

May 21, 2025

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

RE: Market Value Appraisal  
Lagos Manor Public Improvement District Improvement Area 1, Manor, Travis County,  
Texas

Dear Mr. Moore,

Thank you for the opportunity to provide a market value appraisal of the above noted property. Flato Realty Advisors, LLC., will complete a market value appraisal to include (1) the "as-is" value of the existing Lagos Manor PID Improvement Area No. 1, Phases 2, 3, 4 and 5. The property includes approximately 6 commercial lots, one multi-family (village cluster – 30 units) lot and single family lots/homes (approximately 233 lots including reportedly 116 completed homes). The appraisal will include the value of the vertical improvements (houses and village cluster) utilizing the average size/price home in the development. For each lot upon which a home is completed, only the value of the home and site will be addressed. For each lot without a completed home, first the value of the lot will be concluded and the prospective value of the home/lot will then be concluded. 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 entitled single family lot development sales, development costs as well as acreage land sales and listings, research and confirmation, market analysis, valuation analysis, and preparation of the appraisal 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 \$15,500 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 \$300 per hour. The report can be completed within four weeks of receipt of the executed engagement letter, retainer and subject property information. We are in receipt of a rough overall development plan. However we additionally request (1) historical and any planned development costs, (2) home building plans of typical units, (3) sales history of homes, or seller contact information, (4) lot sales contracts for the lots related to this development.



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Phone: 210-446-3825 | Web: [www.flatorealtyadvisors.com](http://www.flatorealtyadvisors.com)

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 dark ink, appearing to read 'Franklin L. Flato', 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 lower of \$25,000 or 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.