

AN APPRAISAL REPORT OF

Add -

THE UNION PACIFIC RAILROAD PARCEL
±4.5 ACRES
LOCATED AT
WEST OF THE ADDISON ROAD/ARAPAHO ROAD INTERSECTION
TOWN OF ADDISON, DALLAS COUNTY, TEXAS

PREPARED FOR

TOWN OF ADDISON
C/O MR. MICHAEL MURPHY, P.E.
DIRECTOR OF PUBLIC WORKS
P.O. BOX 9010
ADDISON, TEXAS 75001-9010

DATE OF APPRAISAL

MAY 10, 2000

PREPARED BY

HIPES & ASSOCIATES
7557 RAMBLER ROAD
SUITE 260, LB 25
DALLAS, TEXAS 75231

HIPES & ASSOCIATES

REAL ESTATE
APPRAISERS/CONSULTANTS

OFFICE ADDRESS:
7557 RAMBLER RD #260
LOCK BOX 25
DALLAS, TEXAS 75231

MAILING ADDRESS:
P.O. BOX 600142
DALLAS, TEXAS 75360
214-739-5941

May 10, 2000

Mr. Michael Murphy
City Engineer
Town of Addison
P.O. Box 9010
Addison, Texas 75001-9010

**Re: The Union Pacific Railroad Property; West of Addison Road/Arapaho Road Intersection
Whole Property Acquisition, ±196,020 SF**

Dear Mr. Murphy:

I have inspected and made an appraisal of the above referenced property. Conditions pertinent to or indicative of the value of the property were researched and investigated.

This report sets forth my findings and conclusions and any material matters within the market place that may have an impact on the value of the subject, the proposed acquisition, and any remainders both before and after the proposed acquisition. Factual data pertaining to the subject is exhibited along with any market data felt significant in the analysis and opinion of value.

Certificate of Appraiser

I hereby certify:

That it is my opinion the total compensation for the acquisition of the herein described property is \$950,697.00 as of May 10, 2000 based upon my independent appraisal and the exercise of my professional judgement;

That on May 10, 2000, and various other dates, I personally inspected in the field the property herein appraised; that I afforded Mr. Dennis Miller, the property owner or his representative, the opportunity to accompany me at the time of inspection;

The comparable sales relied upon in making said appraisal were as represented by the photographs contained in the appraisal and were inspected on May 10, 2000, and various other dates;

That to the best of my knowledge and belief the statements contained in the appraisal hereinabove set forth are true, and the information upon which the opinions expressed therein are based is correct, subject to the limiting conditions therein set forth;

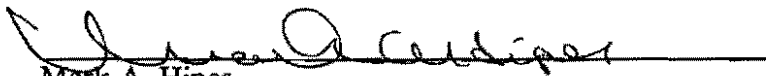
That I understand that such appraisal is to be used in connection with the acquisition of land area for a public project by the Town of Addison, Texas, and that such appraisal has been made in conformity with the appropriate State laws, regulations, and policies and procedures applicable to appraisal for such purposes, and that to the best of my knowledge no portion of the value assigned to such property consists of items which are noncompensable under the established law of said State, and any decrease or increase in the fair market value of subject real property prior to the date of valuation caused by the public improvement for which such property is to be acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the owner, has been disregarded in determining the compensation for the property;

That neither my employment nor my compensation for making this appraisal and report are in any way contingent upon the values reported herein;

That I have no direct or indirect present or contemplated future interest in such property or in any benefit from the acquisition of such property appraised; and that should I or any employee in my service acquire any interest in or to the property appraised prior to the acquisition of the parcel by the Town of Addison, I will immediately notify the Town of such interest or interests;

That I have not revealed and will not reveal the findings and results of such appraisal to anyone other than the proper officials of the Town, until authorized by Town officials to do so, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

Respectfully submitted,



Mark A. Hipes
Texas Certification No. TX-1321416-G

17 May 2008
Date

Note: This is a Summary Appraisal Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report. As such, it presents only summary discussions of the data, reasoning, and analysis that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analysis is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated below. The appraiser is not responsible for unauthorized use of this report.

SUMMARY OF SALIENT FACTS

**±4.5 Acres West of the Intersection of Addison Road/Arapaho Road
Union Pacific Railroad - Owner
Addison, Texas**

Date of the Appraisal:	May 10, 2000
Value Estimated:	Market Value - Just Compensation
Property Rights Appraised:	Fee Simple
Property Appraised:	A ±196,020 SF vacant tract of land located removed to the west of the terminus of Arapaho Road at Addison Road, Addison, Texas.
Property Zoned:	I-1, industrial
Highest & Best Use:	
"As vacant":	To be developed for an industrial or commercial use compatible with adjacent airport and land uses.
"As improved":	Not currently improved.
Estimates of Fee Simple Value:	
<u>Whole Property</u>	
Land Value (Sales Comparison):	\$950,697
Cost Approach:	\$ N/A
Income Approach:	\$ N/A
Sales Comparison Approach:	\$ N/A
<u>Part Taken:</u>	\$950,697
<u>Remainder Before the Take:</u>	\$ N/A
<u>Remainder After the Take:</u>	
Land Value (Sales Comparison):	\$ N/A
Cost Approach:	\$ N/A
Income Approach:	\$ N/A
Sales Comparison Approach:	\$ N/A
Final Value Estimate: JUST COMPENSATION	\$950,697

TABLE OF CONTENTS

Transmittal Letter	i
Summary of Salient Facts	iii
Table of Contents	iv
Purpose and Use of the Report	1
Definition of Market Value	1
Scope of the Appraisal	1
Property Rights Appraised	1
Effective Date of Valuation	1
Identification of the Property	2
History of the Property	2
City Data	3
Neighborhood Analysis and Trends	5
Subject Property	6
Highest and Best Use - Zoning	8
The Appraisal Process - Whole Property	10
Land Valuation (Sales Comparison)	11
Cost Approach to Value	20
Income Approach to Value	20
Sales Comparison Approach to Value	20
Reconciliation	20
Part Taken - Valuation	21
Remainder Before the Take - Valuation	21
Remainder After the Take - Valuation	21
Estimate of Just Compensation	21
ADDENDUM	
Assumptions & Limiting Conditions	
Photographs of the Subject	
Plat of the Subject	
FAA Exhibits	
Zoning Map	
Qualifications of Appraiser	

Purpose of the Appraisal

The purpose of this appraisal is to estimate the market value of the fee simple title to the real property to be acquired, encumbered by any easement not to be extinguished, less oil, gas and sulphur. If the acquisition is of less than the entire property, any special benefits and damages to the remainder property must be included in accordance with the laws of Texas. This appraisal is rendered in order to assist Addison in estimating the value of property to be acquired.

Definition of Market Value

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

Scope of the Appraisal

The scope of this report includes the research, data acquisition and analysis as described in the appraisal process description of this report. In gathering comparable sales data our sources include direct interview with grantor and/or grantee, commercial sales reporting services, other appraisers and real estate practitioners, published data and information in our files. Comparable rent information is generally derived from direct interview with property managers and leasing agents. On comparable rent and sale information the source is generally indicated on the respective comparable's page. Information on property operating expenses can be derived from a number of sources including actual amounts provided to us for the subject property, file information, direct interview with property managers and owners and published industry averages. Replacement construction costs amounts are generally derived from the national cost reporting services prepared by Marshall and Swift and, where available, actual construction costs are utilized. On some comparable sales data an attempt is made to confirm third party information with either the grantor or grantee if there is concern about the data's reliability.

Property Rights Appraised

The property rights appraised are those of the *Fee Simple* estate. Fee simple estate is defined as "Absolute ownership unencumbered by any interest or estate; subject only to the limitations of eminent domain, escheat, police power, and taxation". (The Dictionary of Real Estate Appraisal, Second Edition, American Institute of Real Estate Appraisers, 1984, p. 123.)

Effective Date of Valuation

The effective date of valuation is May 10, 2000. The inspection date of the subject was May 10, 2000, and various other dates. The date of this report is May 10, 2000.

Identification of the Subject Property

The property being appraised is a ± 4.5 Acre ($\pm 196,020$ SF) tract of land located to the west of the terminus of Arapaho Road at Addison Road and adjacent to the south side of the Addison Airport and the Dallas Area Rapid Transit Property Acquisition Corporation railroad line, in the Town of Addison, Dallas County, Texas. The subject property is located between a set of "Y" tracks formerly under the title of the St. Louis Southwestern Railroad Company of Texas. This is an area principally developed with commercial, industrial, and airport service uses.

The subject property is comprised of a single tract of land made up of the area between the aforementioned "Y" tracks and called 4 1/2 acres of the St. Louis Southwestern RR Company of Texas on the survey provided to the appraiser and included in the Addendum to this report.

No metes and bounds legal description has been provided to the appraiser as of the inspection/appraisal date.

History of the Subject Property

No property ownership information was provided to the appraiser for this appraisal assignment. However, it appears that the current ownership is the result of various mergers/acquisitions between various railroad companies in the relatively recent past.

Ad Valorem Tax Information

No ad valorem tax information was researched for this appraisal report.

CITY DATA

The Town of Addison is located in the northern portion of Dallas County, approximately 12 miles north of the Dallas Central Business District. The City is bounded by Dallas on the north and east sides, Dallas and Farmers Branch to the south and the City of Carrollton on the west. The City is a suburb of Dallas and is a part of the Dallas Metropolitan area.

Addison has participated in the growth of the metropolitan area as shown by the following figures:

<u>Census Year</u>	<u>Population</u>	<u>Increase</u>
1970	593	N/A
1980	5,553	+835%
1990	8,783	+ 58%
1997 (est.)	11,100	+ 25%

The Town of Addison is primarily commercial in nature. Light industrial and flex warehouse space has developed in the areas east, north, and west of the Addison Airport. The Dallas North Tollroad corridor sparked heavy hotel and multi-story office building development during the 1980's. This extends from the west side of the freeway to the railroad tracks at Inwood road. The corridor along Midway Road from the Farmers Branch boundary continued the light industrial, office/flex development of the Midway Industrial Park that extends southward to LBJ Freeway. The corridor along Belt Line Road through the City has seen extensive development with restaurants, hotels, and retail facilities. As a result, residential housing is a minor factor in the property base of the Town of Addison. This has helped to keep taxes low, but has afforded the Town a very healthy tax income due to the high valuations of the commercial properties. This is displayed in the quality and quantity of public facilities and services provided.

Primary north/south access through Addison is via the Dallas North Tollway, Addison road and Midway Road. Belt Line Road and Trinity Mills Road are primary east/west thoroughfares. The major development within the city is the Addison Airport, a major corporate and private air facility, which occupies a large portion of the City's land area. due t Addison's accessibility and location in the path of the City of Dallas northern growth, substantial hotel, commercial, retail, office and light industrial development has occurred. This is generally all of good quality and relatively recent construction. The character of the City is primarily commercial with small concentrations of multi-family housing and upper-middle income single-family in its central and southwestern portions, and high-end single family housing found in the extreme eastern portion.

Addison has a Council/Manager type government. It provides police and fire protection to it's citizens. Utilities are provided by Lone Star Gas Company, TU Electric Company, and Southwestern Bell Telephone Company. It gets it's water from the City of Dallas and sewer services from the Trinity River Authority and the City of Dallas. Utilities appear to be adequate to service projected growth. Addison is in the Dallas and Carrollton/Farmers Branch Independent School districts. There are no school buildings located within Addison's city limits. There are a number of major shopping facilities in or near Addison, including the Galleria Mall and Northpark Mall. Additional large, modern retail areas are in close proximity. The renowned retailer, Nordstrom's has a store in the Galleria shopping center just south of Addison at LBJ and the Tollroad and a new major retail center has been constructed on a tract north of that. Other

significant large retail facilities are a free-standing Home Depot Expo Design Center and Mikasa Home Store.

Due to the number of office and light industrial buildings in the area, there is a large and diversified community of employers. Two of the largest are the Dallas Marriott Quorum and Intercontinental hotels. Addison is well known as an entertainment and restaurant area with over 100 restaurants operating the in Town.

The new "urban hub" consisting of a 70 acre development at Addison Circle, located north of Belt Line Road and bounded by Airport Parkway, Addison road, the Toll road and Arapaho Road is currently under development. The main thrust is the increase of residential housing, an arts center, and parks and public use areas. When completed, it is projected to increase the population by 50% - 60%. The City feels that this will prevent Addison from losing businesses to northern suburbs and insure long-term, quality growth. This should enhance overall values in the area in our opinion.

After a period of speculative real estate investment activity in the early and mid 1980's, Addison and adjoining areas were among those hardest hit by the real estate recession of the last half of that decade. That situation has now turned around dramatically. Due to its highly desirable location, a resumption of market strength is currently found. M/PF market research has consistently reported strong increases in office construction over the previous several years. In addition, Hines Interests plan 250,000 Sf of new office at the Galleria in the Dallas City limits, and Centre Development plans a 410,000 SF office structure at Dallas Parkway and Spring Valley in Farmers Branch just south of Addison. For multi-family construction, M/PF research also shows strong growth and absorption. The overall prospects for the City's future is considered to be good, in our opinion.

NEIGHBORHOOD ANALYSIS AND TRENDS

The subject neighborhood is described as being that area generally bounded by Belt Line Road on the south, Midway Road on the west, Westgrove to the north and Quorum Drive to the east. This area is in the north-central portion of the Town of Addison which is a northern suburb of the City of Dallas situated approximately 12 miles north of that municipality's central business district.

The predominant feature and major land use within the subject neighborhood is the Addison Airport which is due north of the subject property. This is a major fixed-base corporate and private airport facility for northern Dallas County. Improvements at the airport include a 7,200' lighted runway, control towers, ILS Approach System, and two 24-hour fixed base operators providing fuel and other aircraft related services. It houses corporate aircraft for a number of businesses within the area. Much of the improvement west of Addison Road is light industrial and airport related type construction. Major facilities for the City of Addison occur at the west corners formed by the intersection of Airport Parkway and Addison Road. The northwest corner of those two streets houses the City of Addison's police and court facilities while the southwest corner is the site for the City of Addison's central fire station. The majority of the rest of the development south of Airport Parkway, extending along Lindberg and on the west side of the airport, is light industrial or commercial in nature.

Addison Road is a major north/south connector within this portion of Addison and North Dallas. In addition to commercial buildings found here, there was fairly extensive low and mid-rise garden office development during the construction boom of the early and mid 1980's. Examples of this type of construction are found on the west side of that thoroughfare both south and north of the Keller Springs intersection with similar development in the northeast quadrant of Keller Springs and Addison Road. Additional construction of this type is found along the south side of Westgrove west of Addison Road. North of Westgrove on this side of Addison Road is found more office warehouse/office showroom type development. There are still some fairly sizable tracts of undeveloped land, primarily on the east side of Addison Road in this area. The development in the northern part of the northeastern part of the neighborhood has been high quality, single-story office showroom and hi-tech type construction. There is still a significant amount of developable land in this area.

The City of Addison and adjacent areas north of Belt Line have enjoyed new development and generally increasing land prices since the mid-1990's. Of particular interest is the developing apartment, hotel, retail, and commercial activity surrounding the Addison Circle portion of the subject neighborhood. The attractiveness of relatively close in North Dallas locations should ensure strong demand for existing properties and vacant development land within the subject neighborhood as the real estate economy continues to improve. As these events occur, the subject neighborhood development prospers. Current market evidence suggests a healthy real estate market.

SUBJECT PROPERTY

Site Data

The subject tract is near triangular in shape, based on information provided in public records. Plats indicate approximately $\pm 750'$ of boundary with the Dallas Area Rapid Transit rail line on the north side of the subject, with no "calls" shown for the boundaries of the subject tract along the "Y" tracks of the UPRR. Total land area is $\pm 196,020$ SF, as shown on the survey provided by the Town of Addison. Addison Road, removed to the east of the subject, is a four-lane asphalt street. Arapaho Road terminates to the east of the subject property at Addison Road. Arapaho Road to the east of the subject is a concrete divided multi-lane road. The subject appears to be at grade with Addison Road/Arapaho Road.

Physical Characteristics

The subject site is basically level with no major drainage problems noted. Site grading appears to be such to carry surface water from the entire site to the south and east and the drainage in Addison Road. This is generally effective except in very heavy rainfalls. Apparently off-site drainage capacity is sufficient. The subject property is not located in a HUD designated flood plain area. Access in and out of the site would be accomplished from existing railroad right-of-way, as the subject site does not have any direct road frontage.

Zoning

The subject property is zoned "I-1", industrial, under the Town of Addison's ordinances. This is a fairly broad classification providing for a wide variety of commercial usages. Due to the location of the subject tract proximate to Addison Airport, a 20' maximum building height restriction is imposed on any building improvements. The actual development of the subject would require specific plan approval by the Town. Those uses probable under the Town's current I-1 zoning would likely be most appropriate for the subject property.

Utilities

Sanitary sewer and water connections are provided through the Town of Addison. It is presumed that the present utilities directly available to the site are of sufficient capacity to support commercial development. Telephone service, electricity and natural gas are available and in adequate supply by private companies serving the subject's general area. The current design of access is not considered sufficient to support commercial development. However, given the abundance of adjoining railroad right-of-way, direct access to the subject site is considered both reasonable and probable.

Easements and Restrictions

As set forth in the Assumptions and Limiting Conditions of this report, there was not available to the appraiser in the preparation of this appraisal a current survey and/or title policy. It is assumed from a review of plats and public information that there are no, other than standard utility easements, easements affecting the subject property and further, that there are no private deed restrictions that would hinder its current use or future development. It is suggested that these assumptions be verified by competent parties. Typical utility easements are presumed to service the site.

Site Improvements

The subject property does not have improvements of contributory value situated thereon. For the purpose of this appraisal problem, the subject property is treated as an unimproved, vacant site.

The subject property is currently under a year-to-year lease to an adjacent property owner (Metro Brick) for use as a surface storage area for building materials (bricks). This lease is subject to a 30 day cancellation clause by either party to the lease.

HIGHEST AND BEST USE

The Highest and Best Use, as defined by Real Estate Appraisal Terminology, Ballinger Publishing Company, Cambridge, Massachusetts (author Byrl D. Boyce, Ph.D.), Page 107, is as follows:

"That reasonable and probable use that will support the highest present value, as defined, as of the effective date of the appraisal.

Alternatively, that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible and which results in highest land value.

The definition immediately above applies specifically to the highest and best use of the land. It is recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until the land value in its highest and best use exceeds the total value of the property in its existing use."

Also implied is that the determination of the Highest and Best Use results from the appraiser's judgment and analytical skill, i.e., that the use determined from analysis represents an opinion, not a fact to be found. (Appraisal Terminology and Handbook, AIREA AND SREA, 1975) Some of the more important factors of influence include the legal parameters associated with zoning ordinances, deed restrictions, building code requirements and area market supply/demand conditions. Further, the trends within the neighborhood must also be considered and are discussed in the "Neighborhood Description and Trends" section of this report.

In addition to the typical considerations involved in estimating the Highest and Best Use of the subject property, the City of Addison requires approval from the U.S. Department of Transportation, Federal Aviation Administration (FAA), for the construction or alteration of improvements located within many of its zoning classifications. Even though the subject property is located outside the currently existing "clear zone" of the Addison Municipal Airport, these additional requirements apply.

The subject property is located proximate to the east of the existing airport boundary and clear zone. Consideration was given to the development currently existing proximate to the north, south, east, and west of the subject in analyzing the potential uses for the subject site. While the FAA will not speculate on what types of improvements or alterations would be allowable, without proper application and supporting documentation, it is presumed by the appraiser that those uses existing adjacent to the subject generally reflect the type of development that would be probable.

Exhibits containing a portion of the "clear zone" map and "Notice of Proposed Construction or Alteration" (Form Approved OMB No. 2120-0001) are provided in the Addendum section of this report.

Highest and Best Use

The estimate of the Highest and Best Use of the subject Whole Property would to be developed in conformity with the adjacent and surrounding commercial land uses, at such time as demand warrants development of the site. Given the size of the subject site, this would likely indicate a moderately large scale development plan suitable for an industrial/commercial development. Due to constraints imposed by Addison Municipal Airport flight patterns, the scope of the development available for the subject would likely be somewhat more limited than those forms of development found further removed from the airport, but within the general vicinity of the subject.

The most positive attribute for the future potential development of the subject is it's proximity to the Addison Center development. This is an upscale multi-faceted development taking place to the north of the subject, and planned for that area to the northeast of the subject.

The adverse attributes impacting the development potential of the subject relate directly to it's location nearly adjacent to the south side of the Addison Airport main runways and the industrial character of the immediately adjacent land uses.

THE APPRAISAL PROCESS

Appraisal theory provides three basic methods of appraising properties. They are the Cost Approach to Value, the Income Approach to Value, and the Sales Comparison Approach to Value.

The Cost Approach to Value embraces the philosophy that the replacement costs applied under the Principle of Substitution may define the value for a property. In this approach to value, the appraiser estimates the market value of the site, the replacement cost of the improvements less any applicable accrued depreciation, and then combines these two items to arrive at a cost estimate of value.

The Income Approach to Value is based upon an analysis of the potential income stream of the property and comparison of that income stream with those of similar properties. This calculation and analysis results in a net income stream attributable to the real estate. That income is then capitalized at a rate which is commensurate with the rates expressed in the marketplace by investors for similar properties. The resulting figure is an income estimate of value.

The Sales Comparison Approach to Value is a basis for estimating value based upon units of comparison derived from sales of similar properties in the marketplace. Those units of comparison are then applied to the subject property to arrive at a range of values which should be indicative of a value estimate. This approach is used not only for improved properties but also in estimating the current value of the subject site. That portion of the report is necessary to complete the Cost Approach.

After applying the three traditional approaches to value, it is the appraiser's responsibility to weigh the strengths and weaknesses of the three different approaches to value and determine which of the three is most applicable in the valuation of the subject property. This section of the report is captioned as "Reconciliation".

As the subject property is currently unimproved, only the Sales Comparison Approach will be utilized to estimate the Market Value and Just Compensation of the subject. The Cost Approach is not applicable, as there are no improvements to analyze or evaluate. The Income Approach is not deemed applicable as no comparable data was found for "market rate" ground lease comparisons to the subject site which would be indicative of market value.

Land Value by the Sales Comparison Approach

In this section of the report, the appraiser will present data and analysis leading to an estimate of market value as of the effective date of the appraisal for the subject site. Basically, this value is estimated by the comparison of sales of similar land tracts that are current or of recent date to the subject tract. This comparison relates the differences, if any, in the legal, physical, locational, and economic characteristics of the comparable sales and the subject site, analyzing also any differences in real property rights transferred, dates of sale, motivations of buyers and sellers, and any unusual financing arrangements for the sales analyzed, any of which factors might account for price variations. The adjustments, if any, for property rights conveyed, financing terms, sale conditions and market conditions are made sequentially and individually. Adjustments for location and physical characteristics are accumulated and made at the end of any adjustments from the previously cited sources.

From the information available, the following comparable sales presented all transferred ownership in fee simple, and there were no known unusual financing terms. General adjustments for market conditions relate to passage of time, e.g., in a rising market an earlier comparable sale would be adjusted upward to reflect conditions as of the effective date of the appraisal. Over the time period reviewed for the comparable sales, trends in either direction which cannot presently be ascribed to other contributing factors within the marketplace, other than those discussed following the comparable sales presentation, will be adjusted based on historical market data.

At the end of the presentation of the comparable sales, those sales will be summarized and a grid presented which makes the remaining adjustments called for relative to locational and physical differences between the comparables and the subject tract. The comparable sale prices as adjusted to the subject site are then analyzed to produce an estimate of market value for the land.

There are other methods available for estimating land value including allocation, extraction, subdivision and the land residual technique. Generally, in all cases, the estimation of land value by comparable market sales is considered appropriate and most desirable where sufficient data is available. This is the case for the subject site and the Sales Comparison Approach will be utilized solely in estimating its current market value. Sufficient data is available within the recent past to make an accurate appraisal specifically for the subject.

Land Sale Comparable #1



Location: South side of Arapaho Road (proposed), $\pm 600'$ east of Midway Road, Addison, Texas.

Legal Description: Part of the Addison Restaurant Park Addition, Addison, Texas.

Grantor: Modernage, Inc.

Grantee: Heritage Inn Number XIII, Ltd.

Date of Sale: January 28, 1997 (filed)

Recorded: 97018/73

Consideration: \$4.75/SF (\$860,000)

Terms of Sale: All Cash to Seller

Cash Equivalency: \$4.75/SF

Size: $\pm 180,861$ SF; 4.152 Acres

Zoning: "I-1", Industrial

Comments: This site is located on the south side of "proposed" Arapaho Road, behind existing restaurant development. This site has locational and size characteristics similar to the subject.

Verified By: Grantor (980-9917)

Mapsco #: D-14C

File #: Addison.UPRR

Land Sale Comparable #2



Location: East side of Addison Road, ±300' north of Keller Springs, Addison, Texas.

Legal Description: Part of the Bent Tree Valley Addition, Addison, Texas.

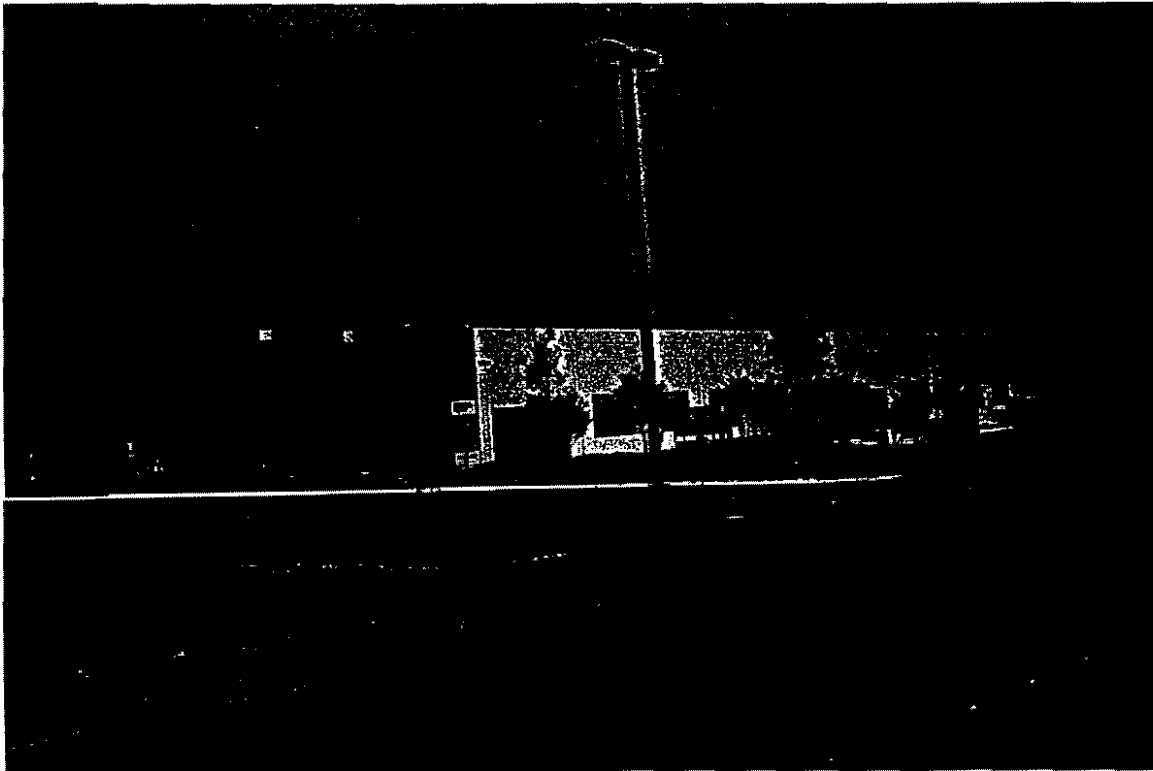
Grantor: Cole Partners, Ltd.
Grantee: Red Sea Group Addison, LP

Date of Sale: September 4, 1997
Recorded: 97172/1620

Consideration: \$4.91/SF (\$1,000,000)
Terms of Sale: All cash to seller
Cash Equivalency: \$4.91/SF
Size: ±203,687 SF; 4.676 Acres
Zoning: PD-85-026 (commercial)
Comments: This site has been developed with a two story office building. It is of comparable size to the subject and had a similar building height restriction imposed on it.

Verified By: Maz Brandt (w/gte) 960-6600
Mapsco #: D-4U
File #: Addison.UPRR

Land Sale Comparable #3



Location: Southeast corner of Westgrove & Excel, Addison, Texas.

Legal Description: Block A, Part of Lots 3, 4, 21, 22, Carroll Estates Addition, Addison, Texas

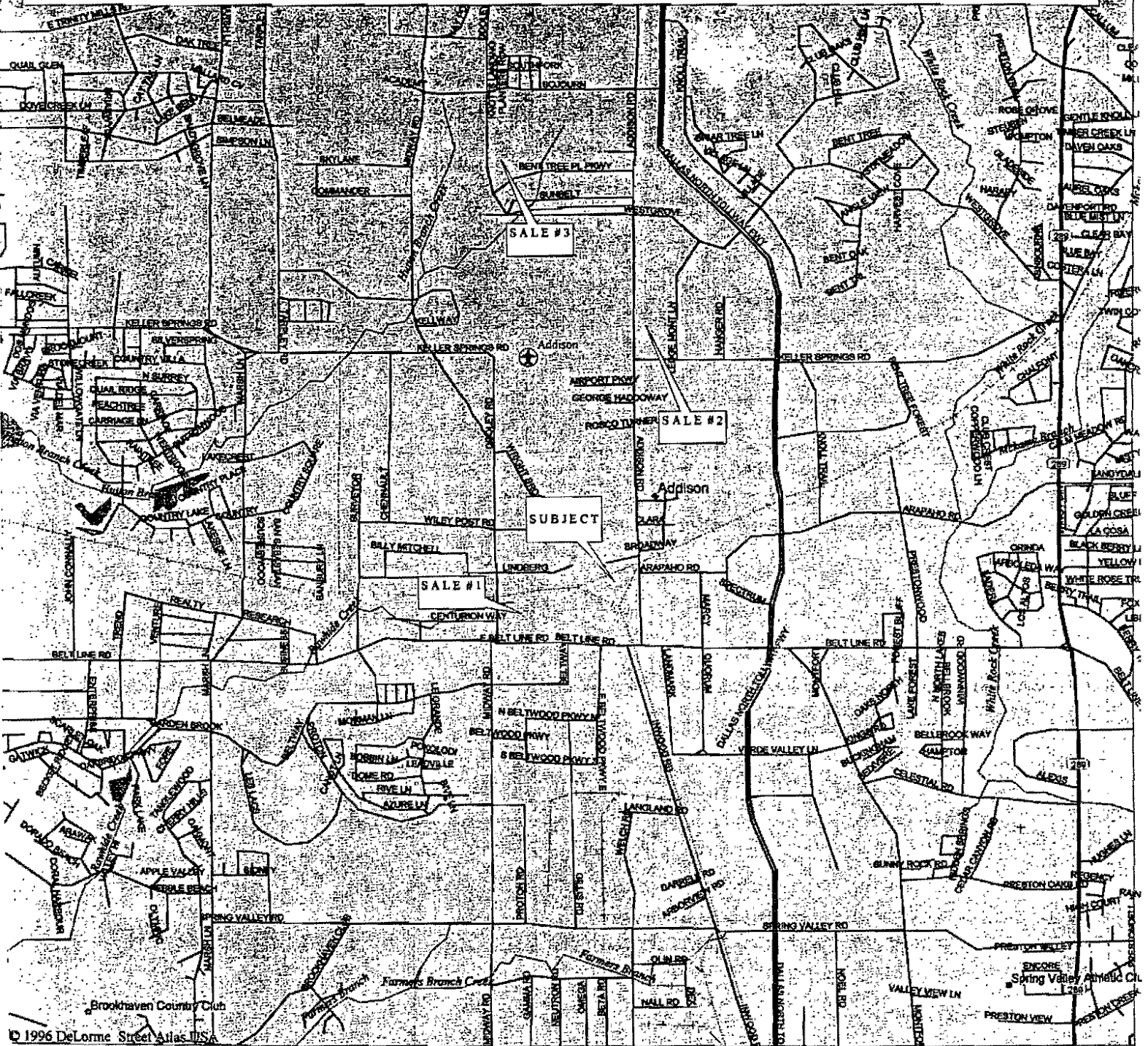
Grantor: Stratus Properties Operating Company
Grantee: Jackson-Shaw/Addison Tech, Ltd.

Date of Sale: October 1, 1999 (filed)
Recorded: 99192/3812

Consideration: \$4.50/SF (\$1,524,252; calculated)
Terms of Sale: All cash to seller
Cash Equivalency: \$4.50/SF
Size: ±338,773 SF; 7.776 Acres
Zoning: Industrial
Comments: This is a minor corner tract just outside the northern boundary of the airport; very similar location to the subject. It is ±2x the size of the subject.

Verified By: Debbie Carter (w/gte) 628-7400
Mapsco #: D-4P
File #: Addison.UPRR

COMPARABLE MAP



Mag 14.00
 Tue May 16 22:57 2000
 Scale 1:31,250 (at center)
 2000 Feet
 1000 Meters

- Secondary SR/Road/Hwy Ramp
- State Route
- Toll Highway
- Utility/Pipe
- Railroad
- Point of Interest
- Small Town
- Public Airport
- Cemetery
- Population Center
- County Boundary
- Water
- River/Canal
- Intermittent River

COMPARABLE LAND SALES SUMMARY				
Sale #	Date of Sale	Price/SF	Size (SF)	Zoning/Use
1	01/28/97	\$4.75	180,861	Industrial
2	09/04/97	\$4.91	203,687	Commercial
3	10/01/99	\$4.50	338,723	Industrial
Subject	05/00	N/A	±196,020	Industrial

Adjustments to Land Sale Comparables

Standard appraisal practice calls for the analysis of the sales presented comparing each to the subject in regard to time passed from sale date to appraisal date (that is, changes in market conditions), locational differences, relative size, physical characteristics and utility. Adjustments were made from the known, i.e., the actual sale, to the unknown, i.e., the value of the subject. In a comparison heading where the subject is deemed to be superior to a particular sale, an appropriate upward adjustment is made to the comparable sale and vice versa. Your appraiser considered the application of paired sales analysis in adjusting the comparable sales to the subject. There was not sufficient comparability of the sales within those available for review that permitted a reasonable application of that type of analysis. The adjustments are based to a great degree on subjective analysis and market appraisal experience, but the adjustments rely on some easily recognizable and generally accepted maxims about the various aspects of comparison. They are briefly discussed in the following paragraphs which in short form discuss the items considered for each adjustment heading.

Property Rights Conveyed

This is a consideration of the real property interest conveyed. In the case of the comparable sales used in this analysis, all were transferred in fee simple, indicating no adjustment for this heading of comparison.

Financing Terms

This reflects that for similar properties, a higher price might be paid for one wherein very attractive financing terms are available to the purchaser. Any adjustments required under this consideration have been addressed within the discussion of each individual sale in converting reported transaction price to cash equivalency where conditions so indicate.

Conditions of Sale

This element of comparison is to reflect any unusual motivations of buyer and/or seller that would take the transaction out of the broad parameters of the definition of a sale for market value. Although paired sales were not available with which to compare it, it is the appraiser's opinion that

those conditions in all probability did not exist for any of the comparables selected for inclusion in this report. All of the Sales sold to end users who have developed their sites.

Market Conditions

Any number of factors, including fluctuations in supply and demand, inflation, depression and the like may cause changes in market conditions which are reflected in the prices of real property. The subject neighborhood has undergone significant growth in the recent past, which in turn has led to escalating land prices. Upward Time/Market Conditions adjustments will be applied to the selected comparable sales to reflect this change. While "time" is an important consideration in selecting comparable sales, location and utility were considered of paramount importance in this analysis. Somewhat older sales (2) were selected for inclusion in this analysis because their size, location, and utility (highest & best use) were of the greatest concern.

Location

In this portion of the adjustment process the appraiser considers locational aspects of the comparable sales as opposed to the subject. Such aspects as quality and quantity of surrounding development, adjacent land uses, and other perceived physical amenities are considered. Due to the lack of paired sales characteristics in the comparables, the adjustments are qualitative. Specifically, Sale #1 is located well removed from the existing roadways, behind existing developments with street frontage, very similar to the subject. All of the land sales are located within the defined "subject neighborhood". Locational attributes which have to do with access or the sight/view of the subject will be treated under separate headings. Similarly, density of development will be treated under a separate utility category. The general locational attributes of the subject and the comparable sales are considered to be equal. Other specific items relating to specific location attributes will be treated separately.

Zoning

The zoning of each of the sales is judged to be generally comparable to the zoning of the subject. Compatible developments are available among the subject and the comparable sales.

Utility

In this category a number of factors are considered in adjusting the comparable sales and offerings to the subject property. They include physical dimensions and shape of the site, topography of the site, availability of public and private utilities, and accessibility among others. Those physical dimensions which permit the most economic and efficient use of the land also command better prices. This fact perhaps is best stated in that not having this advantage is an offset to sites with poor frontage-to-depth ratios and the like. The density of development allowable on the subject is restricted to a maximum building height of 20'. This is generally comparable to the development utility possessed in Sale #2 and Sale #3. No adjustments will be made to these two sales for development "utility". Sale #1 had a much less restrictive height limitation than does the subject and Sales #2 and #3. Sale #1 is adjusted downward for utility to reflect this difference.

Access, exposure, and frontage all impact how a property will be accepted by the market. Additionally, immediacy of access is a specific consideration for the subject property, as opposed to general access which is considered as a part of the "Location" category.

Sight/View

This factor considers (1) how the property is presented to the public and (2) what the impact of surrounding property characteristics affect subject property. Sale #1 is adjacent to well landscaped newly developed restaurant and hotel developments and is considered superior to the subject in this regard. A downward adjustment is made to this sale for these conditions. Sale #2 is located adjacent to office development and a well maintained roadway and is superior to the subject in this regard. This sale likewise requires a downward adjustment to the subject for these features. Sale #3 is located in an industrial/tech area adjacent to the Addison Airport, roughly similar to the subject property. No adjustment is required for this sale.

Access/Frontage

Sales #2 and #3 are readily seen and have frontage along adjacent streets; attributes which the subject does not possess. Also, Sale #3 is located at the corner of a two lane concrete and four lane divided concrete street. Sale #1 is very similar to the subject property in terms of frontage and access. As a result, no adjustment for frontage/access is justified for Sale #1, while a slight adjustment is required for Sale #2. Due to the corner influence in Sale #3, a slightly greater adjustment is justified to this Sale. The subject is presumed to have access/frontage at least equal to that of Sale #1.

Size

The subject property is ±196,020 SF in size. Comparable Sales #1 and #2 are judged to be of equal size in relation to the subject. Sale #3 is significantly larger than the subject. While this is not an over-riding factor in industrial properties, it is typically found that much larger tracts do tend to sell for a lesser "per unit" price than do smaller tracts that are generally available for similar, although smaller scale, developments. Sale #3 is judged to be slightly inferior to the subject in size and is adjusted upward accordingly. While there are no absolutes noted for size difference among the comparable sales selected for presentation herein, the general market reflected throughout the range of sales reviewed for this appraisal does indicate that the market is somewhat size sensitive. To a limited degree the market reflects a willingness to pay slightly more for smaller tracts, on a per square foot basis, than for large tracts.

There follows a grid which displays the adjustments to the comparable sales called for in the opinion of your appraiser.

LAND SALE ADJUSTMENT GRID			
	1	2	3
Cash Equivalent Price \$/SF	\$4.75	\$4.91	\$4.50
Property Rights Adjustment	-0-	-0-	-0-
Adjusted Price \$/SF	\$4.75	\$4.91	\$4.50
Conditions of Sale Adjustment	-0-	-0-	-0-
Adjusted Price \$/SF	\$4.75	\$4.91	\$4.50
Time/Market Conditions Adjustment	+20%	+15%	-0-
Adjusted Price \$/SF	\$5.70	\$5.65	\$4.50
Location Adjustment	-0-	-0-	-0-
Access/Frontage	-0-	-5%	-10%
Utility Adjustment	-10%	-0-	-0-
Size Adjustment	-0-	-0-	+10%
Sight/View	-5%	-5%	-0-
Adjustment Factor	-15%	-10%	-0-
Adjusted Price \$/SF	\$4.85	\$5.09	\$4.50

Market Value Estimate - Subject Site

After adjustments, the comparable sales range from \$4.50/SF to \$5.09/SF. The average of the adjusted sales price is calculated at \$4.81/SF.

It is the appraiser's opinion that Comparable Sale #1 is most nearly representative of the subject property, primarily based on it's location removed from the nearby roadway and it's size. Note that not only do the sales, as adjusted, form a narrow range of value indication, but that unadjusted for time, there is no meaningful in price based solely on the date-of-sale from 01/97 to 10/99. Each sale has its strengths and weaknesses as compared to the subject. While these sales are not identical to the subject in terms of size, use, and exact location, these sales are believed to accurately reflect the most probable range of value for the subject, as well as approximating the ultimate use of the subject. The sales selected ultimately required fewer adjustments than other sales in the market would require.

However, when analyzed in light of the general surrounding development, it appears that there is a market and, hence, a range of value which is generally acceptable for various forms of development on properties of this class in this area.

Over twelve sales, occurring from 1996 to the present, were reviewed in the development of this appraisal. These sales were proximate to the market area of the subject and were analyzed to determine if there was any definable trend to the market activity. It is noted that sales to end-users is becoming more wide spread in this market for all classes of properties. Speculative investment does not appear to be the principal motivating factor. A number of sales reviewed were for near term use/development, and these sales reflected the upper limit of the market value range.

The range of the value indications provided by Comparable Sales #1 and #3 is considered to be the most reliable indication of probable market value for the subject property.

Based on the aforementioned data and analysis, the Market Value of the subject site is estimated to be \$4.85 per square foot of the land area. The subject is estimated to contain ±196,020 SF of land area according to the "survey" provided. Therefore:

<u>Site Area</u>	<u>Value Estimate</u>	<u>Total</u>
±196,020 SF	\$4.850/SF	\$950,697
ESTIMATED MARKET VALUE - WHOLE PROPERTY "AS IS", Say		\$950,697

COST APPROACH TO VALUE

As the subject property is an undeveloped tract of vacant land, the Cost Approach to Value is not considered applicable to this appraisal problem.

INCOME APPROACH TO VALUE

As discussed previously in the Appraisal Process section, the Income Approach to Value is the result of the analysis of the projected gross income stream for the subject property, less vacancy and expenses to determine what net operating income for the project can reasonably be expected. As there is market rate income stream to the subject property, nor are there any market indications of viable land lease opportunity for a site such as the subject, the Income Approach to Value is not considered applicable in estimating the market value of the subject property.

SALES COMPARISON APPROACH TO VALUE

The Sales Comparison Approach to Value was utilized to estimate the value of the subject property as vacant, undeveloped land. Generally, the Sales Comparison Approach to Value is considered to be the most reliable approach for valuing undeveloped land.

RECONCILIATION

For reasons previously stated within this report, only the Sales Comparison Approach was utilized in estimating the Market Value of the subject Whole Property. It is typically held that the Sales Comparison Approach to Value is the most reliable method of valuing land. Therefore;

Cost Approach to Value:	Not Applicable
Income Approach to Value:	Not Applicable
Sales Comparison Approach to Value:	\$950,697

PART TAKEN - VALUATION

This is considered as a Whole Property acquisition. Therefore, the value estimate for the Whole Property is the same as the value of the Part Taken.

REMAINDER BEFORE THE TAKE - VALUATION

As this valuation represents a Whole Property acquisition, no Remainder Before the Take is available for consideration.

REMAINDER AFTER THE TAKE - VALUATION

As this valuation represents a Whole Property acquisition, no Remainder After the Take is available for consideration.

ESTIMATE OF JUST COMPENSATION

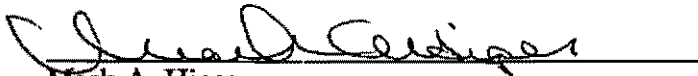
As the proposed acquisition represents a Whole Property acquisition, the previously derived estimate of value for the Whole Property also expresses the Estimate of Just Compensation. Therefore:

ESTIMATE OF JUST COMPENSATION	\$950,697
--------------------------------------	------------------

APPRAISER'S CERTIFICATE

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
- Mark A. Hipes is currently certified under the Texas Appraiser Licensing and Certification board.
- I have made a personal inspection of the property that is the subject of this report.
- No one other than signors provided significant professional assistance in the preparation of this report.
- The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan.



Mark A. Hipes

Texas Certification No. TX-1321416-G

ADDENDUM

Assumptions & Limiting Conditions
Photographs of the Subject
Survey
Legal Description (N/A)
FAA Exhibits
Zoning Map
Qualifications of Mark A. Hipes

ASSUMPTIONS AND LIMITING CONDITIONS
(Read Carefully)

The following assumptions and limiting conditions are attached to and are made a part of this Appraisal (the "Appraisal") of the subject property (the "Property") described in this Appraisal ("Appraisal") made by Hipes & Associates (the "Appraiser") at the request of the person or entity (the Beneficiary") to whom and for whose exclusive use this Appraisal was prepared and delivered; and, this Appraisal is made by the Appraiser and accepted by the Beneficiary subject and strictly according to the within assumptions and limiting conditions:

1. That legal and equitable title to the Property is good and merchantable and that title is held by the owner ("Owner") of the Property in fee simple absolute forever, unless otherwise agreed by the Appraiser in writing. (No responsibility is assumed for matters legal or chance, nor is any opinion rendered as to the title to the Property. The possible existence of any disputes, suits, assessments, claims, liens or encumbrances has been disregarded, and the Property is appraised as though free and clear.)
2. That no survey of the Property has been made by the Appraiser and no responsibility is assumed in connection with any matters that may be disclosed by a current perfect survey of the Property. (Dimensions and areas of the Property and comparables were obtained by various means including estimate and are not represented or guaranteed to be exact.)
3. That allocations of value between land and improvements are applied only under the current program of occupancy and utilization, and are not made or intended to be used in conjunction with any other appraisal and, if so used, are invalid.
4. That all information contained in this Appraisal is private and confidential and is submitted strictly for the sole use of the Beneficiary; and, no other person or entity is entitled to read, use or rely upon the contents thereof. (Possession of the Appraisal or any copy thereof, does not carry with it the right of publication or use. The Appraiser will not be required to give any testimony or appear in any court or other proceeding by reason of making or delivering the Appraisal without the prior written approval of the Appraiser.)
5. That all information and comments pertaining to the Property and other properties is the personal opinion of the Appraiser formed after examination and study of the Property and its surroundings; and, although it is believed that the information, estimates and analyses contained herein are correct, the Appraiser does not warrant or guarantee them, and assumes no liability for errors in fact, analysis or judgement. (Any misinformation about the Property furnished to the Appraiser by the Beneficiary, at the option of the Appraiser, may release the Appraiser from any liability and invalidate the Appraisal.)
6. That all opinions of value contained in the Appraisal are merely estimates. (There is no warranty or guarantee, written or implied, made by the Appraiser that the Property is worth or will sell for the appraised value now or ever.)
7. That disclosure of the contents of this Appraisal is governed by the Uniform Standards of Professional Appraisal Practice, and that, in addition, neither all nor any part of the contents of this Appraisal (especially any conclusions of value, the identity of the Appraiser, shall be disseminated to the public through reports, proposals, brochures or any other means of

communication without the prior written consent and approval of the Appraiser. BENEFICIARY WILL NOT CAUSE, SUFFER OR PERMIT ANY PUBLIC DISSEMINATION OF THIS APPRAISAL TO OCCUR AND, BY ACCEPTING THIS APPRAISAL, BENEFICIARY INDEMNIFIES APPRAISER AGAINST ANY LOSS, COST, LIABILITY, DAMAGE OR CLAIM INCURRED WITHOUT REGARD TO FAULT BY APPRAISER ARISING IN CONNECTION WITH ANY SUCH UNAUTHORIZED DISCLOSURE BY BENEFICIARY.

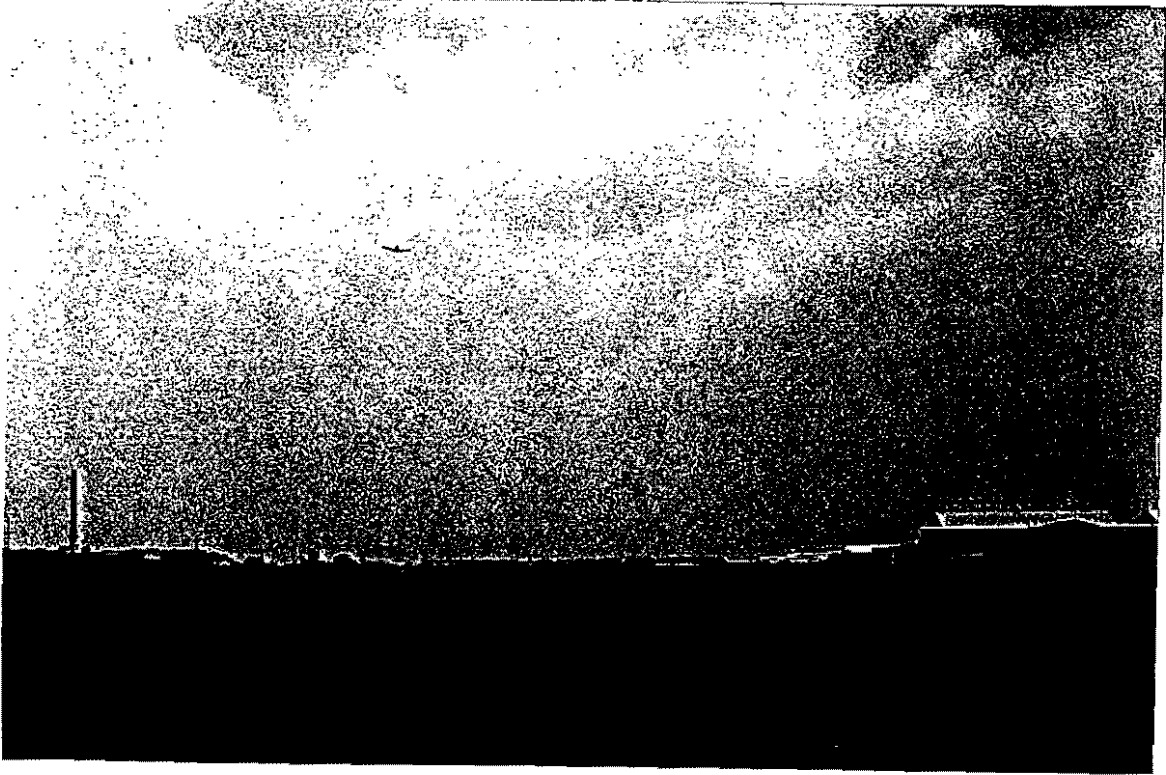
8. That there are no latent defects or any hidden or any unapparent conditions of the Property, subsoil, or structures which would render the Property more or less valuable. (No responsibility is accepted or assumed by Appraiser for any such conditions or for analyses or engineering which may be required to discover them.)
9. That no environmental impact or environmental condition studies were either requested or made in conjunction with this Appraisal unless otherwise agreed by Appraiser in writing and shown in the Appraisal and the Appraiser hereby reserves the right to alter, amend, revise or rescind any of the value opinions included in this Appraisal based upon any subsequent environmental impact or environmental condition studies, research, revelation or investigation. (In particular, unless otherwise agreed by Appraiser in writing, and shown in this Appraisal, this Appraisal/Appraiser assumes that no violations of any environmental, or other, laws affecting the Property are pending or threatened against the Property and that no toxic waste, hazardous materials or dangerous substances have ever been stored, used, produced, maintained, dumped or located on or about the Property.)
10. That the value of the Property is estimated on the basis that there will be no international or domestic political, economic, or other adverse conditions or any military or other conflicts including strikes and civil disorders that will seriously affect overall real estate values.
11. That Beneficiary understands that the real estate values are influenced by a large number of external factors, that the data contained in the Appraisal is all of the data that Appraiser considered necessary to support the value estimate and that the Appraiser has not knowingly withheld any pertinent facts; and, Beneficiary has been advised and agrees that the Appraisal does not warrant, represent or guarantee that Appraiser has knowledge or appreciation of all factors which might influence the value of the Property.
12. That due to the rapid changes in external factors affecting the value of the Property, Appraiser's value conclusions are considered reliable only as of the date of the Appraisal.
13. That on all appraisals made subject to satisfactory construction, repairs, or alterations of improvements, the Appraisal and value conclusions are contingent upon completion of such work on the improvements in a good and workmanlike manner, without dispute, per plans, in code, as agreed and within a reasonable period of time.
14. That the value estimate of the Property assumes financially and otherwise responsible ownership and competent management of the Property.
15. That the Appraisal consists of trade secrets and commercial or financial information which is privileged and confidential and exempted from disclosure under 5 U.S.C. 533 (b) (4). (Please notify Hipes and Associates of any request for any reproductions of this Appraisal.)

16. That accurate estimates of costs to cure deferred maintenance are difficult to make or assess and that many different approaches or arrangements can be attempted or applied in various ways. (Any estimates provided within this Appraisal represent reasonably probably costs given current market conditions, available information and the Appraiser's expertise. Further deferred maintenance affecting the Property is considered to be limited to only those items, if any specified in detail, in the Property section of this Appraisal.
17. That the existence of potentially hazardous materials used in the construction or maintenance of the Property such as urea-formaldehyde foam insulation, asbestos in any form, and/or other dangerous substances or materials on the Property, has not been considered, unless otherwise shown in the Appraisal. (The Appraiser is not qualified to detect such material or substances and it is the responsibility of the Beneficiary to retain an expert in this field, if desired.)
18. That the liability of the Appraiser and its officer, directors and employees, agents, attorneys and shareholders is limited to the fee collected for preparation of the Appraisal. (Appraiser has no accountability or liability to any third party, except as otherwise agreed in writing by Appraiser and such other party.)
19. That any projected potential gross income of the Property referred to in the Appraisal may be based on lease summaries provided by the Beneficiary, Owner or third parties and Appraiser has not reviewed lease documents and assumes no responsibility for the authenticity, accuracy or completeness of lease information provided by others. (Appraiser suggests that legal advice be obtained regarding the interpretation of the lease provisions and contractual rights of parties under Leases.)
20. That Beneficiary and any party entitled to read this report will consider the Appraisal as only one factor together with many others including its own independent investment considerations and underwriting criteria or other observations, concerns or parameters in formulating its overall investment or operating decision. In particular, Appraiser assumes that the Beneficiary has made/obtained, relied upon and approved the following, none of which was furnished by Appraiser unless otherwise agreed by Appraiser in writing, to wit:
 - a. current survey of the Property showing boundary, roads, flood plains, utilities, encroachments, easements, etc.;
 - b. current title report of the Property with legible copies of all exceptions to title;
 - c. any needed soil tests, engineer's reports and legal and other expert opinions;
 - d. abstract or other report of environmental conditions or hazards affecting the Property;
 - e. current visual inspection of the Property and adequate study of its use, occupancy, history, condition and fitness for the purpose of underlying Beneficiary's request for this Appraisal;
 - f. copies of current insurance policy, tax statements, contracts, leases and notices affecting the Property;
 - g. any needed estoppel certificates of tenants, mortgagee's or others claiming any interest in the Property;
 - h. reports/opinions of Beneficiary's staff, contacts, agents and associates; and
 - i. Owner's experience with the Property.
21. That Appraiser's projections of income and expenses are not predictions of the future; rather, they are the Appraiser's best estimates of current market thinking about future income and expenses. (The Appraiser makes no warranty or guaranty that Appraiser's projections will

succeed or materialize. The real estate market is constantly fluctuating and changing. It is not the Appraiser's task to predict or in any way forecast the conditions of a future real estate market; the Appraiser can only reflect, without warranty what the investment community, as of the date of the Appraisal, envisions for a particular time without assurances in terms of rental rates, expenses, capital, labor, supply, demand, ecology, etc.)

22. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I (we) have not made a specific compliance survey and analysis of this Property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the Property, together with a detailed analysis of the requirements of the ADA, could reveal that the Property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since I (we) have no direct evidence relating to this issue, I (we) did not consider possible non-compliance with the requirements of ADA in estimating the value of the Property. Special Note: This may not be adequate if "readily achievable" barrier removal items are obvious and should have been identified.

SUBJECT PHOTOGRAPHS



Looking north toward Addison Airport from the subject.



Looking east toward Arapaho Road from east of the subject.

SUBJECT PHOTOGRAPHS



Looking southwest across the subject from \pm DART R.O.W.



Looking west from \pm Addison Road into the subject storage area.

EXHIBIT "B"

EDWARD COOK SURVEY
A-326

CURVE	DELTA	RADIUS	LENGTH	CHORD
C1	18°34'32"	890.00'	257.48'	N 74°39'20" E - 254.56'
C2	09°17'35"	714.00'	115.82'	S 36°28'21" W - 115.69'
C3	10°36'02"	810.00'	154.57'	S 71°50'05" W - 154.34'

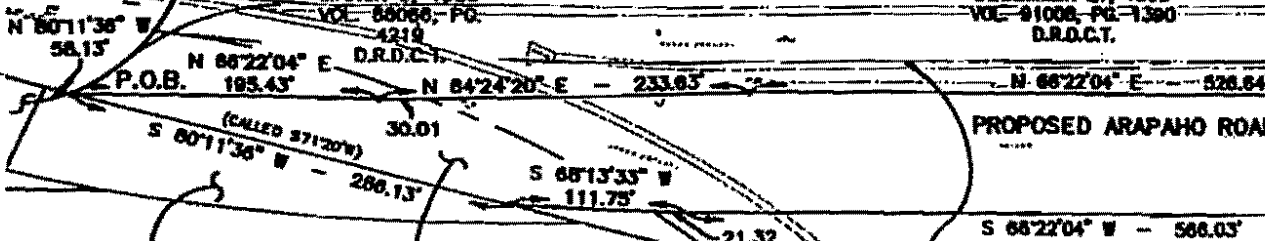
HERITAGE INN NUMBER
XBL
LIMITED PARTNERSHIP
CALLED 4.1525 ACRES
JANUARY 24, 1997
VOL. 97018, PG. 00073
D.R.D.C.T.

ADDISON
RESTAURANT-PARK
MARCH 9, 1988
VOL. 88066, PG.
4219
D.R.D.C.T.

DALLAS AREA RAPID TRANSIT
PROPERTY ACQUISITION CORPORATION
(100' R.O.W.)
DECEMBER 27, 1990
VOL. 91008, PG. 1390
D.R.D.C.T.

METRO BRICK COMPANY, INC.
SEPTEMBER 11, 1998
VOL. 96180, PG. 02908
D.R.D.C.T.

LOT 3
BLOCK 1
ADDISON CAR CARE
JUNE 8, 1987
VOL. 87111, PG. 0286
D.R.D.C.T.



ARAPAHO ROAD
(VARIABLE R.O.W.)
AUGUST 5, 1958
VOL. 4942, PG. 829
D.R.D.C.T.

CALLED 88/100 OF AN ACRE
ST. LOUIS SOUTHWESTERN RR
CO. OF TEXAS
JANUARY 24, 1910
VOL. 470, PG. 329
D.R.D.C.T.

LOT 1
BLOCK A
BELTWOOD RESERVOIR
AUGUST 2, 1989
VOL. 90012, PG. 3386
D.R.D.C.T.

CALLED 19.01 AC.
CITY OF DALLAS
AUGUST 5, 1958
VOL. 4942, PG. 829
D.R.D.C.T.

CALLED 4 1/2 AC.
ST. LOUIS SOUTHWESTERN
RR CO. OF TEXAS
FEBRUARY 10, 1902
VOL. 279, PG. 449
D.R.D.C.T.

CALLED 3 & 49/100 AC.
ST. LOUIS SOUTHWESTERN
RR CO. OF TEXAS
JANUARY 15, 1902
VOL. 278, PG. 113
D.R.D.C.T.

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

CALLED 1.6188 AC.
15211 ADDISON ROAD
JOINT VENTURE
AUGUST 7, 1996
VOL. 96164, PG. 04963
D.R.D.C.T.

PARCEL 3
A PLAT OF A
1.8273 ACRE (79,598 SQ. FT.)
TRACT OF LAND
IN THE EDWARD COOK SURVEY
ABSTRACT NO. 326
TOWN OF ADDISON
DALLAS COUNTY, TEXAS

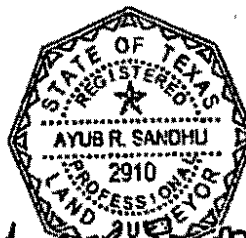
NOTES:

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
THE FINAL PLAT OF LOT 3, SURVEYOR ADDITION, RECORDED IN
VOL. 77173, PAGE 135, D.R.D.C.T.

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

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



Ayub R. Sandhu
11-12-99



GRAPHIC SCALE
1 INCH = 100 FT.

DO NOT REMOVE CARBONS

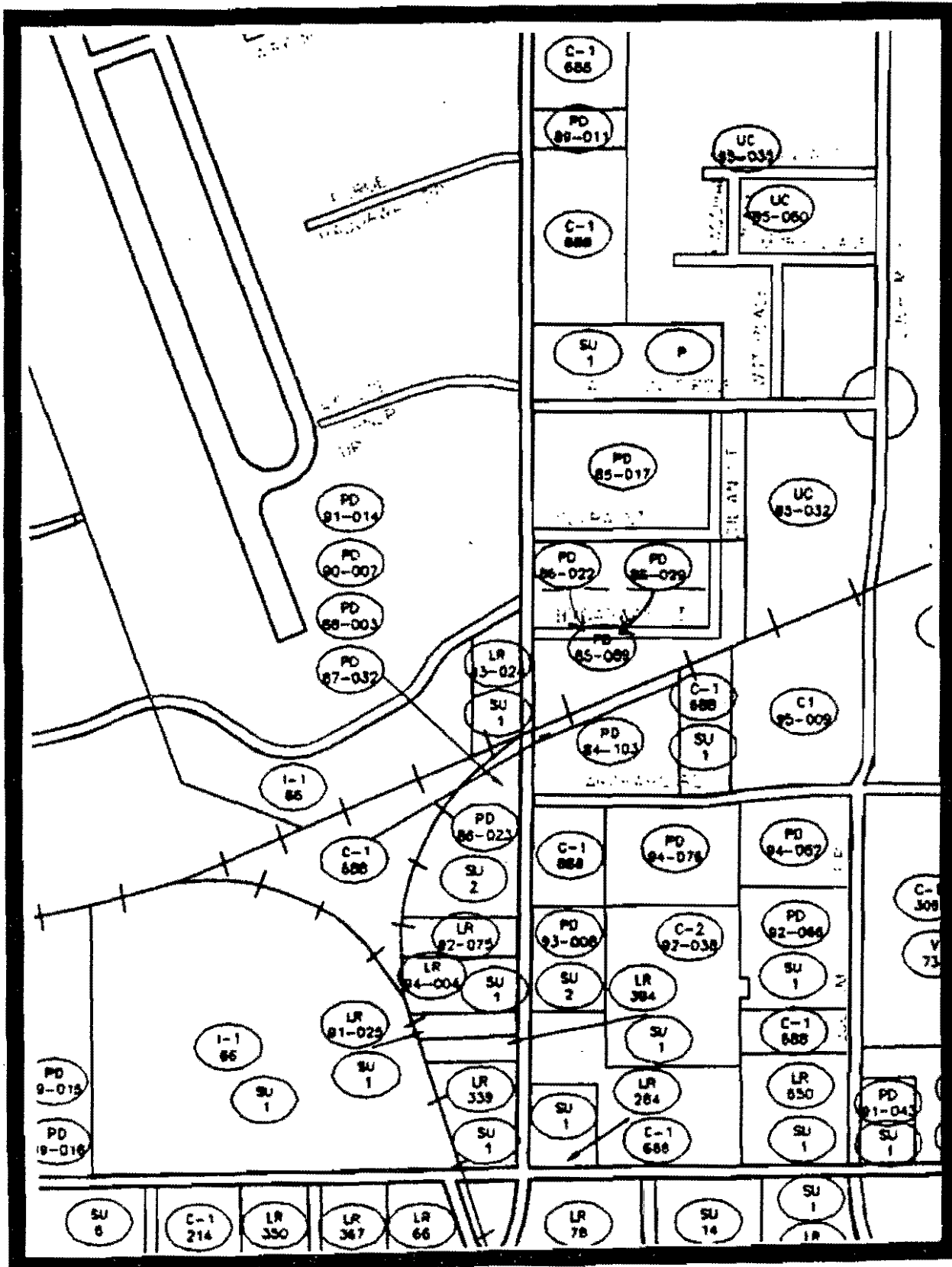
Form Approved OMB No. 3130-0001

NOTICE OF PROPOSED CONSTRUCTION OR ALTERATION			Assessment Study Number
<p>1. Nature of Proposal</p> <p>A. Type <input type="checkbox"/> New Construction <input type="checkbox"/> Alteration</p> <p>B. Class <input type="checkbox"/> Permanent <input type="checkbox"/> Temporary (Duration: _____ months)</p> <p>C. Work Schedule Dates Beginning _____ End _____</p>			
<p>3. Name and address of individual, company, corporation, etc. proposing the construction or alteration. (Number, Street, City, State and Zip Code)</p> <p>_____ Telephone Number _____</p> <p>B. Name, address and telephone number of proponent's representative if different from 3 above.</p>			<p>2. Complete Description of Structure</p> <p>A. Include effective national power and assigned frequency of all existing, proposed or modified AM, FM, or TV broadcast stations utilizing the structure.</p> <p>B. Include size and configuration of power transmission lines and their supporting towers in the vicinity of FAA facilities and public airports.</p> <p>C. Include information showing site location, dimensions, and construction materials of the proposed structure.</p>
<p>4. Location of Structure</p> <p>A. Coordinates (72 nearest airport)</p> <p>B. Nearest City or Town, and State</p> <p>C. Name of nearest airport, heliport, light port, or seaplane base</p> <p>(1) Distance from structure to nearest point of nearest runway</p> <p>(2) Direction from structure to airport</p> <p>A. Elevation of top above mean sea level</p> <p>B. Height of structure including all attachments and lighting (if any) above ground, or water if so situated</p> <p>C. Overall height above mean sea level (A + B)</p>			
<p>5. Description of location of site with respect to highways, streets, roads, bridges, prominent landmarks, existing structures, etc. Attach a U.S. Geological Survey quadrangle map or equivalent showing the relationship of construction site to nearest airport(s). (If more space is required, continue on a separate sheet of paper and attach to this notice.)</p>			
<p>Notice is required by Part 77 of the Federal Aviation Regulations (14 C.F.R. Part 77) pursuant to Section 1101 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1101). Persons who knowingly and willfully violate the Notice requirements of Part 77 are subject to a fine (Civil Penalty) of not more than \$500 for the first offense and not more than \$2,000 for subsequent offenses, pursuant to Section 802(a) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1472a).</p>			
<p>I HEREBY CERTIFY that all of the above statements made by me are true, complete, and correct to the best of my knowledge. In addition, I agree to obstruction mark and/or light the structure in accordance with established marking & lighting standards if necessary.</p>			
Date	Typed Name/Title of Person Filing Notice		Signature
<p>FOR FAA USE ONLY</p> <p>Professional Notice of Construction FAA Form 7480-1 is required any time the project is constructed, or altered, or added to an existing structure.</p> <p><input type="checkbox"/> At least 60 days before the start of construction.</p> <p><input type="checkbox"/> Within 60 days after the construction is completed.</p> <p>This submission expires on _____ unless:</p> <p>(a) extended, revised or terminated by the issuing office.</p> <p>(b) the construction is subject to the financing authority of the Federal Communications Commission and an application for a construction permit is made by the FCC on or before the date of expiration. In such case the submission expires on the date prescribed by the FCC for completion of construction, or on the date the FCC denies the application.</p> <p>NOTE: Receipt for satisfaction of the effective period of this submission must be forwarded to the issuing office at least 15 days prior to the expiration date.</p> <p>If the structure is subject to the financing authority of the FCC, a copy of this submission must be sent to that Agency.</p>			
<p>Remarks:</p>			
Issued to	Signature	Date	Signature

FAA Form 7480-1 (4-83) SUPERSEDES PREVIOUS EDITION

DO NOT REMOVE CARBONS

FAA FORM



ZONING MAP

MARK A. HIPES
Qualifications

Location of Office

7557 Rambler Road, Suite 260, LB 25, Dallas, Texas 75231

Education

Southern Methodist University

* Bachelor of Business Administration - Quantitative Analysis

* Master of Business Administration - Finance

Texas Real Estate Broker License - License No. 388907-26

Texas State Certified General Real Estate Appraiser - License No. TX-1321416-G

Appraisal Courses, Seminars

American Institute of Real Estate Appraisers

* Course IIa - Case Studies in Real Estate Valuation

* Course IIb - Valuation Analysis & Report Writing

Society of Real Estate Appraisers

* Course 101 - Principals of Real Estate Appraisal

* Course 201 - Income Property Valuation

* Course R2 - Report Writing

Standards of Professional Practice

Various Seminars on Valuation & Litigation

Experience

02/87 to Present

Hipes & Associates

Independent Real Estate Appraiser

03/79 to 02/87

Dallas County Department of Public Works

Eminent Domain Appraiser

09/71 to 03/79

Self Employed

Financial Analysis/Real Estate Analysis

Types of Properties Appraised

Regional Malls

Industrial/Manufacturing

Automobile Dealerships

Shopping Centers

Apartments

Hospitals

Office

Farms/Ranches

Railroads

Office/Warehouses

Proposed Developments

Churches

Service Stations

Educational Facilities

Airports

All types of commercial/industrial properties and a variety of special use properties.

Extensive work in Eminent Domain & other forms of litigation valuation

Qualified as an "Expert Witness" in County, District, & Federal Courts