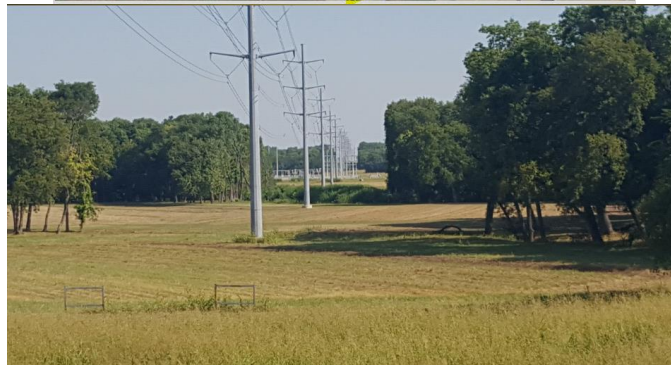


VALUATION REPORT

Surface Easement



PT No. 2020-0082 Weston Substation Honey Creek at US – 75
McKinney, Texas 75071

FOR
Oncor
Margaret Lein
Sr. Right of Way Agent
Distribution Support – **Right of Way**
7309 Frankford Road, Dallas, Texas 75252
By



**PO BOX 1132
ADDISON, TEXAS 75001**



972 960-1417 Phone
972 960-1880 Fax
eokpa@OKPA.com
eokpa@post.harvard.edu

**PO Box 1132
Addison, Texas 75001**

August 24, 2020
Margaret Lein
Senior Right of Way Agent
Oncor Electric Delivery Company LLC
7309 Frankford Road
Dallas, Texas 75252

Re: **Oncor Electric Delivery Easement US-75 @ Honey Creek, McKinney, Texas 75071**

Dear Ms. Lein:

At your request and authorization, we inspected the above referenced real property for the purposes of preparing a market value estimate 'as is' of the subject property – effective **August 24, 2020**. The description of the subject property is contained in the main body of the valuation report. The report is written without consideration for any hazardous substance and or environmental issue that may impact the subject property.

The purpose of the assignment is to provide an estimate of value of the required easement of the subject property 'as is'. In view of the nature of the property land under a rail track, we have relied on the applicable methodologies to perform the assignment. The fee for the assignment is for our professional service. There are no warranties or guarantees on the outcome of a future event or transaction.

The assignment has been conducted in accordance with USPAP. The value estimate of the required easement is based on generally accepted industry practice, subject to certain assumptions and limiting. We have no conflict of interest performing the assignment. The assignment was not made based on a requested minimum value. This report transmits the analysis, affected by definitions, certifications, assumptions and limiting conditions discussed in the report. In view of the analyses, the assignment scope, opinions contingent upon the findings and conclusions stated herewith, we concluded the value of the required easement as of **August 24, 2020**, 'as is' is:

\$135,000

One Hundred Thousand Thirty Five Dollars

Respectfully submitted,

E E Okpa II, ASA

Vincent L. Wimbish – Senior Associate

3449-1-1
POINT OF BEGINNING

COMMUNITY BOULEVARD
OF 100 FEET WIDE

CENTRAL EXPRESSWAY (U.S. HIGHWAY 75)
OF 100 FEET WIDE

AMENDING PLAT

LOT 1, BLOCK 1
COLLIN COUNTY JUSTICE CENTER
ACRES 4, P.L. 275
P. 16-2-1

LOT 1A, BLOCK 1
OR
274.20 ACRES

LOT 1B, BLOCK 1

LOT 1C, BLOCK 1

LOT 1D, BLOCK 1

LOT 1E, BLOCK 1

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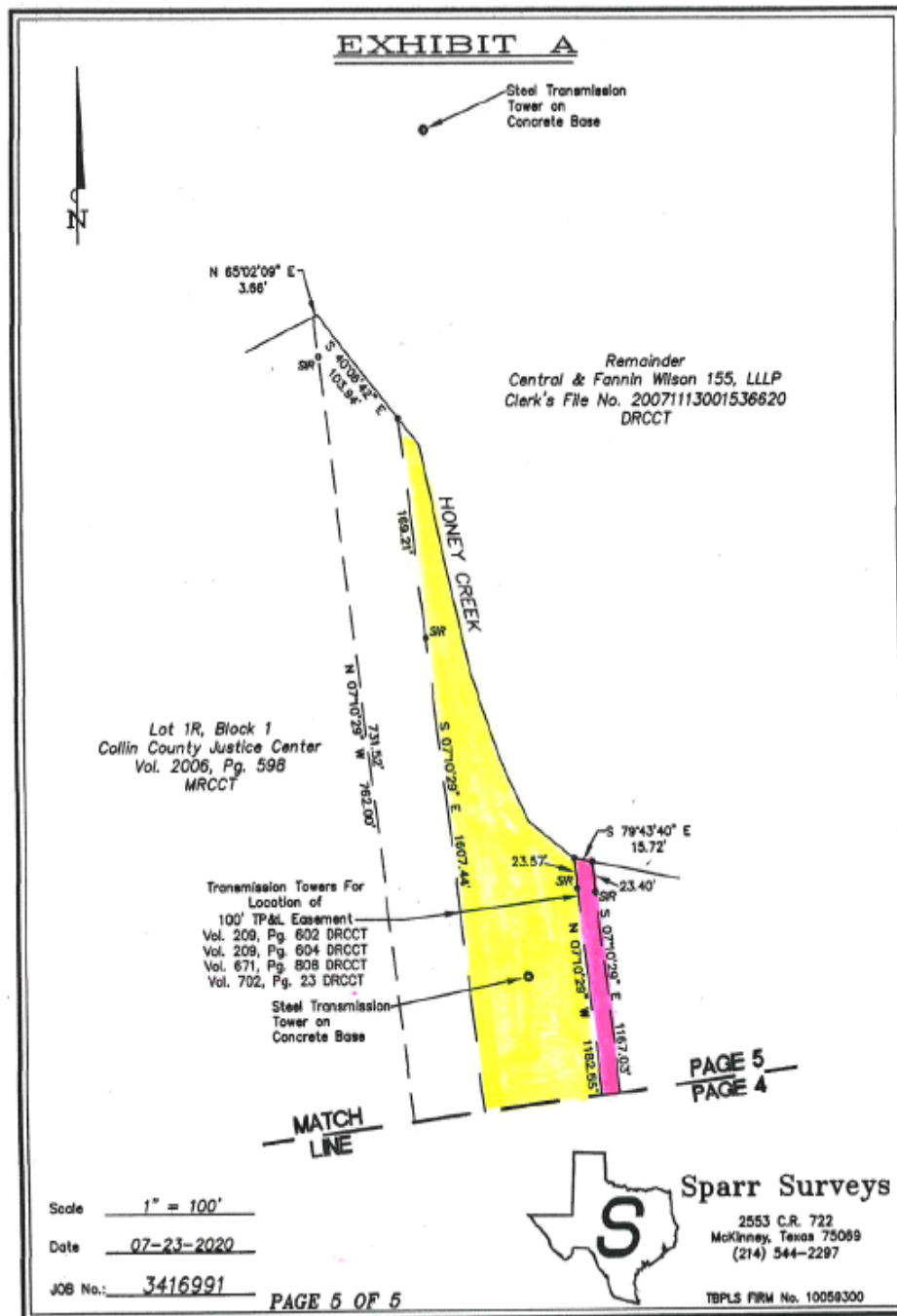
LOT 1GX, BLOCK 1

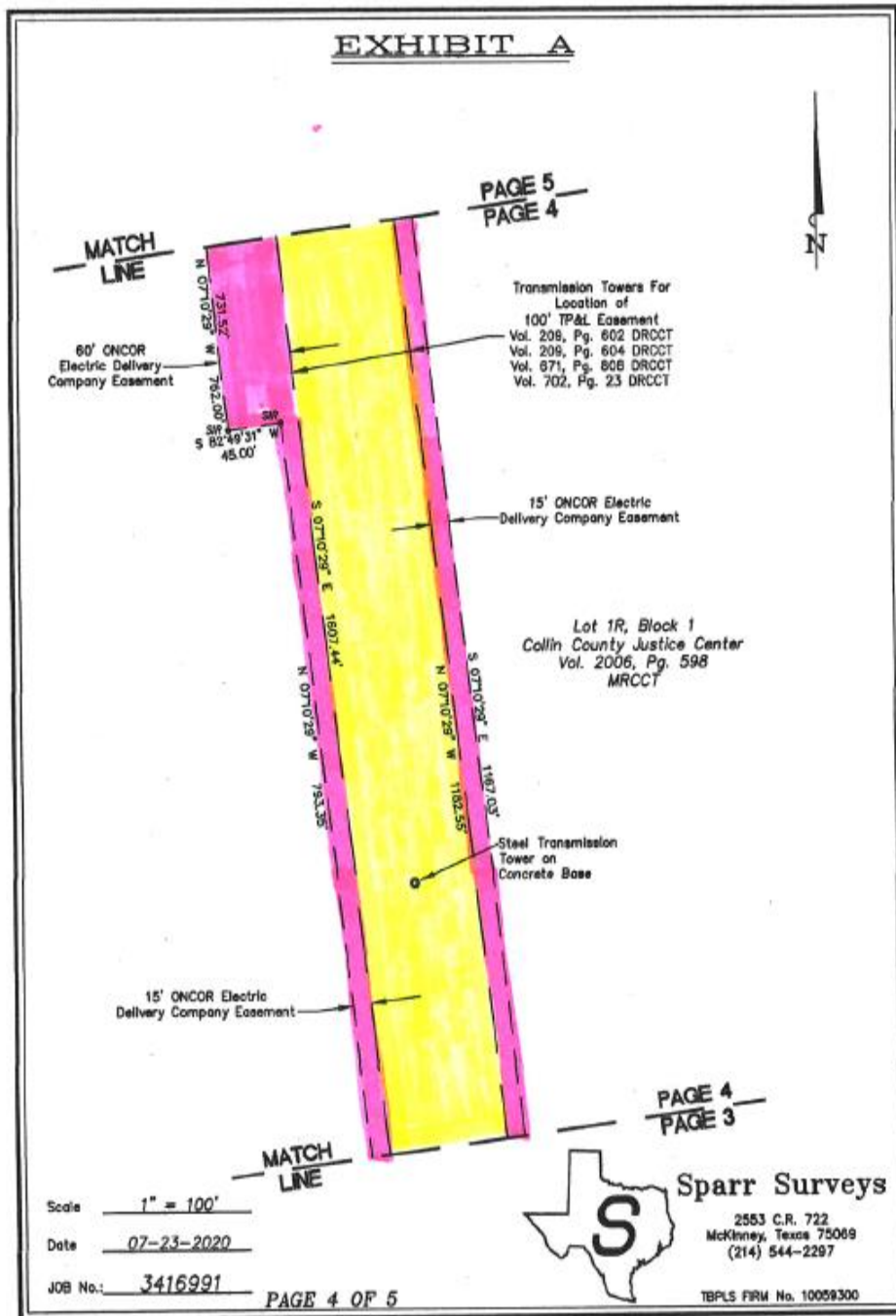
LOT 1GY, BLOCK 1

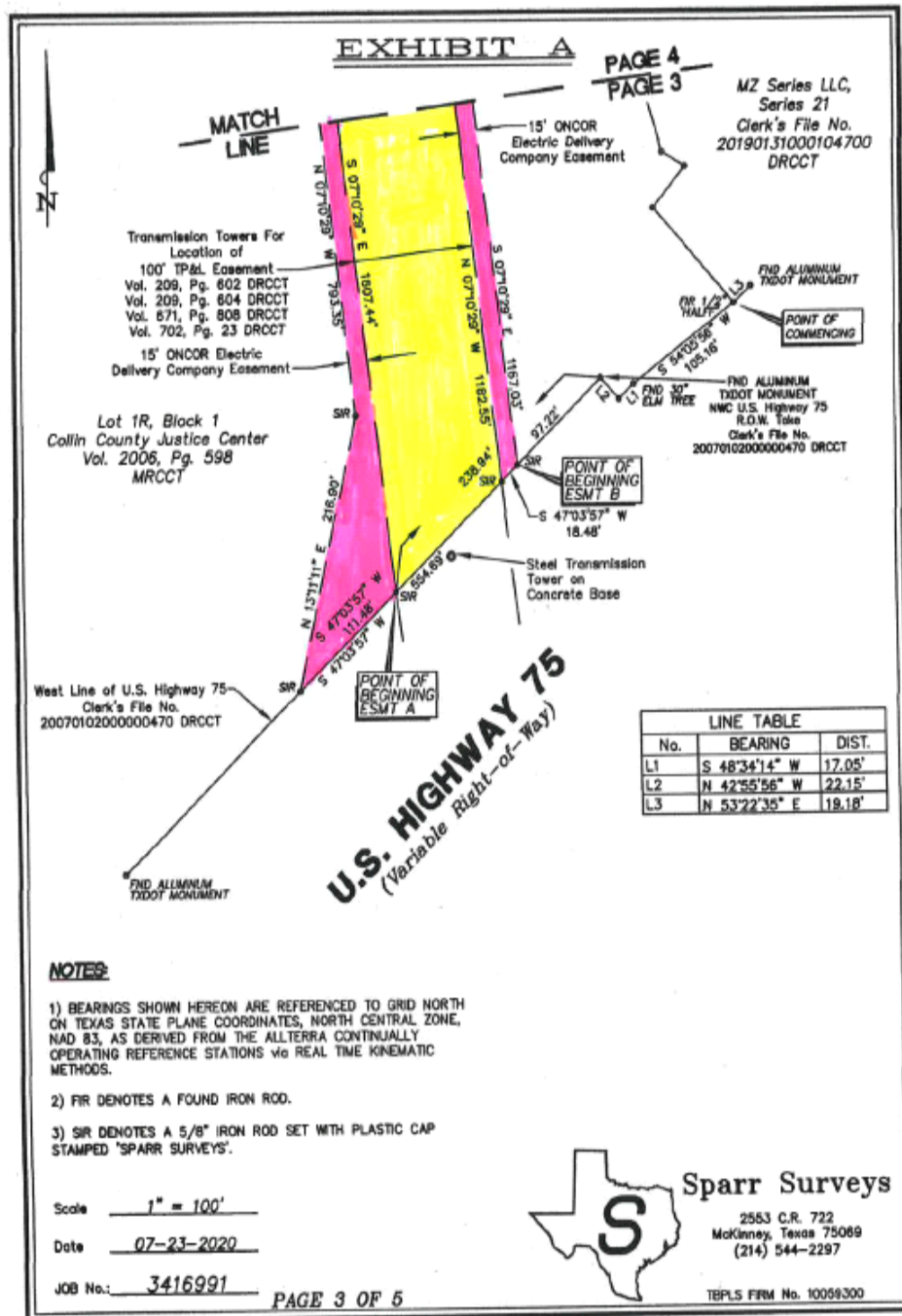
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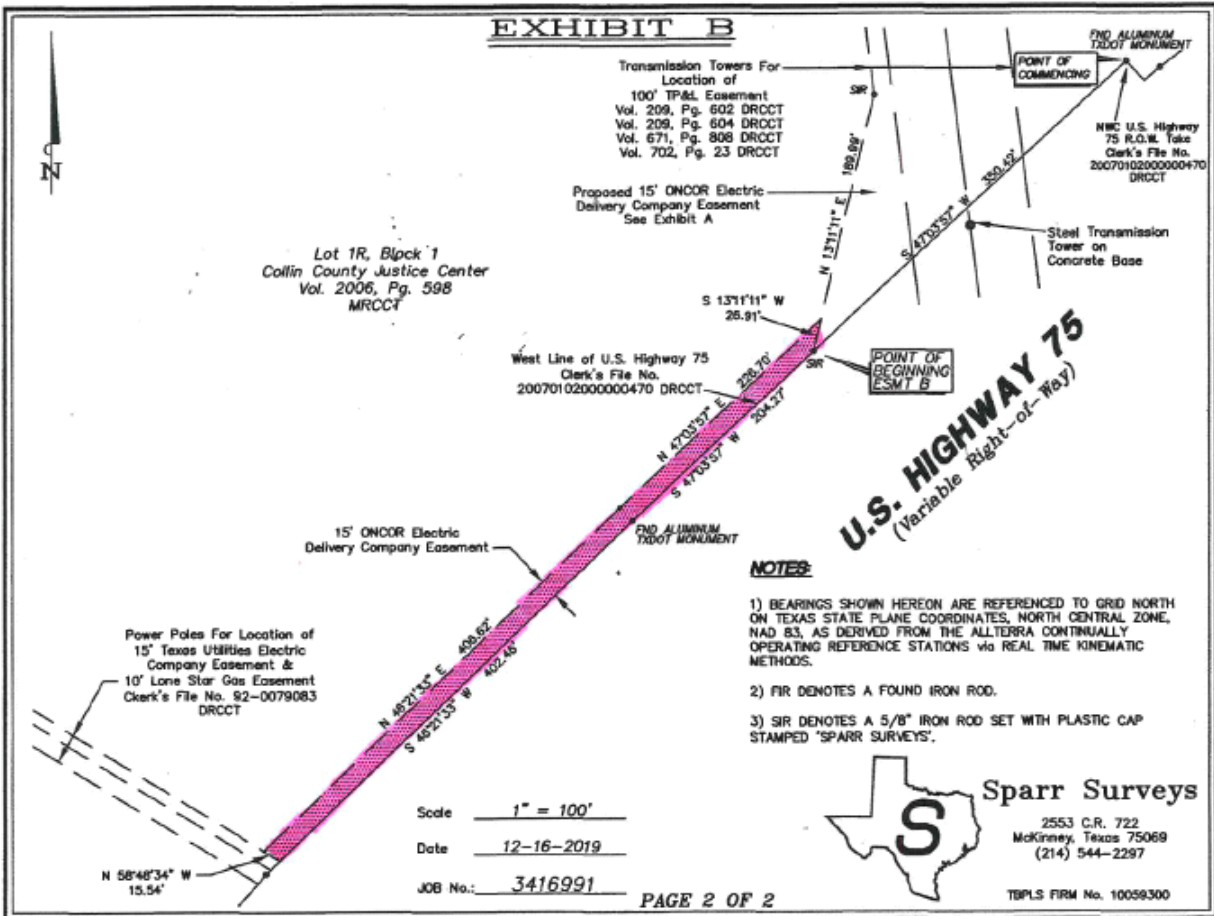
LOT 1HA, BLOCK 1











Property Description 15 foot by 100 foot surface easement.
CAD Account # 2613051

Assessed Value	Unavailable
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Owner of Record **Collin County**

Central Expy
McKinney, TX 75071

Collin County Justice Center

11,859,811 sq. ft.

1,326,768 sq. ft.

Collin County Justice Center

272.2638 acres
11,859,811 sq. ft.

Inspection Date **August 24, 2020**

Zoning	NA
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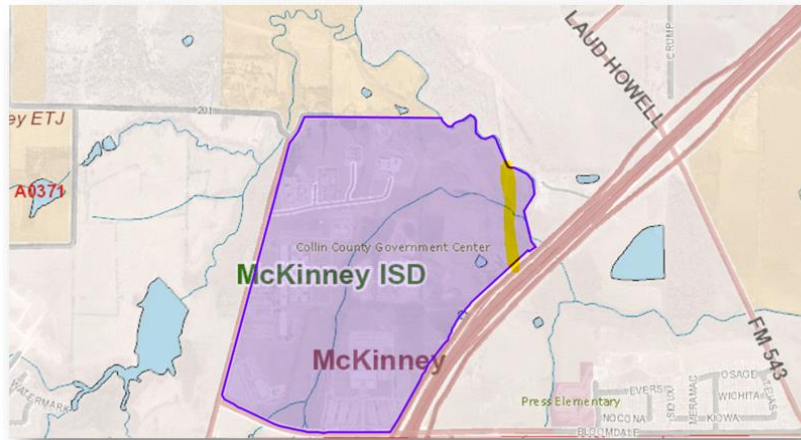
Considered	Fee Simple – Sub-surface Cross Access Easement
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Concern	None noted or reported
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Use [As Is] Surface Utility Easement

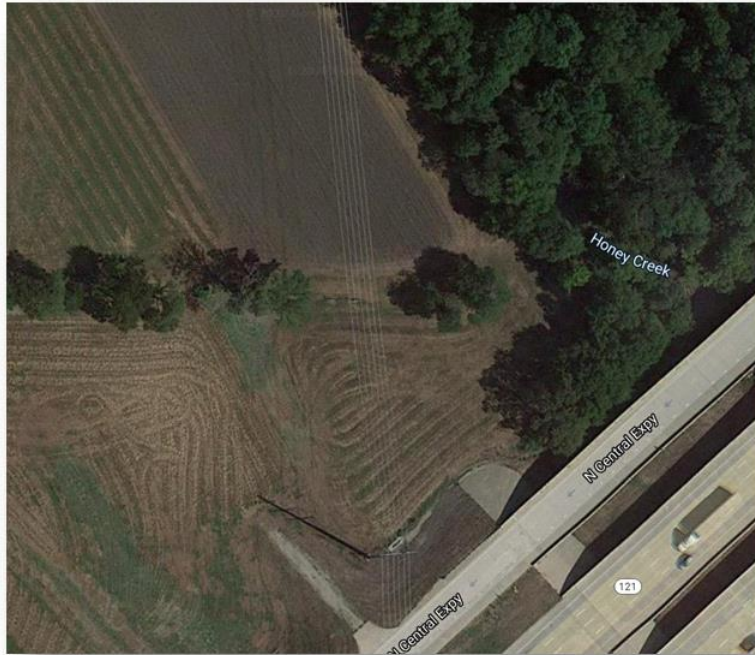
Value Per Sq Ft **\$1.50/sf**

\$135,000



Yellow highlight shows the approximate location of the required easement

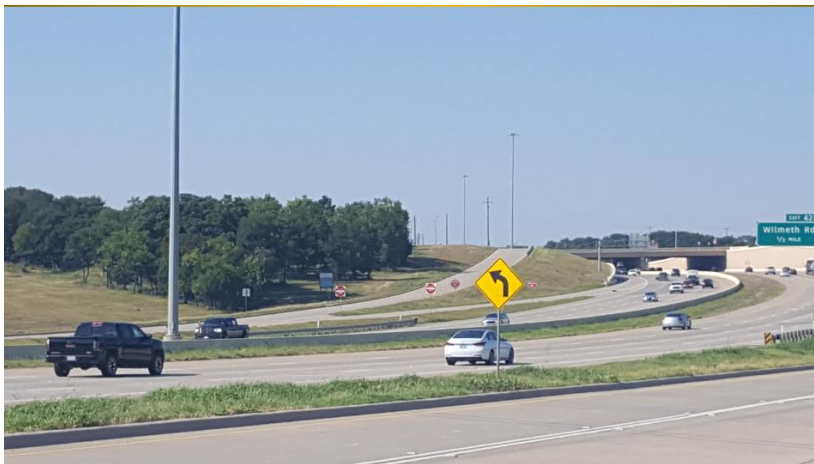




Nature of the surroundings in the area of the required easement



Pictures showing Immediate Surroundings







VALUATION CERTIFICATE

I certify that, to the best of my knowledge and beliefs, that:

- 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 is 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. Also, the appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice based on Uniform Standards of Professional Appraisal Practices (USPAP) of the Appraisal Foundation.
- I have made personal inspection of the subject property, the neighborhood and the comparable. No one else provided significant professional assistance to the person signing this report.
- The appraiser has accepted this appraisal assignment having the knowledge and experience necessary to complete the assignment competently.
- In our opinion, the value of the required sub-surface easement under DART rail at the designated area, contingent upon the definitions, requirements, assumptions and limiting conditions, as of **August 24, 2020, 'as is'**

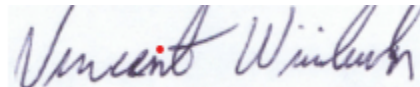
\$135,000

One Hundred Thousand Thirty Five Dollars

Respectfully submitted,



E E Okpa II, ASA
Managing Principal



Vincent L. Wimbish
Senior Associate



Texas Appraiser Licensing and Certification Board
P.O. Box 12188 Austin, Texas 78711-2188
Certified General Real Estate Appraiser

Number: **TX 1323628 G**
Issued: **09/27/2018** Expires: **09/30/2020**
Appraiser: **VINCENT LAIN WIMBISH**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Texas Occupations Code, Chapter 1103, is authorized to use this title, Certified General Real Estate Appraiser.


Douglas E. Oldmixon
Commissioner

THE VALUATION ASSIGNMENT

Property Description

The subject of this analysis is a two 15-foot Oncor Electric Delivery Company Easements on both side of high transmission power line containing 1.45 acres – Easement A, 0.40 acres Easement B and Exhibit B about 0.213 acres; total easement of **2.063 acres or 89,863** square feet.

PAGE 1 of 5
JOB No. 3416991

EXHIBIT "A" ONCOR ELECTRIC DELIVERY COMPANY, LLC EASEMENT Lot 1R, Block 1 of the Collin County Justice Center EASEMENT A

BEING a ONCOR Electric Delivery Company, LLC easement situated in the Meredith Hart Survey, Abstract No. 371, in the City of McKinney, Collin County, Texas, and being a part of Lot 1R, Block 1 of the Collin County Justice Center, an addition to the City of McKinney, Texas, according to the plat thereof recorded in Volume 2006, Page 598 in the Map Records of Collin County, Texas (MRCCT), and being more particularly described as follows:

COMMENCING at a 1/2-inch iron rod found with plastic cap stamped 'HALFF' in the northwest line of U.S. Highway 75 (variable width right-of-way), at the southeast corner of said Lot 1R, Block 1, same being the south corner of a tract of land as described in deed to MZ Series LLC, Series 21, recorded under Clerk's File No. 20190131000104700 in the Deed Records of Collin County, Texas (DRCCT);

THENCE Southwesterly, along the northwest line of U.S. Highway 75 the following:

South 54 Degrees 05 Minutes 56 Seconds West, 105.16 feet to a 30" diameter Elm tree;

South 48 Degrees 34 Minutes 14 Seconds West, 17.05 feet to the northeast corner of a TXDOT right-of-way take recorded under Clerk's File No. 20070102000000470 DRCCT;

North 42 Degrees 55 Minutes 56 Seconds West, 22.15 feet;

South 47 Degrees 03 Minutes 57 Seconds West, 238.94 feet to a 5/8-inch iron rod set with plastic cap stamped 'Sparr Surveys' in the west line of a 100 foot wide TP&L easement recorded in Volume 209, Page 602, Volume 209, Page 604, Volume 671, Page 808 and Volume 702, Page 23 DRCCT and the **POINT OF BEGINNING**;

THENCE South 47 Degrees 03 Minutes 57 Seconds West, along the northwest line of said U.S. Highway 75, 111.48 feet to a 5/8-inch iron rod set with plastic cap stamped 'Sparr Surveys';

THENCE North 13 Degrees 11 Minutes 11 Seconds East, departing the northwest line of said U.S. Highway 75, 216.90 feet to a 5/8-inch iron rod set with plastic cap stamped 'Sparr Surveys';

THENCE North 07 Degrees 10 Minutes 29 Seconds West, at all times remaining 15.00 feet west of and parallel to the west line of said TP&L easement, 793.35 feet to a 5/8-inch iron rod set with plastic cap stamped 'Sparr Surveys';

THENCE South 82 Degrees 49 Minutes 31 Seconds West, 45.00 feet to a 5/8-inch iron rod set with plastic cap stamped 'Sparr Surveys';

THENCE North 07 Degrees 10 Minutes 29 Seconds West, at all times remaining 60.00 feet west of and parallel to the west line of said TP&L easement, at 731.52 feet passing a 5/8-inch iron rod set with plastic cap stamped 'Sparr Surveys' for reference, in all a distance of 762.00 feet to a point in Honey Creek and the south line of the remainder portion of a tract of land as described in deed to Central and Fannin Wilson 155, LLLP recorded under Clerk's File No. 20071113001536620 DRCCT;

THENCE North 65 Degrees 02 Minutes 09 Seconds East, along said Honey Creek and south line of said Central and Fannin Wilson 155 tract, 3.66 feet;

THENCE South 40 Degrees 06 Minutes 42 Seconds East, continuing along said Honey Creek and south line of said Central and Fannin Wilson 155 tract, 103.94 feet;

THENCE South 07 Degrees 10 Minutes 29 Seconds East, along the west line of said TP&L easement, at 169.21 feet passing a 5/8-inch iron rod set with plastic cap stamped 'Sparr Surveys' for reference, in all a distance of 1607.44 feet to the **POINT OF BEGINNING** and containing **1.45 acres** of land.

EXHIBIT "A"
15' ONCOR ELECTRIC DELIVERY COMPANY, LLC EASEMENT
Lot 1R, Block 1 of the Collin County Justice Center
EASEMENT B

BEING a ONCOR Electric Delivery Company, LLC easement situated in the Meredith Hart Survey, Abstract No. 371, in the City of McKinney, Collin County, Texas, and being a part of Lot 1R, Block 1 of the Collin County Justice Center, an addition to the City of McKinney, Texas, according to the plat thereof recorded in Volume 2006, Page 598 in the Map Records of Collin County, Texas (MRCCT), and being more particularly described as follows:

COMMENCING at a 1/2-inch iron rod found with plastic cap stamped 'HALFF' in the northwest line of U.S. Highway 75 (variable width right-of-way), at the southeast corner of said Lot 1R, Block 1, same being the south corner of a tract of land as described in deed to MZ Series LLC, Series 21, recorded under Clerk's File No. 20190131000104700 in the Deed Records of Collin County, Texas (DRCT);

THENCE Southwesterly, along the northwest line of U.S. Highway 75 the following:

South 54 Degrees 05 Minutes 56 Seconds West, 105.16 feet to a 30" diameter Elm tree;

South 48 Degrees 34 Minutes 14 Seconds West, 17.05 feet to the northeast corner of a TXDOT right-of-way take recorded under Clerk's File No. 2007010200000470 DRCT;

North 42 Degrees 55 Minutes 56 Seconds West, 22.15 feet;

South 47 Degrees 03 Minutes 57 Seconds West, 97.22 feet to a 5/8-inch iron rod set with plastic cap stamped 'Sparr Surveys' at the **POINT OF BEGINNING**;

THENCE South 47 Degrees 03 Minutes 57 Seconds West, along the northwest line of said U.S. Highway 75, 18.48 feet to a 5/8-inch iron rod set with plastic cap stamped 'Sparr Surveys' in the east line of a 100 foot wide TP&L easement recorded in Volume 209, Page 602, Volume 209, Page 604, Volume 671, Page 808 and Volume 702, Page 23 DRCT;

THENCE North 07 Degrees 10 Minutes 29 Seconds West, departing the northwest line of said U.S. Highway 75, along the east line of said TP&L easement, at 1158.98 feet passing a 5/8-inch iron rod set with plastic cap stamped 'Sparr Surveys' for reference, in all a distance of 1182.55 feet to a point in Honey Creek and the south line of the remainder portion of a tract of land as described in deed to Central and Fannin Wilson 155, LLP recorded under Clerk's File No. 20071113001536620 DRCT;

THENCE South 79 Degrees 43 Minutes 40 Seconds East, along said Honey Creek and south line of said Central and Fannin Wilson 155 tract, 15.72 feet;

THENCE South 07 Degrees 10 Minutes 29 Seconds East, at all times remaining 15.00 feet east of and parallel to the east line of said TP&L easement, at 23.40 feet passing a 5/8-inch iron rod set with plastic cap stamped 'Sparr Surveys' for reference, in all a distance of 1167.03 feet to the **POINT OF BEGINNING** and containing 0.40 acre of land.


Brad Sparr
Registered Professional
Land Surveyor No. 3701



Sparr Surveys
2553 County Road 722
McKinney, TX 75069
(214) 544-2297

EXHIBIT "B"
15' ONCOR ELECTRIC DELIVERY COMPANY, LLC EASEMENT
Lot 1R, Block 1 of the Collin County Justice Center

BEING a ONCOR Electric Delivery Company, LLC easement situated in the Meredith Hart Survey, Abstract No. 371, in the City of McKinney, Collin County, Texas, and being a part of Lot 1R, Block 1 of the Collin County Justice Center, an addition to the City of McKinney, Texas, according to the plat thereof recorded in Volume 2006, Page 598 in the Map Records of Collin County, Texas (MRCCT), and being more particularly described as follows:

COMMENCING at a TXDOT aluminum monument found in the northwest line of of U.S. Highway 75 (variable width right-of-way), as established by TXDOT right-of-way take recorded under Clerk's File No. 2007010200000470 in the Deed Records of Collin County, Texas (DRCCT);

THENCE South 47 Degrees 03 Minutes 57 Seconds West, along the northwest line of U.S. Highway 75, 350.42 feet to a 5/8-inch Iron rod set with plastic cap stamped 'Sparr Surveys' at the **POINT OF BEGINNING**;

THENCE South 47 Degrees 03 Minutes 57 Seconds West, continuing along the northwest line of U.S. Highway 75, 204.27 feet to a TXDOT aluminum monument found;

THENCE South 46 Degrees 21 Minutes 33 Seconds West, continuing along the northwest line of said U.S. Highway 75, 402.46 feet to a point in the northeast line of a 25 foot wide Texas Utilities Electric Company and Lone Star Gas easement as recorded under Clerk's File No. 92-0079083 DRCCT;

THENCE North 58 Degrees 48 Minutes 34 Seconds West, departing the northwest line of said U.S. Highway 75, along the northeast line of said Texas Utilities Electric Company and Lone Star Gas easement, 15.54 feet;

THENCE North 46 Degrees 21 Minutes 33 Seconds East, at all times remaining 10.00 feet northwest of and parallel to the northwest line of said U.S. Highway 75, 406.62 feet;

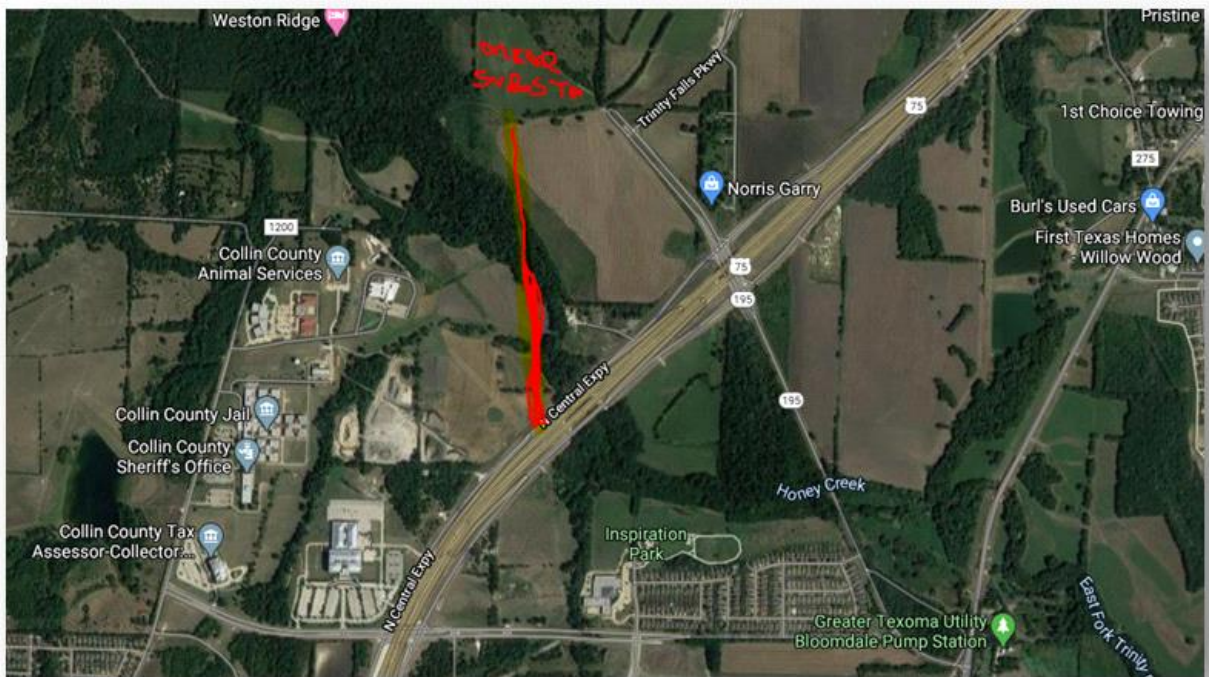
THENCE North 47 Degrees 03 Minutes 57 Seconds East, at all times remaining 10.00 feet northwest of and parallel to the northwest line of said U.S. Highway 75, 226.70 feet;

THENCE South 13 Degrees 11 Minutes 11 Seconds West, 26.91 feet to the **POINT of BEGINNING** and containing 0.213 acre of land.


Brad Sparr
Registered Professional
Land Surveyor No. 3701



Sparr Surveys
2553 County Road 722
McKinney, TX 75069
(214) 544-2297



Survey showing approximate location of the required easement

The easement is linear surface two 15-foot wide ROW within the 272-acre Collin County Justice Center. The easement runs lightly parallel to Honey Creek at US-75; looking north, situated in an area of the Center where this is no improvement – just native vegetation. The required easement is along existing high tower transmission line. The required easement will serve an Oncor substation currently under construction slight north-end of paved Laud Howell Pkwy.

Overall, the required easement will not have any negative impact on the current land use and or any future land use. Therefore, there is no damage to the remainder.

Purpose & Function/Use of the Valuation

The purpose of the analysis is to provide an estimate of the ‘as is’ market value of the easement, as of August 24, 2020. The value estimate is to enable the client make business decision regarding the easement with Collin County.

Market Value Definition – Fair Market Value (FMV)

Fair market value - (FMV) is the price that property would sell for on the open market. It is the price that would be agreed on between a willing buyer and a willing seller with neither being required to act and both having reasonable knowledge of the relevant facts.

Appraisal Function

The function of the valuation is to assist the client with information necessary to reach a decision on the easement negotiation with Collin County. We assume no liability for unauthorized third party use of this report. The report is written to meet the minimum requirement as a self-contained narrative report. This

report is specifically for the client. Its content must never be disclosed to any party without the consent of the appraiser.

Property Rights Appraised

Property rights appraised are those of fee simple estate in the subject property. Fee Simple Estate is defined as:-

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

Probability of Change

The market value of the required easement is estimated as of the date of analysis. However, constant changing economic, social, political and physical conditions have varying effects upon real property values. Even after the passage of a relatively short period of time, property values can change substantially in turn requiring an update, review, and so forth to address a changing market condition.

Highest and Best Use Conclusion

The highest and best use is defined as that *use of a property which will yield the highest net return to the land and buildings over the longest period of time*. Given the subject's type – two *15ft parallel to existing high tower transmission line, the highest and best use is to grant Oncor the required easement subject to conditions that will not create adverse effects on the remainder.*

Scope of the Appraisal

In completing the assignment, various research and analyses necessary to form a value opinion of the required easement value "as is", were performed. As part of the analysis and suitable for the client's requirement, we gathered data from several sources on comparable data suitable for use in estimating land value for the subsurface easement. The approach used sets forth all findings and conclusions. The assignment conforms to the minimum requirements of the Uniform Standards of Professional Appraisal Practice.

Legal Description

2613051 R-2667-001-001R-1	COLLIN COUNTY	Central Expy McKinney, TX 75071		Collin County Justice Center, Blk 1, Lot 1r, Replat
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EASEMENT

An easement is a legal right to occupy or use another person's land for specific purposes. The use of the land is limited, and the original owner retains legal title of the land. A legally binding easement must be made in writing, the exact location stipulated in the property's deed. *Easements most commonly grant utility companies access for the purpose of installing and maintaining power, phone, and cable lines, as well as for water drainage purposes.*

Utility Easement

A utility easement is perhaps the most common type and it involves giving easement rights to a utility company or the local municipality (city, county, or state) in general. These easements are typically described in the property deed and include a map defining the area to which the utility or municipality is entitled. In the case of a utility easement, the property owner can use the property however they choose, as long as they do not interfere with the utility company or municipality's use.

Prescriptive Easement

A prescriptive easement occurs when someone acquires easement over another's land for a specific purpose – APPLIES TO THIS ANALYSIS. A landowner may simply grant permission for the other to use the

property on a limited basis, but if access is denied, the ENTITY may file a claim of easement by prescription, requesting a court to make a ruling.

The following rights are recognized as easements:

- **Aviation Easement**– the right to use the airspace over a property, flying above a certain altitude, where needed for spraying of property or other agricultural purposes.
- **Storm Drain Easement**– the right to install a storm drain to carry rainwater to a river and other body of water.
- **Sidewalk Easement**– the right of the public to use sidewalks in front of a public area.
- **Beach Access Easement**– the right for neighboring residents to access a public beach, even if the access crosses private property.
- **Dead End Easement**– the requirement for a landowner to grant the public access to the next public way, even if such access crosses on his property.
- **Conservation Easement**– the right of a [land trust](#) to limit development, usually done for the purpose of protecting the environment.

ASSUMPTIONS AND LIMITING CONDITIONS

This assignment is subject to the following limiting conditions:

Survey/Drawing

Richard Loftis provided us site information. Additional information in support of the analysis was obtained from others sources deemed suitable for the assignment.

Exhibits & Legal

Sketches, maps, and other exhibits when included are to assist the reader in visualizing the property. These are not represented for any other purpose and should not be relied upon without an expert verifying their accuracy. The legal description used is assumed to be correct. The firm assumes no responsibility for matters legal in character, nor renders any opinion as to the title, which is assumed to be good. The value estimates herein are reported without regard to question of title, boundaries, encroachments, environmental regulations, licenses, or other matters of a legal nature unless non-compliance has been defined, and considered in this appraisal report.

Testimony & Liability

The analyst is not required to give testimony or attendance in court by reason of the appraisal with unless arrangements have been previously made. By acceptance and use of this report, the user agrees that any liability for errors, omissions or judgment of the appraiser is limited to the amount of the fee charged. No representations relating to the appraiser has made the future value of the property. The value conclusion herein is valid as of the date of the appraisal, and reflects the appraiser's knowledge of the market conditions as of that date. It should be noted that the appraiser has no ability to predict future events. The representations are based on known demand and supply conditions existing in the market as of that date. It is the nature of risk in real estate that such volatile and unpredictable events as supply and demand (absorption) can fluctuate, exerting tremendous upward or downward pressure on price of properties. Given future uncertainties, it is risky to loan or base investment decisions upon possible or probable future performance.

Third Party Use

Possession of this report or a copy thereof does not carry with it the right of publication. It may not be used for any purpose by anyone other than the addressee without the previous written consent of the appraiser. Any use by anyone other than the addressee without consent of the appraiser is at the risk of the user. Neither all nor any part of the contents of this report shall be disseminated to the public through advertising, public relations, news, sales, or media without the written consent of the appraiser, particularly as to the valuation conclusions.

Environmental Impact

No Environmental Impact Study was made in conjunction with this appraisal. The value estimates contained herein could be impacted by subsequent Environmental Impact Studies, research, investigation, and resulting governmental actions.

Hazardous Material

The presence of certain substance such as asbestos, urea-formaldehyde, radon gas, and others can have a significant negative impact upon the value of a given property. Subsoil hazardous wastes can impact the valuation of both improved and unimproved

properties. Unless otherwise stated in this report, the value conclusion, did not consider the existence of hazardous materials, which may or may not be present on the property, but was not observed by the appraiser. The appraiser has no knowledge of the existence of any such substances on or in the property. The appraiser, however, is not qualified to detect such substances. The value estimate is predicated on the assumption that there are no such substances.

Soils

No soil survey or analysis was provided to the appraiser. It is assumed that a prudent purchaser or developer of the property would have extensive soil testing accomplished by a qualified engineer prior to purchase. Soils are assumed for the purposes of this report to have no detrimental impact on the highest and best use or value of the subject.

Additional Assumptions

We have relied on the information submitted by third party for this analysis/evaluation.

COLLIN COUNTY-MCKINNEY OVERVIEW –

McKinney new population estimate shows 4% growth over previous year -

Estimates show 259% growth in the past 20 years.

City of McKinney announced its annual population estimate of more than 195,000 residents, a roughly 4% increase in population from January 2019; a more than 259% during the last 20 years, from 54,371 in 2000 to 195,342 in 2020. Recently the city was named among the fastest-growing cities in the country according to U.S. Census Bureau. By 2040, McKinney's population is expected to grow by another 100,000 residents to roughly 284,000, according to city estimates.

The city's comprehensive plan addresses how to handle growth while preserving the unique character that makes McKinney a special place. McKinney track record of success is attributed to diligent oversight and planning that attracts businesses and developers, develop a world-class community. Not far from the Collin County Justice Center are several high-end residential homes and new access road under construction. The level of development obviously has led to stable land values. According to real estate practitioners active in the area – land value in the of neighborhood of \$50,000 per acre is not uncommon.

Utilities will improve with new developments coming to the site. Pricing vary depending on size and location. For smaller pads between 1-3 acres, pricing is \$10-15, but drops to single digits for larger tracts. For reference, 41 acre tract on the SWC of Bloomdale & 75, has an offer of \$4psf.

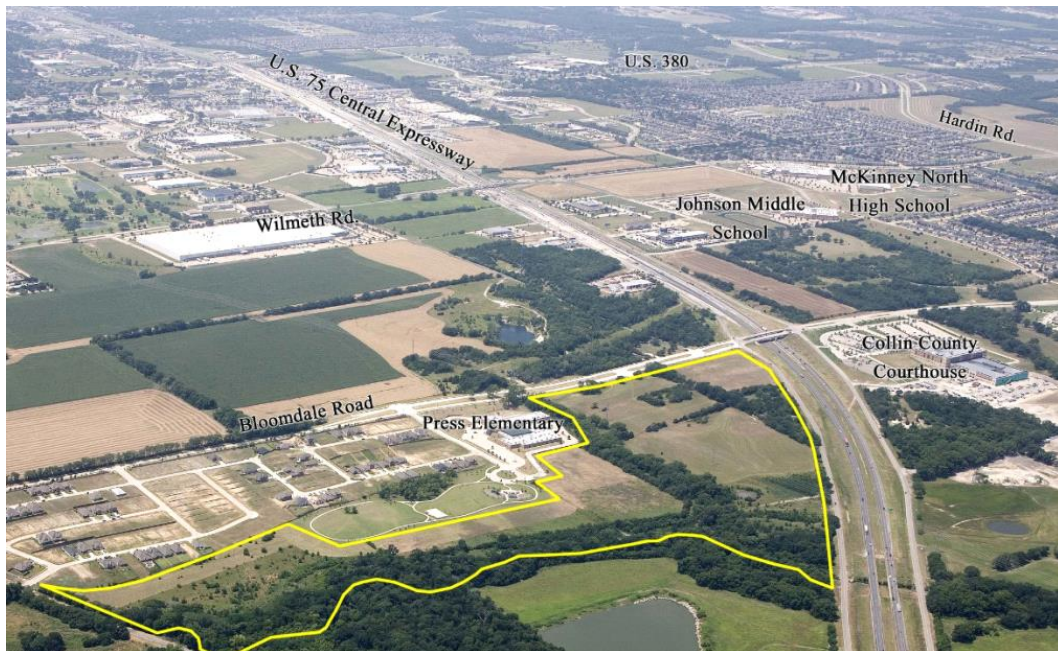
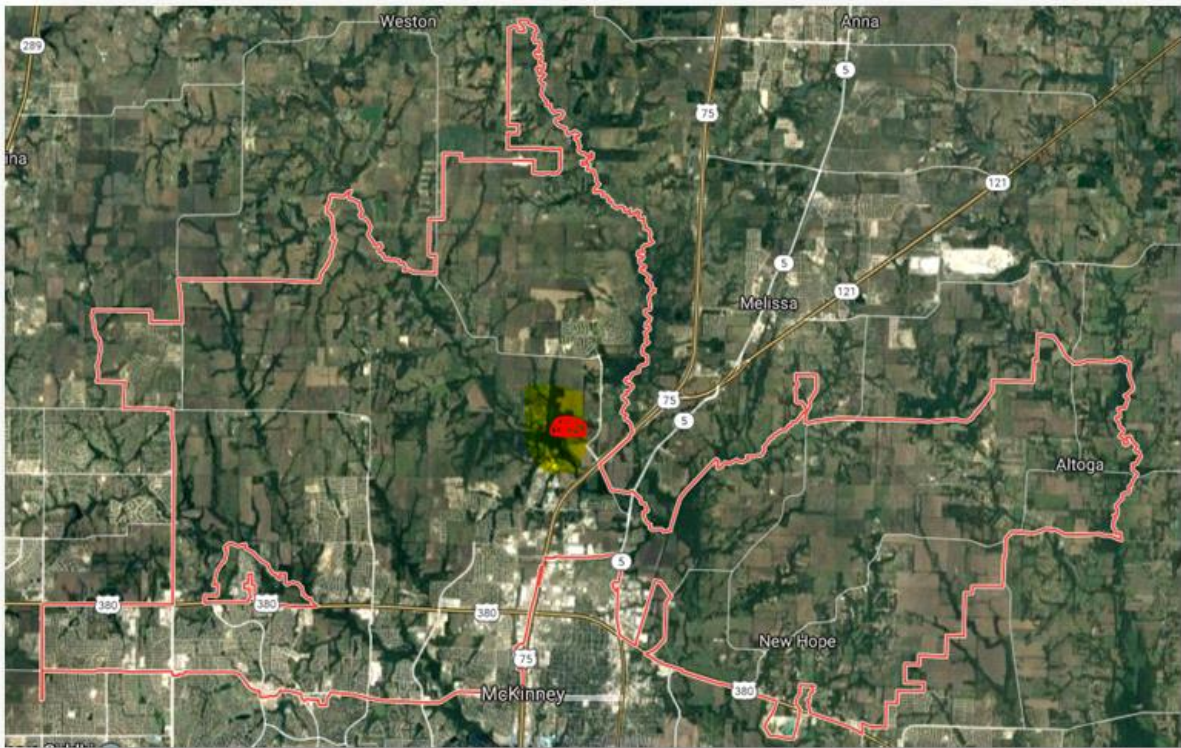
NEIGHBORHOOD ANALYSIS

Definition

A neighborhood is defined as "a group of complimentary land uses." Neighborhood boundaries are drawn to include those uses within an area that are affected in the same way by the social, economic, environmental and governmental forces that influence property value.

Neighborhood boundaries may be determined by physical barriers, legal boundaries (zoning or city limits), or by a change in land uses.

Background: Location and Neighborhood Characteristics – Zip Code 75071



For the purposes of neighborhood condition and its characteristics, we relied on the information obtained for Zip Code 75071. The defined physical boundary is that of the zip code. Within this area are uses including single families, multifamily complexes, retail, industrial, special use facility like Collin County Justice Center, and so forth. The subject's immediate area is dominated by Collin County Justice Center.

Zip Code 75071 Income Level Profile

Median Household Income	\$82169
Income Under \$50K Per Year	26.10%
Income \$50K to \$100K Per Year	34.80%
Income Above \$100K Per Year	39.10%

Accessibility & Availability of Public Utilities

Good access in the neighborhood. All city and public utilities are available in the area.

According to real estate brokers familiar and active in the area, land values have been stable and increasing given existing and expected growth in the area. Such condition definitely impacts over land value in the upward trend. On the average land value is in the neighborhood of \$50,000/acre.

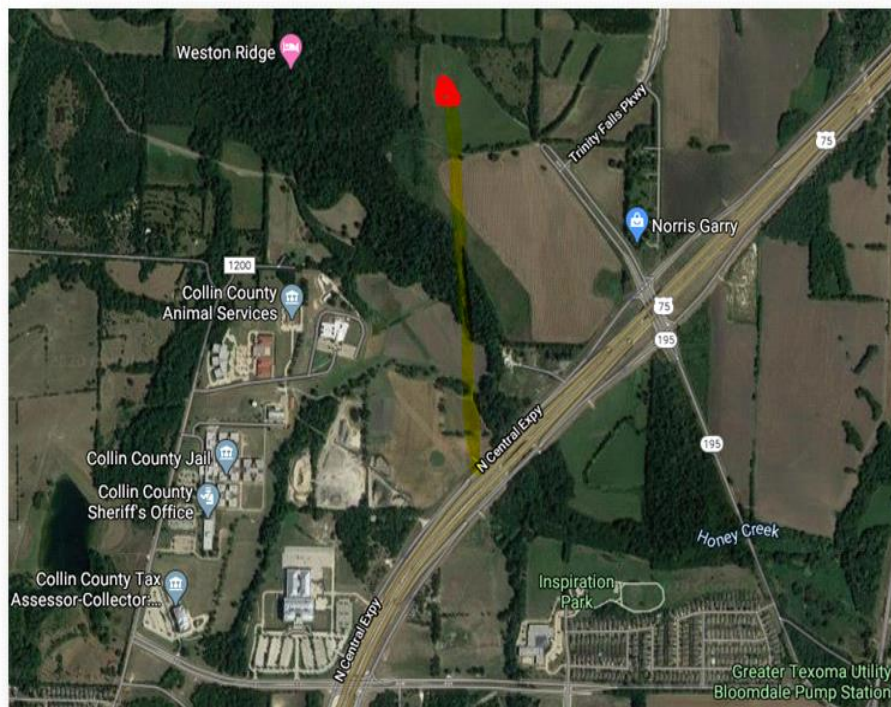
Conclusion

This subject's neighborhood is in a moderate active real estate with access enabled by US-75, and some roads such FM, County Road, Bloomdale Rd, etc.

SITE OVERVIEW

Subject Property Location:

US-75 @ Honey Creek, McKinney, Texas 75071



Shape

Topography

Land Size

Irregular

Moderate/Thick vegetation

272+ acres – Collin County Justice Center

Access/Visibility	Average/Good
Soil Condition	Suitable for urban development.
Utility Available	Utilities are available in the area and to the site
Site Improvements	Improvement owned by the county
Zoning	NA - Commercial
Flood Plain/Contours & Wetlands	NA
Overall Site Quality	Average
Easements/Encroachments	Typical easements for utilities
Deed Restrictions	No study of deed restrictions was performed
Property Tax Assessment	NA

Based on the stated purpose of this assignment – required easement for electric deliver, the site is suitable for the intended use, and there is no impact on the remainder.

HIGHEST AND BEST USE ANALYSIS & Conclusion

"The reasonably probable and legal use of vacant land or an improvement, which is physically possible and financially feasible, is the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability. "Given the nature of easement needed, the highest and best use is for stated purpose – for Oncor electric delivery.

VALUATION PROCESS

In estimating the value of real estate, there are three generally accepted approaches; namely Income, Sales Comparison and Cost Approaches. In some cases, all three approaches may not be applicable because of the nature of the appraisal problem. One or two approaches may be considered most suitable justifying the exclusion of the third approach. In this assignment, we concluded Sales Comparison of comparable land data and review of listings would assist in estimating subject market value; as is assigning value for the area under the easement. The land data we reviewed are as follows:

NWC / SWC / SEC of BLOOMDALE ROAD & COMMUNITY AVENUE

LAND AVAILABLE

McKinney, Texas | Collin County



PROPERTY OVERVIEW

SIZE:	± 41.6 Acres
UTILITIES:	Water and sewer available to site
ZONING:	Planned Center District Commercial & Vertical Mixed-Use Uses, Multi-Family, and Single Family



SWC I-75 & Laud Howell Pkwy, McKinney, Texas - land of 37.38 acres; with asking price of \$6/sf, and 12 acres can be remediated from the flood plain. Tract has excellent Hwy visibility, on path of development as development heads north with significant new residential development in the market. One of the remaining areas of growth still available in the McKinney submarket.



US Hwy 75 & Laud Howell, 78 acres up to 1295 acres, but only 79 acres usable - Northgate McKinney is located in a key area of McKinney identified by City planners as the focal point for future mixed use development including corporate/office, commercial/retail, multifamily and hospitality in the Northwest Sector of the city. The property is close to Collin County Government Complex, one of the largest employers in McKinney. The campus sits on just over 270 acres and includes over 1 million square feet of administration, court and governmental office space for the county. The largest master planned residential community in McKinney, Trinity Falls, is located one mile to the north of The Village

at McKinney with its principal access from US 75 along Laud Howell Parkway on the northern perimeter of the property. The asking is \$5/sf.

Data Considered

We reviewed pertinent sales in the area and spoke with brokers active in the market about land sales prices. We got the impression that land is selling around \$4/sf to \$6/sf for large tracts must mostly tracts less than 80acres. For larger tract such as 272 acres which is subject of the easement, selling price much lower is expected. For the subject tract, we concluded \$2/sf and for the easement, a value of say \$1.50/sf given the nature of the land under the easement 15 feet wide and thousands of feet long.

Using the valuation matrix as published by International Right of Way Association, we estimated reasonable value for the required easement.

Easement Valuation Matrix

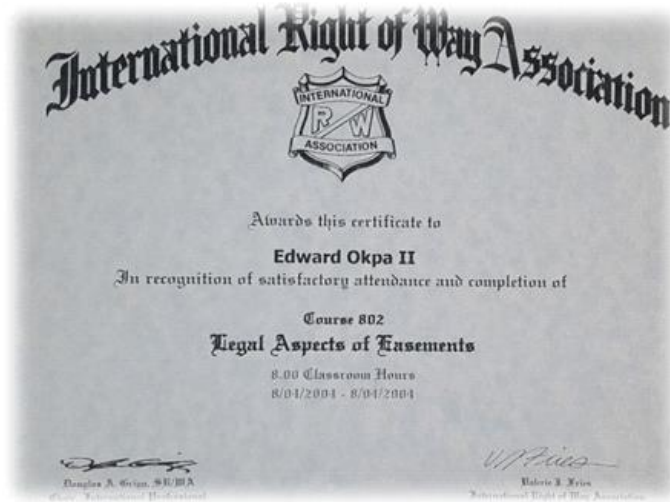
Percentage of Fee	Comments	Potential Types of Easements
90% - 100%	<ul style="list-style-type: none"> Severe impact on surface use Conveyance of future uses 	Overhead electric, flowage easements, railroad right of way, irrigation canals, exclusive access easements
75% - 89%	<ul style="list-style-type: none"> Major impact on surface use Conveyance of future uses 	Overhead electric, pipelines, drainage easements, railroad right of way, flowage easements
51% - 74%	<ul style="list-style-type: none"> Some impact on surface use Conveyance of ingress/egress rights 	Pipelines, scenic easements
50%	<ul style="list-style-type: none"> Balanced use by both owner and easement holder 	Water or sewer lines, cable lines, telecommunications
26% - 49%	<ul style="list-style-type: none"> Location along a property line location across non-usable land area 	Water or sewer line, cable lines

We are of the opinion that the required easement which is 15 wide and thousands feet long, falls in the category of 75% - 100%, and we concluded at 75%, for a final value of \$45,000 (rounded) for the 2.063 acres total or 89,863 square feet at \$2.00/sf x 0.75 = \$98,010 rounded to \$134,795. The easement which will be on along flood prone area of the complex will have no detrimental development impact on the remainder of the 272 acres complex of Collin County Justice Center.

Final Value Estimate

\$135,000

RESUME - E. EDWARD OKPA II, ASA - PROFESSIONAL



Principal - The OKPA Co, LLC

Owner and Principal of an Independent fee appraisal and consulting firm The OKPA Company, formerly *Integrated Valuation* formed in 1990. Clients include individuals, banks, corporations, city, county, state and federal governments. I have appraised several types of real estate throughout the country. Major engagements includes review appraisal for the DFW Airport Board on the East Runway Mitigation Project and Flood Recovery Appraisal for State of Minnesota/Federal Emergency Management Agency, this is an on-going contract involving appraisals, negotiating and acquiring approximately 500 homes damaged by flood in East Grand Fork area. **International Right of Way Courses - IRWA Member # 6935**

- **Passed IRWA Comprehensive Exam for the award of SR/WA designation**
- **Hot Topics in Real Estate and Eminent Domain**
- **Bargaining Negotiations**
- **Business Relocation**
- **Legal Aspects of Easements**
- **Principles of Real Estate Negotiation**
- **United States Land Titles**
- **Ethics and Right of Way Profession**
- **Principles of Real Estate Engineering**

Vincent L. Wimbish distinguishes himself as an expert with nearly 35 successful years of solid experience working in the multi-faceted real estate field and is the newly elected president of NAREB holding office for a two-year term. Based in Fort Worth, Texas, Mr. Wimbish, president of Wimbish Appraisal Service, is recognized as a professional having a firm grasp on the complex transactions involved in the sale, purchase and disposition of real property. His integrity and reputation for hard-work have positioned his company in the top ranking of sought-after appraisers in the Dallas-Fort Worth marketplace. Vincent's seasoned skill as a business leader, his active involvement in professional organizations, and his extensive knowledge of the real estate industry serve him well as he becomes the next president of the National Association of Real Estate Brokers (NAREB), the nation's oldest minority trade association.

Prior to establishing Wimbish Appraisal Service in 1992, Vincent honed his skills and broad-based knowledge of the real estate industry with each progressively more responsible position he held. His career began as a sales agent with the Berney Seal Company Realtors where he gained competency and experience. Mr. Wimbish's public sector experience began with his service at the City of Corpus Christi and the Nueces County Tax Appraisal District where he valued residential, commercial, personal and industrial properties for taxation. Later, as senior appraiser for the Texas General Land Office, he appraised specific-use properties including prisons, hospitals, schools, park and wildlife facilities, as examples. His expertise was also used to appraise residential subdivisions, farms and ranches, along with areas and properties under consideration for eminent domain or condemnation.

As founder, president and chief appraiser of his 17-year appraisal business, as well as president and broker of a real estate group established in 1995, Mr. Wimbish now combines all of his experience and expertise to review and appraise residential property for origination and foreclosure on behalf of a varied client base including individuals, government entities, and major financial institutions.

Mr. Wimbish maintains membership and has served in leadership positions in a number of civic,

business, professional and trade organizations. In addition to serving as NAREB's president, he has previously served as president of the National Society of Real Estate Appraisers. His other memberships include the Texas Association of Real Estate Brokers, board member; Dallas Black Chamber of Commerce; the Fort Worth Metropolitan Black Chamber of Commerce where he was honored with the Quest for Success Award; the Arlington, Texas African-American Chamber of Commerce, and the Freddie Mac Real Estate Advisory Board, to name a few of his professional and business environments.

Mr. Wimbish attended the University of Houston, and graduated from Texas A & M University with a Bachelor of Science degree in business administration. He is a Texas-licensed real estate broker and certified general real estate appraiser.