

December 27, 2024

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

RE: Appraisal: Manor Mustang Valley PID; Manor, Travis County, Texas

Dear Mr. Moore,

Thank you for the opportunity to provide a value appraisal of the above noted property. Flato Realty Advisors, LLC, will complete an appraisal of the "as-is" individual value of 136 single family residential lots; a portion, if vacant, will be appraised as vacant lots and a portion, if improved, will be appraised under the hypothetical condition that the residence is equal to the lowest value residence in the neighborhood. The appraisal will include the sum of the individual lot and home values. The valuation will be presented in appraisal report format. Our firm has completed a significant number of appraisals of both "as-is" and "prospective" lots and developments both for PID and traditional development financing in the region over the past number of years. We also have significant experience in Travis and surrounding counties.

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 has already completed the improvements which are a part of this offering.

Our fee for the market value appraisal, will be \$7,250 payable as ½ upon engagement and the remainder upon completion of the assignment and delivery of the report. Additional work after completion of the report including, but not limited to, research, preparation for, or court testimony, will be billed at the rate of \$300 per hour. The report can be completed within three weeks of receipt of the executed engagement letter. We will contact the developer for additional information to include development costs expended, contracts, sales data, survey's, etc.

If this proposal is acceptable, please sign and date a copy of this letter and return it. 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 'FLATO', is written over a horizontal line.

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

Signed,

Mr. Scott Moore, City Manager
City of Manor.



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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.*