

**APPRAISAL REPORT
PICCADILLY AVENUE RIGHT-OF-WAY
ADJACENT TO W/S OF 221 WEST HOUSTON STREET
FORMER TOWN OF WESTMINSTER
COLLIN COUNTY, TEXAS**

FOR

**COLLIN COUNTY SPECIAL PROJECTS
4690 COMMUNITY AVENUE, SUITE 200
MCKINNEY, TX 75071**

**PYLES★WHATLEY CORPORATION
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Real Estate Consultants

*Wendell Pyles, MAI, SR/WA**Jan Whatley (1953-2013)*

February 3, 2014

Ms. Melissa Marquez
Project Manager
Collin County Special Projects
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Re: The subject is a 0.092 acre tract consisting of a portion of a 40 foot dedicated right-of-way, known as Piccadilly Avenue, in the Town of Westminster, which is now unincorporated and part of Collin County, Texas. According to the enclosed right-of-way field notes, the part to be conveyed in fee simple is comprised of 0.092 acres, or 4,000 square feet.

Dear Ms. Marquez:

At your request, we submit this appraisal to provide an opinion of value of the above referenced property. All sales data pertinent to the preparation of this appraisal have been investigated and analyzed. The results of the analysis together with our conclusions are summarized in the following report. The definition of market value is included within the accompanying report.

For this report, the area was inspected and the highest and best use analyzed considering the factors of physically possible, legally permissible, financially feasible, and maximally productive. The subject is a 0.092-acre tract of land, partially improved with a single family residential structure, which encroaches from the property adjacent to the east side of the subject. Because of the subject's physical characteristics, it cannot be developed by itself. The appropriate appraisal analysis is to value the subject in combination with the adjacent land, and for this reason the across-the-fence (ATF) methodology is employed. An across-the-fence tract is identified and valued in combination with the subject parcel, by a market comparison, as though the combined tract is vacant. The ATF tract is the easterly adjacent 0.163 acre tract (7,100 square feet). The combined property (subject and ATF tract) is a total of 0.2550 acre, or 11,100 square feet. The ATF tract is improved with single family residential improvements, but is appraised as if vacant land.

A commonly used method of valuing a parcel that cannot be typically developed by itself due to size or other limitations is known as "Across-the-fence" value, or ATF. Using this methodology, the opinion of value of a parcel is derived as a part of a larger, abutting parcel. This is essentially, in general terms, the reverse of methodology used in the valuation of severed parcels for acquisitions.

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Throughout this report, three terms are noted, for valuation purposes, for the reader's convenience.

Subject property – the land formerly a 40 foot right-of-way known as Piccadilly Avenue in Town of Westminster, Texas, which is now unincorporated in Collin County, Texas.

Across-the-fence property – The parcel abutting the east side of the subject, as identified in this report.

Combined property – The reference of the subject property and the across-the-fence property as though combined, i.e., one parcel of land, as though vacant, and valued by market comparison.

The subject land is combined with the ATF property and valued by market comparison of similar tracts of land using the sales comparison approach. The cost, sales comparison, and income capitalization approaches as improved are not applicable for appraisal purposes and are not included in the valuation of the subject. The market was researched for all pertinent land sale data relating to the valuation. This data is analyzed and adjusted using commonly accepted appraisal techniques.

The subject property is bordered on the north by West Houston Street (FM 2862) and on the south by West Austin Street, and located between College Avenue and Bowden Avenue, all streets in the formerly incorporated Town of Westminster. The site is located approximately five miles northeast of the city of Anna, and a mile west of SH 121 in the northeastern portion of Collin County.

The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein. The appraiser is not responsible for unauthorized use of this report.

Our opinion of value for the subject is effective as of January 27, 2014. The appraisal problem, as applied to the subject, is to determine the following value:

Market Value, As Is **\$800**

This report complies with the requirements of the current Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Ethics of the Appraisal Institute, and Texas Real Estate Commission (TREC) Rules. The report is also prepared in accordance with the client's appraisal guidelines.

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All methodology utilized to arrive at the estimate of market value can be found in the Appraisal of Real Estate, Thirteenth Edition, as published by the Appraisal Institute. The definition of market value included within this report is per Title XI of the Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA), effective August 9, 1990.

Any personal property, fixtures, or intangible items that are not real property are included in the appraisal and identified as personal property (FF&E) and discussed herein.

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

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

Respectfully submitted,

PYLES WHATLEY CORPORATION

A handwritten signature in black ink that reads "Charles Stearman". The signature is written in a cursive, flowing style.

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

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ADDENDA

**TAX INFORMATION
FLOOD MAP**

SCOPE OF THE ASSIGNMENT

Purpose of the Appraisal

The purpose of this appraisal is to render an opinion of the market value of the subject property. The subject property is county right-of-way which has been or will be abandoned. The purpose of report is to render an opinion of fee simple market value, so Collin County may consider selling the tract to Wesley E. and Connie Smart, the adjacent property owner on the easterly side of the subject. The report is in compliance with the requirements of the Uniform Standards of Professional Appraisal Practice, the Code of Ethics of the Appraisal Institute, FIRREA, and Texas Real Estate Commission Rules. The report is also prepared in accordance with the client's Appraisal Guidelines.

Effective Date of the Appraisal

The subject property is being appraised as of January 27, 2014, and is subject to the market influences and economic conditions, which existed on that date. The property was also inspected on this date.

Property Rights Being Appraised

There are three primary property rights that may typically be appraised. They are fee simple estate, leased fee estate, and leasehold estate. These rights are defined as follows:

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

Leased Fee Estate - An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

Leasehold Estate - The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

In this report, we develop a market value opinion of the Fee Simple Estate in the real property as of January 27, 2014.

SCOPE OF THE ASSIGNMENT

Subject Identification & Legal Description

Property Type:	Right-of-Way (Vacant Land)
Ownership:	Collin County Right-of-Way
Subject Property Location:	221 West Houston Street, Collin County, Texas
Zip Code:	75409
Legal Description:	0.092 acre tract of land, situated in the formerly incorporated Town of Westminster, now part of Collin County, Texas. A meets and bounds survey of the subject property to be conveyed is included in the Addenda of this report.

Subject History

The subject property is a 40 foot wide right-of-way formerly dedicated as part of Piccadilly Avenue in the Town of Westminster (now unincorporated). Piccadilly Avenue is an improved street on the north side of West Houston Street, but was not improved on the south side of West Houston and north side of West Austin Street. A single family residence structure was constructed on the lot bordering the east side of the subject tract, addressed as 221 West Houston Street. The adjoining property was acquired by Wesley E. and Connie Smart on March 13, 2013, by deed recorded in Instrument #20130328000413520, DRCCT. The purchase price is not known. According to the survey plat provided, the single family residence located on the adjoining property (defined herein as across-the-fence or ATF property), encroaches on the subject property approximately 20 feet, or approximately one-half of the width of the subject property. The purpose of this report is to render an opinion of fee simple market value for the subject property, so that Collin County may consider selling the tract to Wesley E. and Connie Smart, the ATF property owners on the easterly side of the subject. The subject is not visibly listed for sale or under contract at this time.

Please note that this information is included only to satisfy the requirements of USPAP. It is not intended as a guarantee to the chain of title and a title search should be performed by a title company should a definitive abstract be desired.

Intended Use & Intended User

The intended use of this report is for internal decision-making purposes specifically for Collin County, the intended user, in connection with the possible sale of the property to an abutting property owner. Any other user or uses are not intended or authorized.

SCOPE OF THE ASSIGNMENT

Data Researched

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

In addition, where applicable, verifiable third party sources were utilized including Costar Realty Information, Roddy Information Services, Loopnet, and the Multiple Listing Service (MLS), and Robert G. Watts/RealtyRates.com, Real Estate Research Corporation, Price Waterhouse Coopers Korpacz Investor Survey, and M/PF Yieldstar. The information provided by these sources is deemed reliable, but is not guaranteed.

Competency

The appraisers involved in this assignment have, collectively, considerable experience in appraising this property type. The appraisers are actively engaged in appraisal work in the geographical area of the subject property. The company maintains a database on this area for similar properties. We have adequate knowledge of the property type and location to meet the competency requirements of the Uniform Standards of Professional Appraisal Practice.

In addition, other appraisers in the market would perform similar actions in the appraisal process to fulfill the scope of work in this assignment and the appraisal meets or exceeds the expectations of parties who are regularly intended users for similar assignments.