

October 29, 2024

Mr. Scott Moore
City Manager, City of Manor
105 E Eggleston Street
Manor, Texas 78653

RE: Market Value Appraisal
EntradaGlen Public Improvement District, Manor, Travis County, Texas

Dear Mr. Moore,

Thank you for the opportunity to provide a market value appraisal of the above noted proposed and partially complete development, located in Manor, Texas. Flato Realty Advisors, LLC, will complete a market value appraisal of the EntradaGlen PID valued as 20 separate units, including LENR-2, LENC-1A, LENC-2, LENC-3, LENC-4, LENC-5, LENC-6, LENC-7, LESC-1, LESC-2, LESC-3, LESC-4, SG-1, SG-2, SG-3, SG-4, SG-5A, SG-5B, SG-5C. The units range in size from 1.92 acres to 27.66 acres. Per the developer, the units are all projected to be complete within 36 months from current date.

The appraisal will outline the individual values of 20 different units. The valuation will include several of the units on an as-is basis (currently complete) as site and site improvements only, and the remaining units as proposed (prospective) as if site improvements are complete, including the value contribution of onsite and offsite improvements. The valuation will not address the contribution of existing or future vertical improvements.

Our firm has completed a significant number of appraisals of both "as-is" and "prospective" lots and developments in the region over the past number of years. The analysis and report provided will meet the requirements of the Uniform Standards of Professional Practice of the Appraisal Foundation and Code of Ethics of the Appraisal Institute. The scope of work will consist of a physical property inspection, perusal of documents provided, confirmation of comparable improved and land sales and listings, research and confirmation, market analysis, valuation analysis including projecting absorption and sales expenses, and preparation of the (1) value conclusions and (2) valuation report.

It is understood that the purpose of the appraisal is to be for inclusion in an offering document which will be distributed for the purpose of issuing municipal bonds. Flato Realty Advisors, LLC consents to execute necessary certificates in connection therewith (i.e., letter of representation). It is understood that the developer will provide evidence of sufficient funds to complete the improvements contemplated in the appraisal, on hand at the time of bond closing.

Our fee for the market value appraisal, presented as a real estate appraisal report, will be \$13,500 payable as 50% upon engagement and the balance upon completion of the assignment and delivery of the report. Additional work after completion of the report for, but not limited to, research, preparation for court testimony, or court testimony, will be billed at the rate of \$250 per hour. The report can be completed within four weeks of receipt of the executed engagement letter, retainer and subject property information to include (1) updated survey of land, (2) updated plat/survey of planned lots, (3) revised projected/historical development cost, and (4) revised projected development schedule. Flato Realty Advisors, LLC, previously completed an appraisal of the Entrada Glenn PID in 2020; this assignment addresses revised lot sizes and dimensions as well as new market data, current market conditions and revised analysis.



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If this proposal is acceptable, please sign and date a copy of this letter and return it. Thank you for the opportunity to be considered for this assignment. We will begin work upon receipt of this executed engagement and retainer. Thank you for consideration of our firm in this important assignment.

Signed,

A handwritten signature in black ink, appearing to read 'F. Flato', is written over a horizontal line.

Franklin L. Flato, MAI
President
Flato Realty Advisors, LLC

Signed

Scott Moore
City Manager
City of Manor

Mutual Limitation of Liability: Appraiser and Client agree that the following mutual limitation of liability is agreed to in consideration of the fees to be charged and the nature of Appraiser's services under this Agreement. Appraiser and Client agree that to the fullest extent permitted by applicable law, each party's and its Personnel's maximum aggregate or joint liability to the other party for claims and causes of action relating to this Agreement or to appraisals or other services under this Agreement shall be limited to the total fees and costs charged by the Appraiser for the services that are subject of the claim(s) or cause(s) of action. This limitation of liability extends to all types of claims or causes of action, whether in breach of contract or tort, including without limitation claims/causes of action for negligence, professional negligence, or negligent misrepresentation on the part of either party or its Personnel, but excluding claims/causes of action for intentionally fraudulent conduct, criminal conduct or intentionally caused injury. The Personnel of each party are intended third-party beneficiaries of this limitation of liability. "Personnel," as used in this paragraph, means the respective party's staff, employees, contractors, members, partners and shareholders. Appraiser and Client agree that they each have been free to negotiate different terms than stated above or contract with other parties.