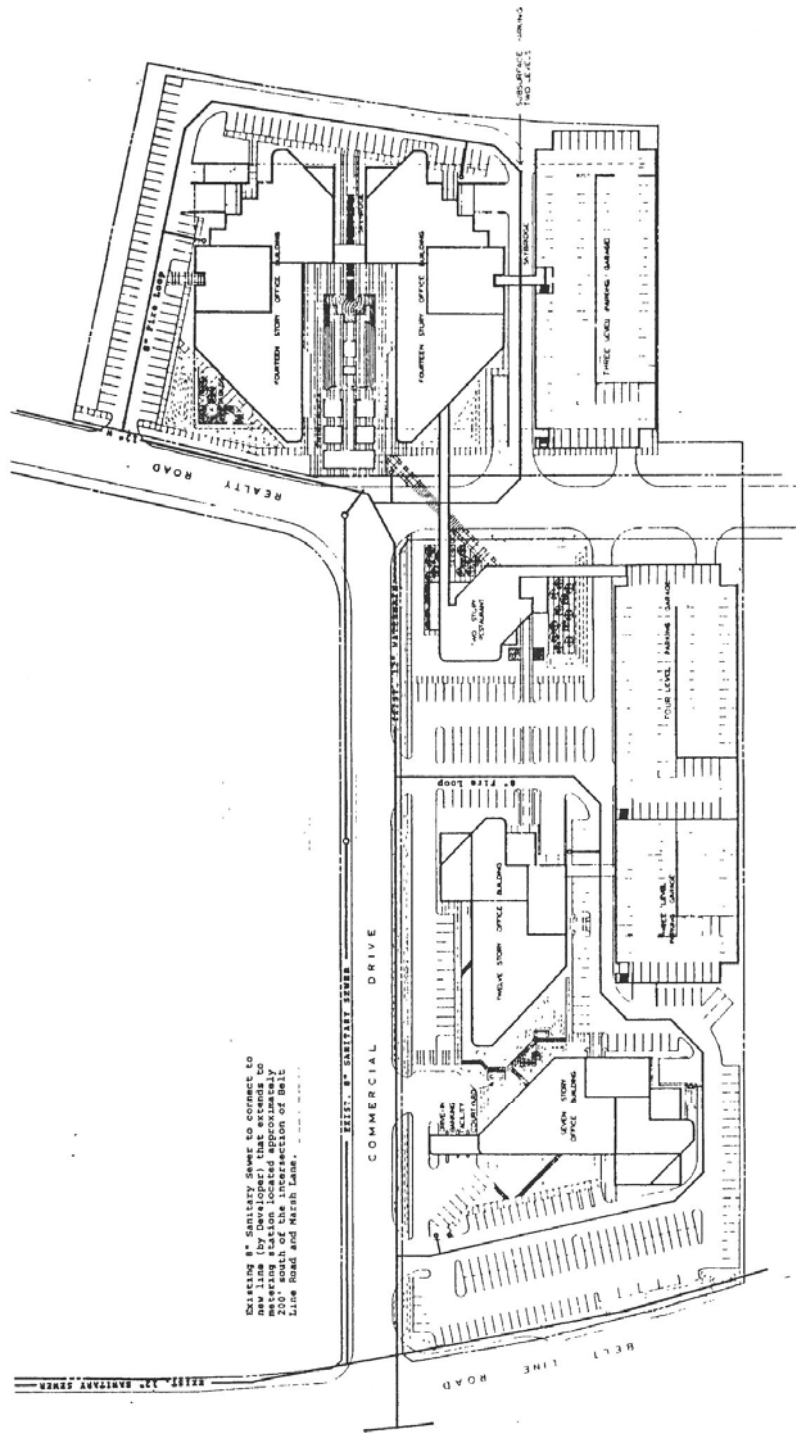
ZONING EXCERPT



PLANT MATERIALS LIST

QUANTITY	COMMON NAME	SCIENTIFIC NAME	SIZE	CONDITIONS & COMMENTS
63	Live Oak	Quercus virginiana	5" Cal.	B&B
22	Crape Myrtle	Lagerstroemia indica	10'-12' Hgt.	B&B Multi-Trunk w/3 Trunks Min. (12'-14' Spread)
6	Crape Myrtle	Lagerstroemia indica	6'-8' Hgt.	B&B
32	Live Oak	Quercus virginiana	6" Cal.	B&B
9	Sweetgum	Liquidambar styraciflua	4" Cal.	B&B
21	Red Oak	Quercus shumardii	6" Cal.	B&B
11	Japanese Black Pine	Pinus thunbergii	4" Cal.	B&B
4	Pistachio	Pistacia chinensis	4" Cal.	B&B
5	Japanese Wisteria	Wisteria floribunda	5 Gal.	4' Hgt.
14,000	Asian Jasmine	Trachelospermum asiaticum	4" Pots	18" o.c. w/ Soil Saver
300	Dwarf Yaupon Holly	Ilex vomitoria 'Nana'	5 Gal.	36" o.c.
12	Yaupon Holly	Ilex vomitoria (female)	4" Cal.	B&B

ZONING EXCERPT

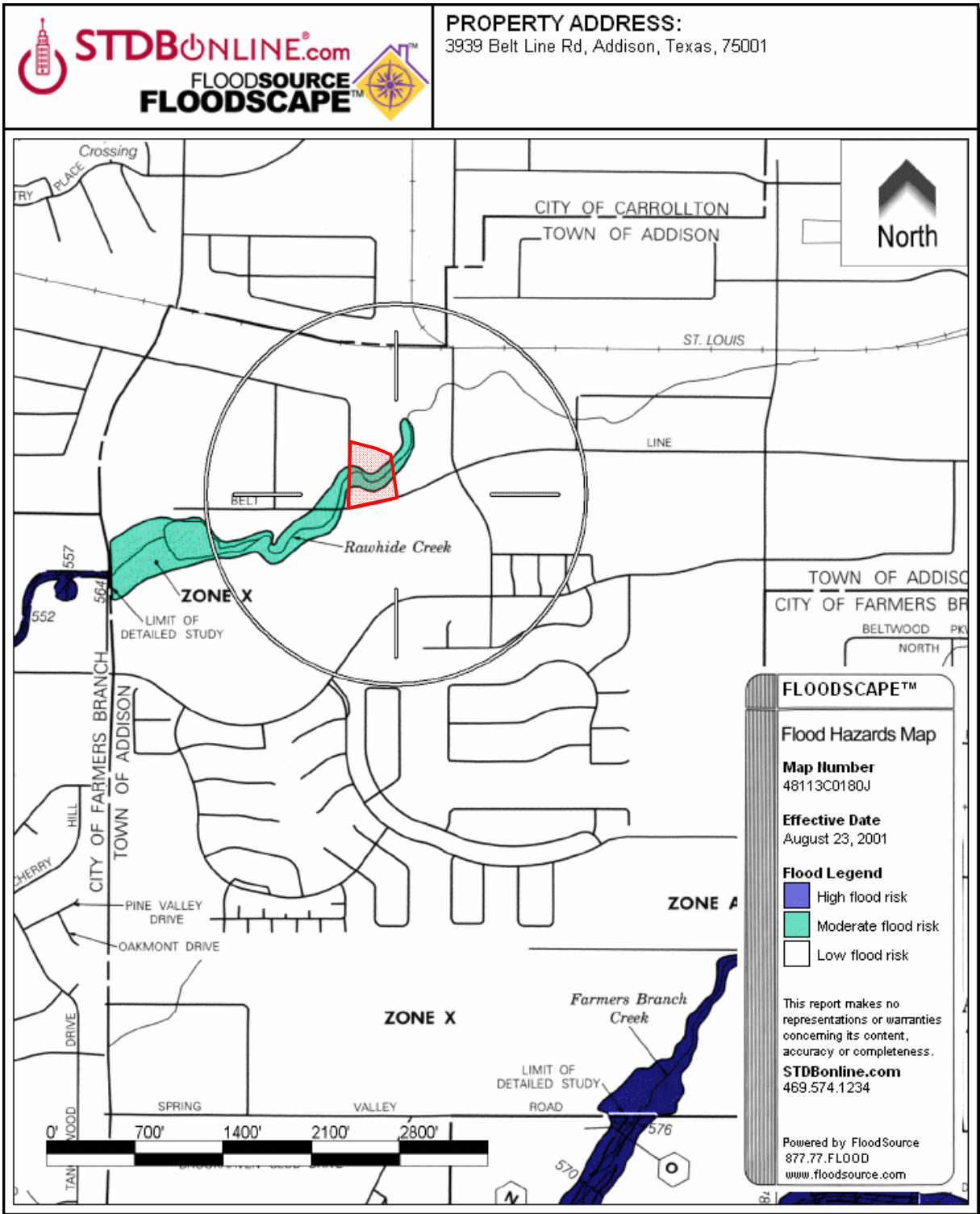


EXISTING 8" SANITARY SEWER TO CONNECT TO
 MAIN LINE TO BE INSTALLED TO
 EXTENDING 200' SOUTH OF THE INTERSECTION OF BELT
 LINE ROAD AND MATCH LANE.

UTILITIES PLAN
 WATER AND SEWER
 STACY ARCHITECTS/GENES W. STACY AIAA

LA FOUNTAIN CENTRE INC.





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HIGHEST AND BEST USE

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

The subject is a 3.80-acre tract of land and is irregular in shape. The size and shape of the tract is supportive of a number of potential developments.

HIGHEST & BEST USE AS IF VACANT

Possible Use: In arriving at an opinion of highest and best use for the subject, it is first necessary to determine if the physical characteristics of the site - such as soil conditions, topography, shape and frontage were favorable for development. Soil conditions vary throughout the area and sometimes require particular engineering. The subject fronts the northern line of Belt Line Road for approximately 337 linear feet, and the eastern line of Commercial Drive for approximately 544 feet. The subject is approximately 544 feet deep, throughout the tract. According to the enclosed flood map No. 48113C0180J, a portion totaling approximately 20% appears to be in the area described as Zone X, an area of moderate flood risk, colloquially described as being the 100-year floodplain, being within Zone 'X'. The site is of sufficient size, shape, and frontage to be economically adaptable to numerous uses. The size and shape of the site is adequate for commercial development.

Permissible Use: The site is zoned PD; Planned Development by the Town of Addison. The PD allows improvement with a specific professional office and multilevel parking facility.

Feasible Use: The surrounding properties and land uses are considered for compatibility in determination of feasible use. The subject abuts Belt Line Road to the south, Commercial Drive to the west, vacant land to the north, and an electrical transmission line corridor to the east. Other uses along Belt Line Support professional office improvement.

Maximally Productive Highest & Best Use: The subject fronts the northern line of Belt Line Road for approximately 337 linear feet, and the eastern line of Commercial Drive for approximately 544 feet. Belt Line Road is a six-lane, divided thoroughfare. Commercial Drive is a two-lane, undivided roadway. For a commercial development, the location is considered average for appeal within the submarket. Access is rated as good and visibility of the subject is rated as good. Electricity, water, sewer, and phone services are available to the subject. Based on the foregoing and land use patterns, the highest and best use of the subject tract is for professional office and related multilevel parking as demand emerges in the market.

HIGHEST AND BEST USE

HIGHEST & BEST USE AS IMPROVED

Possible Use: The improvements were built in 1984, according to the Dallas County Appraisal District. The improvements are of good quality and in good condition. Overall, the improvements are adequately maintained and have no deferred maintenance. The intended use of the improvements is as a professional office building and multilevel parking facility. The physical characteristics and accompanying amenities support the continued use as such.

Permissible Use: The site is zoned PD; Planned Development by the Town of Addison. The PD allows improvement with a specific professional office and multilevel parking facility.

Feasible Use: The surrounding properties and land uses are considered for compatibility in determination of feasible use. The subject abuts Belt Line Road to the south, Commercial Drive to the west, vacant land to the north, and an electrical transmission line corridor to the east. Other uses along Belt Line Support continued professional office improvement.

Maximally Productive Highest & Best Use: As improved, the property is improved with a professional office building and multilevel parking facility and is suitable for continued use. The improvements provide additional value to the site, and continued use is considered to be the maximally productive highest and best use.

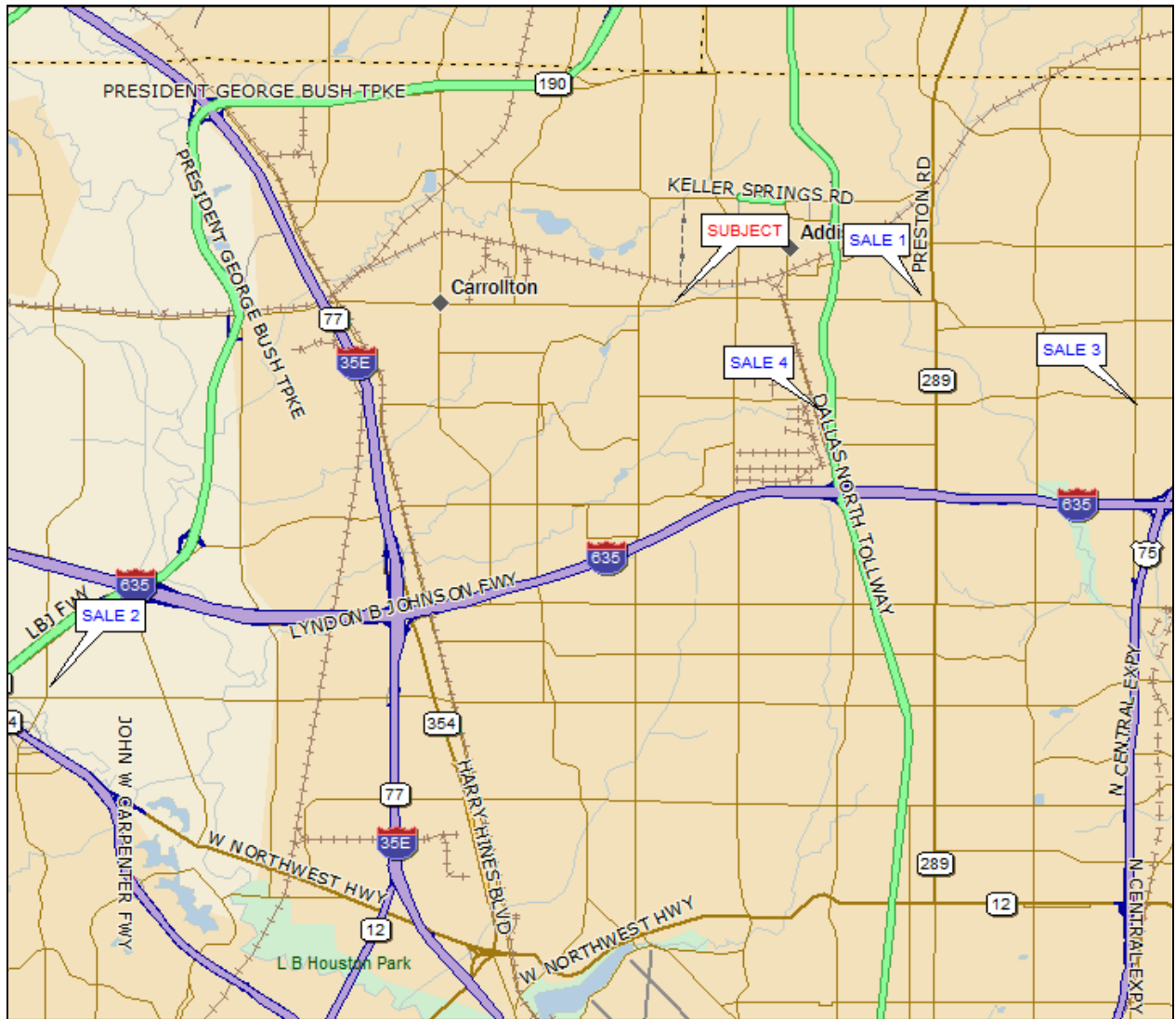
LAND VALUATION

The *sales comparison* method is the best method of developing an opinion of value of the subject. In this method, known sales of similar use land in the market area are compared to the subject to arrive at an indication of value. In arriving at value conclusions, the tracts are compared as to the rights conveyed, financing terms, sale conditions, market conditions, location, and physical characteristics. This approach is used to value land that is vacant or considered vacant for appraisal purposes.

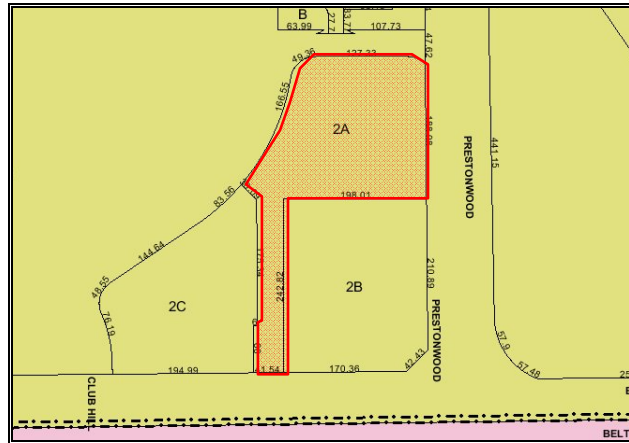
The market was carefully researched for recent sales, listings, or other transactions, which would provide a valid basis for developing an opinion of the market value of the subject by comparison. After reviewing and analyzing the sales, the sales detailed on the following pages were extracted from this sample and utilized for the land valuation.



LAND VALUATION

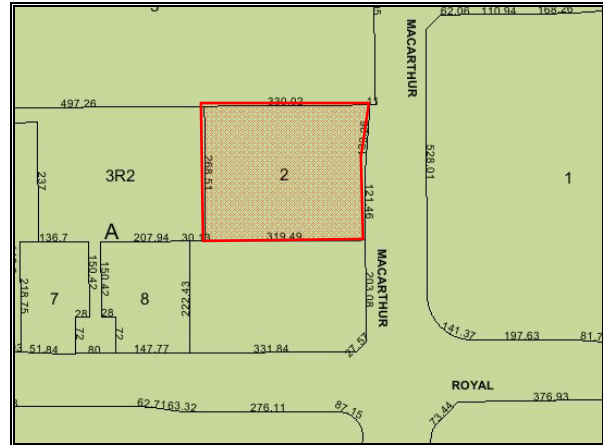


Land Sale Number 1



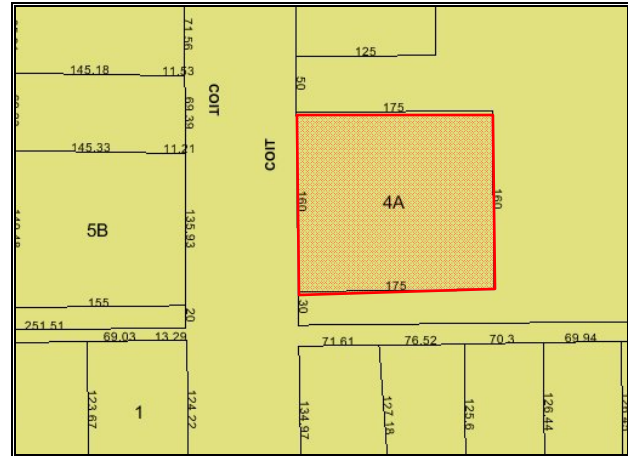
Location	Adj. to NW/c Belt Line Road and Prestonwood Boulevard Dallas, Dallas County, Texas
Mapsc0	DA-15-A
Legal Description	Being a 1.1773 acre tract of land out of Lot 2, Block B/8222, Official City Numbers, of Prestonwood Town Center II
Grantor	Beltline Stampede, Ltd.
Grantee	784 Gunclub, LLC
Date of Sale	February 27, 2013
Record Data	
Document No.	201300061040
Consideration	\$800,000
Conditions of Sale	Cash to the seller
Land Area	
Acres	1.177
Square Feet	51,285
Price Per SF	\$15.60
Price Per AC	\$679,497
Zoning	MU-3 (SAH) (Mixed-Use District)
Comments	This tract is located adjacent to the northwest corner of Belt Line Road and Prestonwood Boulevard. The site wraps a bank branch, and has approximately 42 feet of frontage on Belt Line Road and approximately 188 feet of frontage along Prestonwood Boulevard. The transaction was reportedly an investment purchase with no marketing or outside brokerage assistance. One party stated that a slightly higher price was paid for the site as it was the last piece of vacant land in the area. This site previously transacted for \$570,000, or \$11.12 per square foot, in August of 2011.
Confirmed	JS

Land Sale Number 2



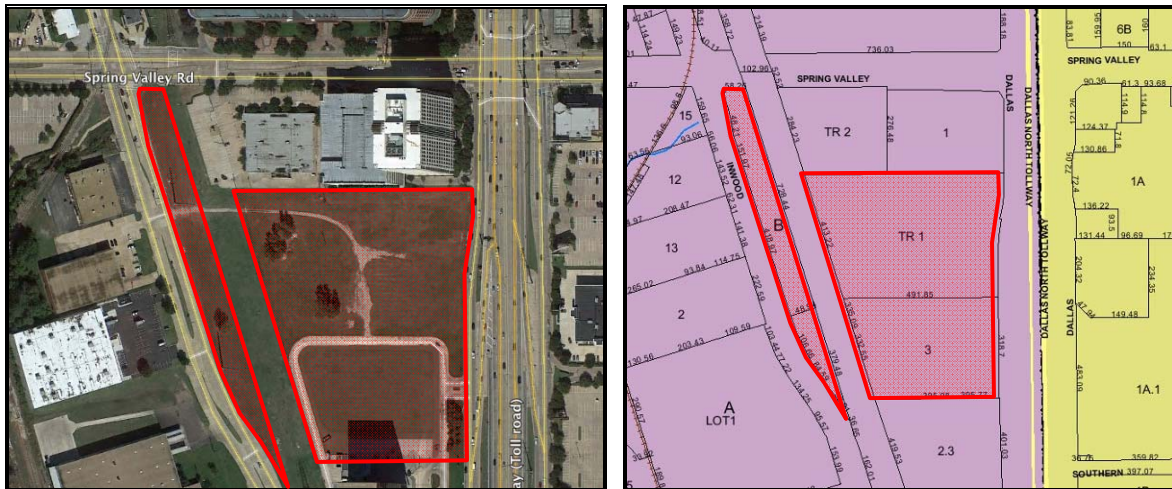
Location	E/s North MacArthur Boulevard, approx. 225 feet north of Royal Lane Irving, Dallas County, Texas
Mapsc	DA-21B-E
Legal Description	Lot 2, Block A of Makko MacArthur I, an addition to the City of Irving
Grantor	Makko MacArthur I, LP
Grantee	In-N-Out Burgers, Corp.
Date of Sale	April 6, 2011
Record Data	
Document No.	201100087823
Consideration	\$1,555,000
Conditions of Sale	Cash to the seller
Land Area	
Acres	2.021
Square Feet	88,024
Price Per SF	\$17.67
Price Per AC	\$769,515
Zoning	PUD-Planned Unit Development
Comments	This tract is located in a highly concentrated commercial district near the confluence of two major regional freeways. Subsequent to the sale, the property was developed with a nationally branded fast food restaurant.
Confirmed	JCW

Land Sale Number 3



Location	E/s Coit Road, approx. 250 feet south of Spring Valley Road Dallas, Dallas County, Texas
Mapsko	DA-16-K
Legal Description	Being Lots 4 and 5, in Block A/7758 of Willingham Coit Road Addition
Grantor	WPC Coit/SV, LP
Grantee	Firebrand Properties, LP
Date of Sale	June 21, 2010
Record Data	
Document No.	201000155147
Consideration	\$735,000
Conditions of Sale	Cash to the seller
Land Area	
Acres	0.643
Square Feet	28,000
Price Per SF	\$26.25
Price Per AC	\$1,143,450
Zoning	SUP-315 (Special Use Permit)
Comments	This tract, with 160 feet of frontage on Coit Road, was formerly improved with an active clothing retailer. Following the razing of the original improvements, the site was replatted and sold in fee to the current owner. The property has been subsequently improved with a fast food restaurant.
Confirmed	KH

Land Sale Number 4



Location	W/s of North Dallas Parkway and E/s of Inwood Road, +/- 248' South of Spring Valley Farmers Branch, Dallas County, Texas
Mapsc0	DA-14-M
Legal Description	Part of Lot 1, A&H Subdivision; Part of Lot 1, Inwood Road Office Development; Lot 3, Stanford Corporate Center; Part 2, Dallas Power and Light; Farmers Branch, Dallas County, Texas
Grantor	First Bank & Trust
Grantee	Parkway Inwood, LP
Date of Sale	August 15, 2012
Record Data	
Document No.	201200243420
Consideration	\$7,300,000
Conditions of Sale	Seller note of \$6,570,000; due August 15, 2017
Land Area	
Acres	10.116
Square Feet	440,639
Price Per SF	\$16.57
Price Per AC	\$721,622
Zoning	PD-95 (Planned Development)

Land Sale Number 4 (Continued)**Comments**

The tract is located along the western line of North Dallas Parkway and the eastern line of Inwood Road, approximately 248 feet south of Spring Valley Road. The site has approximately 721 feet of frontage on North Dallas Parkway and approximately 748 feet of frontage along Inwood Road. The tract is bisected – from north to south – by a Texas Power and Light electrical power line (fee simple), which severs approximately 77,532 square feet, resulting in a net size of 363,107 square feet, the net price per square foot is \$20.10 per square foot. The 77,532 square feet is situated along Inwood Road and encumbered by an electrical easement. According to the zoning ordinance for PD-95, the concept plan for this site is for two, 5-story multi-family residential buildings. By ordinance, PD-41 and PD-46 were changed to PD-95, specific to the subject property. This tract transferred to the grantor in August 2011, with two prior transfers in 2011.

Confirmed

(DB)

LAND VALUATION

LAND SALES SUMMARY					
Sale No.	Location	Size		Price/SF	Date of Sale
		SF	AC		
1	Adj. to NW/c Belt Line Road and Prestonwood Boulevard	51,285	1.18	\$15.60	Feb-13
2	E/s North MacArthur Boulevard, approx. 225 feet north of Royal Lane	88,024	2.02	\$17.67	Apr-11
3	E/s Coit Road, approx. 250 feet south of Spring Valley Road	28,000	0.64	\$26.25	Jun-10
4	Between Dallas Parkway and Inwood Road	440,639	10.12	\$16.57	Aug-12
Subject	NEC Belt Line Road and Commercial Drive	165,524	3.80		

Comparable Adjustments

Adjustments to the comparables are considered in the categories of financing terms, conditions of sale, market conditions/time, location, size, zoning, and availability of utilities and other factors. Adjustments for each factor are typically made after a comparison indicates the appropriate direction and size of each adjustment. Adjustments are based on experience and extrapolations of market indicators.

EXPLANATION OF ADJUSTMENTS

Property Interest Transferred

Adjustments are not necessary.

Financing Terms

Adjustments are not necessary.

Sale Conditions

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. Any sales that reflect unusual sale conditions are adjusted accordingly and the circumstances of these non-arm's length transactions are detailed on the sale summary pages. Sale 4 is the sale of a property previously foreclosed by the seller. However, the property was conventionally marketed, with no adjustment necessary to Sale 4 or the other sales.

Market Conditions

The sales occurred between June 2010 and February 2013. Adjustments for market conditions are applied if property values have increased or decreased since the transaction dates. Based on our observations and analysis, real estate has appreciated approximately three percent annually since mid-2010. Each sale is adjusted accordingly.

LAND VALUATION

Location

An adjustment for location within a market area may be required when the locational characteristics of a comparable property are different from those of the property. Most comparable properties in the same market area have similar locational characteristics, but variations may exist within that area of analysis.

Each of the sales is located in respective suburban locations, in areas of highly developed commercial corridors, warranting no adjustment.

Access

Access is defined as the points, or number of points available for ingress/egress to the subject site, or ease of access to a site from major routes in the area. But each is relatively similar, in terms of access relative to size, and no adjustments are necessary.

Frontage

The sales differ significantly in frontage, but the influence on value, relative to the subject's highest and best use of professional office is nominal, with no adjustments considered necessary.

Exposure

Exposure is the visibility of the subject to the roadways or neighboring properties. Relative to the subject's highest and best use as a multi-tenant professional office, no adjustments for traffic exposure are necessary.

Land Sales - Traffic Exposure		
Sale No.	Location	Vehicle Count
1	Adj. to NW/c Belt Line Road and Prestonwood Boulevard	39,700
2	E/s North MacArthur Boulevard, approx. 225 feet north of Royal Lane	49,400
3	E/s Coit Road, approx. 250 feet south of Spring Valley Road	42,900
4	Between Dallas Parkway and Inwood Road	140,600
<i>Subject</i>	<i>3939 Belt Line Road</i>	<i>52,000</i>

Size

The subject is 3.80 acres. The size adjustment is based on the premise that, in general, the larger the tract, the less its selling price on a per unit basis. Recent experience with other properties indicates an approximate 5% - 15% adjustment for each doubling/halving (100%) in size. A 5% adjustment for each doubling/halving (100%) in size is utilized. Each sale is adjusted accordingly for size.

Zoning

The property is zoned under a planned development (PD) zoning ordinance. The ordinance specifically allows the current multi-tenant professional office use, with ancillary commercial restaurant use. Each of the sales is zoned in a way that allows similar use, and no adjustments are necessary.

Utilities

Electricity, water, sewer, and phone services are available to the subject. Each of the sales has water, sewer, electricity and phone service available to the respective sites, with no adjustments being necessary.

Functional Utility

Sale 4 includes a portion segregated from the primary portion of the tract. The segregated portion is a long and narrow strip of land encumbered with an electrical delivery power line easement, providing nominal use for that portion, with the exception of potential use as an entry and exit point to Inwood Road. Before the aforementioned adjustments, the sale price per square foot for Sale 4 equates to \$16.57 per square foot for the entire tract, or \$20.10 per square foot for the useable portion of the land, which is equivalent to a 21% upward adjustment. A 21% upward adjustment is applied to Sale 4, with no adjustment applied to other sales.

Topography

The terrain is characterized as mostly level, and drainage is considered natural. The subject appears to have a portion totaling roughly 20% that is located in a designated 100-year flood hazard area. However, it appears that underground drainage has been put in place to mitigated flood risk. While this is not a statement the subject will or will not flood, and while a formal hydrological study is recommended, it appears the risk is mitigated to the point that no adjustments are necessary.

LAND VALUATION

LAND SALES DATA

The grid below outlines the pertinent characteristics of each of the comparables and the adjustments applied.

LAND SALES ADJUSTMENTS				
Sale No.	1	2	3	4
No. of Acres	1.177	2.021	0.643	10.116
Size - SF	51,285	88,024	28,000	440,639
Sale Date	Feb-13	Apr-11	Jun-10	Aug-12
Sale Price	\$800,000	\$1,555,000	\$735,000	\$7,300,000
Sale Price Per SF	\$15.60	\$17.67	\$26.25	\$16.57
Rights Conveyed	0%	0%	0%	0%
Financing	0%	0%	0%	0%
Sale Conditions	0%	0%	0%	0%
Market Conditions	3%	8%	11%	4%
Adjusted Price	\$16.07	\$19.08	\$29.14	\$17.23
Location	0%	0%	0%	0%
Access	0%	0%	0%	0%
Frontage	0%	0%	0%	0%
Exposure	0%	0%	0%	0%
Size	-5%	-4%	-11%	2%
Zoning	0%	0%	0%	0%
Utilities	0%	0%	0%	0%
Functional Utility	0%	0%	0%	21%
Topography	0%	0%	0%	0%
Net Adjustment	-5%	-4%	-11%	23%
Adjusted Price/SF	\$15.27	\$18.32	\$25.93	\$21.19

Land Value Opinion

After the adjustment process, the comparables range from \$15.27 to \$25.93 per square foot, with a mean and median of \$20.18 and \$19.75, respectively. The subject value is considered to be near the mean and median, at \$20.00 per square foot, rounded. Multiplying the subject size of 165,524 square feet by the concluded value per square foot, results in an indicated overall site value of \$3,310,480.

Total Land Area		
No. of Square Feet	\$/SF	Indicated Value
165,524	x \$20.00 =	\$3,310,480

COST APPROACH

The purpose of the cost approach is to develop an opinion of the cost to construct a replacement for an existing structure or new structure and then deduct all accrued depreciation in the property being appraised from the cost new. When the value of the land and an entrepreneurial profit, if appropriate, are added to this figure, the result is an indication of the value of the fee simple interest in the property.

When applicable, the cost approach reflects market thinking by recognizing that market participants relate value to cost. Investors tend to judge the value of an existing structure by considering the prices and rents of similar buildings and the cost to create a new building with optimal physical and functional utility. Investors adjust the prices they are willing to pay by estimating the costs to bring an existing structure up to the level of physical and functional utility they desire.

Due to the size and shape of the proposed acquisition, the impact on the overall site will be minimal. Therefore, a complete analysis of the property improvements and a full cost approach are not necessary or integral in the valuation of the subject. The site improvements within the acquisition area are limited to 19 holly shrubs, irrigated sod and landscaping, and two electric light fixtures.

Summary of Items In Proposed Acquisition Area	
Improvements (within the acquisition area)	Value
19 Items - Shrubbery @ \$74.75/Item, no depreciation	\$ 1,420
397 SF - Irrigation @ \$8.85/SF, less 50% depreciation	\$ 1,756
40 SF - Sod @ \$0.69/SF, no depreciation	\$ 28
2 Items - Electric Lights @ \$475.00/Item, less 50% depreciation	\$ 475
357 SF - Landscaping @ \$2.15/SF, no depreciation	\$ 768
Total Contributory Value of Improvements	\$ 4,447

Therefore, and upon consideration of the minimum impact of the proposed acquisition on the overall site, the contributory value of the site improvements located within the acquisition totals **\$4,447**.

WHOLE PROPERTY VALUE

CONCLUSION

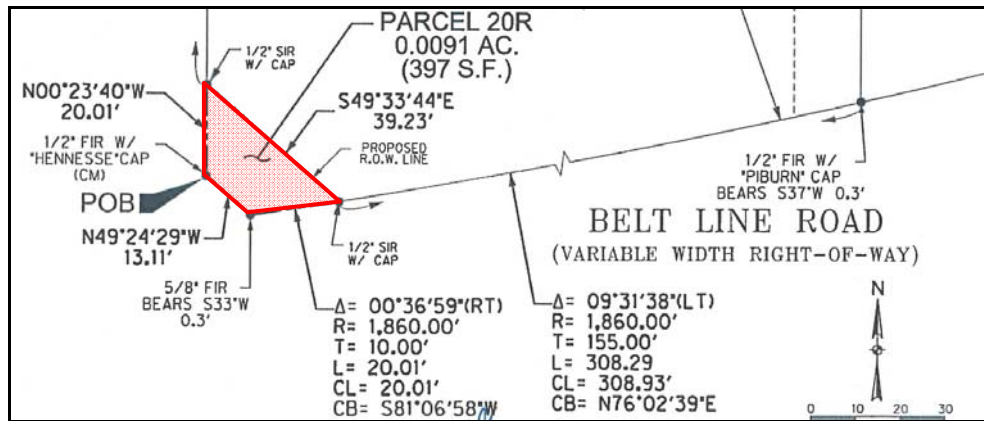
In conclusion, the improved sales and income capitalization approaches are not utilized in this analysis. The land sales comparison is used to establish a subject land value, due to both the quality and quantity of the available sale data, and provides an excellent basis for valuation. The limited cost approach presented is valuable in detailing the replacement costs of the site improvements located within the acquisition. Based on the above considerations for the subject property, our final opinion of the market value of the subject is as follows:

SUMMARY	
Cost Approach (Acquisition Area Only)	\$4,447
<u>Sales Comparison Approach (Land Only)</u>	<u>\$3,310,480</u>
Reconciled Value	\$3,314,927

PART TO BE ACQUIRED

Part To Be Acquired

The part to be acquired in **fee simple** comprises 0.0091 acres, or 397 square feet, stated. The length of the acquisition area is 20.01 feet along the western boundary of the property, and 20.01 feet along the southern boundary of the property, with an additional 13.11 linear feet along the southwest corner of Belt Line Road and Commercial Drive. This configuration results in an acquisition area totaling 397 square feet.



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

Landowner improvements situated in the proposed acquisition area consist of 19 holly shrubs, irrigated sod and landscaping, and two electric light fixtures.

Summary of Items In Proposed Acquisition Area	
Improvements (within the acquisition area)	Value
19 Items - Shrubbery @ \$74.75/Items, no depreciation	\$ 1,420
397 SF - Irrigation @ \$8.85/SF, less 50% depreciation	\$ 1,756
40 SF - Sod @ \$0.69/SF, no depreciation	\$ 28
2 Items - Electric Lights @ \$475.00/Items, less 50% depreciation	\$ 475
357 SF - Landscaping @ \$2.15/SF, no depreciation	\$ 768
Total Contributory Value of Improvements	\$ 4,447

Highest and Best Use

The part to be acquired in is a small parcel and would not be developed as a separate property. Its highest and best use is as part of the whole property.

PART TO BE ACQUIRED

Compensation

The take line extends through land that includes landowner improvements. The compensation due the property owner for the part taken is comprised of land value plus the depreciated value of the improvements acquired, plus the cost to cure, if any.

Valuation of the Fee Simple Acquisition

The land value of the whole property is previously established at \$20.00 per square foot for the portion not encumbered with easements. The portion to be acquired in fee simple is predominantly encumbered with drainage and utility easements totaling 397 square feet. The portion encumbered with easements is considered to retain only 25% of the fee simple value.

Value of Portion To Be Acquired In Fee Simple, Subject to Existing Easements Prior To The Acquisition						
	<u>Size (SF)</u>	x	<u>\$/SF</u>	x	25%	= <u>Value</u>
Previously Encumbered	397	x	\$20.00	x	25%	= \$1,985

The part to be acquired in fee simple (subject to existing easements) is valued at \$1,985 for the land.

The improvements situated in the acquisition parcel are valued at **\$4,447**.

Summary of Items In Proposed Acquisition Area	
Improvements (within the acquisition area)	Value
19 Items - Shrubbery @ \$74.75/Items, no depreciation	\$ 1,420
397 SF - Irrigation @ \$8.85/SF, less 50% depreciation	\$ 1,756
40 SF - Sod @ \$0.69/SF, no depreciation	\$ 28
2 Items - Electric Lights @ \$475.00/Items, less 50% depreciation	\$ 475
357 SF - Landscaping @ \$2.15/SF, no depreciation	\$ 768
Total Contributory Value of Improvements	\$ 4,447

The total value of the part to be acquired in fee simple, including land and improvements is \$6,432, as shown in the table below.

Proposed Acquisition	
Land Acquired	\$1,985
Site Improvements Acquired	\$4,447
	\$6,432

REMAINDER BEFORE TAKING

Remainder Before Taking

The indicated value of the remainder before the taking is derived by deducting the projected value of the take from the value of the whole property. The calculation is as follows:

Remainder Before The Taking	
Opinion of Value - Whole Property	\$ 3,314,927
Opinion of Value - Taking	\$ 6,432
Opinion of Value - Remainder Before the Taking	\$ 3,308,495

REMAINDER AFTER TAKING

Remainder After Taking

The remainder after taking is valued by a separate analysis of the property addressing physical characteristics, highest and best use, utility, and marketability.

The remainder is comprised of 3.791 acres, stated, or 165,127 square feet, stated. In the remainder situation, the subject has approximately 317 linear feet along the northern line of Belt Line Road and 524 linear feet along Commercial Drive.

Remainder After The Acquisition As Affected By The Fee Simple Taking

After the taking, no building improvements are removed. Following the acquisition, it is assumed the remaining portion of the property will remain in the current configuration.

As if complete and in place, the road project improvements are a general enhancement in the neighborhood and are not judged to enhance a specific property.

Highest & Best Use

The improvements were built in 1984, according to the Dallas County Appraisal District. The improvements are of good quality and in good condition. The intended use of the improvements is for professional office building and multilevel parking facility use. The physical characteristics and accompanying amenities support the continued use as such. The site is zoned PD; Planned Development by the Town of Addison. Professional office building and multilevel parking facilities are allowed in this zoning district. The existing improvements have an effective age of approximately 30 years, with a remaining economic life estimated at 30 years. No other use of the improvements could provide a greater return in the current market. As improved, the property is improved with a professional office building and multilevel parking facility and is suitable for professional office building and multilevel parking facility use. Therefore, the continued use as a restaurant represents the highest and best use of the land and improvements.

Remainder After Value

The remainder land, comprised of 165,127 square feet, is valued at \$20.00 per square foot utilizing the land sales in the whole property valuation. The remainder is valued at **\$3,308,495**.

SUMMARY OF COMPENSATION

The proposed taking does not bisect the remainder. In the remainder after scenario, the highest and best use of the property is for continued use as a professional office building with a multilevel parking garage. Access remains at proportionately the same locations as before the acquisition.

The total compensation consists of the value of the part taken in fee simple. Damages to the remainder are not supported, and there are no projected costs to cure the remainder, since functionality is not negatively affected by the acquisition.

Total Compensation

The market value of the total compensation due to the landowner is \$6,432.

Whole Property (Market Value)	\$	3,314,927	
Part To Be Acquired in Fee Simple			\$ 6,432
Remainder - Before Taking	\$	3,308,495	
Remainder - After Taking	\$	3,308,495	
Total Compensation			\$ 6,432

APPRAISER'S CERTIFICATE

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

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

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

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

This appraisal report has been made in conformity with the Uniform Standards of Professional Appraisal Practice. We certify that, to the best of my knowledge and belief, the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute and in conformity with the rules of the Texas Real Estate Commission. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

The Appraisal Institute conducts a program of continuing education for its designated members. As of the date of this report, Charles Stearman has completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.

The Appraisal Institute conducts a program of continuing education for its designated members. As of the date of this appraisal, David Bullard has completed the requirements of the continuing education program for Designated Members of the Appraisal Institute.

We have not appraised or provided a real estate service for this property within the last three years. Wendell Pyles provided real property appraisal assistance to the persons signing this certification. We certify that we personally inspected the property appraised.

PYLES ★ WHATLEY CORPORATION



Charles Stearman, SR/WA
State of Texas Certification #TX-1335388-G



David Bullard, MAI
State of Texas Certification #TX-1326759-G

QUALIFICATIONS

CHARLES STEARMAN

Appraisal assignments include retail properties, office buildings, and industrial properties, automobile dealerships, convenience stores, restaurants, religious facilities, land development, and specialized properties, single- and multi-family dwellings, sales studies, right-of-way acquisitions, access rights, surplus property, easements, and condemnation work.

Experience

- Engaged in appraisal work since 1998
- Real estate broker specializing in single-family sales, leasing, and property management
- President and co-owner of Maverick Management, Inc., Arlington, Texas. Responsible for policy and procedure implementation, contract review, leasing and management of single-family residences (1995 – 1998).
- Director, Property Management & Leasing, Van Zandt, REALTORS, Arlington, Texas. Developed and implemented department policies and procedures, oversight of department staff, agents and operations, advising company clients, sales, leasing and management (1992 – 1995).
- Instructor, approved by the Texas Real Estate Commission, George Leonard School of Real Estate, Arlington, Texas. Instructed students in courses requisite to real estate licensure 1995-1999.
- Accepted as an expert witness in condemnation proceedings

Education

- Texas A&M University
- Abilene Christian University
- Tarrant County College
- International Right-of-Way Association
- Appraisal Institute

Candidacy

- Candidate for Designation, Appraisal Institute

Professional

- State of Texas – State Certified General Real Estate Appraiser, No. TX-1335388-G
 - Approved Appraiser – Texas Department of Transportation
 - State of Texas – Licensed Real Estate Broker, No. 0363379
 - SR/WA Designation, No. 6050, Senior Member, International Right of Way Association
 - IRWA Chapter 36: Education Chair-2008, Secretary-2009, Treasurer-2010, Vice President-2011, President-2012, Director-2013
 - Member, Lewisville Association of REALTORS, Waco Association of REALTORS, Texas, and National Association of REALTORS
-

QUALIFICATIONS

DAVID R. BULLARD, MAI

WORK HISTORY

I began appraising commercial property in 1990, during graduate school, when the flexible schedule of appraisal provided income without conflicting with my studies. After graduate school, I continued appraising investment-grade commercial property in both self-employed and fee capacities in Massachusetts, Idaho, and Texas.

I worked as Vice President, Commercial Lending with Southwest Bank in Fort Worth as well as with several other commercial banks and loan corporations in Texas.

Prior to employment as a commercial real estate appraiser and commercial lender, I held the title of Bank Holding Company Financial Analyst with the Federal Reserve Bank of Dallas, Texas.

EDUCATION

In 1992, I received my Master of Business Administration degree from the University of Texas at Arlington, Texas. Although my studies included virtually all facets of the traditional business curriculum, the primary concentration was in finance.

In 1988, I received my Bachelor of Business Administration degree from Baylor University, Waco, Texas. This traditional four-year degree was primarily focused in the study of finance and real estate, although it also included conventional core business, science and liberal arts classes.

I continue to remain current with the continuing education requirements of both the Appraisal Institute and the Texas Appraiser Licensing and Certification Board. I have also received formal credit training through Risk Management Associates (RMA), and was the first place statewide 2001 RMA paper writing contest winner for a paper titled *Analyzing the Causes of Real Estate Market Change*.

CERTIFICATIONS, LICENSES, AND PROFESSIONAL DESIGNATIONS

I am a State Certified General Appraiser in Texas, a designated MAI, Member of the Appraisal Institute, and a licensed Private Pilot.

ADDENDA

TAX INFORMATION



[Home](#) | [Find Property](#) | [Contact Us](#)

Commercial Account #10002100010010000

[Location](#) [Owner](#) [Legal Desc](#) [Value](#) [Improvements](#) [Land](#) [Exemptions](#) [Estimated Taxes](#) [Building Footprint](#) [History](#)

Location (Current 2014)

Address: 3939 BELT LINE RD

Market Area: 0

Mapsco: 14-A (DALLAS)

Customer Service Survey

Enter PIN:

DCAD Property Map

View Photo

2013 Appraisal Notice

Electronic Documents (ENS)



Print Homestead Exemption Form

YAHOO! Maps

Owner (Current 2014)

PEG OFFICE LLC
10440 NORTH CENTRAL EXPWY STE 500
DALLAS, TEXAS 752310000

Multi-Owner (Current 2014)

Owner Name	Ownership %
PEG OFFICE LLC	100%

Legal Desc (Current 2014)

- 1: BELTLINE MARSH BUSINESS PARK
 - 2: BLK 1 LOT 1 ACS 2.684
 - 3:
 - 4: INT201300031784 DD01312013 CO-DC
 - 5: 0021000100100 31000210001
- Deed Transfer Date:** 2/1/2013

Value

2013 Certified Values	
Improvement:	\$3,857,310
Land:	+ \$1,169,150
Market Value:	= \$5,026,460
Tax Agent: STRATEGIC PROPERTY TAX ADVISORS	
Revaluation Year:	2013
Previous Revaluation Year:	2012

TAX INFORMATION (Continued)
[Home](#) | [Find Property](#) | [Contact Us](#)
Commercial Account #100021000102R0100
[Location](#) [Owner](#) [Legal Desc](#) [Value](#) [Improvements](#) [Land](#) [Exemptions](#) [Estimated Taxes](#) [Building Footprint](#) [History](#)
Location (Current 2014)

Address: 15150 COMMERCIAL DR
Market Area: 0
Mapsco: 14-A (DALLAS)

Customer Service Survey
 Enter PIN:
DCAD Property Map[View Photo](#)**2013 Appraisal Notice****Electronic Documents (ENS)**[Print Homestead Exemption Form](#)**YAHOO! Maps****Owner (Current 2014)**

PEG OFFICE LLC
 10440 NORTH CENTRAL EXPWY STE 500
 DALLAS, TEXAS 752310000

Multi-Owner (Current 2014)

Owner Name	Ownership %
PEG OFFICE LLC	100%

Legal Desc (Current 2014)

- 1: BELT LINE-MARSH BUSINESS PARK
 - 2: BLK 1 LT 2R.1 ACS 0.190
 - 3:
 - 4: INT201300031784 DD01312013 CO-DC
 - 5: 0021000102R01 31000210001
- Deed Transfer Date:** 2/1/2013

Value

2013 Certified Values	
Improvement:	\$0
Land:	+ \$49,660
Market Value:	= \$49,660
Tax Agent: STRATEGIC PROPERTY TAX ADVISORS	
Revaluation Year:	2011
Previous Revaluation Year:	2010

TAX INFORMATION (Continued)
[Home](#) | [Find Property](#) | [Contact Us](#)
Commercial Account #100021000102R0100
[Location](#) [Owner](#) [Legal Desc](#) [Value](#) [Improvements](#) [Land](#) [Exemptions](#) [Estimated Taxes](#) [Building Footprint](#) [History](#)
Location (Current 2014)

Address: 15150 COMMERCIAL DR

Market Area: 0

Mapsc0: 14-A (DALLAS)

Customer Service SurveyEnter PIN: **DCAD Property Map**[View Photo](#)[2013 Appraisal Notice](#)[Electronic Documents \(ENS\)](#)[Print Homestead Exemption Form](#)[YAHOO! Maps](#)**Owner (Current 2014)**
 PEG OFFICE LLC
 10440 NORTH CENTRAL EXPWY STE 500
 DALLAS, TEXAS 752310000
Multi-Owner (Current 2014)

Owner Name	Ownership %
PEG OFFICE LLC	100%

Legal Desc (Current 2014)

- 1: BELT LINE-MARSH BUSINESS PARK
 - 2: BLK 1 LT 2R.1 ACS 0.190
 - 3:
 - 4: INT201300031784 DD01312013 CO-DC
 - 5: 0021000102R01 31000210001
- Deed Transfer Date:** 2/1/2013

Value

2013 Certified Values	
Improvement:	\$0
Land:	+ \$49,660
Market Value:	= \$49,660
Tax Agent: STRATEGIC PROPERTY TAX ADVISORS	
Revaluation Year:	2011
Previous Revaluation Year:	2010

FIELD NOTES/PARCEL SKETCH

PARCEL 20R
 0.0091 ACRE (397 SQUARE FOOT)
 RIGHT OF WAY
 OUT OF
 LOT 1, BLOCK 1 OF
 BELT LINE - MARSH BUSINESS PARK
 TOWN OF ADDISON, DALLAS COUNTY, TEXAS

BEING a 397 square foot tract of land situated in the T.L. Chenoweth Survey, Abstract Number 273, Town of Addison, Dallas County, Texas, being part of Lot 1, Block 1, BELT LINE - MARSH BUSINESS PARK, an addition to the Town of Addison, Texas, as recorded in Volume 84186, Page 0137, Deed Records, Dallas County, Texas (D.R.D.C.T.), said tract also being part of that tract of land described as "Tract 3" in deed to PEG Office, LLC., as recorded in Instrument Number 201300031784 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING at a 1/2-inch found iron rod with "HENNESSE" cap for the most northerly southwest corner of said Lot 1 and the most northerly corner of a corner clip for the intersection of the east right-of-way line of Commercial Drive (a variable width right-of-way) as dedicated by BELT LINE/MARSH BUSINESS PARK, an addition to the Town of Addison recorded in Volume 81060, Page 170, D.R.D.C.T. and the north right-of-way line of Belt Line Road (a variable width right-of-way);

THENCE North 00 degrees 23 minutes 40 seconds West, with said east right-of-way line of Commercial Drive and the west line of said Lot 1, a distance of 20.01 feet to a 1/2-inch set iron rod with yellow cap stamped "HALFF" (hereinafter referred to as "with cap") for corner;

THENCE South 49 degrees 33 minutes 44 seconds East, departing said east right-of-way line of Commercial Drive and said west line of Lot 1, a distance of 39.23 feet to a 1/2-inch set iron rod with cap for corner on said north right-of-way line of Belt Line Road and the south line of said Lot 1, said corner also being on a non-tangent circular curve to the right having a radius of 1,860.00 feet, whose chord bears South 81 degrees 06 minutes 58 seconds West, a distance of 20.01 feet;

THENCE Westerly, with said north right-of-way of Belt Line Road and said south line of Lot 1 and with said curve, through a central angle of 00 degrees 36 minutes 59 seconds, an arc distance of 20.01 feet to a point for the most southerly corner of the aforementioned corner clip from which a 5/8-inch found iron rod bears South 33 degrees West, a distance of 0.3 feet;

FIELD NOTES/PARCEL SKETCH (Continued)

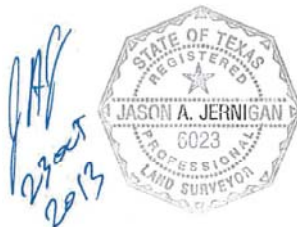
PARCEL 20R
0.0091 ACRE (397 SQUARE FOOT)
RIGHT OF WAY
OUT OF
LOT 1, BLOCK 1 OF
BELT LINE - MARSH BUSINESS PARK
TOWN OF ADDISON, DALLAS COUNTY, TEXAS

THENCE North 49 degrees 24 minutes 29 seconds West, along said corner clip, a distance of 13.11 feet to the POINT OF BEGINNING and containing 0.0091 of an acre (397 square feet) of land, more or less.

NOTES:

The basis of bearing is the Town of Addison Survey Control Network (December 2007 update) based on Monument Numbers COA-3, COA-4, COA-5, COA-10, & COA-11. All distance are surface distances using the TXDOT Dallas County Scale Factor 1.000136506.

A survey exhibit of even date accompanies this metes & bounds description.



FIELD NOTES/PARCEL SKETCH (Continued)

