

12.25/50 ft.

#R11-1

Council Agenda Item #R11

**SUMMARY:**

This item is for consideration and approval of a resolution authorizing the City Manager to purchase a 0.068 acre tract of land for permanent right-of-way from Minol Center, L.P., generally located at 15280 Addison Road.

**FINANCIAL IMPACT:**

Budgeted Amount: N/A

Appraised Value: \$18,590.00

Source of Funds: \$2,500,000 was funded from General Obligation Bonds. An additional \$1,300,000 was programmed from DART LAP/CMS funds.

**BACKGROUND:**

The easement acquisition process is currently underway on the proposed Addison Road Widening, Phase I project. Approximately 0.068 acre of Parkway Easement adjacent to the proposed widening of Addison Road (see attached parcel map) is required for the purpose of constructing landscaping, irrigation and sidewalk improvements. This parcel is a portion of the Quorum Centre Addition, and is owned by Minol Center L.P.

The property owner previously received a copy of the appraisal from the Town, with a total compensation value of \$18,590.00 (see attached Summary of Salient Facts) for the parkway easement. On August 1, 2002, staff received a counter offer response from the owner, in the amount of \$36,436.00 (see attached letter). This total represents an increase of \$17,846.00.

**RECOMMENDATION:**

It is recommended that Council approve a resolution that authorizes the City Manager to purchase a 0.068 acre tract of land for permanent right-of-way from Minol Center, L.P., in the amount of \$36,436.00, generally located at 15280 Addison Road.

#R11-2

## EASEMENT AGREEMENT

This Agreement is made and entered into by and between Minol Center, L.P. ("Grantor"), and the Town of Addison, Texas (the "Town").

### WITNESSETH:

**WHEREAS**, Grantor is the sole owner of certain real property located in the Town of Addison and described in Exhibit A attached hereto and incorporated herein (the "Easement Property"); and

**WHEREAS**, the Town of Addison intends to construct an extension of Addison Road through the Town (the "Addison Road Extension Project"), part of which will be located upon and over the Easement Property; and

**WHEREAS**, the Town desires to acquire an exclusive and perpetual easement in, over, across, upon, under and through the Easement Property for street right-of-way and other public purposes in connection with the construction of the Addison Road Extension, and Grantor desires to sell and convey such easement to the Town;

**NOW, THEREFORE**, for and in consideration of the mutual covenants and agreements herein contained, Minol Center, L.P., and the Town of Addison agree as follows:

1. **Grant of Easement.** For and in consideration of the sum set forth in 2. below in hand paid by the Town, the receipt and sufficiency of which is hereby acknowledged and confessed, Grantor has GRANTED, SOLD AND CONVEYED, and by these presents does GRANT, SELL AND CONVEY unto the Town of Addison, Texas, its successors and assigns, a perpetual and exclusive easement and right-of-way (the "Easement") in, over, across, upon, under and through the property described in Exhibit A and depicted on Exhibit B (the "Easement Property") (the said Exhibits being attached hereto and incorporated herein).

2. **Consideration.** This easement is granted, sold and conveyed in consideration of the Town's payment to Grantor of the sum of Thirty Six Thousand Four Hundred Thirty Six and No/100 dollars (\$36,436.00), the receipt and sufficiency of which is acknowledged as full compensation for the Easement, any damage to or diminution in value of the Remainder or any other lands or property belonging to Grantor that may be claimed or asserted by virtue of such grant, sale and conveyance and use of the Easement and the Easement Property by the Town, and to avoid the cost and expense of litigation. For purposes of this Agreement, the term "Remainder" shall mean that property described in attached Exhibit C, save and except the Easement Property.

3. **Purpose of Easement; Other Provisions.**

A. The Easement, together with all of its rights and privileges, may be used by the Town, its employees, contractors, agents, successors, and assigns in connection with activities relating to the construction, placement, installation, reconstruction, relocation, alteration, operation, use, inspection, maintenance, improvement, and modification of landscaping, irrigation, lighting, utility, sidewalk, or other parkway improvements, or for such other public purposes as the Town from time to time deems necessary, appropriate, or desirable in the Town's

sole discretion, with respect to the Project. The Town may perform all excavation, boring, backfilling, embedding, drilling, grading, and other construction activities as the Town from time to time deems necessary, appropriate, or desirable in the Town's sole discretion, with respect to the Project and the improvements within the Easement. The Town shall, at all times, have the right of ingress and egress to and from the Easement and the Easement Property as the Town may deem necessary, appropriate, or desirable.

B. Grantor acknowledges and agrees as follows:

(i) The Town may authorize and permit third parties to use the Project on such terms as the Town in its sole discretion deems appropriate, but no third parties, including the general public, shall acquire any rights in the Easement or the Easement Property as a result of such use.

(ii) Grantor shall not construct or place within the Easement Property any building, fence, wall, plant, or other structure, improvement, or growth of any character or type which would interfere, in the Town's sole determination, with the Easement, with the Project or with any improvements within the Easement. The Town shall have the right to remove, and keep removed, all or parts of any such building, fence, plant, or other structure, improvement or growth of any character or type that is located within the Easement Property and which, in the judgment of the Town, may endanger or in any way interfere with the construction, efficiency, or convenient and safe operation of the Project or the exercise of the Town's rights hereunder.

C. Grantor, its successors and assigns, may fully use and enjoy the Easement Property, except that such use and enjoyment shall not hinder, conflict or interfere with the exercise of the Town's rights hereunder or with the safe and efficient operation of the Project.

4. **Warranty of Title.** TO HAVE AND TO HOLD the Easement, together with all and singular the rights, privileges, and appurtenances thereto in anywise belonging, unto the Town of Addison, Texas, its successors and assigns; and Grantor does hereby bind itself, its representatives, successors, and assigns to WARRANT AND FOREVER DEFEND all and singular the Easement and rights conveyed in this instrument unto the Town of Addison, Texas, its, representatives, successors, and assigns, against every person whomsoever lawfully claiming or to claim all or any part of the interest in the Property.

5. **Exclusiveness of Easement.** The easement, rights, and privileges granted by this conveyance are exclusive, and Grantor covenants not to convey any other easement or conflicting rights in the area covered by this grant.

6. **Governing Law; Venue.** In the event of any action under this Contract, venue for all causes of action shall be instituted and maintained in Dallas County, Texas. The parties agree that the laws of the State of Texas govern the validity, construction, enforcement and interpretation of this Agreement; and, with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the governing, interpretation, validity and enforcement of this Agreement.

7. **Entire Agreement.** This Agreement contains the entire agreement between the parties relating to its subject matter. Any oral representations or modifications concerning this

Agreement shall be of no force and effect. Any subsequent amendment or modification must be in writing and agreed to by both parties.

8. **Authority.** The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

9. **Binding Effect.** This Agreement shall bind and inure to the benefit of the respective parties, their personal representatives, successors, and assigns.

Executed this 20 day of January, 2003

**GRANTOR:**

**Minol Center, L.P.**

By: Minol Center Management, LLC, its General Partner

By:   
Mike Butler, Manager

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2003

**TOWN OF ADDISON**

By: \_\_\_\_\_  
Ron Whitehead, City Manager

STATE OF TEXAS §  
COUNTY OF DALLAS §

20th BEFORE ME, the undersigned notary public in and for said county and state, on this day of January, 2003, personally appeared Mike Butler, Manager of Minol Center Management, LLC, General Partner of Minol Center L.P., a Texas Limited Partnership, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person or entity upon behalf of which he acted executed the instrument for the uses and purposes therein set forth.

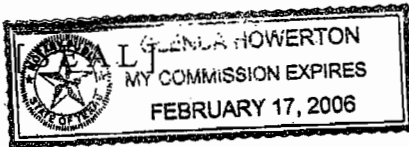
GIVEN UNDER my hand and seal of office the day and year last above written.



Notary Public in and for the State of Texas

MY COMMISSION EXPIRES:

2-17-06



STATE OF TEXAS §  
COUNTY OF DALLAS §

BEFORE ME, the undersigned notary public in and for said county and state, on this \_\_\_\_\_ day of \_\_\_\_\_, 2003, personally appeared Ron Whitehead, City Manager for the Town of Addison, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person or entity upon behalf of which he acted executed the instrument for the uses and purposes therein set forth.

GIVEN UNDER my hand and seal of office the day and year last above written.

\_\_\_\_\_  
Notary Public in and for the State of Texas

MY COMMISSION EXPIRES:

\_\_\_\_\_  
[SEAL]

EXHIBIT A

11/15/2002

# R11-3

TOWN OF ADDISON, TEXAS

FIELD NOTE DESCRIPTION  
FOR  
MINOL CENTER, L.P.  
(PARKWAY EASEMENT)

BEING a tract out of a 1.7120 acre tract out of an original 1.7277 acre tract of land located in the G. W. Fisher Survey, in the Quorum Center Addition, an addition to the Town of Addison, Texas Abstract No. 482, in the Town of Addison, Dallas County, Texas, conveyed to Minol Center, L.P., by a deed now of record in Volume 200042, Page 03054, of the Deed Records of Dallas County, Texas, said tract of land being more particularly described as follows:

BEGINNING at a point for a corner, said point being in the southwest corner of said 1.7120 acre tract and the northwest corner of a 1.5812 acre tract conveyed to Rail Hotels Corporation by a deed now of record in Volume 99024, Page 01020 of the Deed Records of Dallas County, Texas and being in the east right-of-way line of Addison Road, (generally a 60 foot right-of-way and generally 30 feet to the center line), said point also being S 48° 18'40" E, 79.55 feet from a found "X" in the southeast corner of a 0.0331 acre tract of land conveyed to Oasis Car Wash, Inc. as described in Volume 97234, Page 06241, Tract II of the Deed Records of Dallas County, Texas, said point of beginning also being in center line of a 25 foot wide ingress and egress easement as described in Volume 89010, Page 4479, Exhibit C of the Deed Records of Dallas County, Texas;

THENCE, N 00° 17'00" E, along the west line of said 1.7120 acre tract and along east right-of-way line of said Addison Road for a distance of 291.90 feet to a point for corner, said point being the northwest corner of said 1.7120 acre tract and at a corner clip at the southeast corner of Addison Road and Arapaho Road, said point being S 00° 17'00" W, 9.60 feet from an found 5/8 inch iron rod in the northwest corner of said original 1.7277 acre tract;

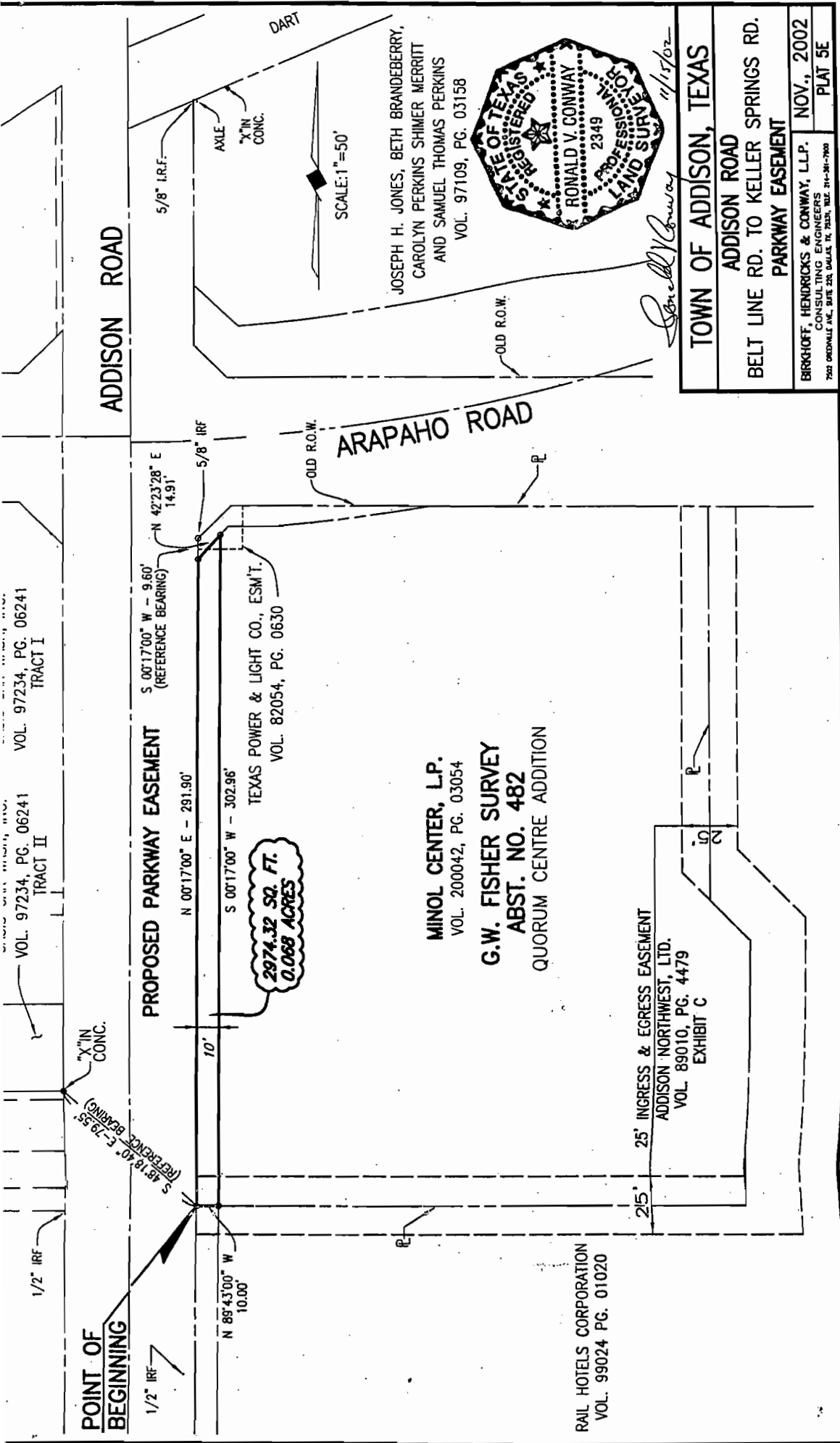
THENCE, N 42°23'28" E, along said corner clip at the southeast corner of said Addison Road and Arapaho Road for a distance of 14.91 feet to point for a corner;

THENCE, S 00° 17'00" W, leaving the south right-of-way line of Arapaho Road and the north property line of said Minol Center, L.P, a distance of 302.96 feet to a point for a corner, said point being in the south line of said 1.7120 acre tract and in a north line of said 1.5812 acre tract;

THENCE, N 89° 43'00" W, along the south line of said 1.7120 acre tract, long the north line of said 1.5812 acre tract and along the center line of said ingress and egress easement for a distance of 10.00 feet to the Point of Beginning and containing 2974.32 square feet (0.068 acres) of land.



*Ronald V. Conway*  
11/15/02



**TOWN OF ADDISON, TEXAS**  
**ADDISON ROAD**  
**BELT LINE RD. TO KELLER SPRINGS RD.**  
**PARKWAY EASEMENT**

**BIRKHOFF, HENDRICKS & CONWAY, L.L.P.**  
 CONSULTING ENGINEERS  
 7502 ORDENALLE AVE., SUITE 200, DALLAS, TX 75231, TEL. 214-341-7000

**NOV., 2002**  
**PLAT 5E**

VOL. 97234, PG. 06241  
 TRACT I

VOL. 97234, PG. 06241  
 TRACT II

## EXHIBIT C

### TRACT I

BEING part of a tract of land situated in the G. W. Fisher Survey, Abstract No. 482, as recorded in Volume 3967, Page 367, Deed Records, Dallas County, Texas and said tract also being a part of Quorum Centre Addition, recorded in Volume 84067, Page 5718 of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

COMMENCING at an intersection point of the north right-of-way line of Belt Line Road (a 100' R.O.W.) with the east right-of-way line of Addison Road (a 60' R.O.W.); thence N 00 degrees 17 minutes 00 seconds E along said east right-of-way of Addison Road, 921.63 feet to an 'x' cut found for the POINT OF BEGINNING;

THENCE N 00 degrees 17 minutes 00 seconds E along said east right-of-way line of Addison Road, 301.50 feet to an iron rod set for corner;

THENCE N 45 degrees 18 minutes 19 seconds E along said right-of-way of Addison Road, 21.17 feet to an iron rod set for corner in the south right-of-way line of Arapaho Road (a 60' R.O.W.);

THENCE S 89 degrees 35 minutes 00 seconds E along said right-of-way line of Arapaho Road, 216.04 feet to an 'x' cut found for corner;

THENCE S 00 degrees 17 minutes 00 seconds W departing said right-of-way line, 177.97 feet to an 'x' cut found for corner;

THENCE S 44 degrees 43 minutes 00 seconds E, 25.44 feet to an iron rod set for corner;

THENCE S 00 degrees 17 minutes 00 seconds W, 120.00 feet to an iron rod found for corner;

THENCE N 89 degrees 43 minutes 00 seconds W, 249.00 feet to the POINT OF BEGINNING and CONTAINING 1.7277 (75,261 square feet) acres of land.

### TRACT II

Easement Estate created pursuant to that certain Mutual Easement Agreement by and between ADDISON NORTHWEST, LTD. and FIRST INTERSTATE BANK OF TEXAS, N.A., dated December 15, 1988, recorded in Volume 89010, Page 4479, Real Property Records, Dallas County, Texas.

20042 03058



#R11-4

SUMMARY OF SALIENT FACTS

**A Parkway Easement Acquisition at the SE/c of Intersection of Addison Road/Arapaho Road  
Minol MTR - Owner  
Addison, Texas**

Date of the Appraisal: March 4, 2002

Value Estimated: Market Value - Just Compensation

Property Rights Appraised: Fee Simple & Easement

Property Appraised: A ±1.712 Acre tract improved with a 3 story office facility, located at the SE/c of Addison Rd. & Arapaho Rd., Addison, Texas.

Property Zoned: C; Commercial

Highest & Best Use:  
 "As vacant": To be developed in conformity with adjacent land uses as demand warrants.  
 "As improved": To be maintained as an office facility.

Estimates of Fee Simple Value:

|                                   |                    |
|-----------------------------------|--------------------|
| <u>Whole Property</u>             |                    |
| Land Value (Sales Comparison):    | \$ 894,900         |
| Cost Approach:                    | \$6,154,505        |
| Income Approach:                  | \$6,197,619        |
| Sales Comparison Approach:        | \$ N/A             |
| <b>Whole Property:</b>            | <b>\$6,200,000</b> |
| <br>                              |                    |
| <u>Part Taken:</u>                |                    |
| Parkway easement                  | \$ 18,590          |
| <br>                              |                    |
| <u>Remainder Before the Take:</u> | \$6,181,409        |
| <br>                              |                    |
| <u>Remainder After the Take:</u>  | \$6,200,000        |

**Final Value Estimate: JUST COMPENSATION \$ 18,590**

#R11-5



August 1, 2002

Mr. Patrick Haggerty  
Hipes & Associates  
7557 Rambler Road  
Suite 260, LB 25  
Dallas, Texas 75231

Re: Minol Center Property  
Parkway Easement Acquisition

Dear Mr. Haggerty:

We have received and reviewed your appraisal of our property value regarding the required Town of Addison Parkway Easement Acquisition. We are in agreement with the three valuation methods used to determine an overall \$12.00 per square foot valuation. However, we are not in agreement that this valuation should be factored down by 50%.

Our counter proposal for the value of the easement would be \$12.00 per square foot or \$35,692 plus the \$744 sprinkler allowance for a total of \$36,436. We have a high regard for the Town of Addison and we are very much in agreement with the plans for widening Addison Road. We have no intention of getting into an adversarial conflict with the City. However, we consider our counter offer to be fair and equitable compensation for the Easement.

We appreciate your consideration of our proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Quigley", written in a cursive style.

Mike Quigley

#R11-6

**TOWN OF ADDISON, TEXAS**

**RESOLUTION NO. R \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, AUTHORIZING THE CITY MANAGER TO PURCHASE A 0.068 ACRE TRACT OF LAND (LOCATED GENERALLY AT 15280 ADDISON ROAD) FOR PERMANENT RIGHT-OF-WAY.**

**WHEREAS**, the proposed Addison Road Extension Project is currently underway, which includes right-of-way acquisitions; and

**WHEREAS**, a tract of land approximately 0.068 acres in size is required for permanent right-of-way adjacent to the proposed extension of Addison Road; and

**WHEREAS**, the owner of said tract, has agreed to sell it to the Town for \$36,436.00; Now, Therefore,

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

Section 1. That the City Council has determined that \$36,436.00 is reasonable compensation for the land to be acquired and all damages to the property remaining, and does hereby authorize the City Manager to acquire the 0.068 acre tract of land (located generally at 15280 Addison Road) for permanent right-of-way for the extension of Addison Road.

Section 2. That the City Finance Director be and is hereby authorized to draw a check in favor of Minol Center, L.P., or the current owner of record, in the amount of \$36,436.00.

Section 3. That this Resolution shall take effect immediately from and after its passage.

**PASSED AND APPROVED** by the City Council of the Town of Addison this 10<sup>th</sup> day of September 2002.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Carmen Moran, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Ken C. Dippel, City Attorney

SUMMARY OF SALIENT FACTS

**A Parkway Easement & Right-of-Way Acquisition of  
15211 Addison Road Joint Venture - Owner  
Addison, Texas**

|   |   |
|---|---|
| Date of the Appraisal:                          | August 23, 2002   |
| Value Estimated:                                | Market Value - Just Compensation  |
| Property Rights Appraised:                      | Fee Simple & Easement   |
| Property Appraised:                             | A ±2,075 SF R.O.W. acquisition; a ±5,112.33 SF Parkway Easement; and a ±21,975 SF Temporary Easement out of a ±1.6188 acre tract, located at the SW/c of Addison Rd. & Arapaho Rd., Addison, Texas. |
| Property Zoned:                                 | PD; office, retail, restaurant, car wash  |
| Highest & Best Use:                             |   |
| "As vacant":                                    | To be developed for a commercial use compatible with neighboring land uses.   |
| "As improved":                                  | Interim neighborhood services use, until such time as redevelopment is warranted.   |
| Estimates of Fee Simple Value:                  |   |
| <u>Whole Property</u>                           |   |
| Land Value (Sales Comparison):                  | \$705,160   |
| Cost Approach:                                  | \$ N/A  |
| Income Approach (Contributory Value - Improv.): | \$143,229   |
| Sales Comparison Approach:                      | \$ N/A  |
| <b>Whole Property:</b>                          | <b>\$848,389</b>  |
| <u>Part Taken:</u>                              | <b>\$229,931</b>  |
| <u>Remainder Before the Take:</u>               | <b>\$658,850</b>  |
| <u>Remainder After the Take:</u>                |   |
| Land Value (Sales Comparison):                  | \$821,292   |
| Cost Approach:                                  | \$ N/A  |
| Income Approach:                                | \$ N/A  |
| Sales Comparison Approach:                      | \$ N/A  |
| <b>Final Value Estimate: JUST COMPENSATION</b>  | <b>\$229,931</b>  |

SUMMARY OF SALIENT FACTS

**A Parkway Easement & Right-of-Way Acquisition of  
15211 Addison Road Joint Venture - Owner  
Addison, Texas**

|   |   |
|---|---|
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| Value Estimated:                                | Market Value - Just Compensation  |
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| Income Approach:                                | \$ N/A  |
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| <b>Final Value Estimate: JUST COMPENSATION</b>  | <b>\$229,931</b>  |



## SUMMARY OF SALIENT FACTS

### A Parkway Easement & Right-of-Way Acquisition of 15211 Addison Road Joint Venture - Owner Addison, Texas

|   |   |
|---|---|
| Date of the Appraisal:                          | August 23, 2002   |
| Value Estimated:                                | Market Value - Just Compensation  |
| Property Rights Appraised:                      | Fee Simple & Easement   |
| Property Appraised:                             | A ±2,075 SF R.O.W. acquisition; a ±5,112.33 SF Parkway Easement; and a ±21,975 SF Temporary Easement out of a ±1.6188 acre tract, located at the SW/c of Addison Rd. & Arapaho Rd., Addison, Texas. |
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| "As vacant":                                    | To be developed for a commercial use compatible with neighboring land uses.   |
| "As improved":                                  | Interim neighborhood services use, until such time as redevelopment is warranted.   |
| Estimates of Fee Simple Value:                  |   |
| <u>Whole Property</u>                           |   |
| Land Value (Sales Comparison):                  | \$705,160   |
| Cost Approach:                                  | \$ N/A  |
| Income Approach (Contributory Value - Improv.): | \$143,229   |
| Sales Comparison Approach:                      | \$ N/A  |
| <b>Whole Property:</b>                          | <b>\$848,389</b>  |
| <u>Part Taken:</u>                              | \$229,931   |
| <u>Remainder Before the Take:</u>               | \$658,850   |
| <u>Remainder After the Take:</u>                |   |
| Land Value (Sales Comparison):                  | \$821,292   |
| Cost Approach:                                  | \$ N/A  |
| Income Approach:                                | \$ N/A  |
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SUMMARY OF SALIENT FACTS

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15211 Addison Road Joint Venture - Owner  
Addison, Texas**

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COWLES & THOMPSON

2146722020 P.05/05

Compensation for Temporary Easement

Per Hipes appraisal:

Temporary easement:  
 Year 1, discounted at 10%  
 Year 2, discounted at 10%

20,766  
 19,624

Calculates at 35,000 SF at \$.59 per foot

Property Owner Proposal:

Based on monthly revenue of \$4,206

Temporary easement:  
 Year 1  
 Year 2

50,400  
 50,400  
 101,000

Based on 35,000 SF at \$1.44 per foot

\$ 25,000

+ 190

The proposed easement fairly compensates the property owner for lost revenue during the two-year construction period. During that period, property owner will be unable to construct any structures or otherwise secure a tenant.

K.F.  
 273 Row  
 + 101 TEM  
 374

TOA  
 229 TEMP & Row

189 BLD  
 40 TEMP  
 229

374 vs. 229  
 \$ 300k

273  
 440  
 BLDGS  
 474  
 \$ 300

\* QUESTION ABOUT THE 10% WOULD BE OK W/ 50%

Property Valuation - 15211 Addison Road  
Compared to Hipes 8/23/2002 Appraisal

Per Hipes 8/23 Appraisal

Property Owner Calculations

Property owner uses this parcel of land for two separate operations. One-half of the property is improved and is occupied by several tenants. The other half of the property is unimproved and has a single tenant who uses the space for parking. A reasonable valuation of the property requires that these distinct uses be recognized and accounted for properly.

Land value:

- Property owner disputes appraised land value at less than the value appraised for property tax purposes.

70,516 feet @ \$10 PF based on comparable sales **705,160** **846,190** Value per Dallas County Appraisal District (\$12 PF)

Contributory value of improvements:

- Property owner presents income on actual operations rather than theoreticals
- Property owner calculated property taxes on one-half of land value plus all of improvements.

Potential income:

Gross income calculated at \$6 per foot on 19,665 SF **117,990** **100,947** Actual rent rolls excluding ground lease to Sambuca  
 Less vacancy and collection loss @ 10% **(11,799)** **0** Actual historical vacancy and collection losses  
 Admin/management fees at 3% **(3,186)** **0** No administrative or management fees incurred  
 Leasing commission @ 3% **(3,186)** **0** No leasing commissions incurred  
 Ad valorem taxes (2.5% on 705,160) **(17,629)** **(11,543)** Actual ad valorem taxes on improved portion of property  
 Insurance **(1,593)** **(1,593)**

Net income from improved portion of property **80,597** **87,811**

Capitalization rates:

Per Hipes appraisal, 9.5% **9.50%** **8.00%** Market capitalization rate based on current economy

Capitalized value of improved portion of property **848,369** **1,097,638**

Less: Land value

Hipes appraisal uses value of entire parcel **(705,160)** **(423,095)** Property owner deducts only that portion of the property that generates the income presented above.

\*Reduces the value of the improved portion of the property by all of the land value

\*Alternative calculation could have included the parking lease rental; then deduction of 100% of the land would be appropriate

Contributory value of improvements **143,229** **674,543**

Part taken:

Land area (right of way) - 2,075 SF at stated values per SF **20,750** **24,900**

Land area (easement) - 5112.33 SF at one-half of stated values per SF **25,562** **30,674**

Buildings **143,229** **674,543**

Total value of the part taken **189,541** **730,116**

Per Hipes 4/13 Appraisal

Property Owner Calculations

Property owner uses this parcel of land for two separate operations. One-half of the property is improved and is occupied by several tenants. The other half of the property is unimproved and has a single tenant who uses the space for parking. A reasonable valuation of the property requires that these distinct uses be recognized and accounted for properly.

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70,516 feet @ \$10 PF based on comparable sales      **705,160**      **846,190**      Value per Dallas County Appraisal District (\$12 PF)

**Contributory value of improvements:**

\* Property owner presents income on actual operations rather than theoreticals  
 \* Property owner calculated property taxes on one-half of land value plus all of improvements.

Potential income:

|  |          |          |   |
|--|----------|----------|---|
| Gross income per schedule in appraisal | 298,800  | 365,523  | Actual rent rolls including parking lease to Sambuca    |
| Less vacancy and collection loss @ 15% | (44,820) | 0        | Actual historical vacancy and collection losses         |
| Admin/management fees at 3%            | (7,620)  | 0        | No administrative or management fees incurred           |
| Leasing commission @ 3%                | (7,620)  | 0        | No leasing commissions incurred                         |
| 50% of taxes at estimated market value | (22,500) | (36,389) | Actual ad valorem taxes on improved portion of property |
| Insurance                              | (4,500)  | (5,022)  |   |

Net income from improved portion of property

211,740

324,112

(63,000)

(47,288)

Sambuca lease at current rates

Net income on improved property assuming 4 year life

148,740

276,824

Average net income

49,580

92,275

Net income assuming three year life on improvements

Net present value of rents at 6% rate (calculated on average)

132,528

246,651

**Contributory value of improvements**

**132,528**

**246,651**

**Part taken:**

This section has been adjusted from the original appraisal to include additional easements and terms currently being negotiated.

Land area (right of way) - 2,075 SF at stated values per SF

20,750

24,900

Land area (easement) - 5112.33 SF at one-half of stated values per SF

25,562

30,674

Buildings

132,528

246,651

**Total value of the part taken**

**178,840**

**302,225**

Property Valuation - 15211 Addison Road  
 Compared to Hipes 4/13/2001 Appraisal Assuming Three-Year Life on Improvements

|                          |                             |
|--------------------------|-----------------------------|
| Per Hipes 4/13 Appraisal | Property Owner Calculations |
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Property owner uses this parcel of land for two separate operations. One-half of the property is improved and is occupied by several tenants. The other half of the property is unimproved and has a single tenant who uses the space for parking. A reasonable valuation of the property requires that these distinct uses be recognized and accounted for property.

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**Contributory value of improvements:**

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- \* Property owner calculated property taxes on one-half of land value plus all of improvements.

**Potential income:**

|  |          |          |   |
|--|----------|----------|---|
| Gross income per schedule in appraisal | 99,600   | 115,947  | Actual rent rolls including parking lease to Sambuca    |
| Less vacancy and collection loss @ 15% | (14,940) | 0        | Actual historical vacancy and collection losses         |
| Admin/management fees at 3%            | (2,540)  | 0        | No administrative or management fees incurred           |
| Leasing commission @ 3%                | (2,540)  | 0        | No leasing commissions incurred                         |
| 50% of taxes at estimated market value | (7,500)  | (11,543) | Actual ad valorem taxes on improved portion of property |
| Insurance                              | (1,500)  | (1,593)  |   |

Net income from improved portion of property      70,580      102,811

Less Sambuca parking lease      (21,000)      (15,000)      Sambuca lease at current rates

Net income on improved property      49,580      87,811

Net income assuming three year life on improvements      148,740      263,433

Assumes flat income and expense; current lease terms call for 5% annual increases

Net present value of rents at 10% rate      123,298      218,373

**Contributory value of improvements      123,298      218,373**

**Part taken:**

This section has been adjusted from the original appraisal to include additional easements and terms currently being negotiated.

Land area (right of way) - 2.075 SF at \$10 per SF      20,750      24,900      Land area (right of way) - 2.075 SF at \$12 per SF

Land area (easement) - 5112.33 SF at \$5 per SF      25,562      30,674      Land area (easement) - 5112.33 SF at \$6 per SF

Buildings      123,298      218,373

**Total value of the part taken      169,610      273,947**

SUMMARY OF SALIENT FACTS

**A Parkway Easement & Right-of-Way Acquisition of  
15211 Addison Road Joint Venture - Owner  
Addison, Texas**

|   |   |
|---|---|
| Date of the Appraisal:                          | August 23, 2002   |
| Value Estimated:                                | Market Value - Just Compensation  |
| Property Rights Appraised:                      | Fee Simple & Easement   |
| Property Appraised:                             | A ±2,075 SF R.O.W. acquisition; a ±5,112.33 SF Parkway Easement; and a ±21,975 SF Temporary Easement out of a ±1.6188 acre tract, located at the SW/c of Addison Rd. & Arapaho Rd., Addison, Texas. |
| Property Zoned:                                 | PD; office, retail, restaurant, car wash  |
| Highest & Best Use:                             |   |
| "As vacant":                                    | To be developed for a commercial use compatible with neighboring land uses.   |
| "As improved":                                  | Interim neighborhood services use, until such time as redevelopment is warranted.   |
| Estimates of Fee Simple Value:                  |   |
| <u>Whole Property</u>                           |   |
| Land Value (Sales Comparison):                  | \$705,160   |
| Cost Approach:                                  | \$ N/A  |
| Income Approach (Contributory Value - Improv.): | \$143,229   |
| Sales Comparison Approach:                      | \$ N/A  |
| <b>Whole Property:</b>                          | <b>\$848,389</b>  |
| <u>Part Taken:</u>                              | \$229,931   |
| <u>Remainder Before the Take:</u>               | \$658,850   |
| <u>Remainder After the Take:</u>                |   |
| Land Value (Sales Comparison):                  | \$821,292   |
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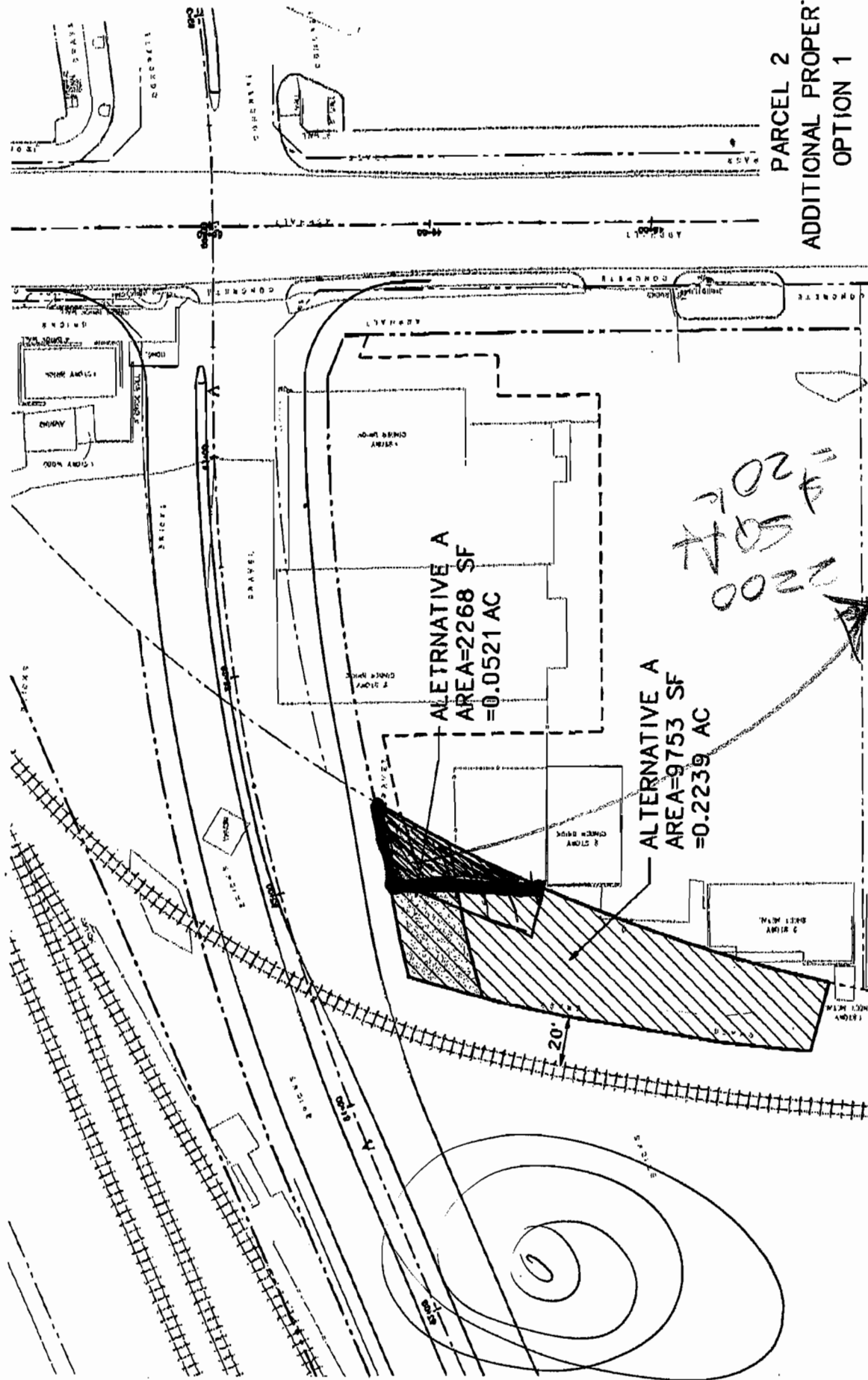
HNTB

9726615614

02/20 '03 13:32 NO.654 02/04

PARCEL 2  
ADDITIONAL PROPER  
OPTION 1

FEBRUARY 2003



HNTB  
ARCHITECTS ENGINEERS PLANNERS  
THE HNTB COMPANY



Per Hipes 4/13 Appraisal

Property Owner Calculations

Property owner uses this parcel of land for two separate operations. One-half of the property is improved and is occupied by several tenants. The other half of the property is unimproved and has a single tenant who uses the space for parking. A reasonable valuation of the property requires that these distinct uses be recognized and accounted for properly.

**Land value:**

\* Property owner disputes appraised land value at less than the value appraised for property tax purposes.

70,516 feet @ \$10 PF based on comparable sales      **705,160**      **846,190**      Value per Dallas County Appraisal District (\$12 PF)

**Contributory value of improvements:**

\* Property owner presents income on actual operations rather than theoreticals  
 \* Property owner calculated property taxes on one-half of land value plus all of improvements.

|  | 3-Year Total   | 3-Year Total   |   |
|--|----------------|----------------|---|
| Potential income:                                    |                |                |   |
| Gross income per schedule in appraisal               | 298,800        | 365,523        | Actual rent rolls including parking lease to Sambuca    |
| Less vacancy and collection loss @ 15%               | (44,820)       | 0              | Actual historical vacancy and collection losses         |
| Admin/management fees at 3%                          | (7,620)        | 0              | No administrative or management fees incurred           |
| Leasing commission @ 3%                              | (7,620)        | 0              | No leasing commissions incurred                         |
| 50% of taxes at estimated market value               | (22,500)       | (36,389)       | Actual ad valorem taxes on improved portion of property |
| Insurance  | (4,500)        | (5,022)        |   |
|  | <u>211,740</u> | <u>324,112</u> |   |
| Net income from improved portion of property         | (63,000)       | (47,288)       | Sambuca lease at current rates                          |
| Less Sambuca parking lease                           |                |                |   |
| Net income on improved property assuming 4 year life | 148,740        | 276,824        |   |
| Average net income                                   | <u>49,580</u>  | <u>92,275</u>  | Net income assuming three year life on improvements     |

Net present value of rents at 8% rate (calculated on average)

**127,772**      **237,801**

**Contributory value of improvements**

**237,801**

**Part taken:**

This section has been adjusted from the original appraisal to include additional easements and terms currently being negotiated.

|   |                |                |
|---|----------------|----------------|
| Land area (right of way) - 2,075 SF at stated values per SF           | 20,750         | 24,900         |
| Land area (easement) - 5112.33 SF at one-half of stated values per SF | 25,562         | 30,674         |
| Buildings   | <u>127,772</u> | <u>237,801</u> |

**Total value of the part taken**

**174,084**      **293,375**



Property Valuation - 15211 Addison Road  
 Compared to Hipes 4/13/2001 Appraisal Assuming Three-Year Life on Improvements

|                          |                             |
|--------------------------|-----------------------------|
| Per Hipes 4/13 Appraisal | Property Owner Calculations |
|--------------------------|-----------------------------|

Property owner uses this parcel of land for two separate operations. One-half of the property is improved and is occupied by several tenants. The other half of the property is unimproved and has a single tenant who uses the space for parking. A reasonable valuation of the property requires that these distinct uses be recognized and accounted for property.

**Land value:**

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70,516 feet @ \$10 PF based on comparable sales      705,160      846,190      Value per Dallas County Appraisal District (\$12 PF)

**Contributory value of improvements:**

- Property owner presents income on actual operations rather than theoreticals
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**Potential income:**

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| Less vacancy and collection loss @ 15% | (14,940) | 0        | Actual historical vacancy and collection losses         |
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| Leasing commission @ 3%                | (2,540)  | 0        | No leasing commissions incurred                         |
| 50% of taxes at estimated market value | (7,500)  | (11,543) | Actual ad valorem taxes on improved portion of property |
| Insurance                              | (1,500)  | (1,593)  |   |

Net income from improved portion of property      70,580      102,811

Less Sambuca parking lease      (21,000)      (15,000)      Sambuca lease at current rates

Net income on improved property      49,580      87,811

Net income assuming three year life on improvements      148,740      263,433

Assumes flat income and expense; current lease terms call for 5% annual increases

Net present value of rents at 10% rate      123,298      218,373

**Contributory value of improvements      123,298      218,373**

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Land area (easement) - 5112.33 SF at \$5 per SF      25,562      30,674      Land area (easement) - 5112.33 SF at \$6 per SF

Buildings      123,298      218,373

**Total value of the part taken      169,610      273,947**

#R7-1

Council Agenda Item: #R7

**SUMMARY:**

This item is to request Council consideration of a resolution authorizing condemnation for acquisition of a 0.0476 acre tract of land for permanent right-of-way along Arapaho Rd., a 0.1170 acre tract of land for a parkway easement along Addison Rd., and a 0.5045 acre temporary construction easement from Lot 2, Block 1, Addison Car Care Addition.

**FINANCIAL IMPACT:**

Budgeted Amount: N/A

Appraised Value: \$229,931.00

Source of Funds: Funds are available from Year 2002 General Obligation Bond Program, Project No. 83300.

**BACKGROUND:**

The right-of-way acquisition process is currently underway on the proposed Arapaho Road, Phase III project. Approximately 0.0476 acre of right-of-way and 0.5045 acre of temporary construction easement for the proposed extension of Arapaho Road (see attached Parcel 2 & 2-TE maps) is required as part of the proposed roadway improvements. The temporary construction easement is necessary for the demolition of structures on-site that currently encroach on the existing right-of-way of Arapaho Rd. and is located within the construction limits of the new roadway extension. In addition, a 0.1170 acre parkway easement is required as part of the proposed Addison Road widening project (see attached parkway easement parcel map). These parcels are a portion of Lot 2, Block 1, Addison Car Care Addition, and is owned by 15211 Addison Road Joint Venture.

In July 2002, the firm of Evaluation Associates appraised the fee simple value of the 0.0476 acre of right-of-way, 0.5045 acre temporary construction easement, and 0.1170 parkway easement (see attached Summary of Salient Facts and Conclusions) at a total compensation amount of \$173,202.00. In July 2001, Council initially authorized the City Manager to make a final offer to the owner for the fee simple acquisition of right-of-way along Arapaho Rd. Subsequently, staff prepared an appraisal revision to include the temporary construction easement for Arapaho Road and parkway easement for Addison Road. This combined all needed property acquisitions into one appraisal. After extensive negotiations, the Town was unable to successfully reach an agreement with the owner.

**RECOMMENDATION:**

It is recommended that Council approve a resolution determining the necessity of acquiring the real property, temporary construction easement, and parkway easement, owned by 15211 Addison Road Joint Venture, and authorize its condemnation and/or appropriation for public use in connection with the realignment and extension of Arapaho Road and widening of Addison Road.

#R7-2

# EVALUATION ASSOCIATES

RIGHT OF WAY LAND RIGHTS ANALYSIS • APPRAISAL • ACQUISITION • SOLUTIONS

## SUMMARY OF SALIENT FACTS AND CONCLUSIONS ARAPAHO ROAD PROJECT

**Property Owner: 15211 Addison Road JV  
Parcel Nos. 2, 2-TE**

**Valuation Conclusion:**

|                                  |           |
|----------------------------------|-----------|
| Whole Property                   | \$705,000 |
| Proposed Acquisition             | \$ 69,712 |
| Remainder Before Acquisition     | \$635,288 |
| Remainder After Acquisition      | \$855,500 |
| Loss in Value of Remainder After | \$ -0-    |

**Determination of Compensation:**

|  |                  |
|--|------------------|
| Permanent Right of Way (Land Only @ \$9.00/SF)                 | \$ 64,686        |
| Compensation for Improvements within Proposed Acquisition Area | \$ 5,026         |
| Temporary Construction Easement                                | \$ 39,556        |
| Compensation for Improvements within Proposed TCE              | <u>\$ 63,934</u> |

**Total Compensation \$173,202**

**Date of Appraisal: July 21, 2002**

**Location: 15223 Addison Road, Town of Addison, Texas**

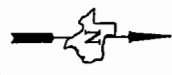
**Legal Description: Lot 2, Block 1, Addison Car Care Addition, Town of Addison, Dallas County, Texas**

|                   |                                   |              |
|-------------------|-----------------------------------|--------------|
| <b>Land Size:</b> | Whole Property (per DCAD records) | 1.6188 Acres |
|                   | Right of way Area                 | 0.0476 Acres |
|                   | Temporary Construction easement   | 0.5045 Acres |
|                   | Parkway Easement                  | 0.1170 Acres |

**Zoning: PD (Planned Development District)**

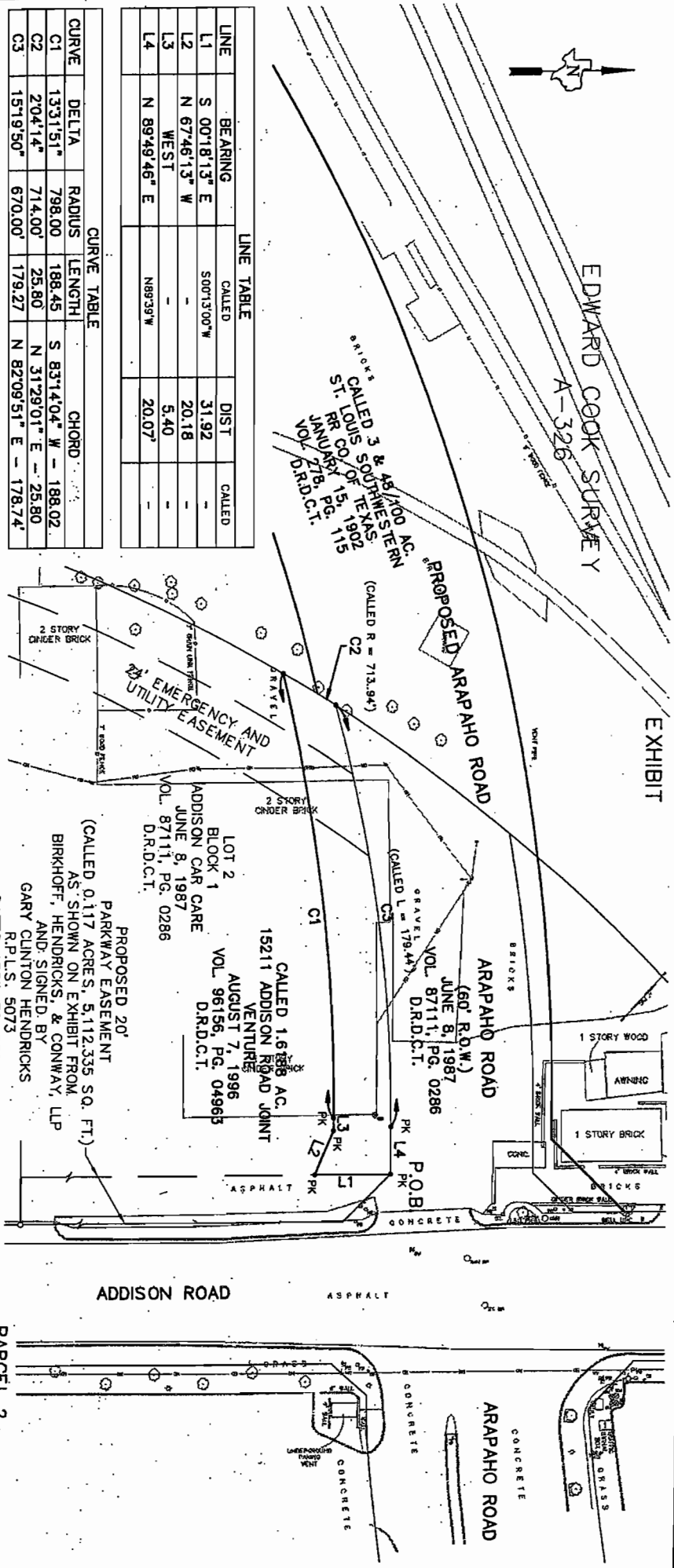
**Highest and Best Use:**

|                      |                |
|----------------------|----------------|
| As if Vacant BEFORE: | Commercial use |
| As if Vacant AFTER:  | Commercial use |



EDWARD COOK SURVEY  
A-326

EXHIBIT



| LINE | BEARING       | DIST  | CALLED       |
|------|---------------|-------|--------------|
| L1   | S 00°18'13" E | 31.92 | 500'13.00" W |
| L2   | N 67°46'13" W | 20.18 | -            |
| L3   | WEST          | 5.40  | -            |
| L4   | N 89°49'46" E | 20.07 | -            |

| CURVE | DELTA      | RADIUS | LENGTH | CHORD                  |
|-------|------------|--------|--------|------------------------|
| C1    | 133°31'51" | 798.00 | 188.45 | S 83°14'04" W - 188.02 |
| C2    | 204°14"    | 714.00 | 25.80  | N 31°29'01" E - 25.80  |
| C3    | 151°9'50"  | 670.00 | 179.27 | N 82°09'51" E - 178.74 |

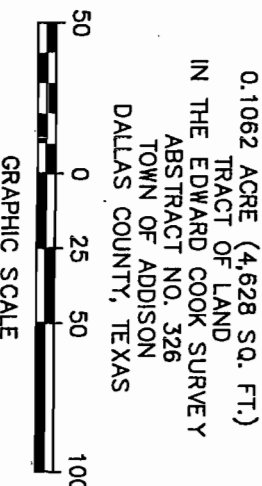
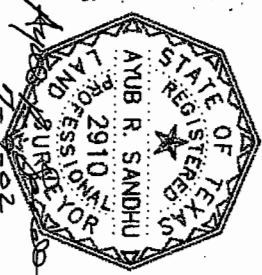
NOTES:

ALL EASEMENTS SHOWN ARE TAKEN FROM THE PLATS INDICATED HEREON. THE SURVEYOR DID NOT ABSTRACT THE SUBJECT PROPERTY SO ALL EASEMENTS MAY NOT BE SHOWN.

ALL BEARINGS ARE REFERENCED TO THE NORTH RIGHT OF WAY LINE OF CENTURION WAY, CALLED S 89°51'55" E, ACCORDING TO VOL 77173, PAGE 135, D.R.D.C.T.

A LEGAL DESCRIPTION OF EVEN SURVEY DATE HEREWITH ACCOMPANIES THIS PLAT.

- \*PK DENOTES A SET "PK" NAIL
- DENOTES A FOUND POINT AS INDICATED
- DENOTES A 5/8" IRON ROD SET UNLESS OTHERWISE NOTED
- PROPOSED RIGHT OF WAY LINE



0.1062 ACRE (4,628 SQ. FT.)  
TRACT OF LAND  
IN THE EDWARD COOK SURVEY  
ABSTRACT NO. 326  
TOWN OF ADDISON  
DALLAS COUNTY, TEXAS

PROPOSED 20' PARKWAY EASEMENT  
CALLED 0.117 ACRES, 5,112.335 SQ. FT.)  
AS SHOWN ON EXHIBIT FROM  
BIRKHOFF, HENDRICKS, & CONWAY, LLP  
AND SIGNED BY  
GARY CLINTON HENDRICKS  
R.P.L.S. 5073  
DATED APRIL 30, 2002

LOT 2  
BLOCK 1  
ADDISON CAR CARE  
JUNE 8, 1987  
VOL. 87111, PG. 0286  
D.R.D.C.T.

CALLLED 1.6288 AC.  
15211 ADDISON ROAD JOINT  
VENTURES  
AUGUST 7, 1996  
VOL. 96156, PG. 04965  
D.R.D.C.T.

ARAPAH0 ROAD  
(60' R.O.W.)  
JUNE 8, 1987  
VOL. 87111, PG. 0286  
D.R.D.C.T.

EMERGENCY AND  
UTILITY EASEMENT

BRICKS  
1 STORY WOOD  
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SAMBUCA PARTNERS LIMITED  
PARTNERSHIP II, L.P.  
VOL. 94100, PG. 5581

EAST - 330.89'  
(REFERENCE BEARING)

ADDISON  
15' UTILITY ESM'T.  
LOT 1, BLOCK 1

DYSON ENTERPRISES, LP  
VOL. 2000034, PG. 2494  
BLOCK 1, LOT 1

1/2" IRF  
POINT OF BEGINNING  
120'  
N 0°13'00" E - 174.98'  
54.98'  
1/2" IRF

10' DRAINAGE ESM'T.  
24' EMERGENCY ACCESS &

VOL. 87111, PG. 0286  
CAR CARE

ADDISON ROAD

5,112.33 SQ. FT.  
0.117 ACRES

15' STREET & DRAINAGE ESM'T.  
20'

15211 ADDISON ROAD JOINT VENTURE  
VOL. 96156, PG. 4963  
BLOCK 1, LOT 2

PROPOSED 20' PARKWAY EASEMENT

S 00°13'00" W - 245.56'  
N 00°13'00" E - 265.68'

50' ST. LOUIS & SOUTHWESTERN R.R.  
24' EMERGENCY ACCESS & UTILITY ESM'T.

SCALE: 1"=60'

EDWARD COOK SURVEY  
ABST. NO. 326



Handwritten signature and date: 4/29/02

60' R.O.W. DEDICATED FOR ARAPAHO ROAD TO TOWN OF ADDISON

METRO BRICK COMPANY, INC.  
VOL. 96180, PG. 02908  
BLOCK 1, LOT 3  
3' STREET ESM'T.

44°43'21" E  
28.31'

TOWN OF ADDISON, TEXAS

ADDISON ROAD

BELT LINE RD. TO KELLER SPRINGS RD.  
PARKWAY EASEMENT

BIRKHOFF, HENDRICKS & CONWAY, LLP.  
APR., 2002  
CONSULTING ENGINEERS  
PLAT 6W

SUMMARY OF SALIENT FACTS

**A Parkway Easement & Right-of-Way Acquisition of  
15211 Addison Road Joint Venture - Owner  
Addison, Texas**

Date of the Appraisal: August 23, 2002

Value Estimated: Market Value - Just Compensation

Property Rights Appraised: Fee Simple & Easement

Property Appraised: A ±2,075 SF R.O.W. acquisition; a ±5,112.33 SF Parkway Easement; and a ±21,975 SF Temporary Easement out of a ±1.6188 acre tract, located at the SW/c of Addison Rd. & Arapaho Rd., Addison, Texas.

Property Zoned: PD; office, retail, restaurant, car wash

Highest & Best Use:  
"As vacant": To be developed for a commercial use compatible with neighboring land uses.  
"As improved": Interim neighborhood services use, until such time as redevelopment is warranted.

Estimates of Fee Simple Value:

|   |                  |
|---|------------------|
| <u>Whole Property</u>                           |                  |
| Land Value (Sales Comparison):                  | \$705,160        |
| Cost Approach:                                  | \$ N/A           |
| Income Approach (Contributory Value - Improv.): | \$143,229        |
| Sales Comparison Approach:                      | \$ N/A           |
| <b>Whole Property:</b>                          | <b>\$848,389</b> |
| <u>Part Taken:</u>                              | \$229,931        |
| <br><u>Remainder Before the Take:</u>           | <br>\$658,850    |
| <br><u>Remainder After the Take:</u>            |                  |
| Land Value (Sales Comparison):                  | \$821,292        |
| Cost Approach:                                  | \$ N/A           |
| Income Approach:                                | \$ N/A           |
| Sales Comparison Approach:                      | \$ N/A           |
| <b>Final Value Estimate: JUST COMPENSATION</b>  | <b>\$229,931</b> |

229,931  
143,229 BLD.

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\$6,702 sq.

7187

\$ 1200

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7187



Property Valuation - 15211 Addison Road  
 Compared to Hipes 4/13/2001 Appraisal Assuming Three-Year Life on Improvements

Per Hipes 4/13 Appraisal Property Owner Calculations

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**Land value:**

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70,516 feet @ \$10 PF based on comparable sales 705,160 846,190 Value per Dallas County Appraisal District (\$12 PF)

**Contributory value of improvements:**

- Property owner presents income on actual operations rather than theoreticals
- Property owner calculated property taxes on one-half of land value plus all of improvements.

**Potential income:**

|  |          |          |   |
|--|----------|----------|---|
| Gross income per schedule in appraisal | 99,600   | 115,947  | Actual rent rolls including parking lease to Sambuca    |
| Less vacancy and collection loss @ 15% | (14,940) | 0        | Actual historical vacancy and collection losses         |
| Admin/management fees at 3%            | (2,540)  | 0        | No administrative or management fees incurred           |
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Net income from improved portion of property 70,580 102,811  
 Less Sambuca parking lease (21,000) (15,000) Sambuca lease at current rates

Net income on improved property 49,580 87,811

Net income assuming three year life on improvements 148,740 263,433 Assumes flat income and expense; current lease terms call for 5% annual increases

Net present value of rents at 10% rate 123,298 218,373

**Contributory value of improvements** 123,298 218,373

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**Total value of the part taken** 169,610 273,947

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| 50% of taxes at estimated market value | (7,500)  | (11,543) | Actual ad valorem taxes on improved portion of property |
| Insurance                              | (1,500)  | (1,593)  |   |

Net income from improved portion of property      70,580      102,811

Less Sambuca parking lease      (21,000)      (15,000)      Sambuca lease at current rates

Net income on improved property      49,580      87,811

Net income assuming three year life on improvements      148,740      263,433

Assumes flat income and expense; current lease terms call for 5% annual increases

Net present value of rents at 10% rate      123,298      218,373

**Contributory value of improvements      123,298      218,373**

**Part taken:**

This section has been adjusted from the original appraisal to include additional easements and terms currently being negotiated.

Land area (right of way) - 2,075 SF at \$10 per SF      20,750      24,900      Land area (right of way) - 2,075 SF at \$12 per SF

Land area (easement) - 5112.33 SF at \$5 per SF      25,562      30,674      Land area (easement) - 5112.33 SF at \$6 per SF

Buildings      123,298      218,373

**Total value of the part taken      169,610      273,947**



Property Valuation - 15211 Addison Road  
 Compared to Hipes 4/13/2001 Appraisal Assuming Three-Year Life on Improvements

Per Hipes 4/13 Appraisal Property Owner Calculations

Property owner uses this parcel of land for two separate operations. One-half of the property is improved and is occupied by several tenants. The other half of the property is unimproved and has a single tenant who uses the space for parking. A reasonable valuation of the property requires that these distinct uses be recognized and accounted for property.

**Land value:**  
 \* Property owner disputes appraised land value at less than the value appraised for property tax purposes.  
 70,516 feet @ \$10 PF based on comparable sales 705,160 846,190 Value per Dallas County Appraisal District (\$12 PF)

**Contributory value of improvements:**  
 \* Property owner presents income on actual operations rather than theoreticals  
 \* Property owner calculated property taxes on one-half of land value plus all of improvements.

**Potential income:**  
 Gross income per schedule in appraisal 115,947 Actual rent rolls including parking lease to Sambuca  
 Less vacancy and collection loss @ 15% 0 Actual historical vacancy and collection losses  
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Buildings 123,298 218,373

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Buildings 123,298 218,373

**Total value of the part taken 169,610 273,947**

Property Valuation - 15211 Addison Road  
 Compared to Hipes 4/13/2001 Appraisal Assuming Three-Year Life on Improvements

|                          |                             |
|--------------------------|-----------------------------|
| Per Hipes 4/13 Appraisal | Property Owner Calculations |
|--------------------------|-----------------------------|

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**Potential income:**  
 Gross income per schedule in appraisal      99,600      115,947      Actual rent rolls including parking lease to Sambuca  
 Less vacancy and collection loss @ 15%      (14,940)      0      Actual historical vacancy and collection losses  
 Admin/management fees at 3%      (2,540)      0      No administrative or management fees incurred  
 Leasing commission @ 3%      (2,540)      0      No leasing commissions incurred  
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 Net income assuming three year life on improvements      148,740      263,433      Assumes flat income and expense; current lease terms call for 5% annual increases  
 Net present value of rents at 10% rate      123,298      218,373

**Contributory value of improvements      123,298      218,373**

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Buildings      123,298      218,373

**Total value of the part taken      169,610      273,947**

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COWLES & THOMPSON

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Property Valuation - 15211 Addison Road  
 Compared to Hipes 4/13/2001 Appraisal Assuming Five-Year Life on Improvements

|                          |                             |
|--------------------------|-----------------------------|
| Per Hipes 4/13 Appraisal | Property Owner Calculations |
|--------------------------|-----------------------------|

Property owner uses this parcel of land for two separate operations. One-half of the property is improved and is occupied by several tenants. The other half of the property is unimproved and has a single tenant who uses the space for parking. A reasonable valuation of the property requires that these distinct uses be recognized and accounted for property.

**Land value:**

- Property owner disputes appraised land value at less than the value appraised for property tax purposes.

70,516 feet @ \$10 PF based on comparable sales      705,160      846,190      Value per Dallas County Appraisal District (\$12 PF)

**Contributory value of improvements:**

- Property owner presents income on actual operations rather than theoreticals
- Property owner calculated property taxes on one-half of land value plus all of improvements.

|  | 5-Year Total   | 5-Year Total   |
|--|----------------|----------------|
| Potential income:                                    |                |                |
| Gross income per schedule in appraisal               | 498,000        | 640,680        |
| Less vacancy and collection loss @ 15%               | (74,700)       | 0              |
| Admin/management fees at 3%                          | (12,700)       | 0              |
| Leasing commission @ 3%                              | (12,700)       | 0              |
| 50% of taxes at estimated market value               | (37,500)       | (63,782)       |
| Insurance  | (7,500)        | (8,802)        |
|  | <u>352,900</u> | <u>568,096</u> |
| Less Sambuca parking lease                           | (105,000)      | (82,884)       |
|  | <u>247,900</u> | <u>485,211</u> |
| Net income on improved property assuming 5 year life |                |                |
|  | 49,580         | 97,042         |
| Average net income                                   |                |                |
|  | 187,947        | 367,866        |
| Contributory value of improvements                   | <b>187,947</b> | <b>367,866</b> |

|  |                |                                |
|--|----------------|--------------------------------|
| Net income from improved portion of property                             | 568,096        | Sambuca lease at current rates |
| Less Sambuca parking lease   | (82,884)       |                                |
|  | <u>485,211</u> |                                |
| Net income on improved property assuming three year life on improvements |                |                                |
|  | 97,042         |                                |
| Average net income   |                |                                |
|  | 367,866        |                                |
| Contributory value of improvements                                       | <b>187,947</b> | <b>367,866</b>                 |

**Part taken:**

This section has been adjusted from the original appraisal to include additional easements and terms currently being negotiated.

|   |                       |                       |
|---|-----------------------|-----------------------|
| Land area (right of way) - 2,075 SF at stated values per SF           | 20,750                | 24,900                |
| Land area (easement) - 5112.33 SF at one-half of stated values per SF | 25,562                | 30,674                |
| Buildings   | 187,947               | 367,866               |
| <b>Total value of the part taken</b>                                  | <u><b>234,259</b></u> | <u><b>423,440</b></u> |

SUMMARY OF SALIENT FACTS

**A Parkway Easement & Right-of-Way Acquisition of  
15211 Addison Road Joint Venture - Owner  
Addison, Texas**

|   |   |
|---|---|
| Date of the Appraisal:                          | August 23, 2002   |
| Value Estimated:                                | Market Value - Just Compensation  |
| Property Rights Appraised:                      | Fee Simple & Easement   |
| Property Appraised:                             | A ±2,075 SF R.O.W. acquisition; a ±5,112.33 SF Parkway Easement; and a ±21,975 SF Temporary Easement out of a ±1.6188 acre tract, located at the SW/c of Addison Rd. & Arapaho Rd., Addison, Texas. |
| Property Zoned:                                 | PD; office, retail, restaurant, car wash  |
| Highest & Best Use:                             |   |
| "As vacant":                                    | To be developed for a commercial use compatible with neighboring land uses.   |
| "As improved":                                  | Interim neighborhood services use, until such time as redevelopment is warranted.   |
| Estimates of Fee Simple Value:                  |   |
| <u>Whole Property</u>                           |   |
| Land Value (Sales Comparison):                  | \$705,160   |
| Cost Approach:                                  | \$ N/A  |
| Income Approach (Contributory Value - Improv.): | \$143,229   |
| Sales Comparison Approach:                      | \$ N/A  |
| <b>Whole Property:</b>                          | <b>\$848,389</b>  |
| <u>Part Taken:</u>                              | \$229,931   |
| <u>Remainder Before the Take:</u>               | \$658,850   |
| <u>Remainder After the Take:</u>                |   |
| Land Value (Sales Comparison):                  | \$821,292   |
| Cost Approach:                                  | \$ N/A  |
| Income Approach:                                | \$ N/A  |
| Sales Comparison Approach:                      | \$ N/A  |
| <b>Final Value Estimate: JUST COMPENSATION</b>  | <b>\$229,931</b>  |

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Property Valuation - 15211 Addison Road  
 Compared to Hipes 4/13/2001 Appraisal Assuming Three-Year Life on Improvements

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**Potential income:**  
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|                          |                             |
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|--------------------------|-----------------------------|

Property owner uses this parcel of land for two separate operations. One-half of the property is improved and is occupied by several tenants. The other half of the property is unimproved and has a single tenant who uses the space for parking. A reasonable valuation of the property requires that these distinct uses be recognized and accounted for property.

**Land value:**  
 \* Property owner disputes appraised land value at less than the value appraised for property tax purposes.  
 70,516 feet @ \$10 PF based on comparable sales      705,160      846,190      Value per Dallas County Appraisal District (\$12 PF)

**Contributory value of improvements:**  
 \* Property owner presents income on actual operations rather than theoreticals  
 \* Property owner calculated property taxes on one-half of land value plus all of improvements.

|  |          |          |   |
|--|----------|----------|---|
| Potential income:                      |          |          |   |
| Gross income per schedule in appraisal | 99,600   | 115,947  | Actual rent rolls including parking lease to Sambuca    |
| Less vacancy and collection loss @ 15% | (14,940) | 0        | Actual historical vacancy and collection losses         |
| Admin/management fees at 3%            | (2,540)  | 0        | No administrative or management fees incurred           |
| Leasing commission @ 3%                | (2,540)  | 0        | No leasing commissions incurred                         |
| 50% of taxes at estimated market value | (7,500)  | (11,543) | Actual ad valorem taxes on improved portion of property |
| Insurance                              | (1,500)  | (1,593)  |   |

|  |          |          |                                |
|--|----------|----------|--------------------------------|
| Net income from improved portion of property | 70,580   | 102,811  |                                |
| Less Sambuca parking lease                   | (21,000) | (15,000) | Sambuca lease at current rates |
| Net income on improved property              | 49,580   | 87,811   |                                |

|   |         |         |   |
|---|---------|---------|---|
| Net income assuming three year life on improvements | 148,740 | 263,433 | Assumes flat income and expense, current lease terms call for 5% annual increases |
| Net present value of rents at 10% rate              | 123,298 | 218,373 |   |

**Contributory value of improvements**      123,298      218,373

**Part taken:**  
 This section has been adjusted from the original appraisal to include additional easements and terms currently being negotiated.

|  |        |        |  |
|--|--------|--------|--|
| Land area (right of way) - 2,075 SF at \$10 per SF | 20,750 | 24,900 | Land area (right of way) - 2,075 SF at \$12 per SF |
| Land area (easement) - 5112.33 SF at \$5 per SF    | 25,562 | 30,674 | Land area (easement) - 5112.33 SF at \$6 per SF    |

|                                      |                |                |
|--------------------------------------|----------------|----------------|
| Buildings                            | 123,298        | 218,373        |
| <b>Total value of the part taken</b> | <b>169,610</b> | <b>273,947</b> |

Property Valuation - 15211 Addison Road  
 Compared to Hipes 4/13/2001 Appraisal Assuming Three-Year Life on Improvements

|                          |                             |
|--------------------------|-----------------------------|
| Per Hipes 4/13 Appraisal | Property Owner Calculations |
|--------------------------|-----------------------------|

Property owner uses this parcel of land for two separate operations. One-half of the property is improved and is occupied by several tenants. The other half of the property is unimproved and has a single tenant who uses the space for parking. A reasonable valuation of the property requires that these distinct uses be recognized and accounted for property.

**Land value:**  
 \* Property owner disputes appraised land value at less than the value appraised for property tax purposes.  
 70,516 feet @ \$10 PF based on comparable sales      705,160      846,190      Value per Dallas County Appraisal District (\$12 PF)

**Contributory value of improvements:**  
 \* Property owner presents income on actual operations rather than theoreticals  
 \* Property owner calculated property taxes on one-half of land value plus all of improvements.

|   |                |                |   |
|---|----------------|----------------|---|
| Potential income:                                   |                |                |   |
| Gross income per schedule in appraisal              | 99,600         | 115,947        | Actual rent rolls including parking lease to Sambuca                              |
| Less vacancy and collection loss @ 15%              | (14,940)       | 0              | Actual historical vacancy and collection losses                                   |
| Admin/management fees at 3%                         | (2,540)        | 0              | No administrative or management fees incurred                                     |
| Leasing commission @ 3%                             | (2,540)        | 0              | No leasing commissions incurred   |
| 50% of taxes at estimated market value              | (7,500)        | (11,543)       | Actual ad valorem taxes on improved portion of property                           |
| Insurance   | (1,500)        | (1,593)        |   |
|   | <u>70,580</u>  | <u>102,811</u> |   |
| Net income from improved portion of property        | (21,000)       | (15,000)       | Sambuca lease at current rates  |
| Less Sambuca parking lease                          |                |                |   |
| Net income on improved property                     | 49,580         | 87,811         |   |
|   | <u>148,740</u> | <u>263,433</u> | Assumes flat income and expense; current lease terms call for 5% annual increases |
| Net income assuming three year life on improvements | 123,298        | 218,373        |   |
| Net present value of rents at 10% rate              | 123,298        | 218,373        |   |
| <b>Contributory value of improvements</b>           | <b>123,298</b> | <b>218,373</b> |   |

**Part taken:**  
 This section has been adjusted from the original appraisal to include additional easements and terms currently being negotiated.

|  |                |                |  |
|--|----------------|----------------|--|
| Land area (right of way) - 2,075 SF at \$10 per SF | 20,750         | 24,900         | Land area (right of way) - 2,075 SF at \$12 per SF |
| Land area (easement) - 5112.33 SF at \$5 per SF    | 25,562         | 30,674         | Land area (easement) - 5112.33 SF at \$6 per SF    |
| Buildings  | 123,298        | 218,373        |  |
| <b>Total value of the part taken</b>               | <b>169,610</b> | <b>273,947</b> |  |

DATE SUBMITTED: February 17, 2003  
FOR COUNCIL MEETING: February 25, 2003

**Council Agenda Item**

**SUMMARY:**

This item is for consideration and approval of a resolution authorizing the City Manager to purchase a 0.068 acre tract of land for permanent right-of-way from Minol Center, L.P., generally located at 15280 Addison Road.

**FINANCIAL IMPACT:**

Budgeted Amount: N/A

Appraised Value: \$18,590.00

Source of Funds: \$2,500,000 was funded from General Obligation Bonds.  
An additional \$1,300,000 was programmed from DART  
LAP/CMS funds.

**BACKGROUND:**

The easement acquisition process is currently underway on the proposed Addison Road Widening, Phase I project. Approximately 0.068 acre of Parkway Easement adjacent to the proposed widening of Addison Road (see attached parcel map) is required for the purpose of constructing landscaping, irrigation and sidewalk improvements. This parcel is a portion of the Quorum Centre Addition, and is owned by Minol Center L.P.

The property owner previously received a copy of the appraisal from the Town, with a total compensation value of \$18,590.00 (see attached Summary of Salient Facts) for the parkway easement. On August 1, 2002, staff received a counter offer response from the owner, in the amount of \$36,436.00 (see attached letter). This total represents an increase of \$17,846.00.

**RECOMMENDATION:**

It is recommended that Council approve a resolution that authorizes the City Manager to purchase a 0.068 acre tract of land for permanent right-of-way from Minol Center, L.P., in the amount of \$36,436.00, generally located at 15280 Addison Road.

**TOWN OF ADDISON, TEXAS**

**RESOLUTION NO. R \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, AUTHORIZING THE CITY MANAGER TO PURCHASE A 0.068 ACRE TRACT OF LAND (LOCATED GENERALLY AT 15280 ADDISON ROAD) FOR PERMANENT RIGHT-OF-WAY.**

**WHEREAS**, the proposed Addison Road Extension Project is currently underway, which includes right-of-way acquisitions; and

**WHEREAS**, a tract of land approximately 0.068 acres in size is required for permanent right-of-way adjacent to the proposed extension of Addison Road; and

**WHEREAS**, the owner of said tract, has agreed to sell it to the Town for \$36,436.00; Now, Therefore,

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

Section 1. That the City Council has determined that \$36,436.00 is reasonable compensation for the land to be acquired and all damages to the property remaining, and does hereby authorize the City Manager to acquire the 0.068 acre tract of land (located generally at 15280 Addison Road) for permanent right-of-way for the extension of Addison Road.

Section 2. That the City Finance Director be and is hereby authorized to draw a check in favor of Minol Center, L.P., or the current owner of record, in the amount of \$36,436.00.

Section 3. That this Resolution shall take effect immediately from and after its passage.

**PASSED AND APPROVED** by the City Council of the Town of Addison this 10<sup>th</sup> day of September 2002.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Carmen Moran, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Ken C. Dippel, City Attorney

## EASEMENT AGREEMENT

This Agreement is made and entered into by and between Minol Center, L.P. ("Grantor"), and the Town of Addison, Texas (the "Town").

### W I T N E S S E T H:

**WHEREAS**, Grantor is the sole owner of certain real property located in the Town of Addison and described in Exhibit A attached hereto and incorporated herein (the "Easement Property"); and

**WHEREAS**, the Town of Addison intends to construct an extension of Addison Road through the Town (the "Addison Road Extension Project"), part of which will be located upon and over the Easement Property; and

**WHEREAS**, the Town desires to acquire an exclusive and perpetual easement in, over, across, upon, under and through the Easement Property for street right-of-way and other public purposes in connection with the construction of the Addison Road Extension, and Grantor desires to sell and convey such easement to the Town;

**NOW, THEREFORE**, for and in consideration of the mutual covenants and agreements herein contained, Minol Center, L.P., and the Town of Addison agree as follows:

1. **Grant of Easement.** For and in consideration of the sum set forth in 2. below in hand paid by the Town, the receipt and sufficiency of which is hereby acknowledged and confessed, Grantor has GRANTED, SOLD AND CONVEYED, and by these presents does GRANT, SELL AND CONVEY unto the Town of Addison, Texas, its successors and assigns, a perpetual and exclusive easement and right-of-way (the "Easement") in, over, across, upon, under and through the property described in Exhibit A and depicted on Exhibit B (the "Easement Property") (the said Exhibits being attached hereto and incorporated herein).

2. **Consideration.** This easement is granted, sold and conveyed in consideration of the Town's payment to Grantor of the sum of Thirty Six Thousand Four Hundred Thirty Six and No/100 dollars (\$36,436.00), the receipt and sufficiency of which is acknowledged as full compensation for the Easement, any damage to or diminution in value of the Remainder or any other lands or property belonging to Grantor that may be claimed or asserted by virtue of such grant, sale and conveyance and use of the Easement and the Easement Property by the Town, and to avoid the cost and expense of litigation. For purposes of this Agreement, the term "Remainder" shall mean that property described in attached Exhibit C, save and except the Easement Property.

3. **Purpose of Easement; Other Provisions.**

A. The Easement, together with all of its rights and privileges, may be used by the Town, its employees, contractors, agents, successors, and assigns in connection with activities relating to the construction, placement, installation, reconstruction, relocation, alteration, operation, use, inspection, maintenance, improvement, and modification of landscaping, irrigation, lighting, utility, sidewalk, or other parkway improvements, or for such other public purposes as the Town from time to time deems necessary, appropriate, or desirable in the Town's



sole discretion, with respect to the Project. The Town may perform all excavation, boring, backfilling, embedding, drilling, grading, and other construction activities as the Town from time to time deems necessary, appropriate, or desirable in the Town's sole discretion, with respect to the Project and the improvements within the Easement. The Town shall, at all times, have the right of ingress and egress to and from the Easement and the Easement Property as the Town may deem necessary, appropriate, or desirable.

B. Grantor acknowledges and agrees as follows:

(i) The Town may authorize and permit third parties to use the Project on such terms as the Town in its sole discretion deems appropriate, but no third parties, including the general public, shall acquire any rights in the Easement or the Easement Property as a result of such use.

(ii) Grantor shall not construct or place within the Easement Property any building, fence, wall, plant, or other structure, improvement, or growth of any character or type which would interfere, in the Town's sole determination, with the Easement, with the Project or with any improvements within the Easement. The Town shall have the right to remove, and keep removed, all or parts of any such building, fence, plant, or other structure, improvement or growth of any character or type that is located within the Easement Property and which, in the judgment of the Town, may endanger or in any way interfere with the construction, efficiency, or convenient and safe operation of the Project or the exercise of the Town's rights hereunder.

C. Grantor, its successors and assigns, may fully use and enjoy the Easement Property, except that such use and enjoyment shall not hinder, conflict or interfere with the exercise of the Town's rights hereunder or with the safe and efficient operation of the Project.

4. **Warranty of Title.** TO HAVE AND TO HOLD the Easement, together with all and singular the rights, privileges, and appurtenances thereto in anywise belonging, unto the Town of Addison, Texas, its successors and assigns; and Grantor does hereby bind itself, its representatives, successors, and assigns to WARRANT AND FOREVER DEFEND all and singular the Easement and rights conveyed in this instrument unto the Town of Addison, Texas, its, representatives, successors, and assigns, against every person whomsoever lawfully claiming or to claim all or any part of the interest in the Property.

5. **Exclusiveness of Easement.** The easement, rights, and privileges granted by this conveyance are exclusive, and Grantor covenants not to convey any other easement or conflicting rights in the area covered by this grant.

6. **Governing Law; Venue.** In the event of any action under this Contract, venue for all causes of action shall be instituted and maintained in Dallas County, Texas. The parties agree that the laws of the State of Texas govern the validity, construction, enforcement and interpretation of this Agreement; and, with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the governing, interpretation, validity and enforcement of this Agreement.

7. **Entire Agreement.** This Agreement contains the entire agreement between the parties relating to its subject matter. Any oral representations or modifications concerning this

Agreement shall be of no force and effect. Any subsequent amendment or modification must be in writing and agreed to by both parties.

8. **Authority.** The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

9. **Binding Effect.** This Agreement shall bind and inure to the benefit of the respective parties, their personal representatives, successors, and assigns.

Executed this 20 day of January, 2003

**GRANTOR:**

**Minol Center, L.P.**

By: Minol Center Management, LLC, its General Partner

By: 

Mike Butler, Manager

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2003

**TOWN OF ADDISON**

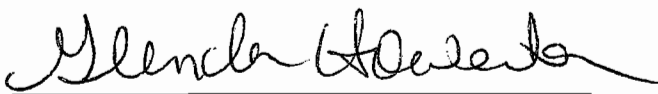
By: \_\_\_\_\_

Ron Whitehead, City Manager

STATE OF TEXAS §  
COUNTY OF DALLAS §

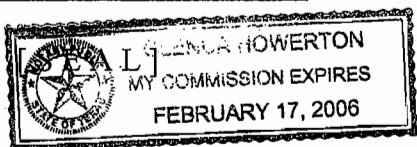
20th BEFORE ME, the undersigned notary public in and for said county and state, on this day of January, 2003, personally appeared Mike Butler, Manager of Minol Center Management, LLC, General Partner of Minol Center L.P., a Texas Limited Partnership, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person or entity upon behalf of which he acted executed the instrument for the uses and purposes therein set forth.

GIVEN UNDER my hand and seal of office the day and year last above written.

  
Notary Public in and for the State of Texas

MY COMMISSION EXPIRES:

2-17-06



STATE OF TEXAS §  
COUNTY OF DALLAS §

BEFORE ME, the undersigned notary public in and for said county and state, on this \_\_\_\_\_ day of \_\_\_\_\_, 2003, personally appeared Ron Whitehead, City Manager for the Town of Addison, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person or entity upon behalf of which he acted executed the instrument for the uses and purposes therein set forth.

GIVEN UNDER my hand and seal of office the day and year last above written.

\_\_\_\_\_  
Notary Public in and for the State of Texas

MY COMMISSION EXPIRES:

[ SEAL ]

**TOWN OF ADDISON, TEXAS**

**FIELD NOTE DESCRIPTION  
FOR  
MINOL CENTER, L.P.  
(PARKWAY EASEMENT)**

BEING a tract out of a 1.7120 acre tract out of an original 1.7277 acre tract of land located in the G. W. Fisher Survey, in the Quorum Center Addition, an addition to the Town of Addison, Texas Abstract No. 482, in the Town of Addison, Dallas County, Texas, conveyed to Minol Center, L.P., by a deed now of record in Volume 200042, Page 03054, of the Deed Records of Dallas County, Texas, said tract of land being more particularly described as follows:

BEGINNING at a point for a corner, said point being in the southwest corner of said 1.7120 acre tract and the northwest corner of a 1.5812 acre tract conveyed to Rail Hotels Corporation by a deed now of record in Volume 99024, Page 01020 of the Deed Records of Dallas County, Texas and being in the east right-of-way line of Addison Road, (generally a 60 foot right-of-way and generally 30 feet to the center line), said point also being S 48° 18'40" E, 79.55 feet from a found "X" in the southeast corner of a 0.0331 acre tract of land conveyed to Oasis Car Wash, Inc. as described in Volume 97234, Page 06241, Tract II of the Deed Records of Dallas County, Texas, said point of beginning also being in center line of a 25 foot wide ingress and egress easement as described in Volume 89010, Page 4479, Exhibit C of the Deed Records of Dallas County, Texas;

THENCE, N 00° 17'00" E, along the west line of said 1.7120 acre tract and along east right-of-way line of said Addison Road for a distance of 291.90 feet to a point for corner, said point being the northwest corner of said 1.7120 acre tract and at a corner clip at the southeast corner of Addison Road and Arapaho Road, said point being S 00° 17'00" W, 9.60 feet from an found 5/8 inch iron rod in the northwest corner of said original 1.7277 acre tract;

THENCE, N 42°23'28" E, along said corner clip at the southeast corner of said Addison Road and Arapaho Road for a distance of 14.91 feet to point for a corner;

THENCE, S 00° 17'00" W, leaving the south right-of-way line of Arapaho Road and the north property line of said Minol Center, L.P, a distance of 302.96 feet to a point for a corner, said point being in the south line of said 1.7120 acre tract and in a north line of said 1.5812 acre tract;

THENCE, N 89° 43'00" W, along the south line of said 1.7120 acre tract, long the north line of said 1.5812 acre tract and along the center line of said ingress and egress easement for a distance of 10.00 feet to the Point of Beginning and containing 2974.32 square feet (0.068 acres) of land.



*Ronald V. Conway*  
11/15/02

11/15/02 JPO SCALE: 1"=50 H:\PROJECTS\ADDISON\98143\PLATS\ADD-PLAT5E.DWG

OASIS CAR WASH, INC.  
VOL. 97234, PG. 06241  
TRACT II

OASIS CAR WASH, INC.  
VOL. 97234, PG. 06241  
TRACT I

POINT OF BEGINNING

ADDISON ROAD

PROPOSED PARKWAY EASEMENT

2974.32 SQ. FT.  
0.068 ACRES

TEXAS POWER & LIGHT CO., ESM'T.  
VOL. 82054, PG. 0630

MINOL CENTER, L.P.  
VOL. 200042, PG. 03054

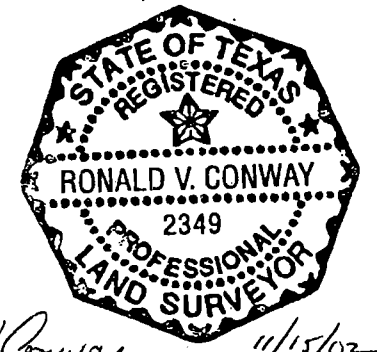
G.W. FISHER SURVEY  
ABST. NO. 482  
QUORUM CENTRE ADDITION

RAIL HOTELS CORPORATION  
VOL. 99024 PG. 01020

25' INGRESS & EGRESS EASEMENT  
ADDISON NORTHWEST, LTD.  
VOL. 89010, PG. 4479  
EXHIBIT C

ARAPAHO ROAD

JOSEPH H. JONES, BETH BRANDEBERRY,  
CAROLYN PERKINS SHIMER MERRITT  
AND SAMUEL THOMAS PERKINS  
VOL. 97109, PG. 03158



TOWN OF ADDISON, TEXAS  
ADDISON ROAD  
BELT LINE RD. TO KELLER SPRINGS RD.  
PARKWAY EASEMENT

BIRKHOFF, HENDRICKS & CONWAY, LLP.  
CONSULTING ENGINEERS  
7502 GREENVILLE AVE., SUITE 220, DALLAS, TX, 75231, TELE. 214-361-7900

NOV., 2002  
PLAT 5E

EXHIBIT B

## EXHIBIT C

### TRACT I

BEING part of a tract of land situated in the G. W. Fisher Survey, Abstract No. 482, as recorded in Volume 3967, Page 367, Deed Records, Dallas County, Texas and said tract also being a part of Quorum Centre Addition, recorded in Volume 84067, Page 5718 of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

COMMENCING at an intersection point of the north right-of-way line of Belt Line Road (a 100' R.O.W.) with the east right-of-way line of Addison Road (a 60' R.O.W.); thence N 00 degrees 17 minutes 00 seconds E along said east right-of-way of Addison Road, 921.63 feet to an 'x' cut found for the POINT OF BEGINNING;

THENCE N 00 degrees 17 minutes 00 seconds E along said east right-of-way line of Addison Road, 301.50 feet to an iron rod set for corner;

THENCE N 45 degrees 18 minutes 19 seconds E along said right-of-way of Addison Road, 21.17 feet to an iron rod set for corner in the south right-of-way line of Arapaho Road (a 60' R.O.W.);

THENCE S 89 degrees 35 minutes 00 seconds E along said right-of-way line of Arapaho Road, 216.04 feet to an 'x' cut found for corner;

THENCE S 00 degrees 17 minutes 00 seconds W departing said right-of-way line, 177.97 feet to an 'x' cut found for corner;

THENCE S 44 degrees 43 minutes 00 seconds E, 25.44 feet to an iron rod set for corner;

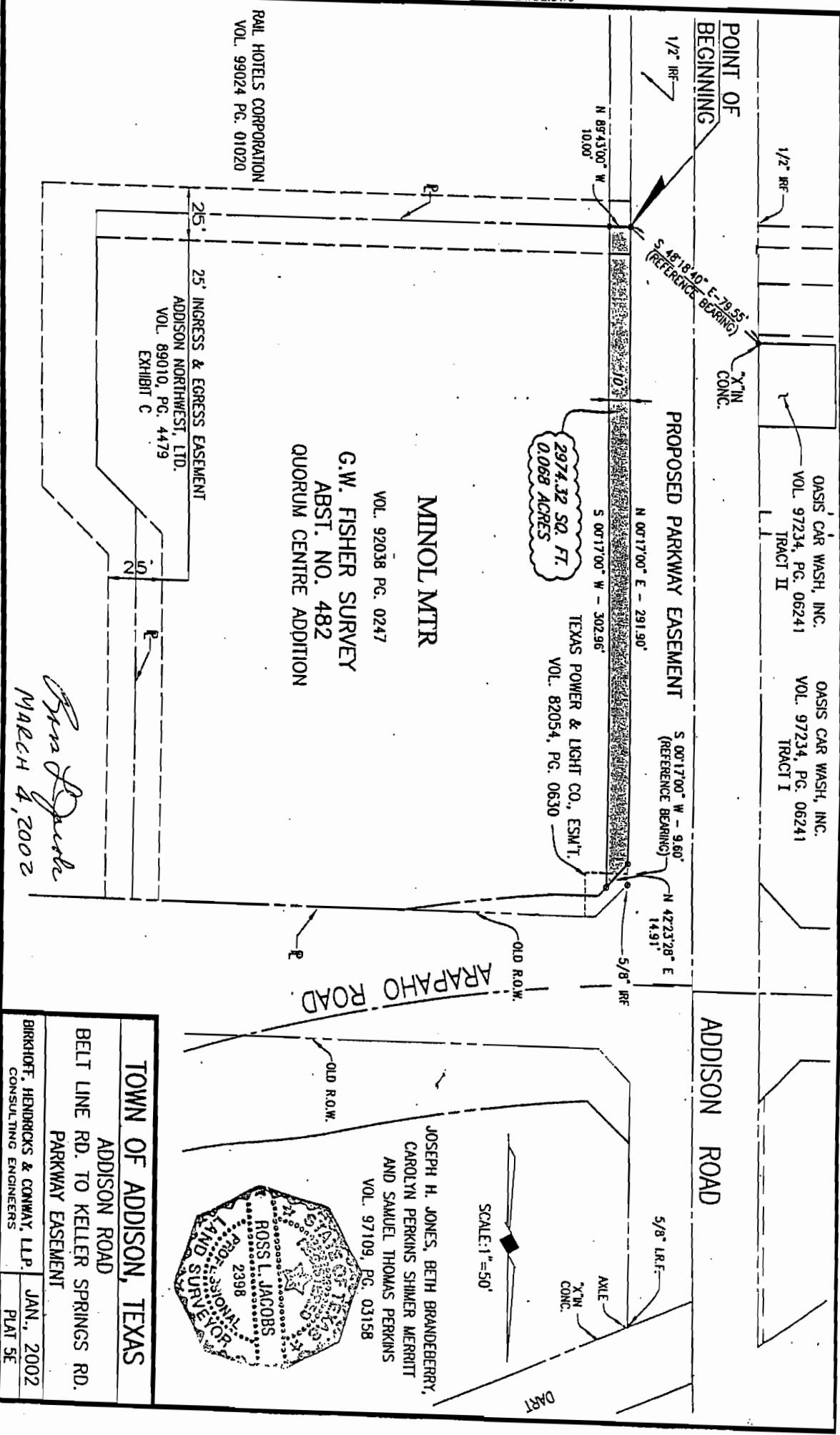
THENCE S 00 degrees 17 minutes 00 seconds W, 120.00 feet to an iron rod found for corner;

THENCE N 89 degrees 43 minutes 00 seconds W, 249.00 feet to the POINT OF BEGINNING and CONTAINING 1.7277 (75,261 square feet) acres of land.

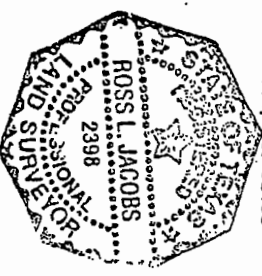
### TRACT II

Easement Estate created pursuant to that certain Mutual Easement Agreement by and between ADDISON NORTHWEST, LTD. and FIRST INTERSTATE BANK OF TEXAS, N.A., dated December 15, 1988, recorded in Volume 89010, Page 4479, Real Property Records, Dallas County, Texas.

20042 03058



*Brian Jacobs*  
MARCH 4, 2002



**SUMMARY OF SALIENT FACTS**

**A Parkway Easement Acquisition at the SE/c of Intersection of Addison Road/Arapaho Road  
Minol MTR - Owner  
Addison, Texas**

Date of the Appraisal: March 4, 2002

Value Estimated: Market Value - Just Compensation

Property Rights Appraised: Fee Simple & Easement

Property Appraised: A ±1.712 Acre tract improved with a 3 story office facility, located at the SE/c of Addison Rd. & Arapaho Rd., Addison, Texas.

Property Zoned: C; Commercial

Highest & Best Use:  
"As vacant": To be developed in conformity with adjacent land uses as demand warrants.  
"As improved": To be maintained as an office facility.

**Estimates of Fee Simple Value:**

|                                   |                    |
|-----------------------------------|--------------------|
| <u>Whole Property</u>             |                    |
| Land Value (Sales Comparison):    | \$ 894,900         |
| Cost Approach:                    | \$6,154,505        |
| Income Approach:                  | \$6,197,619        |
| Sales Comparison Approach:        | \$ N/A             |
| <b>Whole Property:</b>            | <b>\$6,200,000</b> |
| <br>                              |                    |
| <u>Part Taken:</u>                |                    |
| Parkway easement                  | \$ 18,590          |
| <br>                              |                    |
| <u>Remainder Before the Take:</u> | \$6,181,409        |
| <br>                              |                    |
| <u>Remainder After the Take:</u>  | \$6,200,000        |

**Final Value Estimate: JUST COMPENSATION \$ 18,590**





August 1, 2002

Mr. Patrick Haggerty  
Hipes & Associates  
7557 Rambler Road  
Suite 260, LB 25  
Dallas, Texas 75231

Re: Minol Center Property  
Parkway Easement Acquisition

Dear Mr. Haggerty:

We have received and reviewed your appraisal of our property value regarding the required Town of Addison Parkway Easement Acquisition. We are in agreement with the three valuation methods used to determine an overall \$12.00 per square foot valuation. However, we are not in agreement that this valuation should be factored down by 50%.

Our counter proposal for the value of the easement would be \$12.00 per square foot or \$35,692 plus the \$744 sprinkler allowance for a total of \$36,436. We have a high regard for the Town of Addison and we are very much in agreement with the plans for widening Addison Road. We have no intention of getting into an adversarial conflict with the City. However, we consider our counter offer to be fair and equitable compensation for the Easement.

We appreciate your consideration of our proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Quigley".

Mike Quigley

FEB-06-2003 11:46

COWLES &amp; THOMPSON

2146722020 P.01/05

*25th*  
*Anniversary*  
1978-2003

**COWLES & THOMPSON**  
A Professional Corporation  
ATTORNEYS AND COUNSELORS



## FACSIMILE COVER PAGE

Date: February 6, 2003

Time: \_\_\_\_\_

Total Number of Pages (including this sheet): 5Normal/Rush: NormalClient/Matter #: 3195/62389

TO: (1) Mike Murphy

FAX: (972) 450-2837

FROM: John M. HillDirect Dial #: (214) 672-2170

MESSAGE: RE: 15211 Addison Road JV

**IF YOU HAVE ANY PROBLEMS WITH THIS TRANSMISSION,  
PLEASE CALL**

**Yolanda Rodriguez at (214) 672-2629**

Thank you.

**IMPORTANT\CONFIDENTIAL:** This message is intended only for the use of the individual or entity to which it is addressed. This message contains information from the law firm of Cowles & Thompson which may be privileged, confidential, and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient or the employee, or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately at our telephone number (214) 672-2000. We will be happy to arrange for the return of this message to us, via the United States Postal Service, at no cost to you.