

\$35,344,967.00
I-20 Lancaster Fund, LLC
Development Mortgage Backed and Limited Revenue Bonds (Taxable), Series 2025

The Issuer

I-20 Lancaster Fund, LLC (the “**Issuer**”) is a limited liability company created for the purpose of (i) acquiring approximately 275 acres of real estate located primarily in Dallas, Texas and the Property (as defined herein) (ii) arranging for limited infrastructure and other development by I-20 Lancaster Development (the “**Project Developer**”), a Texas limited liability company affiliated with Hoque Global Properties LLC (“**Hoque Global**”) and Centurion American Development Group (“**Centurion American**”) and (iii) issuing the Development Mortgage Backed and Limited Revenue Bonds (Taxable), Series 2025 (the “**Bonds**”) secured by the Collateral (as defined below).

The Bonds are being issued under, and will be governed by, the terms of the Indenture of Trust (the “**Indenture**”), expected to be dated as of May 5, 2025 (the “**Closing Date**”), by and between the Issuer and Computershare Trust Company, National Association, as trustee (the “**Trustee**”) and will be direct, senior, secured obligations of the Issuer. Subject to the provision for Extraordinary Mandatory Redemption described herein, the payment of amounts due on the Bonds will rank equally in right of payment with all existing and future senior indebtedness of the Issuer (if any) and will be senior to the right of payment to all of the Issuer’s present and future subordinated debt. The Bonds will not be guaranteed by any other party. The Indenture imposes limitations on the Issuer’s incurrence of any additional indebtedness, whether secured or unsecured. See “Appendix A – Form of Indenture” hereto. Capitalized terms not otherwise defined herein will have the meaning ascribed thereto in the Indenture.

The Bonds will be secured by a first priority lien evidenced by the Deed of Trust, Security Agreement – Financing Statement (the “**Deed of Trust**”) on the Property, including any improvements, accessories, plans and specifications for improvements and proceeds thereof (the “**Property**”), and certain Lot Sale Contracts and Assignments (defined below). See “Appendix B-1 – Form of Deed of Trust” hereto for a more detailed description of the Property. Pursuant to the Indenture, the Issuer will grant to the Trustee, not in its individual capacity but solely in its capacity as Trustee for the benefit and security of the Bondholders, a security interest in all of the Issuer’s right, title, and interest, whether now owned or hereafter acquired, in, to, and under: (i) the Property, (ii) the Revenues, (iii) the Membership Pledge Agreement and the Transaction Documents to which the Issuer is a party, (iv) all the Funds established under the Indenture and all money, instruments, investment property, and other property credited thereto or on deposit therein, and all investment earnings thereon, (v) all money or other property delivered to the Trustee (or its authorized representative) in respect of the Bonds or the money or other property held under the Indenture, (vi) all deposit accounts, all goods, all licenses, all documents and all investment property, and (vii) any and all proceeds of the foregoing (collectively, the “**Collateral**”). As used herein, “**Lot Sale Contracts and Assignments**” means (i) any contract providing for the sale of any portion of the Property, whether on the Closing Date or any time thereafter, (ii) the related assignment, between the Issuer, as assignee, and the applicable assigning party, and (iii) the related notice and consent to assignment of contract, among the Issuer and the applicable assigning party and pledged to the Trustee under the Indenture, all as identified in the Indenture, as such contracts may be amended, restated and/or supplemented from time to time. “**Revenues**” means, collectively, the proceeds from the Lot Sale Contracts and Assignments, Foreclosure Proceeds, Net Proceeds and Net Liquidation Proceeds.

Pursuant to the Lot Sale Earnest Money Subordinate Deeds of Trust (as defined below), the Issuer will grant to a separate trustee appointed under the Lot Sale Earnest Money Deeds of Trust for the benefit and security of the Builders, a lien on certain portions of the Property that is subordinate to the lien of the Deed of Trust. As used herein, “**Builder**” means the purchaser under a Lot Sale Contract and Assignment and “**Lot Sale Earnest Money Subordinate Deed of Trust**” each deed of trust executed by the Issuer, as grantor for the benefit of one or more Builders (as defined in the Indenture), creating a perfected subordinate lien on certain portions of Property.

THE BONDS OFFERED HEREBY WILL BE SOLELY SECURED BY A FIRST PRIORITY LIEN EVIDENCED BY THE DEED OF TRUST ON THE PROPERTY, THE LOT SALE CONTRACTS AND ASSIGNMENTS, THE REVENUES, AND OTHER COLLATERAL PURSUANT TO THE INDENTURE. PAYMENT OF THE BONDS IS NOT SECURED BY ANY OTHER SOURCES RELATED TO THE DEVELOPMENT OF THE PROJECT.

The Bonds

Original Bond Amount. The initial Bonds have an aggregate original principal amount of \$35,344,967.00.

Use of Proceeds. The proceeds from the issuance of the Bonds will be used for the following purposes: (i) providing funds to acquire the Property (as defined herein) and pay off and release the existing lien related thereto encumbering the Property, (ii) funding the construction of certain Public Improvements, Private Improvements and Amenities (each as defined herein) to be constructed to benefit the University Hills project located primarily in Dallas, Texas (collectively with the acquisition of the Property, the “Project”), (iii) fund the Reserve Fund in the amount of the Reserve Fund Amount, (iv) fund capitalized interest on the Bonds and (v) pay the costs of issuance of the Bonds.

Maturity Date. The Bonds will mature on January 15, 2035 (the “**Maturity Date**”).

Interest. The Bonds will be issued as current interest term bonds. Interest on the Bonds will accrue at a fixed rate per annum of 12.00% to be paid on the 15th day of January of each year (commencing January 15, 2026), or if any such date is not a Business Day, the next succeeding Business Day (each, an “**Interest Payment Date**”), Redemption Date (if applicable) and the Maturity Date. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds are subject to redemption in accordance with the Indenture. If the Bonds are called for redemption and payment is duly provided thereof as specified in the Indenture, interest will cease to accrue thereon from and after the date of redemption. During the occurrence and continuation of an Event of Default, the Bonds will bear interest equal to the initial interest rate on the Bonds *plus* five percent (5.00%) per annum.

Debt Service Fund. A debt service fund (the “**Debt Service Fund**”) will be established under the Indenture. The Issuer is not expected to receive money on a regular basis, but (i) revenue from the Lot Sale Contracts and Assignments, (ii) means an amount equal to, on each Interest Payment Date, 1.50% of the Outstanding Bond Amount (the “**Reserve Fund Amount**”), (iii) the Expense Fund Amount, and (iv) proceeds from insurance policies will held by the Trustee in trust under the Indenture for the benefit of the Bondholders and, except as provided below, transferred when and as received by the Trustee to the Debt Service Fund so long as any Bonds remain Outstanding. On each Interest Payment Date, each Redemption Date and the Maturity Date, all moneys on deposit in the Debt Service Fund (excluding any funds on deposit in the Debt Service Fund that has been earmarked for application pursuant to the Indenture on a Redemption Date occurring after an intervening Interest Payment Date) shall, after payment of the Trustee’s fees and expenses outstanding, if any, be applied and disbursed in the following order and priority:

- i. *first*, except on the Redemption Date that is the Extraordinary Mandatory Redemption Date, all interest then due on the Bonds to the Bondholders;
- ii. *second*, on each Interest Payment Date prior to the Maturity Date, to the Reserve Fund, the amount required, if any, to cause the amount on deposit therein to equal the Reserve Fund Amount;
- iii. *third*, on each Interest Payment Date and mandatory Redemption Date prior to the Maturity Date, to the Expense Fund, the amount required, if any, to cause the amount on deposit therein to equal the Expense Fund Amount;
- iv. *fourth*, on each Redemption Date other than the Extraordinary Mandatory Redemption Date, all principal then due on the Bonds to the Bondholders;
- v. *fifth*, on the Extraordinary Mandatory Redemption Date, the Extraordinary Mandatory Redemption Amount to the Bondholders;
- vi. *sixth*, prior to the Maturity Date, any remaining funds in the following order of priority: (1) *first*, to the Optional Redemption Fund; *provided* that no such transfer shall occur unless, following such transfer, there shall be sufficient funds remaining in the Debt Service Fund for the payment of all interest due on the Bonds to the Bondholders on the next Interest Payment Date and (2) *second*, to the Debt Service Fund; and
- vii. *seventh*, on the Maturity Date, any remaining funds in the following order of priority: (1) *first*, to the payment of all principal then due on the Bonds to the Bondholders; (2) *second*, to the payment of any additional amounts due under the Indenture; and (3) *third*, following the application of funds pursuant to clauses (1) and (2) above, to the Issuer, free and clear of the lien of the Indenture.

As used herein, “**Expense Fund Amount**” means an amount equal to 3.50% of the Outstanding Bond Amount as of the applicable Interest Payment Date or mandatory Redemption Date, and “**Extraordinary Mandatory Redemption Amounts**” means the Outstanding Bond Amount with respect to an extraordinary mandatory redemption pursuant to the Indenture.

Capitalized Interest Fund. A capitalized interest fund (the “**Capitalized Interest Fund**”) will be established under the Indenture. The Capitalized Interest Fund will be funded with a portion of the proceeds from the issuance of the initial Bonds, and cash in the Capitalized Interest Fund will held by the Trustee in trust under the Indenture for the benefit of the Bondholders so long as any Bonds remain Outstanding. All amounts held by the Trustee in the Capitalized Interest Fund are irrevocably pledged to the payment of

interest on the Bonds as provided in the Indenture, and the amounts in the Capitalized Interest Fund will not be used for any other purpose while any of the Bonds remain Outstanding.

Expense Fund. An expense fund (the “**Expense Fund**”) will be established under the Indenture. The Expense Fund will be funded in an amount equal to the Expense Fund Amount on each Interest Payment Date and mandatory Redemption Date from available funds in the Debt Service Fund, and cash in the Expense Fund will be held by the Trustee in trust under the Indenture for the payment of certain fees and expenses related to the maintenance of the Property in accordance with the Indenture.

Project Fund. A project fund (the “**Project Fund**”) will be established under the Indenture. All amounts held by the Trustee in the Project Fund are irrevocably pledged to the Bondholders as provided in the Indenture. The disbursement of funds from the Project Fund subsequent to the initial disbursement for the purchase of portions of the Property is restricted pursuant to the following conditions:

- (1) the UHMMD Bonds (as defined herein) must be issued by August 10, 2025; and
- (2) the Initial Bondholder is the sole investor in the UHMMD Bonds.

Lot Sale Earnest Money Fund. A lot sale earnest money fund (the “**Lot Sale Earnest Money Fund**”) will be established under the Indenture. The Issuer shall deposit the Lot Sale Earnest Money into the Lot Sale Earnest Money Fund when received. Money in the Lot Sale Earnest Money Fund shall be disbursed from time to time by the Trustee in accordance with the written direction of the Issuer to be used to pay costs associated with the Project to the extent funds in the Project Fund are insufficient to pay such costs. Upon the Trustee’s receipt of an Officer’s Certificate confirming the completion of the Project, the funds in Lot Sale Earnest Money Fund shall be transferred to Debt Service Fund. Upon the payment in full of the Bonds, all obligations owed by the Issuer to the Trustee, and the discharge of the Indenture, any amounts remaining in the Lot Sale Earnest Money Fund shall be disbursed to the Issuer free and clear of the lien of the Indenture. As used herein, “**Lot Sale Earnest Money**” means all earnest money delivered pursuant to the Lot Sale Contracts and Assignments.

Optional Redemption Fund. An optional redemption fund (the “**Optional Redemption Fund**”) will be established under the Indenture. All amounts held by the Trustee in the Optional Redemption Fund are irrevocably pledged to the payment of the principal of and interest on the Bonds as provided in the Indenture, and the amounts in the Optional Redemption Fund will not be used for any other purpose while any of the Bonds remain Outstanding. All moneys on deposit in the Optional Redemption Fund will be applied and disbursed on each optional redemption date to pay the principal of and interest on the Bonds as of such date in accordance with the Indenture.

Reserve Fund. A reserve fund (the “**Reserve Fund**”) will be established under the Indenture. Cash in the Reserve Fund will be held by the Trustee in trust under the Indenture for the benefit of the Bondholders so long as any Bonds remain Outstanding. All amounts held by the Trustee in the Reserve Fund are irrevocably pledged to the payment of principal of and interest on the Bonds as provided in the Indenture, and the amounts in the Reserve Fund will not be used for any other purpose while any of the Bonds remain Outstanding, except to pay extraordinary fees and expenses of the Trustee, but may be used to redeem Bonds in connection with a mandatory redemption or extraordinary mandatory redemption to the extent insufficient funds are on deposit in the Debt Service Fund to make such payment; provided that, upon the occurrence and continuation of an Event of Default, amounts in the Reserve Fund may be retained in the Reserve Fund or disbursed as directed by the Majority Holders to satisfy obligations under the Indenture.

Optional Redemption. The Bonds are subject to optional redemption prior to the Maturity Date, in whole or in part, on any Business Day with not less than five (5) days’ prior written notice in principal amounts of \$1.00 and integral multiples of \$1.00 in excess thereof. The Bonds will not be subject to optional redemption from funds the Issuer receives from a lender or from proceeds of one or more sales by the Issuer of a publicly-offered or privately placed obligation undertaken in whole or in part to refinance the Bonds, without the prior written consent of the Majority Holders. With respect to an optional redemption, in part, such redemption will be done on a pro rata basis for each \$1.00 of principal amount of Bonds Outstanding and processed through DTC in accordance with its normal rules and procedures.

Mandatory Redemption. The Bonds are subject to mandatory redemption prior to the Maturity Date, in whole or in part, on any Business Day at the principal amount thereof plus accrued and unpaid interest thereon to but excluding the Redemption Date, in principal amounts of \$1.00 and integral multiples of \$1.00 in excess thereof from Sale Proceeds received by the Trustee pursuant to any Lot Sale Contract. Following the receipt or deposit of such moneys, as applicable, by the Trustee, the Trustee will provide notice of mandatory redemption in accordance with the Indenture; provided that, no such mandatory redemption shall occur unless (a) the amount on deposit in the Expense Fund is at least equal to the Expense Fund Amount on such mandatory Redemption Date, which condition, for the avoidance of doubt, may be satisfied by the application of funds pursuant to Debt Service Fund provision on such mandatory Redemption Date and (b) following such mandatory redemption, there shall be sufficient funds remaining in the Debt Service Fund for the payment of all interest due on the Bonds to the Bondholders on the Interest Payment Date immediately following such mandatory Redemption

Date, which amount shall be calculated on the aggregate principal amount of the Bonds after giving effect to the payment of principal to be made to the Bondholders on such mandatory Redemption Date.

Extraordinary Mandatory Redemption. The Bonds are subject to extraordinary mandatory redemption (the “**Extraordinary Mandatory Redemption**”) prior to the Maturity Date, in whole, on August 20, 2025 (the “**Extraordinary Mandatory Redemption Date**”) at the redemption price equal to the Extraordinary Mandatory Redemption Amount, if at least ten (10) days prior to the Extraordinary Mandatory Redemption Date, the Issuer has not delivered to the Trustee an Officer’s Certificate certifying that (i) the UHMD Bonds have been issued and (ii) the Initial Bondholder is the sole investor in the UHMD Bonds; provided that, such Extraordinary Mandatory Redemption will be cancelled if the Issuer delivers such Officer’s Certificate to the Trustee during the ten (10) day period prior to the Extraordinary Mandatory Redemption Date.

As used herein, “**Extraordinary Mandatory Redemption Amount**” means the Outstanding Bond Amount with respect to an Extraordinary Mandatory Redemption.

Delivery. The Bonds will be ready for delivery on or about the Closing Date, at which time the Bonds will be delivered to Bondholders in book-entry form through The Depository Trust Company (“**DTC**”) and registered in the name of Cede & Co., as nominee of DTC.

The Bonds are being offered by the Issuer in a negotiated transaction subject to prior sale, when, as and if issued. SAMCO Capital Markets, Inc., as initial purchaser (the “**Initial Purchaser**”), will provide (i) customary facilitation of the offering and sale of the Bonds, (ii) certain assistance with structuring the transaction related to the issuance of the Bonds and (iii) certain other administrative and settlement services in connection with the issuance of the Bonds. It is expected that the Initial Purchaser will have no further role following the Closing Date. The Issuer is solely responsible for the content of this limited offering memorandum and all of the other documents and information provided to any potential investors, and none of the Initial Purchaser, the Trustee or any affiliate of the foregoing is responsible therefor.

Neither the Issuer nor the Initial Purchaser is responsible for, nor is it making, any representation to any Bondholder or potential Bondholder concerning the completeness of this limited offering memorandum or any other materials or information made available to any Bondholder or potential Bondholder in connection therewith. None of the Issuer, the Initial Purchaser nor any of their respective affiliates are required to make a market for the Bonds. The Issuer reserves the right to withdraw, cancel or modify any offer and to reject orders in whole or in part.

The Bonds will represent obligations of the Issuer only and will not represent obligations of any affiliate of the Issuer, the Initial Purchaser, the Trustee or any affiliate of the foregoing, or any other person.

Investing in the Bonds involves a high degree of risk. See “RISK FACTORS” beginning on page 8.

The Bonds have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), or under any State securities laws or any other jurisdiction. The Bonds may only be purchased by qualified institutional buyers under Rule 144A under the Securities Act. Prospective purchasers are hereby notified that the Initial Purchaser will be relying on the exemption provided by Rule 144A. See “NOTICE TO INVESTORS” for additional information about eligible investors and transfer restrictions on the Bonds. The Bonds will be offered on a best efforts basis if and when the Issuer and the Initial Purchaser execute a purchase agreement at the time of the pricing of this offering.

TERMS OF THE BONDS AND CUSIPS

See Schedule on inside cover

Initial Purchaser

SAMCO Capital Markets, Inc.

The date of this limited offering memorandum is April 24, 2025.

THE PURCHASE AND OWNERSHIP OF THE BONDS ARE SUBJECT TO SPECIAL RISK FACTORS, AND ALL PROSPECTIVE PURCHASERS ARE URGED TO EXAMINE CAREFULLY THIS ENTIRE LIMITED OFFERING MEMORANDUM WITH RESPECT TO THE INVESTMENT SECURITY OF THE BONDS, PARTICULARLY THE SECTION CAPTIONED “RISK FACTORS.” THE BONDS SHOULD BE CONSIDERED SPECULATIVE INVESTMENTS.

\$35,344,967.00

Development Mortgage Backed and Limited Revenue Bonds (Taxable), Series 2025

\$35,344,967.00 12.000% Term Bond due January 15, 2035, Yield 12.680%, Price 96.462%, CUSIP: 450952 AA4, ISIN: US450952AA45 ⁽¹⁾⁽²⁾

⁽¹⁾ The Bonds are subject to Extraordinary Mandatory Redemption, optional redemption, and mandatory redemption, in part, in principal amounts of \$1.00 and integral multiples of \$1.00 in excess thereof, in accordance with the Indenture.

⁽²⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems on behalf of the American Bankers Association. CUSIP numbers have been included solely for the convenience of the owners of the bonds. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. Neither the Issuer nor the Initial Purchaser is responsible for the selection or correctness of the CUSIP numbers set forth herein.

IMPORTANT INFORMATION ABOUT THIS LIMITED OFFERING MEMORANDUM

This limited offering memorandum is highly confidential. The Issuer prepared it solely for use in connection with this offering. This limited offering memorandum may not be reproduced or distributed, in whole or in part, and the contents of which and any information herein may not be disclosed for any purpose other than considering an investment in the Bonds. By accepting delivery of this limited offering memorandum, each prospective purchaser has expressly agreed to the foregoing and has expressly agree to maintain the disclosed information contained in this limited offering memorandum in confidence. This limited offering memorandum may not be distributed and the contents herein may not be disclosed to anyone without the Issuer's prior written consent, other than persons retained to advise in connection with this offering. The information in this limited offering memorandum is current only as of the date appearing on the cover page. For any time after the cover date of this limited offering memorandum, the information in this limited offering memorandum, including information concerning the Issuer's business, prospects, financial condition or results of operations, may have changed.

This offering is being made on the basis of this limited offering memorandum. Any decision to purchase Bonds in this offering must be based on the information contained herein and each prospective purchaser's evaluation of the Issuer and the terms of this offering, including the merits and risks of the investment.

This limited offering memorandum is based on information provided by the Issuer and other sources that the Issuer believes is reliable. The Initial Purchaser is not making any representation or warranty that this information is accurate or complete and is not responsible for this information. The Initial Purchaser has not acted on the behalf of any prospective purchaser and each prospective purchaser needs to independently verify the information in this limited offering memorandum. Nothing in this limited offering memorandum is, or may be relied upon as, a promise or representation by the Initial Purchaser as to the past or the future. The Issuer has summarized certain documents and other information in a manner the Issuer believes to be accurate, but prospective purchasers are advised to review the actual documents for a more complete understanding of what is discussed in this limited offering memorandum.

The Issuer has not authorized any person to give any information or make any representations about it that are not contained in this limited offering memorandum in connection with this offering. If any information is given or any representations are made to a prospective purchaser outside of this limited offering memorandum, such information or representation should not be relied upon as having been authorized by the Initial Purchaser or the Issuer.

The Issuer and the Initial Purchaser reserve the right to reject all or part of any offer to purchase Bonds for any reason or no reason whatsoever. The Issuer and the Initial Purchaser also reserve the right to sell less than all of the Bonds being offered by this limited offering memorandum or to sell to any purchaser less than the principal amount of Bonds such purchaser has offered to purchase. This limited offering memorandum is directed only to each person who receives it and is not an offer to any other person or to the public generally.

This offering is being made in reliance upon an exemption from registration under the Securities Act, and this offer and sale of securities does not involve a public offering. The Bonds may only be purchased by "qualified institutional investors" as defined in Rule 144A of the Securities Act. **By purchasing Bonds, each purchaser has agreed that his/her purchase will constitute such purchaser's representation, warranty, acknowledgment and agreement to all of the statements contained in the "Notice to Investors" section of this limited offering memorandum.**

Neither the Issuer nor the Initial Purchaser is providing legal, business, financial or tax advice about any matter to purchasers of the Bonds. Purchasers should consult with their own attorney, accountant, tax and other advisors as to these matters.

The Bonds are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under federal and applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. See "NOTICE TO INVESTORS."

Neither the Securities and Exchange Commission nor any securities commission of any state or other jurisdiction has approved or disapproved the offer or sale of the Bonds or determined that this limited offering memorandum is truthful or complete. Any representation to the contrary is a criminal offense.

Each purchaser must comply with all applicable laws and regulations (including obtaining required consents, approvals or permissions) in force in any jurisdiction in which he/she purchases, offers or sells the Bonds. Neither the Issuer nor the Initial Purchaser has any responsibility for any subsequent purchase, offer or sale of the Bonds by a purchaser.

Any questions or requests for additional information relating to this limited offering memorandum or this offering or in connection with an investment in the Bonds should be directed to the Issuer or the Initial Purchaser.

In connection with this offering, the Initial Purchaser may engage in transactions that stabilize, maintain or otherwise affect the price of the Bonds. Specifically, the Initial Purchaser may over allot in connection with this offering and may bid for and purchase Bonds in the open market. For a description of these activities, see “PLAN OF DISTRIBUTION.”

Notwithstanding anything to the contrary contained in this limited offering memorandum, all persons may disclose to any and all persons, without limitation of any kind, the U.S. federal, state and local income tax treatment of the bonds, any fact relevant to understanding the U.S. federal, state and local tax treatment of the bonds, and all materials of any kind (including opinions or other tax analyses) relating to such U.S. federal, state and local tax treatment; provided, that no person may disclose the name of or identifying information with respect to any party identified herein or any pricing terms or other nonpublic business or financial information that is unrelated to the U.S. federal income tax treatment of the bonds and is not relevant to understanding the U.S. federal, state and local income tax treatment of the bonds.

RESALE RESTRICTIONS

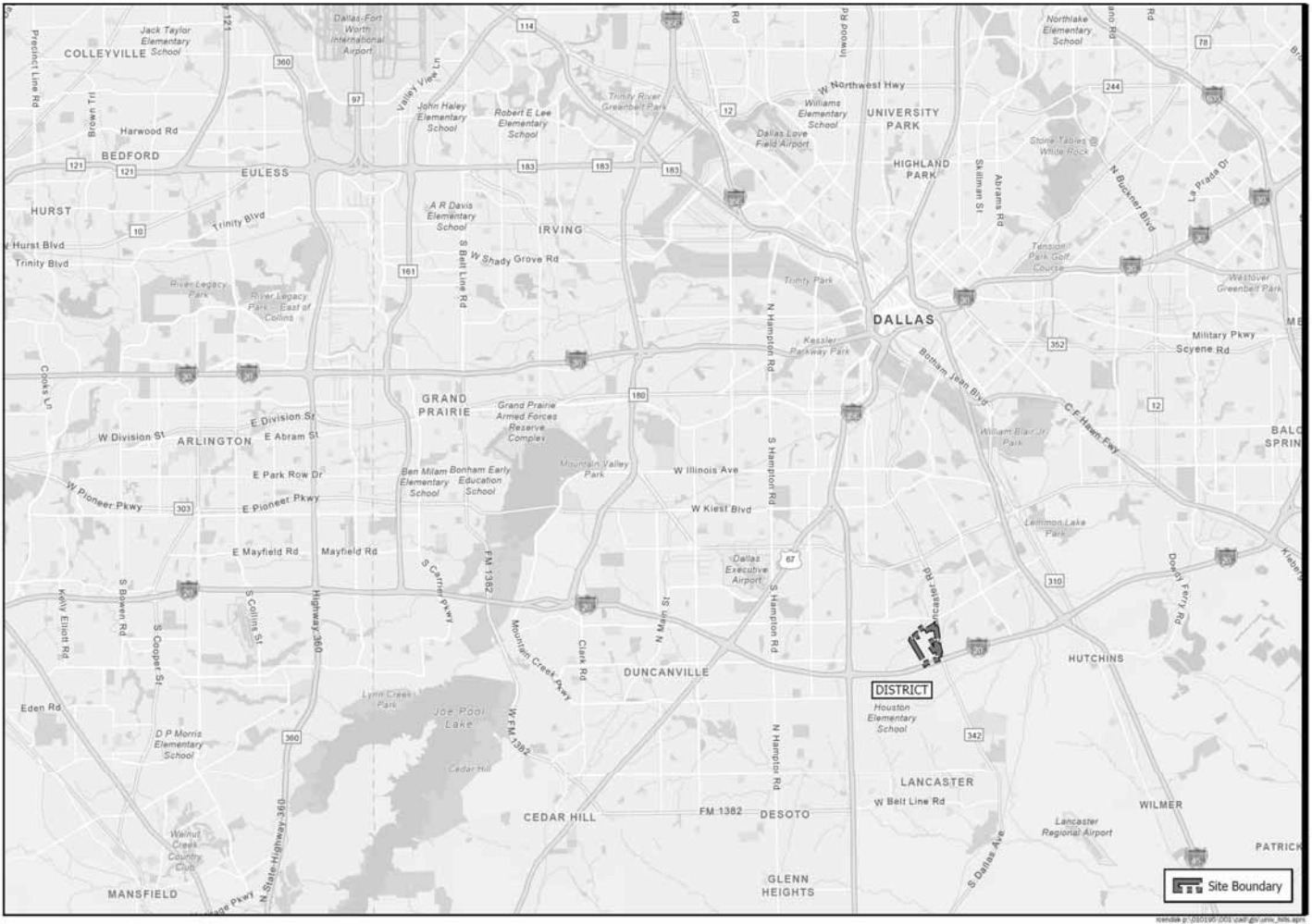
THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. SEE “NOTICE TO INVESTORS.”

FORWARD-LOOKING STATEMENTS

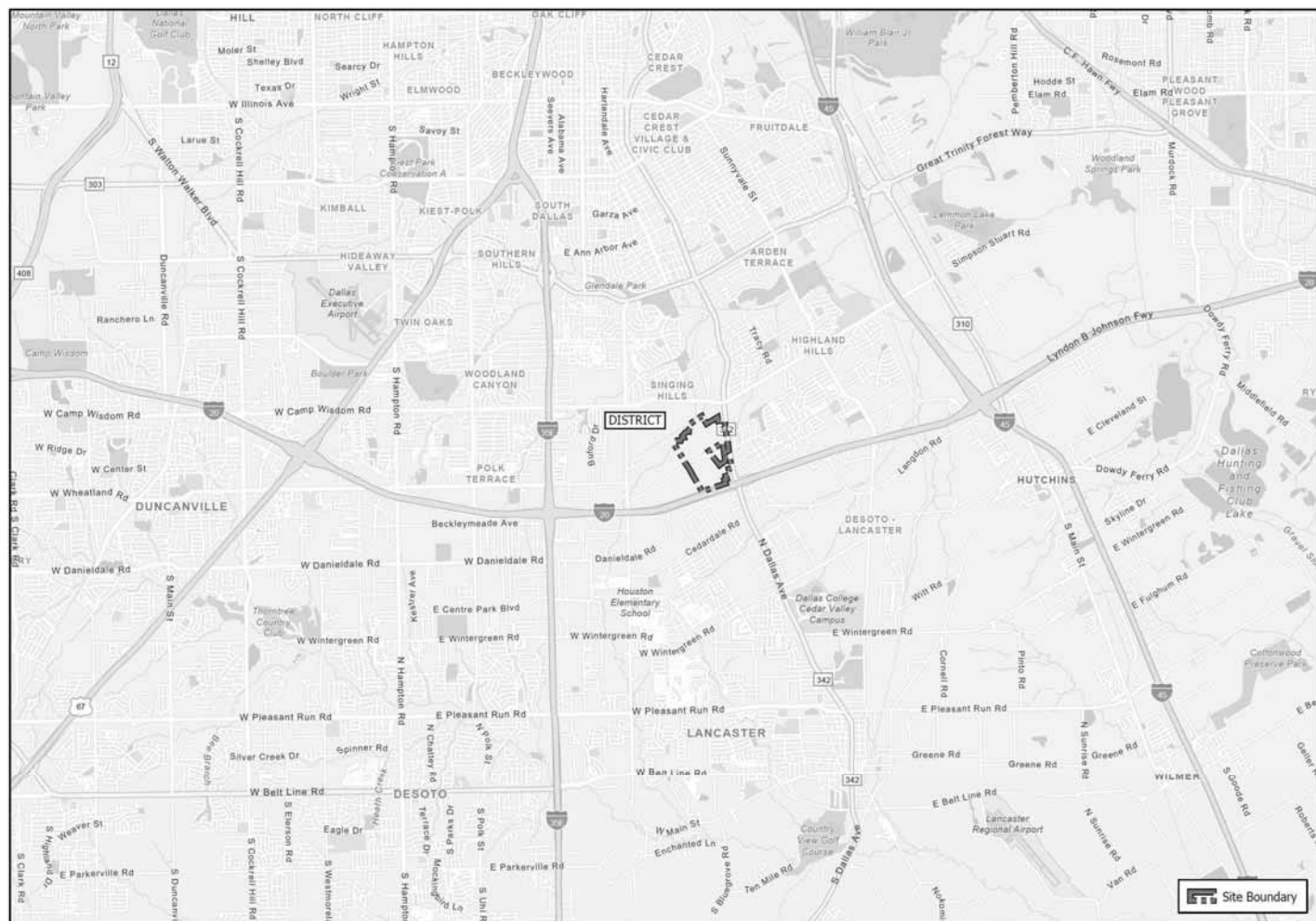
This limited offering memorandum includes certain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements may generally be identified by the appearance in such a statement of words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should” or “will” or other comparable words or the negative of these words. When considering these forward-looking statements, investors should keep in mind the risk factors the Issuer describes and other cautionary statements the Issuer has disclosed in this limited offering memorandum. The Issuer’s forward-looking statements are only predictions based on expectations that the Issuer believes are reasonable. The Issuer’s actual results could differ materially from those anticipated in, or implied by, these forward-looking statements as a result of known risks and uncertainties set forth below and elsewhere in this limited offering memorandum. Please refer to the “RISK FACTORS” section in this limited offering memorandum for a discussion of risks and factors that could cause the Issuer’s actual results and financial condition to differ materially from those expressed in this limited offering memorandum.

The Issuer undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. To the extent these risks, uncertainties and assumptions give rise to events that vary from the Issuer’s expectations, the forward-looking events discussed in this limited offering memorandum may not occur. All forward-looking statements attributable to the Issuer are qualified in their entirety by this cautionary statement

REGIONAL LOCATION MAP OF THE UNIVERSITY HILLS DEVELOPMENT



AREA LOCATION MAP OF THE UNIVERSITY HILLS DEVELOPMENT



AERIAL PHOTO AND BOUNDARY MAP OF THE PROPERTY



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SUMMARY

This limited offering memorandum summary highlights certain information concerning the Issuer's Property and the Bonds; it does not contain all of the information that may be important to each investor and to his/her investment decision. This summary is qualified in its entirety by the more detailed information included elsewhere in this limited offering memorandum and the accompanying schedules and appendices attached hereto which include forms of the Indenture, the Deed of Trust and the related documents. The Issuer urges each investor to carefully read all of this limited offering memorandum, including the accompanying schedules and appendices attached hereto, to gain a more complete understanding of the terms of the Bonds, as well as some of the other considerations that may be important to each investor, before making an investment decision. Investors should pay special attention to the "RISK FACTORS" section of this limited offering memorandum to determine whether an investment in the Bonds is appropriate for such investor.

The Issuer

I-20 Lancaster Fund, LLC is a newly-formed limited liability company created for the purpose of (i) acquiring the Property, (ii) providing infrastructure and other development by the Project Developer and (iii) issuing the Bonds secured by the Collateral. The Property relates to a real estate project located primarily in Dallas, Texas as more particularly described under "THE UNIVERSITY HILLS DEVELOPMENT" and "PURCHASE OF PROPERTY AND EXPECTED FUNDING FOR THE UNIVERSITY HILLS DEVELOPMENT." A portion of the proceeds from this offering will be used to satisfy existing indebtedness and remove existing encumbrances on the Property and provide certain development funds for the Property as described herein.

THE BONDS OFFERED HEREBY WILL BE SOLELY SECURED BY A FIRST PRIORITY LIEN EVIDENCED BY THE DEED OF TRUST ON THE PROPERTY, THE LOT SALE CONTRACTS AND ASSIGNMENTS, THE REVENUES, AND OTHER COLLATERAL PURSUANT TO THE INDENTURE. PAYMENT OF THE BONDS IS NOT SECURED BY ANY OTHER SOURCES RELATED TO THE DEVELOPMENT, IF ANY, OF THE ACQUIRED LAND OR THE PROJECT.

The Issuer will have no operating business and is not expected to generate periodic revenues. The Issuer anticipates that its revenue will be generated from (i) proceeds from Lot Sale Contracts and Assignments and (ii) the exercise of option to purchase the Property by the Project Developer as described under "ACQUISITION OF ACQUIRED LAND; APPRAISAL AND MARKET STUDY – Option of the Project Developer to Purchase Property." No assurance can be given that the Issuer will receive funds from the Lot Sale Contracts and Assignments pledged as of the date hereof or that Lot Sale Contracts and Assignments for the remaining portions of the Property will be obtained before the Maturity Date. In addition, if the Issuer is able to obtain additional Lot Sale Contracts and Assignments and sell the Property, the Issuer can give no assurance that proceeds therefrom will be sufficient to pay amounts due on the Bonds.

The Issuer is a Texas limited liability company, and its principal offices are located at 1717 Main Street, Suite 5630, Dallas, Texas 75201.

Hoque Global

Hoque Global is a diversified investment company with a primary focus on catalytic enterprises in real estate. Its portfolio of companies includes those in the hospitality, event planning, logistics, transportation, and technology sectors. Over the years, Hoque Global has become a recognized leader in the revitalization, redevelopment, and re-energization of properties. Its discerning view to understand opportunities in proportion to their potential community impact has become Hoque Global's primary strategy.

Founded on the principals established in three generations of the Hoque family's commitment to improving the world through leadership, innovation, and a relentless pursuit of diverse solutions, Hoque Global continues to innovate with success. Hoque Global's leadership is built on birthing and pursuing new ideas in the global marketplace.

Mike Hoque has ultimate control of Hoque Global and its affiliates. Hoque Global maintains a staff of approximately 12 employees.

Centurion American

Since 1990, Centurion American has developed over 100,000 single-family lots in dozens of communities surrounding North Texas. It has worked closely with investors, land-owners, financial institutions, and vendors to acquire over 50,000 acres of land inventory for a diverse mix of developments in size and scope. Centurion's communities include amenities such as parks, golf courses, water park themes, and hiking and biking trails. Over the past thirty years, Centurion has demonstrated the ability to successfully deliver master-planned communities that have been recognized in the real estate industry.

Mr. Mehrdad Moayedhi has ultimate control of Centurion American and its affiliates, including CADG Property Holdings I, LLC. Centurion American maintains a staff of approximately fifty (50) employees. Centurion American creates single-asset limited liability companies to own development sites and contracts with developers and other professionals in the delivery of its communities.

In addition, Centurion American works closely with local municipalities, commercial developers, and public school systems as part of its overall master plan. Centurion American works with North Texas' top builders to deliver the latest concepts ranging from upscale, luxury homes in secluded neighborhoods to affordable housing communities for first-time home buyers. Centurion American purchases and develops land in prime locations with the right mix of natural land settings, strong job growth, good school systems and access to local community shopping.

Acquisition of the Property; The Project

The Project.

The Project consists of the acquisition of approximately 275 acres located primarily in Dallas, Texas and the construction of certain Public improvements, Private Improvements and Amenities (each as defined herein) to provide for development of the property into a master-planned mixed-use community to be known as "University Hills" (referred to herein as the "University Hills Development"). The "Private Improvements" consist of improvements related to earthwork, dry utilities, landscape and soft costs benefitting all or a portion of the Property. The "Public Improvements" consist of means wastewater improvements and related improvements benefitting the Property which will be owned and maintained by the City of Dallas, Texas and will not be financed by the University Hills MMD Bonds. The "Amenities" consist of the amenity center for the single-family development that is expected to include a splash pad, pavilion, picnic tables, umbrellas, benches, BBQ and fire pits, lawn games, restrooms, and a pool. The University Hills Development is expected to be developed into (i) 573 single-family lots, including 40', 50' and townhome lots; (ii) approximately 72.2 acres (and approximately 1,917 units) of multifamily; (iii) approximately 36.5 acres (200,000 sf) of retail; (iv) approximately 7.7 acres (106,326 sf) of hotel; (v) approximately 19.2 acres (390,000 sf) of mixed use; (vi) approximately 4.9 acres (150,000 sf) of life science; and (vii) approximately 7.5 acres (340,200 sf) of office as more particularly described herein under "THE UNIVERSITY HILLS DEVELOPMENT" and "PURCHASE OF PROPERTY AND EXPECTED FUNDING FOR THE UNIVERSITY HILLS DEVELOPMENT."

Acquisition of the Property by Issuer from Centurion Affiliate and Hoque Global Affiliate.

Immediately prior to the issuance of the Bonds, a portion of the Property consisting of approximately 146.8 acres will be owned by VM Fund I, LLC and a portion of the Property consisting of approximately 128.4 acres will be owned by CADG Property Holdings I, LLC. It is expected that, concurrently with the closing of the Bonds, CADG Property Holdings I, LLC will acquire the 146.8 acre portion of the Property owned by VM Fund I, LLC with funds provided from the simultaneous sale of such portion of the Property to the Project Developer. Concurrently with the closing of the Bonds, CADG Property Holdings I, LLC will sell the Property to the Project Developer. The Project Developer will purchase the Property partially with proceeds of the Bonds and partially through seller financing evidenced by a \$10,000,000 promissory note executed by the Project Developer in favor of CADG Property Holdings I, LLC (the "Seller Note"), which will be secured by a pledge of HG Development Concepts, LLC's membership interests in the Project Developer. See "PURCHASE OF THE PROPERTY AND EXPECTED FUNDING OF THE UNIVERSITY HILLS DEVELOPMENT – Purchase of the Property." It is expected that the Project Developer will convey the Property to the Issuer in exchange for the option to reacquire the Property as provided in the Option Agreement upon payment of the Release Price. See "—Existing Indebtedness" below for information about the debt to be retired upon acquisition of the Property.

THE OFFERING

The summary below describes the principal terms of the Bonds. Certain of the terms described below are subject to important limitations and exceptions. See Appendices A and B of this limited offering memorandum for more detail on the Indenture and the Deed of Trust.

Issuer	I-20 Lancaster Fund, LLC
Maturity Date	January 15, 2035
Original Bond Amount	\$35,344,967.00
Interest	The Bonds will be issued as current interest term bonds. Interest on the Bonds will accrue at a fixed rate per annum of 12.00% to be paid on Interest Payment Dates, Redemption Date (if applicable) and the Maturity Date. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months. During the occurrence and continuation of an Event of Default, the Bonds will bear interest equal to the initial interest rate on the Bonds plus five percent (5.00%) per annum.
Ranking	The Bonds will be direct, senior and secured obligations of the Issuer. Subject to the provision for Extraordinary Mandatory Redemption described herein, the payment of principal of and interest on the Bonds will rank equally in right of payment with all existing and future senior indebtedness of the Issuer (if any) and senior in right of payment to all of the Issuer's present or future subordinated debt. The Bonds will not be guaranteed by any other party. The Indenture sets forth limitations on the Issuer incurring any additional indebtedness, whether secured or unsecured.
No Additional Bonds	The Issuer will not issue or permit the issuance of additional bonds under the Indenture.
Collateral	The Bonds will be secured by all of the Issuer's right, title, and interest, whether now owned or hereafter acquired, in, to, and under: (i) the Property, (ii) the Revenues, (iii) the Membership Pledge Agreement and the Transaction Documents to which the Issuer is a party, (iv) all the Funds established under the Indenture and all money, instruments, investment property, and other property credited thereto or on deposit therein, and all investment earnings thereon, (v) all money or other property delivered to the Trustee (or its authorized representative) in respect of the Bonds or the money or other property held under the Indenture, (vi) all deposit accounts, all goods, all licenses, all documents and all investment property, and (vii) any and all proceeds of the foregoing.
Use of Proceeds	The net proceeds of this offering will be used for the following purposes: (i) providing funds to acquire the Property and pay off and release the existing lien related thereto encumbering the Property, (ii) funding the Reserve Fund in the amount of the Reserve Fund Amount (as defined herein), (iii) funding capitalized interest on the Bonds, (iv) funding the construction of certain Public Improvements, Private Improvements and Amenities (each as defined herein) to be constructed to benefit the University Hills project (the "Project") and (v) paying the costs of issuance of the Bonds. See "SOURCES AND USES" herein.
Project	The Project consists of the acquisition of the Property and the construction of certain Public Improvements, Private Improvements and Amenities as more particularly described under "THE UNIVERSITY HILLS DEVELOPMENT" and "PURCHASE OF PROPERTY AND EXPECTED FUNDING IN THE UNIVERSITY HILLS DEVELOPMENT."
Release from Deed of Trust	The Property or portions thereof may be released from the lien of the Deed of Trust upon submission to the Trustee of a Request for Partial Release of Lien and payment of the Release Price.

Release Price	<p>In order for any portion of the Property to be released from the lien of the Deed of Trust, whether as a result of the Project Developer exercising its option or otherwise, the Trustee must receive (i) with respect to Property that is one or more single family lots, Cash equal to the Sale Proceeds related to the Property being released, and (ii) with respect to other Property, Cash equal to the Sale Proceeds related to the applicable portion of the Property being released, as further described in the Indenture; provided, however, there shall be no Release Price payable for Non-Economic Property (the “Release Price”). “Non-Economic Property” means any Portion of the Property conveyed by Issuer to (i) a governmental entity for streets, roads, public parks, or schools, or (ii) a homeowner’s association for community property; provided that, such conveyance shall not exceed ten percent (10%) of the appraised value of the Property. With respect to any Property that is not single family lots, the Issuer shall notify the Majority Holders of a proposed Release Price regarding any Property other than single family lots and Non-Economic Property. The Majority Holders shall have ten (10) days to request the Issuer order a third-party appraisal to confirm the proposed Release Price, at the Issuer’s expense. Such third-party appraisal must be completed within forty-five (45) days of the Majority Holders’ request, unless agreed upon by the Issuer and the Majority Holders. If a third-party appraisal results in (i) an appraised value of such Property being more than fifteen percent (15%) less than the Release Price, the Issuer shall provide the necessary amount to ensure the value is within fifteen percent (15%) of the Release Price or (ii) an appraised value of such Property being more than fifteen percent (15%) more than the Release Price, the proposed Release Price would be utilized. The Majority Holders waive their right to a third-party appraisal if not requested within ten (10) days of notification of the proposed Release Price.</p>
Optional Redemption	<p>The Bonds are subject to optional redemption prior to the Maturity Date, in whole or in part, on any Business Day with not less than five (5) days’ prior written notice in principal amounts of \$1.00 and integral multiples of \$1.00 in excess thereof. With respect to an optional redemption, in part, such redemption will be processed through DTC and will be treated by DTC, in accordance with its rules and procedures. as a "Pro Rata Pass-Through Distribution of Principal."</p>
Mandatory Redemption	<p>The Bonds are subject to mandatory redemption prior to the Maturity Date, in whole or in part, on any Business Day at the principal amount thereof plus accrued and unpaid interest thereon to but excluding the Redemption Date, in principal amounts of \$1.00 and integral multiples of \$1.00 in excess thereof from Sale Proceeds received by the Trustee pursuant to any Lot Sale Contract. Following the receipt or deposit of such moneys, as applicable, by the Trustee, the Trustee will provide notice of mandatory redemption in accordance with the Indenture; provided that, no such mandatory redemption shall occur unless (a) the amount on deposit in the Expense Fund is at least equal to the Expense Fund Amount on such mandatory Redemption Date, which condition, for the avoidance of doubt, may be satisfied by the application of funds pursuant to Debt Service Fund provision on such mandatory Redemption Date and (b) following such mandatory redemption, there shall be sufficient funds remaining in the Debt Service Fund for the payment of all interest due on the Bonds to the Bondholders on the Interest Payment Date immediately following such mandatory Redemption Date, which amount shall be calculated on the aggregate principal amount of the Bonds after giving effect to the payment of principal to be made to the Bondholders on such mandatory Redemption Date. If development of the University Hills Development occurs as the Project Developer anticipates, then Bonds are likely to be mandatorily redeemed.</p>
Extraordinary Mandatory Redemption.....	<p>The Bonds are subject to extraordinary mandatory redemption prior to the Maturity Date, in whole, in principal amount of \$1.00 and integral multiples of \$1.00 in excess thereof on the Extraordinary Mandatory Redemption Date at a redemption price equal to the Extraordinary Mandatory Redemption Amount, if at least ten (10) days prior to the Extraordinary Mandatory Redemption Date, the Issuer has not delivered to the Trustee an Officer’s Certificate certifying that the UHMD Bonds have been issued; provided that, such Extraordinary Mandatory Redemption Date will be cancelled if the Issuer delivers such Officer’s Certificate to the Trustee</p>

during the ten (10) day period prior to the Extraordinary Mandatory Redemption Date.

Debt Service Fund.....

A Debt Service Fund will be established and maintained by the Trustee under the Indenture. The Issuer is not expected to receive money on a regular basis, but (i) revenue from the Lot Sale Contracts and Assignments, (ii) the Reserve Fund Amount (an amount equal to, on each Interest Payment Date, 1.50% of the Outstanding Bond Amount), (iii) the Expense Fund Amount, and (iv) proceeds from insurance policies will held by the Trustee in trust under the Indenture for the benefit of the Bondholders and, except as provided below, transferred when and as received by the Trustee to the Debt Service Fund so long as any Bonds remain Outstanding. On each Interest Payment Date, each Redemption Date and the Maturity Date, all moneys on deposit in the Debt Service Fund (excluding any funds on deposit in the Debt Service Fund that have been earmarked for application pursuant to the Indenture on a Redemption Date occurring after an intervening Interest Payment Date) shall, after payment of the Trustee's fees and expenses outstanding, if any, be applied and disbursed in the following order and priority:

- i. first, except on the Redemption Date that is the Extraordinary Mandatory Redemption Date, all interest then due on the Bonds to the Bondholders;
- ii. second, on each Interest Payment Date prior to the Maturity Date, to the Reserve Fund, the amount required, if any, to cause the amount on deposit therein to equal the Reserve Fund Amount;
- iii. third, on each Interest Payment Date and mandatory Redemption Date prior to the Maturity Date, to the Expense Fund, the amount required, if any, to cause the amount on deposit therein to equal the Expense Fund Amount;
- iv. fourth, on each Redemption Date other than the Extraordinary Mandatory Redemption Date, all principal then due on the Bonds to the Bondholders;
- v. fifth, on the Extraordinary Mandatory Redemption Date, the Extraordinary Mandatory Redemption Amount to the Bondholders;
- vi. sixth, prior to the Maturity Date, any remaining funds in the following order of priority: (1) first, to the Optional Redemption Fund; provided that no such transfer shall occur unless, following such transfer, there shall be sufficient funds remaining in the Debt Service Fund for the payment of all interest due on the Bonds to the Bondholders on the next Interest Payment Date and (2) second, to the Debt Service Fund; and
- vii. seventh, on the Maturity Date, any remaining funds in the following order of priority: (1) first, to the payment of all principal then due on the Bonds to the Bondholders; (2) second, to the payment of any additional amounts due under the Indenture; and (3) third, following the application of funds pursuant to clauses (1) and (2) above, to the Issuer, free and clear of the lien of the Indenture.

Capitalized Interest Fund

A Capitalized Interest Fund will be established and maintained by the Trustee under the Indenture. The Capitalized Interest Fund will be funded with a portion of the proceeds from the issuance of the initial Bonds, and cash in the Capitalized Interest Fund will held by the Trustee in trust under the Indenture for the benefit of the Bondholders so long as any Bonds remain Outstanding. All amounts held by the Trustee in the Capitalized Interest Fund are irrevocably pledged to the payment of interest on the Bonds as provided in the Indenture, and the amounts in the Capitalized Interest Fund will not be used for any other purpose while any of the Bonds remain Outstanding.

Expense Fund.....	An Expense Fund will be established and maintained by the Trustee under the Indenture. The Expense Fund will be funded in an amount equal to the Expense Fund Amount on each Interest Payment Date or mandatory Redemption Date from available funds in the Debt Service Fund, and cash in the Expense Fund will held by the Trustee in trust under the Indenture for the payment of certain fees and expenses related to the maintenance of the Property in accordance with the Indenture.
Project Fund.....	A Project Fund will be established and maintained by the Trustee under the Indenture. All amounts held by the Trustee in the Project Fund are irrevocably pledged to the Bondholders as provided in the Indenture. The disbursement of funds from the Project Fund subsequent to the initial disbursement for the purchase of portions of the Property is restricted pursuant to the following conditions: (1) the UHMD Bonds must be issued by August 10, 2025; and (2) the Initial Bondholder is the sole investor in the UHMD Bonds.
Lot Sale Earnest Money Fund.....	A Lot Sale Earnest Money Fund will be established and maintained by the Trustee under the Indenture. The Issuer shall deposit the Lot Sale Earnest Money into the Lot Sale Earnest Money Fund when received. Money in the Lot Sale Earnest Money Fund shall be disbursed from time to time by the Trustee in accordance with the written direction of the Issuer to be used to pay costs associated with the Project to the extent funds in the Project Fund are insufficient to pay such costs. Upon the Trustee's receipt of an Officer's Certificate confirming the completion of the Project, the funds in Lot Sale Earnest Money Fund shall be transferred to Debt Service Fund. Upon the payment in full of the Bonds, all obligations owed by the Issuer to the Trustee, and the discharge of the Indenture, any amounts remaining in the Lot Sale Earnest Money Fund shall be disbursed to the Issuer free and clear of the lien of the Indenture.
Optional Redemption Fund.....	An Optional Redemption Fund will be established and maintained by the Trustee under the Indenture. All amounts held by the Trustee in the Optional Redemption Fund are irrevocably pledged to the payment of the principal of and interest on the Bonds as provided in the Indenture, and the amounts in the Optional Redemption Fund will not be used for any other purpose while any of the Bonds remain Outstanding. All moneys on deposit in the Optional Redemption Fund will be applied and disbursed on each optional redemption date to pay the principal of and interest on the Bonds as of such date in accordance with the Indenture.
Reserve Fund	A Reserve Fund will be established and maintained by the Trustee under the Indenture. Cash in the Reserve Fund will be held by the Trustee in trust under the Indenture for the benefit of the Bondholders so long as any Bonds remain Outstanding. All amounts held by the Trustee in the Reserve Fund are irrevocably pledged to the payment of principal of and interest on the Bonds as provided in the Indenture, and the amounts in the Reserve Fund will not be used for any other purpose while any of the Bonds remain Outstanding, except to pay extraordinary fees and expenses of the Trustee, but may be used to redeem Bonds in connection with a mandatory redemption or extraordinary mandatory redemption to the extent insufficient funds are on deposit in the Debt Service Fund to make such payment; provided that, upon the occurrence and continuation of an Event of Default, amounts in the Reserve Fund may be retained in the Reserve Fund or disbursed as directed by the Majority Holders to satisfy obligations under the Indenture
Transfer Restrictions.....	The Bonds are not registered under the Securities Act. The Bonds are subject to restrictions on transfer and may only be offered or sold in transactions exempt from or not subject to the registration requirements of the Securities Act. See "NOTICE TO INVESTORS." The Issuer does not intend to make an offer to exchange the Bonds for bonds registered under the Securities Act or to otherwise register the Bonds for resale under the Securities Act. All purchasers of the Bonds must be "qualified institutional investors" as defined in Rule 144A of the Securities Act. Initial investors in the Bonds must execute an Investor Representation Letter substantially in the form of Appendix C hereto.

Trustee

Computershare Trust Company, National Association

No Public Market

The Bonds are a new issue of securities and will not be listed on any securities exchange or included in any automated quotation system. See "PLAN OF DISTRIBUTION."

Refer to "RISK FACTORS" for an explanation of certain risks related to investing in the Bonds.

RISK FACTORS

The following information describes certain significant risks and uncertainties inherent in the Issuer's business and this offering. These risks should be considered in evaluating the Issuer and in deciding whether to purchase the Bonds offered hereby. This section does not describe all risks applicable to the Issuer, its industry or its business, and it is intended only as a summary of certain material risks. Prospective purchasers should carefully consider such risks and uncertainties together with the other information contained in this limited offering memorandum. If any of such risks or uncertainties actually occurs, the Issuer's business, financial condition and operating results could be harmed substantially and could differ materially from the plans and other forward-looking statements included in this limited offering memorandum.

Risks Related to the Issuer

The Issuer is a newly formed company with no operating history, no revenues and a limited purpose. No assurance can be given that the Issuer's assets will be sufficient to pay the bonds when due.

The Issuer is a newly formed company with no operating results. The Issuer has a limited business purpose and limited opportunities to develop revenues. The Issuer's only expected source of revenue is from Lot Sale Contracts and Assignments, but no assurance can be given that the Issuer will be able to sell any of the Property or, if the Issuer does, that the proceeds from the Lot Sale Contracts and Assignments will be sufficient to pay amounts on the Bonds when due.

The success of the Issuer is impacted by the performance of the general real estate industry.

The real estate industry in which the Property is located, including in North Texas, is highly cyclical and is impacted by global, national and local economic conditions and events. These conditions and events include, among other conditions and events, availability of financing, interest rates, consumer confidence and spending, general employment and income levels, and over-supply of or decrease in demand for residential and commercial real estate. The Issuer cannot predict these conditions and events. The success of the Issuer and the Project Developer is subject to numerous factors beyond the Issuer's control, including local real estate market conditions, competition, general national, regional and local economic, political and social conditions, fluctuations in interest rates and mortgage availability, over-supply in the markets, a decline in brick-and-mortar retail industry, changes in demographic conditions, changes in tenant preferences and changes in government regulations or requirements, including tax law changes. Market values for the Issuer's investments may be adversely affected by these factors. As a result, the Issuer may not be able to accurately predict the level of future sales or sales prices that will be realized for individual assets in the University Hills Development or portions of the Property. The Issuer also cannot predict the length of time needed to find a willing purchaser and to close the sale of a property.

The Issuer's business is subject to state and federal environmental regulation, which can increase the Issuer's costs and liabilities.

The Issuer's business is subject to environmental laws and regulations at the federal, state and local levels regarding, among other things, water, air, solid waste, hazardous substances, zoning, construction permits or entitlements, building codes and the requirements of the Federal Occupational Safety and Health Act. Violations of these laws could result in significant fines, penalties and liabilities, in some instances even regardless of whether the owner or operator of the property knew of, or was responsible for, the release or presence of the hazardous or toxic substances. Third parties may also make claims against owners or operators of properties for personal injuries and property damage associated with releases of, or actual or alleged exposure to, such substances. In addition, the Project may be unexpectedly interrupted or terminated because of environmental considerations, including, without limitation, air and water quality and protection of endangered species and their habitats. In addition, in those cases where an endangered or threatened species is involved and agency rulemaking and litigation are ongoing, the outcome of such rulemaking and litigation can be unpredictable, and at any time can result in unplanned or unforeseeable restrictions on or even the prohibition of development in identified environmentally sensitive areas. The Issuer cannot predict with any certainty the magnitude of any expenditures relating to the environmental compliance or the long-term effect, if any, on development of the Project or the University Hills Development. These events could increase the Issuer's costs or subject the Issuer to unforeseen liability and could adversely affect the Issuer's business, financial condition or results of operations.

The Issuer's revenues and the value of its assets may be vulnerable to adverse changes in local economic conditions.

The University Hills Development is located primarily in Dallas, Texas. Accordingly, the success of the Issuer's business may be impacted by fluctuations by various factors in the regional or local economies that are beyond the Issuer's control, such as material relocation by residents, industry slowdowns, plant closings, increased unemployment, lack of availability of consumer credit, levels of consumer debt, housing market conditions, adverse weather conditions, natural disasters and other factors. The Issuer's success depends to a large extent upon the business activity, population, income levels, employment trends and real estate activity in and around Dallas. If any or all of these factors were to occur and adversely affect the Issuer's ability to sell residential and commercial property in the University Hills Development, it would likely have a material adverse effect on the Issuer's business, financial condition and results of operations.

Investments secured primarily by land, such as the Bonds, are generally illiquid.

As described in this limited offering memorandum, the Issuer intends to acquire the Property in connection with this offering. The Issuer may also acquire additional real estate in the future. Real estate investments are relatively illiquid, and it may be difficult for the Issuer to sell such assets if the need or desire arises. This could limit the Issuer's ability to respond to adverse economic or other conditions. Illiquid assets, including real estate, may experience greater price volatility because as a ready market does not exist, and illiquid assets can therefore be more difficult to value. In addition, validating third party pricing for illiquid assets may be more subjective than more liquid assets. As a result, if the Issuer is required to liquidate all or a portion of its real estate assets quickly, the Issuer may realize significantly less than the value at which the Issuer previously recorded its assets.

The development activities of the Project Developer subject them to substantial risks associated with development of residential and commercial real estate, which could negatively impact the Issuer's ability to sell the Property and pay principal and interest on the Bonds.

The development activities of the Project Developer subject them to substantial risks associated with development of residential and commercial estate, such as, among other things:

- the inability to obtain financing for the development of properties, which may include financing through municipalities for other governmental entities through the issuance of development bonds;
- increased development costs for projects that exceed original estimates;
- delays in development, which may result from numerous factors within and beyond their reasonable control;
- claims for defects after a property has been developed;
- poor performance or nonperformance by the Project Developer or other third parties on whom they rely;
- health and safety incidents and site accidents;
- easement and other restrictions; and
- compliance with building codes and other local regulations.

The occurrence of any of these risks, individually or in the aggregate, may have a material adverse effect on the business, financial condition and results of operations of the Project Developer, which could negatively impact the Issuer's revenues and ability to pay principal of and interest on the Bonds.

Bankruptcy of Hoque Global, Centurion American, the Project Developer, or an affiliate could result in delays or reductions in payments on the Bonds.

Hoque Global, Centurion American and the Issuer have taken steps to minimize the risk that in the event Hoque Global, Centurion America, the Project Developer, or any of their affiliates were to become the debtor in a bankruptcy case, a court would order that the assets and liabilities of the Issuer be substantively consolidated with those of Hoque Global, Centurion American, the Project Developer, or an affiliate. The Issuer has been established as a separate, special purpose limited liability company whose organizational documents limit the nature of its business, activities, and operations. If a party in interest (including Hoque Global, Centurion American, the Project Developer, or an affiliate) were to take the position that the assets and liabilities of the Issuer should be substantively consolidated with those of Hoque Global, Centurion American, the Project Developer, or an affiliate, delays in payments on the Bonds could result. If a court were to adopt such position, then delays or reductions in payments on, or other losses with respect to, the Bonds could result.

Should Hoque Global, Centurion American, the Project Developer, or an affiliate go into bankruptcy, there could be other adverse effects that could result in delays or reductions in payments on, or other losses with respect to, the Bonds. For example, the entity in bankruptcy may be unable to, or may refuse to, perform with respect to the development or disposition of the Property. It may be difficult or impossible to find another entity to perform. Under such circumstances, the Property may not generate sufficient cash to pay the Bonds in full or in a timely manner. The entity in bankruptcy may be able to assign its agreements with respect to the development or disposition of the Property to another entity, over the objection and without the consent of the Trustee or the holders of the Bonds. Any such assignee may not be able to develop the Property in a manner that generates sufficient cash to pay the bonds in full or in a timely manner.

There may also be other possible effects of a bankruptcy of Hoque Global, Centurion American, the Project Developer, or an affiliate that could result in delays or reductions in distributions on, or other losses with respect to, the Bonds. Regardless of any specific adverse determinations in a bankruptcy of Hoque Global, Centurion American, the Project Developer, or an affiliate, the fact that such a proceeding has been commenced could have an adverse effect on the value of the Property and the liquidity and value of the Bonds.

The loss of the services of Hoque Global's or Centurion American's key management or personnel may adversely affect the development of the Property and therefore the Issuer's ability to sell the Property.

To a significant extent, the Issuer depends on the expertise of executive officers and key personnel of Hoque Global and Centurion American in order to develop the Project and the University Hills Development. The management and ownership of Hoque Global, Centurion American and the Project Developer could change in the future. The loss of any key personnel of Hoque Global or Centurion American could negatively affect the development of the Property and thus the Issuer's ability to sell the Property, the timing of any sale of the Property and the Issuer's ability and timing for paying amounts due on the Bonds.

Real estate development involves a lengthy, uncertain and costly entitlement process and compliance with numerous regulatory requirements, which can be costly.

Approval to develop real property often requires political support and generally entails an extensive entitlement process involving multiple and overlapping regulatory jurisdictions and often requires discretionary action by local governments. Local residents or others may challenge the Issuer's efforts to obtain entitlements and permits for the development the Project and the University Hills Development. In addition, the Project and the University Hills Development must comply with local land development regulations and may need to comply with state and federal regulations, which can result in substantial costs to ensure compliance with these legal and regulatory requirements. The process to comply with these regulations is usually lengthy and costly, may not result in the approvals the Issuer seeks, and can be expected to materially affect the Issuer's development activities. Delays in development of the Project or the University Hills Development may impact the Issuer's ability to pay principal of and interest on the Bonds.

The Issuer cannot provide assurance that the development of the Property, the Project or the University Hills Development will be commenced or completed in accordance with the projected timing or cost, which could materially and adversely affect the Issuer's ability to pay principal of and interest on the Bonds.

The development of the Property, the Project and the University Hills Development is subject to risks, many of which are outside of the Issuer's control. The time necessary to commence or complete the development of the Project could be materially longer than the Issuer anticipates. Delays in commencement or completion of the Project and the University Hills Development, or failure to commence or complete the Project and the University Hills Development could adversely affect the financial viability of the Project and the University Hills Development. Even if development of the Project and the University Hills Development commences or is completed in accordance with the anticipated development schedule, the Issuer cannot provide assurance that the Property will be sold to achieve the results that the Issuer expects. If the development of the Project and the University Hills Development is not commenced or completed in accordance with the anticipated timing or at the anticipated cost, or the Property, the Project or the University Hills Development fails to achieve the financial results the Issuer expects, it could have a material adverse effect on the Issuer's ability to pay principal of and interest on the Bonds.

Risks Related to the Bonds

Turbulence in the real estate markets and the economy may adversely affect the performance and market value of the Bonds, and these conditions may not improve.

As a result of low supply and high demand, shipping constraints, and the ongoing trade war (including tariffs and retaliatory tariffs), there have been substantial increases in the cost of lumber and other materials, causing many homebuilders and general contractors to experience budget overruns. Further, the federal administration's on-again, off-again tariffs, threatened impositions of tariffs, and the imposition or threatened imposition of retaliatory tariffs against the United States will impact the ability of developers and builders to estimate costs. The residential real estate market is currently experiencing a slowing of new home sales and new home closings due in part to rising inflation and mortgage interest rates. It is difficult to determine what effects the on-again, off-again tariffs imposed by the federal administration and retaliatory tariffs against the United States will have on inflation and mortgage interest rates. Downturns in the real estate market, mortgage rates, and other factors beyond the control of the Project Developer or the Issuer, including general economic conditions, may impact the timing of lot and home sales within the University Hills Development. No assurances can be given that the projected absorption, home prices and buildout values presented in this Limited Offering Memorandum will be realized.

Investments in undeveloped or developing real estate are generally considered to be speculative in nature and to involve a high degree of risk.

The value of the Property will be subject to the risks generally incident to real estate investments and development. Many factors that may affect the value of the Property are not within the control of the Issuer, Hoque Global, Centurion American or the Project Developer. Such factors include changes in (i) national, regional and local economic conditions, (ii) long- and short-term interest rates, (iii) climate for real estate purchases, (iv) demand for or supply of competing properties, (v) local, regional and national market and economic conditions, (vi) unanticipated development costs, market preferences and architectural trends, (vii) unforeseen environmental risks and controls, (viii) adverse use of adjacent and neighboring real estate, (ix) interest rates and the availability of mortgage funds to buyers of the homes to be built in the University Hills Development, which may render the sale of such homes difficult or unattractive, (x) acts of war, terrorism or other political instability, (xi) delays or inability to obtain governmental approvals, (xii) changes in laws, (xiii) moratorium, (xiv) acts of God (which may result in uninsured losses), (xv) strikes and labor, energy and material shortages, (xvi) inflation, (xvii) adverse weather conditions, (xviii) contractor or subcontractor defaults and (xix) other unknown contingencies and factors beyond the control of the Issuer, Hoque Global, Centurion American or the Project Developer.

Caution should be exercised in the evaluation and use of valuations included in the Appraisal.

The Appraisal is an estimate of market value as of a specified date based upon assumptions and limiting conditions and any extraordinary assumptions specific to the relevant valuation and specified therein. The estimated market value specified in the Appraisal is not a precise measure of value but is based on a subjective comparison of related activity taking place in the real estate market. The valuation set forth in the Appraisal is based on various assumptions of future expectations and while the appraiser's forecasts for the properties is considered to be reasonable at the current time, some of the assumptions may not materialize or may differ materially from actual experience in the future. The Bonds will not necessarily trade at values determined solely by reference to the underlying value of the Property.

In performing its analysis on the Property, the Appraiser made numerous assumptions with respect to general business, economic and regulatory conditions and other matters, many of which are beyond the Appraiser's, Initial Purchaser's and the Issuer's control, as well as certain factual matters. Furthermore, the Appraiser's analysis, opinions and conclusions are necessarily based upon market, economic, financial and other circumstances and conditions existing prior to the valuation and date of the Appraisal.

Caution should be exercised in the evaluation and use of information included in the Market Study.

There can be no assurance that the absorption rates or other estimates of future market conditions relating to the development of the Property described in the Market Study will be achieved. Failure to achieve the absorption rate estimates may adversely affect the estimated value of the Property.

The Property is subject to geographic concentration risk.

The Property is located primarily in Dallas, Texas. Because of such geographic concentration, the economic, political and social conditions in Texas and the Dallas-Fort Worth area will have a significant impact on the value of the Property and may be more volatile than the performance of more geographically diversified portfolio.

The value of the Property could be adversely affected by a future claim with regard to hazardous substances.

While governmental taxes, assessments and charges are a common claim against the value of a parcel, other less common claims may be relevant. One of the most serious in terms of the potential reduction in the value of the Property is a claim with regards to a hazardous substance. In general, the owners and operators of a parcel may be required by law to remedy conditions relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as “CERCLA” or “Superfund Act,” is the most well-known and widely applicable of these laws. It is likely that, should any of the Property be affected by a hazardous substance, the marketability and value of such parcels would be reduced by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The value of the Property does not consider the possible liability of the owner (or operator) for the remedy of a hazardous substance condition of the parcel. The Issuer is not currently aware of any such liability on the Property; however, it is possible that such liabilities does currently exist, and the Issuer is not aware.

Further, it is possible that liabilities may arise in the future with respect to any of the Property resulting from the existence, currently, of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. The actual occurrence of any of these possibilities could significantly negatively affect the value of a parcel subject to the Deed of Trust that is realizable upon a foreclosure.

The Trustee has a lien for its fees and expenses which is prior in right of payment to amounts due on the Bonds.

The Trustee’s ordinary fees and expense will be satisfied in full at Closing. The Trustee has a lien for its extraordinary fees and expenses and other amounts owed to it in accordance with the Indenture, which is prior in right of payment to amounts due on the Bonds. If proceeds from the sale of the Property are insufficient to pay accrued fees and expenses of the Trustee, other amounts owed to the Trustee, and amounts due on the Bonds, then there would be a shortfall on the Bonds as the Trustee has a prior right to payment.

There is no active trading market for the Bonds and an active trading market may not develop.

The Bonds will be new securities which may not be widely distributed and for which there is currently no active trading market. The Issuer does not intend to apply to list the Bonds on any securities exchange or nationally recognized trading system. No assurance can be given as to the liquidity of the trading market for the Bonds or that an active trading market will develop. If the Bonds are traded after the initial issuance, the Bonds may trade at a discount to the initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the Issuer’s financial condition. If an active trading market does not develop, investors may not be able to sell their bonds at prices that will provide them with a yield comparable to similar investments that have a more highly developed secondary market.

The Bonds are subject to modification and waiver of conditions in certain circumstances, including by the Majority Holders.

The terms of the Indenture permit the Majority Holders to approve certain modifications or amendments to the Indenture and the Bonds that bind all registered holders, subject to certain limitation described in the Indenture. As used herein, “**Majority Holders**” means, as of any date of determination, the holder or holders of more than 50% of the aggregate outstanding Bond amount. In addition, the Indenture may be amended without the consent of Bondholders to: (i) to add to the agreements and covenants required in the Indenture to be performed by the Issuer other agreements and covenants

thereafter to be performed by the Issuer, or to surrender any right or power reserved in the Indenture to or conferred in the Indenture on the Issuer, (ii) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained in the Indenture or in regard to questions arising under the Indenture which the Issuer may deem desirable or necessary and not inconsistent herewith, (iii) to add to the agreements and covenants required in the Indenture, such agreements and covenants as may be necessary to qualify the Indenture under the Trust Indenture Act of 1939 or (iv) to add Collateral.

Because the Bonds are held by or on behalf of DTC, investors will have to rely on DTC procedures for transfer, payment and communication with the Issuer.

The Bonds will be deposited with DTC. Except in limited circumstances, investors will not be entitled to receive Bonds in definitive form. DTC's records will reflect only the identity of direct DTC participants to whose accounts the Bonds are credited. Direct and indirect participants in DTC will be responsible for keeping records of the beneficial ownership of Bonds on behalf of their customers. Investors will be able to trade their beneficial interests only through DTC and its direct and indirect participants.

The Issuer will discharge its payment obligations under the Bonds by making payments to DTC for distribution to its account holders. A holder of a beneficial interest in the Bonds must rely on the procedures of DTC to receive payments under the Bonds. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Bonds.

Holders of beneficial interests in the Bonds will not have a direct right to vote in respect of the Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by DTC to appoint proxies. Similarly, holders of beneficial interests in the Bonds will not have a direct right under the bonds to take enforcement action against the Issuer in the event of a default under the Bonds.

The value of the Property may be affected by the real estate development business, which is highly competitive, and competitors may have more financial, marketing, sales and other resources than the Project Developer.

The value of the Property may be affected by the real estate development business. The real estate development business is highly competitive and fragmented. The Project Developer competes with numerous local, regional and national real estate development companies. Some of these companies may have greater resources than the Project Developer, including financial, marketing, sales and other resources. Demand for the types of properties in which the Project Developer typically invest may increase as a result of this competition, which may reduce the number of acceptable investment opportunities and increase the purchase prices for any such opportunities. In addition, competition among developers could increase during downturns in the real estate industry or economic conditions generally.

The business of the Project Developer may be affected by seasonal fluctuations, which could cause its business, financial condition and results of operations to be adversely affected.

The Project Developer may be affected by seasonal fluctuations, which could impact, but are not limited to, the Issuer's revenues from the sales of the Property. For example, a portion of the Issuer's anticipated revenue will be generated by revenues from lot contracts from with the homebuilders, who generally tend to purchase multiple lots in irregular transactions. Lot prices also vary from community to community. In addition, weather patterns may affect the ability of the Project Developer to timely develop the Project or the University Hills Development. To the extent that hurricanes, tornadoes, severe storms, earthquakes, floods, fires or other natural disasters or similar events occur in the North Texas markets, the business, financial condition and results of operations of the Project Developer may be adversely affected, which could impact the Issuer's revenues.

The business of the Project Developer is highly dependent on homebuilders and purchasers of commercial property, and if homebuilders or commercial developers do not purchase, or the Project Developer do not believe that homebuilders or commercial developers will purchase, the Property, it could adversely affect the Issuer's ability to pay principal of and interest on the Bonds.

The Project Developer is highly dependent on their relationships with homebuilders to purchase lots and commercial developers to purchase commercial pads that comprise the Property. The business of the Project Developer will be adversely affected if homebuilders do not view the Property as a desirable location for homebuilding or other commercial operations or, due to a change in demand, will adversely affect the inability to achieve certain pricing arrangements or upon an overall decline in general market conditions. Changes in the Project Developer's relationships with homebuilders or commercial developers could also adversely affect the Issuer's business. Some homebuilders may also be unwilling or unable to close on previously committed lot purchases for various reasons, which may include for the failure to meet certain conditions in applicable agreements or otherwise. As a result, the Project Developer may anticipate selling fewer lots or commercial pads, which could adversely affect the Issuer's ability to pay principal of and interest on the Bonds.

ACQUISITION OF ACQUIRED LAND; APPRAISAL AND MARKET STUDY

The Issuer is a newly-formed limited liability company created for the purpose of (i) acquiring the Property, (ii) providing certain infrastructure development by the Project Developer and (iii) issuing the Bonds secured by the Collateral. The Property relates to the Project.

THE BONDS OFFERED HEREBY WILL BE SOLELY SECURED BY A FIRST PRIORITY LIEN EVIDENCED BY THE DEED OF TRUST ON THE PROPERTY, THE LOT SALE CONTRACTS AND ASSIGNMENTS, THE REVENUES, AND OTHER COLLATERAL PURSUANT TO THE INDENTURE. PAYMENT OF THE BONDS IS NOT SECURED BY ANY OTHER SOURCES RELATED TO THE DEVELOPMENT, IF ANY, OF THE ACQUIRED LAND OR THE PROJECT.

Acquisition of the Property by the Issuer

Immediately prior to the issuance of the Bonds, a portion of the Property consisting of approximately 146.8 acres will be owned by VM Fund I, LLC and a portion of the Property consisting of approximately 128.4 acres will be owned by CADG Property Holdings I, LLC. It is expected that, concurrently with the closing of the Bonds, CADG Property Holdings I, LLC will acquire the 146.8 acre portion of the Property owned by VM Fund I, LLC with funds provided from the simultaneous sale of such portion of the Property to the Project Developer. Concurrently with the closing of the Bonds, CADG Property Holdings I, LLC will sell the Property to the Project Developer. The Project Developer will purchase the Property partially with proceeds of the Bonds and partially through the Seller Note (in the amount of \$10,000,000). See "PURCHASE OF THE PROPERTY AND EXPECTED FUNDING OF THE UNIVERSITY HILLS DEVELOPMENT – Purchase of the Property." It is expected that the Project Developer will convey the Property to the Issuer in exchange for the option to reacquire the Property as provided in the Option Agreement upon payment of the Release Price. See "— Existing Indebtedness" below for information about the debt to be retired upon acquisition of the Property.

Option of the Project Developer to Purchase the Property

The Project Developer will have an option to purchase all or any portion of the Property (the "**Option**") from the Issuer pursuant to that certain option agreement, dated as of the Closing Date (the "**Option Agreement**"), by and between the Issuer and the Project Developer (under the Option Agreement, the "**Optionee**").

The term of the Option shall commence on the Closing Date and shall expire eighty-four (84) months thereafter unless extended in a written agreement by the parties thereto.

The exercise price under the Option Agreement shall be at least equal to the Release Price as calculated under the Indenture for the specific property in regard to which the Option is being exercised, and not greater than an amount in addition to the Release Price, which shall be set by mutual agreement of the Optionee and the Issuer, considering the timing of the exercise, the carrying value of the asset in the hands of the Optionee, transaction expenses, and other business considerations; provided, however in no circumstance shall the exercise price be more than 119% of the Release Price.

The Project

The Project consists of the acquisition of approximately 275 acres located primarily in Dallas, Texas and the construction of certain Public Improvements, Private Improvements and Amenities to provide for development of the property into a master-planned mixed-use community to be known as "University Hills" (referred to herein as the "University Hills

Development’). The “Private Improvements” consist of improvements related to earthwork, dry utilities, landscape and soft costs benefitting all or a portion of the Property. The “Public Improvements” consist of means wastewater improvements and related improvements benefitting the Property which will be owned and maintained by the City of Dallas, Texas and will not be financed by the University Hills MMD Bonds. The “Amenities” consist of the amenity center for the single-family development that is expected to include a splash pad, pavilion, picnic tables, umbrellas, benches, BBQ and fire pits, lawn games, restrooms, and a pool. The University Hills Development is expected to be developed into (i) 573 single-family lots, including 40’, 50’ and townhome lots; (ii) approximately 72.2 acres (and approximately 1,917 units) of multifamily; (iii) approximately 36.5 acres (200,000 sf) of retail; (iv) approximately 7.7 acres (106,326 sf) of hotel; (v) approximately 19.2 acres (390,000 sf) of mixed use; (vi) approximately 4.9 acres (150,000 sf) of life science; and (vii) approximately 7.5 acres (340,200 sf) of office as more particularly described herein under “THE UNIVERSITY HILLS DEVELOPMENT” and “PURCHASE OF PROPERTY AND EXPECTED FUNDING FOR THE UNIVERSITY HILLS DEVELOPMENT.” A portion of the proceeds from the issuance of the Bonds are expected to be used to fund a portion of the development of the infrastructure for the University Hills Development. See “USE OF PROCEEDS” herein. The Indenture establishes a Project Fund in which funds for the development of the Project will be held and sets forth certain conditions that must be satisfied under the Indenture prior to the release of such funds for development of the Project.

Existing Indebtedness

The Property in the University Hills Development is currently partially owned by VM Fund I, LLC and CADG Property Holdings, I, LLC. CADG Property Holdings I, LLC initially acquired the Property through multiple conveyances. The total purchase price paid by CADG Property Holdings I, LLC was \$6,759,812.50, of which \$2,895,000.00 was paid in cash at the time of purchase and \$3,864,812.50 was paid pursuant to various private loans. VM Fund I, LLC previously issued a series of bonds (the “2021 VM Fund Bonds”) for, inter alia, the purpose of refinancing such private loans, and the Property was subsequently contributed from CADG Property Holdings I, LLC to VM Fund I, LLC (through a series of conveyances). CADG Property Holdings I, LLC (through a series of assignments) holds the option to repurchase the property by payment of a release price. CADG Property Holdings I, LLC previously exercised such option and reacquired approximately 128.4 acres of the Property on January 14, 2025 using cash. The portion of the 2021 VM Fund Bonds applicable to the 128.4 acres was redeemed and such property was released from the deed of trust securing the 2021 VM Fund Bonds. The remaining portion of the Property is currently owned by VM Fund I, LLC and subject to the lien of the deed of trust securing the 2021 VM Fund Bonds. On the Closing Date, the Trustee will transfer a portion of the proceeds of the Bonds in the amount of \$11,500,000 to satisfy (i) the outstanding 2021 VM Fund Bonds in the amount of \$11,257,813.81 (the “Existing Indebtedness”) and (ii) fund closing real estate expenses associated therewith in order to release existing liens relating to the Existing Indebtedness.

See “PURCHASE OF PROPERTY AND EXPECTED FUNDING OF FOR THE UNIVERSITY HILLS DEVELOPMENT” for information regarding Existing Indebtedness related to the Property.

MMD Bonds and Public Improvements

A portion of the proceeds from the Bonds will be deposited into the Project Fund with the Trustee for use in funding the Project. After the initial disbursement of Bond funds for the purchase of the Property, the disbursement of funds from the Project Fund will be subject to the satisfaction of certain conditions as outlined in the Indenture, including the issuance of special assessment revenue bonds (the “UHMMD Bonds”) by the University Hills Municipal Management District (“UHMMD”) to fund the costs of additional public improvements to provide for finished lots on the Property (the “MMD Public Improvements”).

The Issuer will submit certain Certifications for Payment to prove up the costs of the Project, which costs will be approved by MuniCap, Inc. which shall serve as the “Project Monitor” pursuant to an expected agreement with the Issuer. MuniCap is also expected to serve as the assessment administrator for UHMMD, and will approve of certifications for payment for the MMD Public Improvements. MuniCap is a public finance consulting firm with a specialized consulting practice providing services related to the formation and administration of special tax and special assessment districts. MuniCap currently acts as the administrator for over 275 special assessment and taxing districts in 26 states, including Texas.

Appraisal and Market Study

Appendix E and Appendix F, respectively, include an Appraisal and Market Study relating to the Property. The Appraisal and Market Study are incorporated herein and included in reliance on Integra Realty Resources-Dallas (the “**Appraiser**”) and Zonda (“**Zonda**”) as experts in their respective fields of analysis. The Appraiser has consented to the inclusion of the Appraisal in this limited offering memorandum and Zonda has consented to the inclusion of the Market Study in this limited offering memorandum. See “LEGAL MATTERS AND EXPERTS” herein.

Title Commitment and Title Policy

Sendera Title will issue a title commitment relating to the Property and expects to issue a Title Policy with respect to the Property on the Closing Date. The Title Policy is a closing deliverable required under the Indenture. More information about Sendera Title may be found at <http://www.senderatitle.com>.

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SOURCES AND USES

The gross proceeds of this offering will be disbursed as follows:

SOURCES	
Par Amount	\$35,344,967.00
Original Issue Discount	(1,250,504.91)
TOTAL SOURCES	\$34,094,462.09
USES	
Fund Deposits	
Project Fund	\$ 24,292,894.22
Capitalized Interest Fund	6,022,136.52
Cost of Issuance	3,028,350.81
Other Delivery Date Expenses	
Expense Fund	375,540.27
Debt Service Reserve Fund	375,540.27
TOTAL USES	\$ 34,094,462.09

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EXPECTED PAYMENT SCHEDULE (BASE CASE)

The anticipated debt service based on the assumptions set forth in the table below, which reflects the “base case,” is as follows:

ANTICIPATED DBET SERVICE AND COVERAGE (BASE CASE)

Date	Principal	Interest	Debt Service	Trustee	Expense Fund	Reserve Fund	Capitalized Interest Fund	Reserve Fund	Net Debt Service	Phase 1 Net Revenue	Surplus Revenue	Debt Service Coverage
05/05/25	-	-	-	-	-	-	-	-	-	-	-	-
01/15/26	-	2,945,414	2,945,414	12,500	471,762	471,762	3,901,439	-	-	-	-	-
07/15/26	6,404,738	384,284	6,789,022	-	-	-	384,284	-	6,404,738	6,404,739	1	100.0%
10/15/26	4,490,447	404,140	4,894,587	-	-	-	269,427	-	4,625,160	4,625,161	1	100.0%
01/15/27	2,768,510	2,933,974	5,702,484	12,500	188,582	188,582	1,466,987	-	4,625,161	4,625,161	1	100.0%
04/15/27	4,490,447	134,713	4,625,160	-	-	-	-	-	4,625,160	4,625,161	1	100.0%
07/15/27	8,100,242	486,015	8,586,257	-	-	-	-	-	8,586,257	8,586,258	1	100.0%
10/15/27	7,453,665	670,830	8,124,495	-	-	-	-	-	8,124,495	8,124,496	1	100.0%
01/15/28	980,025	196,430	1,176,455	12,500	2,504	2,504	-	-	1,193,964	1,193,964	-	100.0%
04/15/28	656,893	19,707	676,600	-	-	-	-	1,038,389	(361,789)	1,193,964	1,555,753	-
07/15/28	-	-	-	-	-	-	-	-	-	1,295,571	1,295,571	-
10/15/28	-	-	-	-	-	-	-	-	-	5,646,638	5,646,638	-
01/15/29	-	-	-	-	-	-	-	-	-	863,714	863,714	-
04/15/29	-	-	-	-	-	-	-	-	-	269,911	269,911	-
07/15/29	-	-	-	-	-	-	-	-	-	-	-	-
10/15/29	-	-	-	-	-	-	-	-	-	-	-	-
01/15/30	-	-	-	-	-	-	-	-	-	-	-	-
04/15/30	-	-	-	-	-	-	-	-	-	-	-	-
07/15/30	-	-	-	-	-	-	-	-	-	-	-	-
10/15/30	-	-	-	-	-	-	-	-	-	-	-	-
01/15/31	-	-	-	-	-	-	-	-	-	-	-	-
04/15/31	-	-	-	-	-	-	-	-	-	-	-	-
07/15/31	-	-	-	-	-	-	-	-	-	-	-	-
10/15/31	-	-	-	-	-	-	-	-	-	-	-	-
Total	35,344,967	8,175,507	43,520,474	37,500	662,848	662,848	6,022,137	1,038,389	37,823,146	47,454,738	9,631,593	

Assumptions:

Phase 1 revenue based on anticipated sale of 573 single-family units (D.R. Horton and Lennar), 1,189 multi-family units, and 12.8 acres of commercial acreage (as provided by the Developer).

Single-family lot sale prices assume an annual escalator of 8% for the D.R. Horton units and 6% for the Lennar units.

Phase 1 net revenue is net of builder earnest money deposits and cost of sale allowance.

All Phase 1 net revenue is applied to the payment of principal and interest on the Bonds, and the payment of ongoing expenses and fund deposits until the Bonds are fully paid off.

Interest capitalized through 7/15/2026.

EXPECTED PAYMENT SCHEDULE (30% SLOWDOWN)

The anticipated debt service based on the assumptions set forth in the table below, which reflects a 30% slowdown in the “base case,” is as follows:

ANTICIPATED DBET SERVICE AND COVERAGE (30% SLOW DOWN COMPARED TO BASE CASE)

Date	Principal	Interest	Debt Service	Trustee	Expense Fund	Reserve Fund	Capitalized Interest Fund	Reserve Fund	Net Debt Service	Phase 1 Net Revenue	Surplus Revenue	Debt Service Coverage
05/05/25	-	-	-	-	-	-	-	-	-	-	-	-
01/15/26	-	2,945,414	2,945,414	12,500	471,762	471,762	3,901,439	-	-	-	-	-
07/15/26	4,446,631	266,798	4,713,429	-	-	-	384,284	-	4,329,145	4,329,145	1	100.0%
10/15/26	3,076,025	276,842	3,352,867	-	-	-	269,427	-	3,083,440	3,083,441	0	100.0%
01/15/27	581,734	3,338,677	3,920,411	12,500	308,758	308,758	1,466,987	-	3,083,441	3,083,441	0	100.0%
04/15/27	2,993,631	89,809	3,083,440	-	-	-	-	-	3,083,440	3,083,441	1	100.0%
07/15/27	6,080,017	364,801	6,444,818	-	-	-	-	-	6,444,818	6,444,819	1	100.0%
10/15/27	6,613,771	595,239	7,209,010	-	-	-	-	-	7,209,010	7,209,011	1	100.0%
01/15/28	1,448,010	1,386,379	2,834,389	12,500	98,747	98,747	-	-	3,044,383	3,044,383	0	100.0%
04/15/28	2,122,193	63,666	2,185,859	-	-	-	-	-	2,185,859	2,185,860	1	100.0%
07/15/28	1,522,018	91,321	1,613,339	-	-	-	-	-	1,613,339	1,613,340	1	100.0%
10/15/28	5,109,161	459,824	5,568,985	-	-	-	-	-	5,568,985	5,568,986	1	100.0%
01/15/29	1,351,776	162,213	1,513,989	-	-	-	-	1,275,075	238,914	863,714	624,800	361.5%
04/15/29	-	-	-	-	-	-	-	-	-	863,714	863,714	-
07/15/29	-	-	-	-	-	-	-	-	-	4,051,132	4,051,132	-
10/15/29	-	-	-	-	-	-	-	-	-	936,870	936,870	-
01/15/30	-	-	-	-	-	-	-	-	-	936,870	936,870	-
04/15/30	-	-	-	-	-	-	-	-	-	936,870	936,870	-
07/15/30	-	-	-	-	-	-	-	-	-	379,748	379,748	-
10/15/30	-	-	-	-	-	-	-	-	-	-	-	-
01/15/31	-	-	-	-	-	-	-	-	-	-	-	-
04/15/31	-	-	-	-	-	-	-	-	-	-	-	-
07/15/31	-	-	-	-	-	-	-	-	-	-	-	-
10/15/31	-	-	-	-	-	-	-	-	-	-	-	-
Total	35,344,967	10,040,984	45,385,951	37,500	879,267	879,267	6,022,137	1,275,075	39,884,774	48,614,785	8,730,011	

Assumptions:

Phase 1 revenue based on 30% slow down in anticipated sale of 573 single-family units (D.R. Horton and Lennar), 1,189 multi-family units, and 12.8 acres of commercial acreage (as provided by the Developer).

Single-family lot sale prices assume an annual escalator of 8% for the D.R. Horton units and 6% for the Lennar units.

Phase 1 net revenue is net of builder earnest money deposits and cost of sale allowance.

All Phase 1 net revenue is applied to the payment of principal and interest on the Bonds, and the payment of ongoing expenses and fund deposits until the Bonds are fully paid off.

Interest capitalized through 7/15/2026.

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CAPITALIZATION

The following table sets forth the Issuer's estimated capitalization as of the Closing Date, giving effect to the acquisition of the Property and release of all Existing Indebtedness and existing liens related to the Existing Indebtedness.

CAPITALIZATION TABLE	
Appraised value of the land	\$83,460,000.00
Builder earnest money	4,465,000.00
Assets	\$87,925,000.00
DMBS Par amount	\$35,344,967.00
Seller-financing note	10,000,000.00
Indebtedness	\$ 45,344,967.00
Equity	\$ 42,580,033.00

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THE ISSUER; SECURITY OWNERSHIP OF BENEFICIAL OWNERS

The Issuer is a Texas limited liability company formed for the purpose of (i) acquiring the Property, (ii) providing limited infrastructure and other development by the Project Developer and (iii) issuing the Bonds secured by the Collateral. The Issuer, I-20 Lancaster Fund, LLC, is 100% owned by I-20 Lancaster Development, LLC, the Project Developer. The members and operating structure of the Project Developer are as described under “THE PROJECT DEVELOPER; BUSINESS OF HOQUE GLOBAL AND CENTURION AMERICAN — The Project Developer” below.

The Property relates to a real estate development project located primarily in Dallas, Texas described under “THE UNIVERSITY HILLS DEVELOPMENT.” A portion of the proceeds from this offering will be used to satisfy existing indebtedness and remove existing encumbrances on the Property, and a portion is expected to be used to provide funds for development of the Property as further described under “PURCHASE AND EXPECTED FUNDING FOR THE UNIVERSITY HILLS DEVELOPMENT.” In connection with, and subject to the closing of, this offering, the Issuer will enter into a development management agreement with the Project Developer for the development of the University Hills Development. See “CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS – Issuer to Engage the Project Developer Under Development Management Agreement for the Development of the Property.”

THE BONDS OFFERED HEREBY WILL BE SOLELY SECURED BY A FIRST PRIORITY LIEN EVIDENCED BY THE DEED OF TRUST ON THE PROPERTY, THE LOT SALE CONTRACTS AND ASSIGNMENTS, THE REVENUES, AND OTHER COLLATERAL PURSUANT TO THE INDENTURE AND THE DEED OF TRUST. PAYMENT OF THE BONDS IS NOT SECURED BY ANY OTHER SOURCES RELATED TO THE DEVELOPMENT OR THE PROJECT.

The Issuer will have no operating business and is not expected to generate periodic revenues. The Issuer anticipates that its revenue will be generated from (i) proceeds from Lot Sale Contracts and Assignments and (ii) the exercise of options to purchase portions of the Property by the Project Developer. No assurance can be given that the Issuer will receive funds from the Lot Sale Contracts and Assignments pledged as of the date hereof or that proceeds therefrom will be sufficient to pay amounts due on the Bonds.

The Issuer’s principal offices are located at 1717 Main Street, Suite 5630, Dallas, Texas 75201. The Issuer will have no employees.

Pursuant to the terms of the Issuer’s Limited Liability Company Agreement, the Issuer is governed by a board of directors consisting of the three directors, one of which will be an Independent Director. An “Independent Director” a natural person who, for the five-year period prior to his or her appointment as Independent Director has not been, and during the continuation of his or her service as Independent Director is not: (i) a direct or indirect legal or beneficial owner of the Company, the Member or any of their Affiliates; (ii) an employee, director, stockholder, partner, equity holder, creditor, debtor, officer, family member, manager or contractor of the Company, the Member or any of their Affiliates (other than his or her service as an independent director of any special purpose bankruptcy remote entity); (iii) a customer or supplier of the Company or any of its Affiliates; (iv) any member of the immediate family of a person described in (ii) or (iii); or (v) a person who controls (whether directly, indirectly, or otherwise) a person described in (i), (ii) or (iii).

The following table sets forth information with respect to members of the Issuer’s board of directors.

Name	Age	Position	Position Since
Ryan Burkhardt	46	President, Scarborough Land Development	2017
Leobardo Trevino	49	Chief Executive Officer, Ricchi Development Group	2006
Art Barraza	64	President, Barraza Consulting Group	2019

THE PROJECT DEVELOPER; BUSINESS OF HOQUE GLOBAL AND CENTURION AMERICAN

The Project Developer

The Project Developer, I-20 Lancaster, LLC, a Texas limited liability company, is owned (i) 50% HG Development Concepts LLC and (ii) 50% by CADG Property Holdings I, LLC, which is an entity ultimately owned and controlled by Mehrdad Moayed. HG Development Concepts LLC is owned 99.99% by Hoque Global Ventures, LP, which is 94.95% owned by Hoque Global Properties LLC (“Hoque Global”), which serves as a limited partner, 4.95% owned by Arthur Santa-Maria, who also serves as a limited partner, and 0.1% by Hoque Global Ventures GP, LLC, the general partner. Hoque Global Ventures GP, LLC is 51% owned by Hoque Global and 49% owned by Arthur Santa Maria. Hoque Global is owned by three separate family trusts: Sardar Hoque Irrevocable Trust (70%), Kanswar Hoque Irrevocable Trust (15%), and Monir Kahn Family 678 Trust (15%). CADG Property Holdings I, LLC has initially appointed HG Development Concepts LLC to serve as the Manager of the Project Developer.

CADG Property Holdings I, LLC is an affiliate of Centurion American, generally owned and controlled by Mehrdad Moayed and established as a special purpose entity with limited capitalization. HG Development Concepts LLC is an affiliate of Hoque Global established as a special purpose entity with limited capitalization.

HG Development Concepts LLC, as manager, shall not have the authority to expend any sum or incur any obligation within the scope of a Major Decision (hereinafter defined) unless that Major Decision has been approved by all members of the Project Developer (each, a Member”). The “Major Decisions” include the following:

- (i) contracting to purchase or purchasing any real property other than the Property;
- (ii) obtaining any loan (other than loans secured by the Property) for the Project Developer;
- (iii) selling, exchanging, or other transferring any of the Property, except in the normal course of business of the Project Developer;
- (iv) determining the amount of any administrative, property management or construction management fee to be paid to a Member or any Affiliate of a Member;
- (v) except for actions otherwise specifically approved in the Project Developer’s limited liability company agreement, to amend, restate or repeal the Certificate of Formation or the Project Developer’s limited liability company agreement;
- (vi) making any distributions of the assets of the Project Developer to any Member, except as specifically provided in the Project Developer’s limited liability company agreement, or making any distribution using assets other than cash;
- (vii) changing the Project Developer structure, or establishing or acquiring any new subsidiary or invest in an Affiliate of any Member or the Project Developer; provided, however, the Project Developer may create subsidiaries with existing Project Developer property if the subsidiaries are disregarded for Federal income tax purposes;
- (viii) transacting any business or entering into any agreement with any Member, or any individual employee, officer or Affiliate of any Member, other than business or an existing agreement entered into prior to the Effective Date of the Project Developer’s limited liability company agreement or as otherwise permitted in the Project Developer’s limited liability company agreement;
- (ix) possessing Project Developer property, or assigning rights in specific Project Developer property, for other than a Project Developer purpose;
- (x) causing or permitting the Project Developer to enter into any joint venture or profit-sharing arrangement;
- (xi) causing or permitting the delegation of any powers of the Project Developer to any person other than the Managers;
- (xii) causing or permitting the Project Developer to issue, grant or authorize any options for Membership Interests or convertible debt of the Project Developer;
- (xiii) making a call for any Additional Capital Contributions;

- (xiv) changing the registered office or registered agent of the Project Developer; and
- (xv) making any material adjustment in the manner in which Capital Accounts of the Members are maintained.

In the event of a deadlock between the Members or manager of the Project Developer, each Member retains buy rights with respect to the other member's membership interests and sell rights with respect to its own membership interest. In addition, the Project Developer's limited liability company agreement provides a right of first offer for each Member's membership interest.

Description of Hoque Global

Hoque Global is a diversified investment company with a primary focus on catalytic enterprises in real estate. Its portfolio of companies includes those in the hospitality, event planning, logistics, transportation, and technology sectors. Over the years, Hoque Global has become a recognized leader in the revitalization, redevelopment, and re-energization of properties. Its discerning view to understand opportunities in proportion to their potential community impact has become Hoque Global's primary strategy.

Founded on the principals established in three generations of the Hoque family's commitment to improving the world through leadership, innovation, and a relentless pursuit of diverse solutions, Hoque Global continues to innovate with success. Hoque Global's leadership is built on birthing and pursuing new ideas in the global marketplace.

Hoque Global's current real estate projects are as follows:

- Adolphus Tower: Re-development of a 17-story office tower that was built in 1955. Located in the Dallas CBD has since HG acquisition has brought foot traffic and office tenants.
- The Vineyard at Florence: A winery, resort, & residential re-development project located north of Austin, TX & spanning 600 acres.
- SoGood District: An adaptive re-use mixed-use development with a focus on residential, hotel, retail, & restaurants. A gateway to South Dallas which will bring resources, traction, and mobility to an often-abandoned part of the DFW Metroplex.
- Newpark Dallas – A Smart District: Mixed-use development with a focus on office, residential, hotel, retail, & restaurants.

Description of Centurion American

Since 1990, Centurion has developed over 100,000 single-family lots in dozens of communities surrounding North Texas. It has worked closely with investors, land-owners, financial institutions, and vendors to acquire over 50,000 acres of land inventory for a diverse mix of developments in size and scope. Centurion's communities include amenities such as parks, golf courses, water park themes, and hiking and biking trails. Over the past thirty years, Centurion has demonstrated the ability to successfully deliver master-planned communities that have been recognized in the real estate industry.

Mr. Mehrdad Moayedi has ultimate control of Centurion and its affiliates. Centurion maintains a staff of approximately 50 employees. Centurion creates single-asset limited liability companies to own development sites and contracts with developers and other professionals in the delivery of its communities.

In addition, Centurion works closely with local municipalities, commercial developers, and public school systems as part of its overall master plan. Centurion works with North Texas' top builders to deliver the latest concepts ranging from upscale, luxury homes in secluded neighborhoods to affordable housing communities for first-time home buyers. Centurion purchases and develops land in prime locations with the right mix of natural land settings, strong job growth, good school systems and access to local community shopping. A snapshot of some of the communities Centurion has developed is presented below.

<u>Name</u>	<u>County</u>	<u>Property Type</u>	<u>Starting Home Price</u>	<u>Status of Development</u>
Alpha Ranch	Wise/Denton	Single-family	\$400,000	Pre-development process.
Anna Hurricane Creek*	Collin	Single-family	\$390,000	PID Bonds issued; Phase 1: Started 9/2018, Currently Being Developed
Anna Hurricane North*	Collin	Single-family	\$390,000	Development Ongoing - HB Building
Arboretum Estates*	Kaufman	Mixed-use	\$390,000	Pre-development process.
Bear Creek	Dallas	Single-family	\$280,000	Development Ongoing - HB Building
Bryson Ranch*	Denton	Mixed-use	\$390,000	Pre-development process.
Cartwright Ranch*	Kaufman	Single-family	\$290,000	Development Ongoing - HB Building
Chalk Hill*	Collin	Single-family	\$390,000	Development Ongoing - HB Building
City Point*	Tarrant	Mixed-use	\$390,000	Development Ongoing - HB Building
Collin Creek Redevelopment*	Collin	Mixed-use	\$515,000	Development Ongoing - HB Building
Cottonwood*	Grayson	Mixed-use	\$400,000	Pre-development process
Creskide of Crowley	Tarrant	Single-family	\$350,000	Development Ongoing - Mattamy Building
Creekview Meadows*	Denton	Single-family	\$420,000	Development Ongoing - HB Building
Duck Point*	Denton	Single-family	\$390,000	Pre-development process.
Edgewood Creek*	Denton	Single-family	\$670,000	Development Ongoing - HB Building
Enchanted Creek	Collin	Single-family	\$1,000,000	Phase 3; Under Development
Entrada at Westlake	Tarrant	Mixed-use	\$1,100,000	Development Ongoing - HB Building
Erwin Farms	Collin	Single-family	\$529,000	Development Ongoing - HB Building
"Faith Ranch* (Taylor Ranch)"	Grayson	Single-family	\$400,000	Pre-development process
Frisco Hills	Denton	Single-family	\$720,000	Development Complete / HB Finishing Up
Harper Estates*	Collin	Single-family	\$1,280,000	PID Bonds issued; Development Ongoing
"Highpoint Village* (Mantua Tract)"	Grayson	Single-family	\$380,000	Pre-development process
Iron Horse Village*	Dallas	Mixed-use	\$250,000	Development Ongoing / HB Complete
Kensington Gardens	Dallas	Single-family	\$750,000	Development Ongoing / HB Building
Lakeside Crossing*	Denton	Townhome/Multifamily	\$365,000	PID Bonds issued; Development Ongoing
Lily Estates at Sutton Fields*	Collin	Single-family	\$500,000	PID Bonds issued; Development Ongoing
Mercer Crossing*	Dallas	Mixed-use	\$590,000	Last Phase Going - HB Building
Mobberly Farms*	Denton	Single-family	\$278,000	Development Ongoing - HB Building
Montalcino Estates	Denton	Single-family	\$1,500,000	Development Ongoing - HB Building
Northlake Estates*	Denton	Single-family	\$570,000	Development Ongoing - HB Building
Polo Ridge*	Kaufman	Single-family	\$480,000	Development Ongoing - HB Building
Saddlebrook Estates	Ellis	Single-family	\$320,000	Next Phase Going Through Engineering
Spiritas Ranch East*	Denton	Single-family	\$390,000	Development Ongoing - HB Building
Spiritas Ranch*	Denton	Single-family	\$460,000	Development Ongoing - HB Building

Sutton Fields East*	Collin	Single-family	\$490,000	PID Bonds issued; Development Ongoing
Sutton Fields*	Denton	Single-family	\$480,000	Development Ongoing - HB Building
Swan Lake Estates	Dallas	Single-family	\$850,000	Pre-development process
Tenison Village at Buckner Terrace	Dallas	Single-family	\$450,000	Development Complete - Builders Finishing Up
The Bridges at Preston Crossings	Grayson	Single-family	\$700,000	Development Ongoing; New Phase Being Developed
"The Estates at Eagle Mountain* (Sheelin)"	Tarrant	Single-family	\$490,000	Pre-development process.
The Resort on Eagle Mountain Lake	Tarrant	Single	\$550,000	Development Ongoing - Builder Doing Takedowns
Thunder Rock*	Burnet	Mixed-use	\$320,000	Development Ongoing - HB Building
Travis Ranch	Kaufman	Single-family	\$290,000	Development Ongoing - HB Building
University Hills	Dallas	Single-family	\$390,000	Pre-development process
Valencia on the Lake*	Denton	Single-family	\$500,000	Next Phase Going Through Engineering
Verandah	Rockwall	Single-family	\$250,000	Development Ongoing - HB Building
Wade Settlement	Collin	Single-family	\$600,000	Last Phase Going - Mattamy Building
Walden Pond	Kaufman	Single/Multifamily	\$320,000	Development Ongoing - HB Building
Water's Edge	Denton	Single/Multifamily	\$450,000	Development Ongoing - HB Building
Waterfront at Enchanted Bay	Tarrant	Single-family	\$400,000	Phase 1: Started 5/2005 * Phase 1: Delivered 2/2007 Phase 2: Being Engineered
Whitewing Trails*	Collin	Single-family/Multifamily	\$400,000	Development Ongoing - HB Building
Barcelona	Collin	Single-family	\$450,000	Development Complete / HB Complete
Bloomridge	Collin	Single-family	\$400,000	Development Complete / HB Complete
Bonds Ranch	Tarrant	Single-family	\$250,000	Purchased all Finished Lots / All Lots sold in Q4 2017
Brookfield	Denton	Single-family	\$280,000	Sold Land
Carter Ranch	Collin	Single-family	\$250,000	Development Complete / HB Complete
Chateaus of Coppell	Dallas	Single-family	\$1,300,000	Development Ongoing - HB Building
Creeks of Legacy	Denton/Collin	Single-family	\$450,000	Development Complete / HB Complete
Crestview at Prosper Creek	Collin	Single-family	\$350,000	Complete - Megatel Finishing Construction
Crown Valley	Parker	Single-family	\$350,000	Development Complete / Sold Phase / Pod Sale
Deer Creek North	Tarrant	Single-family	\$225,000	Development Complete / HB Complete
Dominion Estates	Tarrant	Single-family	\$225,000	Development Complete / HB Complete
Dove Creek	Collin	Single-family	\$450,000	Development Complete / HB Complete
Estancia	Tarrant	Single-family	\$550,000	Development Complete / HB Complete
Estancia Estates	Denton	Single-family	\$500,000	Development Complete / HB Complete
Falls of Prosper	Collin	Single-family	\$500,000	Development Complete / HB Complete
Founders Parc	Tarrant	Single/Multifamily	480,000	Development Complete / HB Complete
Frisco Ranch	Denton	Single-family	\$350,000	Development Complete / HB Complete
Garden Springs	Tarrant	Single-family	\$300,000	Development Complete / HB Complete
Hickory Farms*	Dallas	Single-family	TBD	Development Complete / HB Complete
Highlands Glen	Denton	Single-family	\$400,000	Development Complete / HB Complete

Hills of Lake Country	Tarrant	Single-family	\$250,000	Development Complete / HB Complete
Hillstone Pointe*	Denton	Single-family	\$350,000	Phase 1: Delivered 12/2017, Remainder Raw Land Sold to Horton & Lennar
Kings Ridge (Denton)	Denton	Single/Multifamily	\$250,000	Sold Land to DR Horton
Knox Ranch	Hood	Mixed-use	\$550,000	HB Complete
Lakewood Hills	Denton	Single-family	\$550,000	Development Complete / HB Complete
Lexington Parke	Travis	Single-family	\$250,000	Development Complete / HB Complete
Llano Springs	Tarrant	Single-family	\$250,000	Development Complete / HB Complete
McKinney Greens	Collin	Single-family	\$250,000	Development Complete / HB Complete
Mountain Creek	Dallas	Multifamily	\$325,000	Development Complete / HB Complete
Northpointe Crossing	Collin	Single-family	\$200,000	Development Complete / HB Complete
Oak Hollow	Collin	Single-family	\$200,000	Development Complete / HB Complete
Owensby Farms	Collin	Single-family	\$400,000	Development Complete / HB Complete
Palomar Estates	Tarrant	Single-family	\$850,000	Development Complete / HB Complete
Preston Hills	Collin	Single-family	\$400,000	Development Complete / HB Complete
Prestwyck	Collin	Mixed-use	\$390,000	Development Complete / HB Complete
Residences at the Stoneleigh	Dallas	Condo	\$750,000	Development Complete
Rolling Meadows	Tarrant	Single-family	\$300,000	Phase 1: Completed Phase 2A2 & 3 HB Completed
Rosemary Ridge	Tarrant	Single-family	\$300,000	Development Complete / HB Complete
Rough Hollow	Travis	Single-family	\$600,000	Development Complete / HB Complete
Sendera Ranch	Tarrant	Single-family	\$300,000	Centurion Owns Future Land / Banking Land
Shahan Prairie	Denton	Single-family	\$250,000	Sold Land
Shale Creek	Wise	Single-family	\$250,000	Development Complete / HB Complete
Silver Ridge	Tarrant	Single-family	\$300,000	Development Complete / HB Complete
Spring Creek	Tarrant	Single-family	\$300,000	Development Complete / HB Complete
Steeplechase	Denton	Single-family	\$500,000	Development Complete / HB Complete
Sweetwater Crossing	Collin	Single-family	\$250,000	Development Complete / HB Complete
Terracina	Denton	Single-family	\$500,000	Completed
The Dominion	Dallas	Single-family	\$350,000	Development Complete / HB Complete
The Highlands at Trophy Club	Denton	Single-family	\$350,000	Development Complete / HB Complete
The Villas at Twin Creeks	Collin	Single-family	\$400,000	Completed
The Villas of Indian Creek	Denton	Single-family	\$300,000	Development Complete / HB Complete
Thornbury	Travis	Single-family	\$300,000	Development Complete / HB Complete
University Place	Dallas	Single-family	\$500,000	Development Complete / HB Complete
Villages of Woodland Springs	Tarrant	Single-family	\$250,000	Development Complete / HB Complete
Water's Edge at Hogan's Glen	Denton	Single-family	\$580,000	Completed/Ashton Finishing Construction
Windmill Farms	Kaufman	Single-family	\$300,000	HB Complete
Williamsburg	Rockwall	Single-family	\$350,000	Development Complete / HB Complete
Winn Ridge*	Denton	Single-family	\$350,000	Development Complete / HB Complete

* — developments utilizing public improvement districts

Employees

As of the date of this Limited Offering Memorandum, Centurion American had approximately fifty (50) full-time employees and Hoque Global had approximately 12 employees.

Legal Proceedings Relating to Centurion Affiliates

Set forth below is a summary of litigation involving Centurion Affiliates.

Investigation of United Development Funding.

Subsidiaries of Centurion American are involved in the development of master planned residential community and mixed-use projects. Some of these projects have previously been developed using funding provided by various entities associated with United Development Funding (“UDF”), including United Development Funding IV, a publicly traded real estate investment trust (“UDF IV”). In connection with governmental investigations of UDF (the “UDF Investigations”), Centurion and some of its employees were contacted in mid-2016 to provide certain information to such governmental fact-finders as part of an information gathering process on the UDF Investigations. Centurion and its employees fully complied with the information gathering process. Neither Centurion nor any of its employees or affiliates have received any information indicating that they are either targets or subjects of any governmental investigation.

Litigation Involving Affiliates of Centurion American Relating to Certain Unrelated Developments (Collectively, the “Litigation Matters”).

Megatel Homes III, LLC v. Wilbow-Windhaven Development Corporation v. Centurion Windhaven, LP, et al.; in Denton County Texas. Plaintiff Megatel Homes III, LLC (“Megatel”) brought claims against both Defendant Wilbow Windhaven Development Corp. (“Wilbow”), Defendant Centurion Acquisitions, LP (“CA”), and Defendant CADG Windhaven, LLC (“CADG,” collectively with CA, “Centurion Defendants”). Megatel’s claims against Wilbow consist of request for Declaratory Judgment; Breach of Contract; and Indemnity. Megatel’s claims against CA and CADG consist of Breach of Contract; Fraud; and Indemnity. A Motion to Expunge Lis Pendens was granted by court on October 2, 2020. Megatel re-filed the Lis Pendens and Wilbow filed a Motion to Expunge. The court granted the Motion to Expunge the Lis Pendens on May 19, 2021. A trial date is for June 9, 2025.

Megatel Claims. Megatel has brought additional causes of action against Moayed, Centurion (and certain of its affiliates) and UDF as listed below. Megatel has asserted various allegations of fraud, RICO violations, conspiracy, breach of fiduciary duty, and others in what Centurion believes to be an attempt to force Moayed, Centurion and UDF to settle with Megatel. In addition to the filing of the below lawsuits, Megatel has also filed Lis Pendens against property owned by third-parties, has sent letters to Megatel’s competitors attempting to interfere with their relationship with Centurion and has possibly partnered with parties believed to be adversarial to Moayed, Centurion and UDF. Centurion continues to aggressively fight against these actions and against what it believes to be the baseless claims made in the lawsuits.

1. Cause No. 3:20-CV-00688-L: *Megatel Homes, LLC, et al. v. Mehrdad Moayed, et al., in U.S. District Court, Northern District of Texas.*

MANAGEMENT OF HOQUE GLOBAL AND CENTURION AMERICAN

Biographies of Hoque Global Management

Mike Hoque has ultimate control of Hoque Global. The following table sets forth information with respect to certain members of management of Hoque Global and its affiliates as of the date of this limited offering memorandum.

Name	Age	Position	Position Since
Mike Hoque	51	Founder and Chairman, Hoque Global	1990
Arthur Santa-Maria	39	Vice President, Hoque Global	2012

The following are brief biographies of certain key executives and management of Hoque Global.

Mike Hoque. Mike Hoque, a DFW-based entrepreneur, is the founder & chairman of Hoque Global, parent company of HG Real Estate, DRG Concepts, iDesign Meetings, and RideCentric. Always finding opportunities among what others might perceive as business obstacles, Hoque's companies have fostered his vision of creating vibrant urban environments.

Arthur Santa-Maria. Arthur Santa-Maria is Vice President of Hoque Global and responsible for all of the firm's real estate developments, investments, and pursuits. He is experienced in analyzing and underwriting multifamily, office, industrial, and mixed-use developments, with core strengths in budget building, financial modeling, and market screening. He has an expert understanding of capital markets and raising both debt and equity for real estate development projects. Mr. Santa-Maria holds an MBA from the University of Texas at Dallas, School of Management and a BS, Business Administration from the University of Texas at Dallas.

Biographies of Centurion American Management

Mr. Mehrdad Moayedhi has ultimate control of Centurion American. The following table sets forth information with respect to certain members of management of Centurion American and its affiliates as of the date of this limited offering memorandum.

Name	Age	Position	Position Since
Mehrdad Moayedhi	64	President and Chief Executive Officer of Centurion American	1990
Jack Dawson	63	Executive Vice President—Development, Centurion American	2012

The following are brief biographies of certain key executives and management of Centurion American.

Mehrdad Moayedhi. Mehrdad Moayedhi is the President and Chief Executive Officer of Centurion American. Mr. Moayedhi has more than thirty years of direct experience in the development industry. With a background in construction and real estate, Mr. Moayedhi employs a comprehensive approach to each Centurion American development. Mr. Moayedhi has extensive knowledge of the interconnection of all parts of residential real estate development, which provides Centurion American with a unique advantage over other residential developers.

Before forming Centurion American in 1990, Mr. Moayedhi completed several construction and fee development projects in Northeast Tarrant County, Texas subdivisions as well as various construction and remodeling projects. Centurion American has become broadly diversified, with residential developments ranging from upscale high-rise residential towers to affordable housing communities for first-time home buyers.

Jack Dawson. Mr. Dawson joined Centurion American in the spring of 2012 and brings more than 20 years of experience in construction, homebuilding operations and land operations to the Centurion American team. Mr. Dawson currently serves as Executive Vice President—Development. Immediately prior to joining Centurion American, Mr. Dawson worked at Lennar Homes of Texas in the Dallas-Fort Worth area. While working at Lennar Mr. Dawson served in many capacities including Regional Vice President of Land for Dallas-Fort Worth ("DFW") and Austin, Texas, Division President for DFW homebuilding and Division President for Lennar's DFW Land Company. While at Lennar Mr. Dawson's primary focus was the acquisition and development of all of Lennar DFW's assets and the formation and dissolution of over 25 joint ventures. Mr. Dawson graduated from the University of Oklahoma with a Bachelor of Business Administration degree in management.

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THE UNIVERSITY HILLS DEVELOPMENT

Overview

The University Hills Development is a proposed approximately 275-acre master planned mixed use development project located approximately 2 miles east of I-35E, 3 miles west of I-45, and due north of I-20, on the northwest corner of I-20 and S. Lancaster Road, with the southern boundary of the containing frontage directly on I-20. The University Hills Development and the Property are partially in the City of Dallas, Texas (“Dallas”) and partially in the City of Lancaster, Texas (“Lancaster”). Development is not expected to occur on the portion of the property located in Lancaster, which comprises approximately 8.6 acres.

Dallas and Lancaster are each located in Dallas County. The University Hills Development is located adjacent to the Dallas campus of the University of North Texas, situating it approximately 1.8 miles from a Dallas Area Rapid Transit (“DART”) Blue Line station and on multiple DART bus lines and approximately 18 miles south of Dallas Love Field Airport. Regional and area maps and an aerial map of the property within the University Hills Development are included on pages iii-v of this Limited Offering Memorandum.

Development Plan

Property in the University Hills Development is currently owned by VM Fund I, LLC and CADG Property Holdings, I, LLC. It is expected that the proceeds of the Bonds will provide funds for the Project Developer to purchase property in the University Hills Development from CADG Property Holdings I, LLC at closing of the Bonds as described under “PURCHASE OF PROPERTY AND EXPECTED FUNDING FOR THE UNIVERSITY HILLS DEVELOPMENT – Purchase of the Property.”

The Project Developer anticipates developing the University Hills Development as a mixed-use development consisting of residential uses and commercial uses and containing the following elements as set forth on the Concept Plan:

- (i) Approximately 573 single-family lots, including 40’, 50’ and townhome lots;
- (ii) approximately 72.2 acres (and approximately 1,917 units) of multifamily;
- (iii) approximately 36.5 acres (200,000 sf) of retail;
- (iv) Approximately 7.7 acres (106,326 sf) of hotel;
- (v) Approximately 19.2 acres (390,000 sf) of mixed use;
- (vi) Approximately 4.9 acres (150,000 sf) of life science; and
- (vii) Approximately 7.5 acres (340,200 sf) of office.

The Project Developer expects to develop infrastructure and community improvements and complete single-family residential lots and commercial and multifamily pad sites to be sold to third parties. The Project Developer expects to complete the horizontal infrastructure in the University Hills Development in one phase, with such infrastructure development taking approximately 2.5 years as shown below.

EXPECTED BUILD-OUT SCHEDULE THE UNIVERSITY HILLS DEVELOPMENT

<u>Expected Start of Infrastructure Construction</u>	<u>Expected Infrastructure Completion Date</u>
2Q 2025 (Direct Improvements for Improvement Area #1 and Major Improvements benefitting the entire University Hills Development)	1Q 2027 (Internal Improvements) 4Q 2027 (Major Improvements)

The Project Developer anticipates constructing all direct improvements for “Improvement Area #1” (which consists of approximately 180.2 acres and is expected to include all single-family lots, approximately 1,189 units of multifamily, approximately 280,200 sf of office, and the hotel site) as well as the “Major Improvements” serving the entire University Hills Development. There are not expected to be any direct or internal improvements necessary to allow for vertical development in the remainder of the District which consists of approximately 86.7 acres and is expected to include the remaining 728 multifamily units and 800,000 sf of office, retail, life science, and mixed use development). The remaining acreage in the University Hills Development is expected to be comprised of right-of-way to be dedicated to the City of Dallas. Accordingly, the horizontal infrastructure buildout of the University Hills Development is expected to be completed in 4Q 2027. Vertical development in the University Hills Development is expected to be completed as market conditions dictate, with construction of single-family homes expected to occur first. Such vertical construction is expected to begin in 1Q 2028. The Project Developer does not currently have a timeline for the expected vertical construction of the retail, hotel, multifamily, mixed-use, office or life sciences portion of the University Hills Development; however, the Market Study estimates that such build out will take place through 2041. See “APPRAISAL AND MARKET STUDY – Market Study—Summary.” No assurance can be given that vertical buildout will occur in the timeframes set forth in the Market Study.

Concept Plan

Below is a map of the current conceptual land use plan of the University Hills Development. The concept plan is conceptual and subject to change consistent with the applicable city’s zoning regulations.

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Single Family Contracts of Sale

It is expected that a portion of the University Hills Development will include residential property delivered in two phases, which is expected to include approximately 573 single-family lots, which include 40', 50' and townhome lots.

The Project Developer (as assignee of Hoque Global) has entered into lot purchase and sale agreements for all single-family lots in the University Hills Development as described below.

D.R. Horton. The Project Developer has entered into a Contract of Sale (as amended, the "Horton PSA") with DRHI, Inc. ("D.R. Horton") for approximately 417 lots in the University Hills Development in the lot mix and at the base lot prices shown in the table below.

Lennar. The Project Developer has entered into a Real Estate Purchase and Sale Agreement (as amended, the "Lennar PSA" and together with the Horton PSA, the "Lot PSAs") with Lennar Homes Land and Construction – Texas, Ltd. ("Lennar") for approximately 152 lots in the University Hills Development in the lot mix and at the base lot prices shown in the table below.

The following table provides a summary of the terms of the lot types, total lots, base lot prices, and the takedown schedule for the Lot PSAs.

LOT PURCHASE AND SALE AGREEMENTS

<u>Homebuilder</u>	<u>Total Lots</u>	<u>Lot Size</u>	<u>Base Price Per Lot*</u>	<u>Fees</u>	<u>Lots per Takedown</u>
D.R. Horton	261	TH	\$50,000	\$1,500/lot Amenity Fee \$500/lot Marketing Fee	Initial Closing: 48 Lots (16 – TH, 16 - 40s and 16 - 50s) within 15 days after SC.
	102	40'	\$62,000		Subsequent Closings (every 90 days after Initial Closing): 48 Lots (16 – TH, 16 - 40s and 16 - 50s)
	54	50'	\$75,000		
Lennar	101	40'	\$62,000	\$1,500/lot Amenity Fee \$500/lot Marketing Fee	Initial Closing: 32 Lots (16 - 40s and 16 - 50s) within 15 days after SC
	55	50'	\$75,000		Subsequent Closing (every 90 days after Second Closing): 32 Lots (16 - 40s and 16 - 50s)
Total	573				

* Excludes the 6% escalator applicable to lots under the Lennar PSA and the 8% escalator applicable to lots under the Horton PSA (the "Additional Consideration").

Each of the Lot PSAs contain a deadline for substantial completion of lots that is 27 months after release of the earnest money (the "Lot Completion Deadlines"). To the extent the Lot Completion Deadlines are not met, D.R. Horton has the option to extend the Lot Completion Deadline for one or more periods not to exceed 2 years in the aggregate, and D.R. Horton and Lennar both have the option terminate the applicable Lot PSA. In addition, the Lot PSAs contain certain deadlines for the construction of amenities and common area improvements (the "Amenity Completion Deadline(s)"). To the extent the Amenity Completion Deadlines are not met, the applicable builder's obligations to purchase lots shall abate, and payment of Additional Consideration and Amenity Fees shall abate until the applicable Amenity Completion Deadline is met. In addition, both D.R. Horton and Lennar may elect to complete the amenity center if it is not completed.

Under the Lot PSAs, the Project Developer and the builders have agreed that combined effective tax rate of all applicable taxes and assessments to be incurred on the lots shall not exceed \$3.09.

Each of the Lot PSAs requires the deposit of earnest money from the builders in the amounts shown below. The following table provides a summary of the earnest money expected and deposited under the Lot PSAs.

<u>Homebuilder</u>	<u>Earnest Money Required</u>	<u>Earnest Money Deposited</u>	<u>Earnest Money Released</u>
D.R. Horton	\$2,000,000	\$25,000 (Cash) \$1,975,000 (Corporate Note)	\$0
Lennar	\$1,990,000	\$1,990,000	\$0
	<u>\$3,990,000</u>	<u>\$3,990,000</u>	<u>\$0</u>

It is expected that D.R. Horton will replace the \$1,975,000 corporate note with \$1,975,000 in cash concurrently with the closing of the Bonds. All of such earnest money is expected to be released and deposited into the Lot Sale Earnest Money Fund at the closing of the Bonds. At such time, the Issuer is expected to execute promissory notes in favor of D.R. Horton and Lennar (the “Builder Notes”) for their respective earnest money and execute earnest money deeds of trust securing the notes and granting each respective builder a second lien on certain property within the University Hills Development (the “Subordinate Deeds of Trust”). Mehrdad Moayedid will also execute a joinder to the Builder Notes pursuant to which Mr. Moayedid will guarantee the payment of the Builder Notes. The Subordinate Deeds of Trust will be subordinate to the Deed of Trust securing the Bonds. See APPENDIX B-2 for the forms of the Subordinate Deeds of Trust.

In addition, the Lot PSAs require the execution of a Tri-Party Agreement with the lender of development funds for the University Hills Development which Tri-Party Agreement is required to grant each builder certain cure rights in event of a default by the Project Developer under any development funding documents. The Bonds are expected to serve as the development funding for the purposes of the Lot PSAs and, accordingly, D.R. Horton and Lennar will respectively enter into separate Tri-Party Agreements with the Issuer and the Trustee pursuant to which D.R. Horton and Lennar may cure certain defaults under the Bonds. See APPENDIX B-3 for the expected forms of Tri-Party Agreements.

The Project Developer expects to use the earnest money funds to pay for costs of the Projects to the extent that the funds on deposit in the Project Fund are insufficient to fund the Projects.

Multifamily Property Contracts of Sale

A portion of the University Hills Development is expected to include approximately 1,917 multifamily units. The Project Developer intends to develop pad sites for the development of multifamily properties.

The Developer and Leon MF Acquisitions, LLC (“Leon”) have entered into a contract (the “Leon MF Contract”) for the sale of approximately 56.9 acres of land expected to be developed as approximately 1,189 multifamily units at a sale price of \$11,295,500. Leon has deposited \$500,000 in earnest money pursuant to the Leon MF Contract, which earnest money is hard and non-refundable. Leon has deposited \$500,000 in earnest money pursuant to the Leon MF Contract, which earnest money is hard and non-refundable. Such earnest money is expected to be deposited into the Lot Sale Earnest Money Fund at closing.

Under the terms of the Leon MF Contract, closing of the land is to occur on or before 30 days after the Project Developer delivers written evidence that Dallas or UHMMD has accepted all onsite and offsite infrastructure necessary to serve the property such that Leon MF could seek and receive a building permit contemporaneously with the closing date.

The Project Developer has not been provided with a timeline for the vertical construction of the multifamily units to be built on the land to be sold pursuant to the Leon MF Contract.

The Project Developer has not entered into a contract for the same of the remaining land expected to be dedicated to multifamily uses.

Commercial Property Contracts of Sale

It is expected that a portion of the University Hills Development will include commercial development consisting of retail, hotel, mixed-use, office and life sciences uses. The Project Developer intends to develop pad sites to be delivered to for such commercial development. No contracts have been solicited or executed for the sale of commercial property in the University Hills Development.

Expected Single-Family Home Prices and Absorption in the University Hills Development

The Project Developer's current expectations regarding estimated home prices in the University Hills Development are as follows:

ESTIMATED HOME PRICES

<u>Phase</u>	<u>Total Number of Lots</u>	<u>Size of Lot/Number of each size</u>	<u>Base Lot Price</u>	<u>Estimated Average Home Price</u>
1	573	261 – TH 204 – 40s 108 – 50s	\$50,000 – THs \$62,000 – 40s \$75,000 – 50s	\$260,000 – THs \$338,000 – 40s \$422,500 – 50s

The following table provides the Project Developer's expected absorption schedule of single-family lots in the University Hills Development. The Project Developer does not currently have an expected absorption schedule for the multifamily and commercial parcels in the University Hills Development.

EXPECTED ABSORPTION OF SINGLE-FAMILY LOTS IN THE UNIVERSITY HILLS DEVELOPMENT

<u>Expected Final Sale Date</u>	<u>Total Lots</u>
Q1 2027	80
Q2 2027	80
Q3 2027	80
Q4 2027	80
Q1 2028	75
Q2 2028	48
Q3 2028	48
Q4 2028	48
Q1 2029	34
TOTAL	573

Amenities and Private Improvements

The Project Developer expects to construct certain amenities for the University Hills Development including an amenity center for the single-family development that is expected to include a splash pad, pavilion, picnic tables, umbrellas, benches, BBQ and fire pits, lawn games, restrooms, and a pool. (the "Single-Family Amenity Center") The Development Agreement and the Lennar PSA require the Single-Family Amenity Center to be completed by December 31, 2029. The Development Agreement also provides that 25% of the Repayment Obligation, (as defined in the Development Agreement) will not be forgiven unless the Single-Family Amenity Center (which must include a pool) has been completed. The Horton PSA requires the Project Developer to commence construction of the Single-Family Amenity Center within 180 days after the substantial completion date of the lots, and complete construction of the Single-Family Amenity Center within 24 months of substantial completion. The Project Developer expects to comply with such timelines, but does not have firm timeline for commencement or completion at this time. The expected cost of the Single-Family Amenity Center is approximately \$2 million, and it is expected to be funded with proceeds of the Bonds.

The multifamily portions of the property are also expected to be served by a Multifamily Amenity Center featuring community gathering areas, benches, picnic tables, playscapes, community gardens, a dog park, and pavilions. The Development is also expected to include other open space areas, an amphitheater, rideshare pickup and a community craft room which are expected to be constructed by future developers of the multifamily land.

The Project Developer expects to construct private improvements including earthwork, retaining walls, open space landscaping and hardscaping, and screening walls (the "Private Improvements") concurrently with and after construction of

the horizontal improvements as appropriate. The total expected costs to construct the Private Improvements is approximately \$11,448,386. The Project Developer expects to finance the costs to construct the Private Improvements with the proceeds of the Bonds.

Zoning

The Property is located within the municipal boundaries of the cities of Dallas and Lancaster and is thus subject to each city's respective zoning regulations for that portion of the property located within each city. Within the City of Dallas, the Property is located within multiple zoning districts, including Townhouse (TH-2(A)), Multifamily (MF-2(A) and MF-3(A)), Mixed-Use (MU-2), Urban Corridor (UC-2), Planned Development 624 (PD 624), Community Retail (CR), and Office (LO-1). Within the City of Lancaster, the Property is currently zoned Campus District. The planned use of the University Hills Development appears to be generally permitted within the various zoning districts in which the Property is located. It is not expected that any development will occur on the portion of the Property located in Lancaster.

University Hills Tax Increment Reinvestment Zone

Pursuant to Chapter 311 of the Texas Tax Code (the "TIRZ Act") the City may create a tax increment reinvestment zone to redirect some of the ad valorem tax from property in a designated geographic area to pay for improvements in the in such tax increment reinvestment zone. A portion of the Property is located within the existing Tax Increment Financing Reinvestment Zone Number Twenty-One, City of Dallas, Texas ("UH TIRZ"). The UH TIRZ also includes other properties. The UH TIRZ, created by Dallas via Ordinance No. 30733 (the "TIF Ordinance"), was effective on January 1, 2018 and is set to terminate on December 31, 2047. The UH TIRZ comprises two noncontiguous sub-districts — the University Center in northern Dallas adjacent to the University of Texas at Dallas and Texas A&M AgriLife Research and Extension Center and the University Hills Sub-District in southern Dallas adjacent to the University of North Texas at Dallas. The UH TIRZ was created to provide for public open space improvements including connections to universities and future rail transit in the northern sub-district while providing for a significant share of its increment to be transferred to the southern sub-district to catalyze new residential and commercial development in an area lacking basic infrastructure and facing an unproven real estate market. The University Hills Sub-District is comprised solely of the Property.

On December 9, 2020, the Dallas City Council approved a Project and Finance Plan (the "TIF Plan") for the UH TIRZ in accordance with the TIRZ Act pursuant to Ordinance No. 31713. Pursuant to the TIF Plan, the City will contribute 90% of the Tax Increment generated by City ad valorem taxes within the UH TIRZ to the tax increment fund.

As described in the TIF Plan, a fundamental goal of the TIF Plan is to facilitate tax increment sharing from the University Center Sub-District to jump start new development in the University Hills Sub-District in Dallas' southern sector where development has lagged for many years and extensive infrastructure improvements are needed. The University Center Sub-District will retain a small portion of tax increment to fund public area landscape, open space, and/or trails. An increment allocation policy for the UH TIRZ (including priorities for payment and a method of annually apportioning available increment) will be developed and recommended for adoption by the UH TIRZ Board of Directors within 2 years after City Council approval of the TIF Plan. According to the TIF Plan, the estimated total expenditure for the University Hills Sub-District is \$114,387,889 (with a net present value of \$48,071,841 in 2018 dollars).

The City is expected to provide a grant of funds generated in the UH TIRZ to the Project Developer as outlined under "—Development Agreement" below. It is expected that, pursuant to the Development Agreement, the Project Developer will assign such grant or direct the City to provide such grant to UHMMMD in connection with the issuance of the MMD Bonds.

Development Agreement

The Project Developer and the City of Dallas have entered into a Tax Increment Development And Chapter 380 Grant Agreement (the "Development Agreement") pursuant to which the City has agreed to provide certain incentives to the Project Developer in connection with the development of the University Hills Development. Capitalized terms used under this "—Development Agreement" subheading not otherwise defined herein shall have the meanings ascribed to them in the Development Agreement. See "APPENDIX D – Development Agreement." The term "Project" as used under this "—Development Agreement" subheading shall have the definition ascribed to it in the Development Agreement.

Under the Development Agreement, the Project Developer and/or its affiliates must (1) purchase the Property from VM Fund I, LLC or the current owner; and (2) design, fund, and/or construct Phase I of the master plan including the related wastewater and stormwater system infrastructure specifically depicted in in the Development Agreement on the Property pursuant to and in substantial conformance with the Development Agreement.

The Development Agreement requires the Project Developer to construct Development of “Phase I” of the University Hills Development and invest a minimum of \$62,000,000 (“Minimum Investment”) in private expenditures relating to the horizontal development (e.g., environmental remediation; demolition; site preparation work; infrastructure development pursuant to the project budget. The term “Invest” or “Investment” means the sum of all development costs for land acquisition, environmental remediation costs (if any); demolition costs (if any); site preparation costs (excavation; placement of fill; grading), and construction costs (hard and soft) for horizontal infrastructure improvements paid, payable, or actually incurred by or on behalf of the Project Developer, with respect to the Project and the improvements thereon. Construction soft costs specifically include the following items: architecture, landscape architecture, engineering, interior design (only if related to a building structure), and construction management fees.

The Development Agreement requires the Project Developer, inter alia, to (i) prepare and sell lots to third-party builders for the construction of a minimum of 500 single-family homes and 30,000 square feet of non-residential space; (ii) construct or cause the construction of a minimum of 200 units of multi-family housing; and (iii) construct a community center with a swimming pool (“Minimum Vertical Related Items”). The Project Developer shall contract for the sale of (1) all residential lots to one or more of the builders listed on in the Development Agreement (which builders have been deemed approved by the Director) (the “Approved Builders”), or such other builders acceptable to the Director in his or her reasonable discretion, such approval not to be unreasonably withheld and (2) the multi-family/commercial pad sites to developers acceptable to the Director in his or her reasonable discretion, such approval not to be unreasonably withheld (“Lot Sale Requirement”), in accordance with the Milestone Dates (as defined below). D.R. Horton and Lennar are Approved Builders.

Unless extended by action of the City Council or as expressly provided in the Development Agreement, and subject to the provisions of the Development Agreement, the Project Developer shall meet all of the following Milestone Dates set forth in items (1) through (10) (each, a Milestone Date, and collectively, the “Milestone Dates”) and the Project Deadline set forth in item (11):

- (1) Execute the Development Agreement on or before: (a) 30 calendar days after December 11, 2024 (the date of City Council approval of Resolution No. 24-1812); or (b) 30 calendar days after City delivery of the City-signed Agreement to Developer incorporating the amendments contained in Resolution No. 24-1812, whichever is later.
- (2) Purchase the Property from VM Fund I, LLC or the current owner within 90 calendar days of Developer’s execution of the Development Agreement.
- (3) Submit a draft proposed neighborhood design guidelines and/or pattern book (“Design Guidelines”) to PDD staff by September 30, 2023.
- (4) Submit a set of draft proposed restrictive covenants for all future vertical development relating to affordable housing, Design Guidelines, and the establishment of a homebuyer assistance program on the Property for the Project (the “Project Covenants”) for the Director’s review by September 30, 2023, and file such Project Covenants at the filing of the final plat for the Project.
- (5) Secure construction funds or financing for the horizontal development of the project (the “Project Financing”) and provide satisfactory evidence of the Project Financing to the Director on or before (i) June 30, 2025 or (ii) 180 calendar days after Developer’s execution of the Development Agreement (which was executed February 11, 2025), whichever is later. Such date is August 10, 2025.
- (6) Perform all legally required environmental remediation and any demolition necessary to construct the project by June 30, 2027.
- (7) Perform site preparation work (e.g., excavation, placement of fill, grading) to prepare the site for the infrastructure improvements (e.g., new roads and utilities) necessary to support the planned vertical improvements (the “Project Site Preparation Work”) and obtain the City’s written final acceptance (if necessary) of the Project Site Preparation Work by June 30, 2027.

- (8) Establish one or more homeowners' associations, property owners' associations, public improvement district, or other property management entities acceptable to Director to ensure upkeep of common areas, including the green spaces and amenity center, to provide additional security, and provide for other neighborhood services on or before June 30, 2028.
- (9) Complete the specific wastewater and stormwater infrastructure improvements set forth in the Development Agreement and other infrastructure improvements (e.g., new roads, utilities, and streetscape) necessary to support the planned vertical improvements included with the Project (as described in the Development Agreement) ("Project Infrastructure Work") and obtain the City's written final acceptance of the Project Infrastructure Work by June 30, 2028.
- (10) Meet the Lot Sale Requirement by December 31, 2029.
- (11) Developer must meet and document that it has met the Minimum Investment on or before June 30, 2028 ("Project Deadline").

Dallas will fund the homebuyer assistance program in the University Hills Development with the first \$5,300,000.00 from the UH TIRZ tax increment (less administrative costs), which funds have already been collected in the UH TIRZ. Any additional funds for the homebuyer assistance program would come from the ten percent (10%) affordable housing line item in the Plan. The TIF Subsidy will be funded from increment accrued after the homebuyer assistance program is fully funded.

Until the Project Developer has received full forgiveness of the Repayment Obligation (as defined below) pursuant to the Development Agreement, the Project Developer shall submit to the Director quarterly status reports for ongoing work on the Project as provided in the Development Agreement and semi-annual reports after the Project Developer's completion of the Minimum Vertical Related Items (specifically the minimum 200 units of multi-family housing) and throughout the 15-year affordability period, the Project Developer shall submit or shall cause the subsequent owner of the multi-family units to submit written certification and documentation of compliance with the same.

For the minimum of 200 units of multi-family housing to be delivered as part of the Minimum Vertical Related Items, the Project Developer has agreed to complete or cause the subsequent owner of the multi-family units to complete an Affirmative Fair Housing Marketing Plan ("AFHMP") and market or cause the subsequent owner of the multi-family units to market the minimum of 200 units of multi-family housing to be delivered as part of the Minimum Vertical Related Items units pursuant to the approved AFHMP.

In consideration of the Project Developer's Minimum Investment in the Project and pursuant to the University TIF District Grant Program ("Grant Program"), the City has agreed in the Development Agreement to pay the Project Developer a total amount \$31,410,966.00 plus an additional grant in lieu of interest (the "TIF Subsidy") in consideration of the Project. The TIF Subsidy will not be payable until upon Developer's completion of the Project and adherence to all Project requirements, except that Developer may begin receiving payment of a relatively small portion of the TIF Subsidy only for the actual costs incurred to deliver the specific stormwater infrastructure improvements pursuant to the Development Agreement. Payment of the TIF Subsidy is subject to certain conditions as outlined in the Development Agreement, and is subject to the availability of tax increment in the UH TIRZ (as defined herein). The Project Developer expects to use the TIF Subsidy to prepay special assessments levied on non-single family property in in UHMD for the payment of the UHMD Bonds and does not expect the TIF Subsidy to fund the upfront costs of any improvements related to the University Hills Development.

The TIF Subsidy is subject to a repayment obligation (the "Repayment Obligation") which will be forgiven in the following tranches so long as Project Developer is otherwise in compliance with the Development Agreement:

- (1) Twenty-five percent (25%) upon the sale of 200 residential lots to third-party builders for construction of single-family homes, which sale must be completed no later than June 30, 2034.
- (2) Twenty-five percent (25%) upon the sale of 300 residential lots to third-party builders sufficient for construction of single-family homes, which sale must be completed no later than June 30, 2034, and completion of construction of a community amenity center with a pool.

(3) Twenty-five percent (25%) upon the completion of construction of 200 units of multi-family residential evidenced by a certificate of occupancy or equivalent documentation received on or before June 30, 2034.

(4) Twenty-five percent (25%) upon the sale of land to a third-party builder sufficient for construction of at least 30,000 square feet of non-residential office or retail space, which sale must be completed no later than June 30, 2034.

To secure performance of the Repayment Obligation and prior to any payment of the TIF Subsidy, the Project Developer shall either (i) execute a deed of trust in favor of the City encumbering the Property (the “Performance DOT”), (ii) provide a guaranty in a form acceptable to the City, or (iii) provide both items (i) and (ii); provided that such documents must collectively demonstrate an asset valuation sufficient to secure the Repayment Obligation, as determined by the City Attorney. If executed, the Performance DOT shall be recorded in the Real Property Records of Dallas County against the Project Developer’s interests in the Property. Such documents shall be released upon expiration of and satisfaction of or release of the Repayment Obligation in accordance with the Development Agreement, or upon Developer’s sale of any portion of the Property to an unaffiliated developer for completion of vertical construction. Any such Performance DOT shall be subordinated to construction/permanent lenders during the term of the Development Agreement, including the Deed of Trust securing the Bonds.

In addition to the TIF Subsidy, in consideration of development-related fees (e.g. plan review, permitting, inspection, etc.) and actual costs for design, construction, and City acceptance of that specific wastewater infrastructure improvement described by Developer on or before December 31, 2027 in support of the Project, the City has agreed to pay Developer a grant in a total amount not to exceed \$4,550,000.00 payable from the City’s Public/Private Partnership Fund (“PPP Grant”). The proceeds of the PPP Grant are expected to reimburse the Project Developer for the costs of certain City Capital Improvement Plan wastewater improvements and contingency, design, and inspection fees relating thereto.

The Development Agreement provides that the following are events of default under the Development Agreement:

- (1) Project Developer fails to comply with the Milestone Dates or the Project Deadline, subject to the expiration of the Cure Period and, if applicable, any Force Majeure Event.
- (2) Project Developer fails to timely perform or observe or otherwise breaches any term, condition, obligation or covenant contained herein;
- (3) Project Developer fails to pay when due all ad valorem and business personal property taxes for all property owned by Project Developer within the City of Dallas during the Term (provided that Project Developer retains its right to timely and properly follow the legal procedures for protest and/or contest of any such ad valorem or tangible personal property taxes);
- (4) Project Developer is convicted of a violation under 8 U.S.C. Section 1324a; and/or
- (5) any statement, warranty or representation of Project Developer contained herein is determined by City to be false (each, a “Default”).

Events of default are subject to a cure period of 365 days, and Project Deadlines and Milestone Dates may be extended due to Force Majeure as described in the Development Agreement.

The foregoing is a summary of certain provisions of the Development Agreement. For the full text of the Development Agreement, see “APPENDIX D — Development Agreement.”

The Fee Developer

The Project Developer is expected to engage a fee developer, Lenart Development Company, L.L.C. (“LDC”). LDC is a real estate development and consulting firm focused primarily on single family and light commercial development. The firm provides fee development services for projects across the DFW Metroplex along with consulting services regarding entitlement, financing, special districts, construction, and due diligence. The firm also owns and develops projects with equity partners utilizing third party debt financing.

LDC was formed in November of 2006. Mr. Steve Lenart, the founder and manager of the company, has over thirty – two years of experience in the real estate development industry.

Mr. Lenart’s experience encompasses all aspects of the business, including both homebuilding and development. He spent fourteen years with a “Big Three” public builder, where he held the executive positions of Director of Construction and then Land Division President. In his six years as Division President he managed all aspects of land and lot acquisition and development in the DFW area.

In his role as Division President he developed an in-depth knowledge of every aspect of the development business, including acquisition, due diligence, contracting, entitlements, sales, homeowner associations, finance, joint ventures, special financing districts, and day-to-day development. Acquisitions included both raw land and finished lots, and ranged in size from 15 acres to over 3,000 acres. Mr. Lenart has extensive knowledge of entry-level, first time move-up, second time move-up, acreage, and active adult communities. He led the entitlement/acquisition of over 40,000 lots and developed over 15,000 lots in his role as Division President.

LDC currently manages the development of over twenty residential and multifamily developments in the DFW area. The projects vary from simple municipal jurisdictions to public improvement districts, municipal management districts, and municipal utility districts.

The firm’s responsibilities include managing all of the day-to-day operations of the development. This includes site evaluation, plan review and management, contracting, and payment of contracts. The firm’s team of experienced Project Managers oversees the project subcontractors on a daily basis to effectively and efficiently deliver completed infrastructure and finished lots per approved plans. The firm also performs feasibility studies for projects along with entitlement, zoning, platting, and financial analysis.

University Hills Municipal Management District

UHMMMD covers approximately 273 acres and overlaps the Property. UHMMMD was created by act of the 85th Legislature of the State of Texas through Senate Bill 2244, which created Chapter 3947 of the Special District Local Laws Code, UHMMMD’s enabling legislation. UHMMMD is governed by that enabling legislation as well as Chapter 375 of the Texas Local Government Code. UHMMMD held a confirmation election on May 4, 2024.

Pursuant to UHMMMD’s enabling legislation, UHMMMD has powers under Chapters 372 and 375 of the Texas Local Government Code and Chapters 49 and 54 of the Texas Water Code. Accordingly, it can provide financing for water, sewer, drainage, and roadway facilities. UHMMMD may impose assessments in the manner provided under Chapters 372 and 375 of the Texas Local Government Code and may issue bonds secured by such assessments. UHMMMD does not have the ability to levy an ad valorem tax.

UHMMMD was formed to provide a mechanism to finance improvements within the University Hills Development. It is expected that UHMMMD will issue the UHMMMD Bonds secured by special assessments levied within UHMMMD to finance the cost of the Major Improvements and the direct improvements being constructed to benefit Phase #1 as described herein. The Board of Directors of UHMMMD has considered and approved a request regarding the advisability of the improvements to be funded by the UHMMMD Bonds, and it is expected that the UHMMMD Bonds will close approximately 6-8 weeks after to closing of the Bonds. However, no assurance can be given as to if or when the UHMMMD Bonds will be issued.

Education

Children in the University Hills Development will attend schools in the Dallas Independent School District (“DISD”) which encompasses 380 square miles and enrolls over 138,000 students. Children in the University Hills Development will attend JN Ervin Elementary School, Kennedy-Curry Middle School, and Wilmer-Hutchins High School. For the 2022-2023 school year, the latest year for which ratings are available, JN Ervin Elementary School received an accountability rating of “D” from the Texas Education Agency (“TEA”), Kennedy-Curry Middle School received an accountability rating of “C” from the TEA, and Wilmer-Hutchins High School received an accountability rating of “D” from the TEA. JN Ervin Elementary School received a 4/10 rating, Kennedy-Curry Middle School received a 4/10 rating, and Wilmer-Hutchins High School received a 2/10 rating from GreatSchools.Org.

Utility Services

The City is expected to provide both water and wastewater service to the University Hills Development through its own utility provider, Dallas Water Utilities (“DWU”). However, providing southern portion of the Property with access to the DWU wastewater facilities will require the construction or acquisition of approximately \$2,000,000 in onsite water infrastructure.

Other Utilities. Additional utilities in the University Hills Development are expected to be provided by: (1) Phone - AT&T; (2) Electric - Oncor; (3) Cable/Data – AT&T; and (4) Natural Gas – Atmos Energy

Environmental

Environmental. A Phase One Environmental Site Assessment (the “Phase One ESA”) was prepared by Rone Engineering Services, Ltd. for the property comprising the University Hills Development on September 8, 2020 in connection with CADG PH’s acquisition of the Property. Based on the information presented in the Phase One ESA, the assessment revealed no evidence of on-site or off-site Recognized Environmental Conditions (RECs), historical REC, or controlled RECs in connection with the Property.

Endangered Species. The Project Developer is not aware of any endangered species on the Property.

Flood Plain Designation

Approximately 6.39 acres within the University Hills Development are located within an official FEMA 100-year flood plain as shown on Federal Emergency Management Agency (“FEMA”) Flood Insurance Rate Map (“FIRM”) No. 48113C0495K effective July 7, 2014. Approximately 0.50 acres of the land within the flood plain are expected to be reclaimed for lot development (the “Reclaimed Land”). The remaining approximately 1.17 acres of undeveloped floodplain will be used as open space. The Project Developer expects to apply for a letter of map revision (“LOMR”) after completion of construction of the improvements. The Project Developer expects that the LOMR approval process will take approximately six months.

Existing Mineral Rights, Easements and Other Third-Party Property Rights

Certain predecessors-in-interest to the Project Developer have reserved and other third parties hold title to certain rights applicable to real property within and around the University Hills Development (the “Mineral Owners”), including reservations of mineral rights and royalty interests and easements (collectively, the “Third-Party Property Rights”) pursuant to various instruments in the chain of title for various tracts of land within and immediately adjacent to the University Hills Development. Some of these reservations of mineral rights include a waiver by the Mineral Owners of their right to enter onto the surface of the property to explore, develop, drill, produce or extract minerals within the University Hills Development. If the waiver is applicable, such Mineral Owners may only develop such mineral interests by means of wells drilled on land outside of the property of the University Hills Development. However, additional entities may hold Third-Party Property Rights that allow them to utilize the land in the University Hills Development to produce minerals. Such Third-Party Property Rights are subject to restrictions and regulations put forth by the appropriate regulatory bodies of the State of Texas, including the Texas Railroad Commission, and local ordinances which may restrict or prohibit the holder of the Third-Party Property Rights from utilizing the surface of the Property to develop minerals. The property has not been abstracted, and the Project Developer can make no guarantees as to the current owners of any mineral rights.

PURCHASE OF PROPERTY AND EXPECTED FUNDING FOR THE UNIVERSITY HILLS DEVELOPMENT

Purchase of the Property

Property in the University Hills Development is currently owned by VM Fund I, LLC and CADG Property Holdings, I, LLC. CADG Property Holdings I, LLC acquired the Property through multiple conveyances. The total purchase price paid by CADG Property Holdings I, LLC was \$6,759,812.50, of which \$2,895,000.00 was paid in cash at the time of purchase and \$3,864,812.50 was paid pursuant to various private loans. VM Fund I, LLC previously issued the 2021 VM Fund Bonds for, inter alia, the purpose of refinancing such private loans, and the Property was subsequently contributed from CADG

Property Holdings I, LLC to VM Fund I, LLC (through a series of conveyances). CADG Property Holdings I, LLC (through a series of assignments) holds the option to repurchase the property by payment of a release price. CADG Property Holdings I, LLC previously exercised such option and reacquired approximately 128.4 acres of the Property on January 14, 2025 using cash. The portion of the 2021 VM Fund Bonds applicable to the 128.4 acres was redeemed and such property was released from the deed of trust securing the 2021 VM Fund Bonds. The remaining portion of the Property is currently owned by VM Fund I, LLC and subject to the lien of the deed of trust securing the 2021 VM Fund Bonds.

The Project Developer and CADG Property Holdings have entered into a purchase and sale agreement (the “I-20 Lancaster PSA”) pursuant to which the Project Developer has agreed to acquire the Property at a purchase price of \$21,500,000. CADG Property Holdings, I, LLC intends to exercise its option to acquire the 146.8 acres of the Property owned by VM Fund I, LLC at closing of the Bonds and execute a simultaneous closing of all Property to the Project Developer under the I-20 Lancaster PSA. Such purchase will be funded partially with proceeds of the Bonds and partially through seller financing evidenced by the Seller Note (in the amount of \$10,000,000). The proceeds of the Bonds delivered for the purchase of the Property will be used to pay the release price for the 146.8 acres and retire the Existing Indebtedness, which consists of the outstanding amounts due related to the 2021 VM Fund Bonds, and remove any existing liens relating to the 2021 VM Fund Bonds on the Property. At the closing of the Bonds, the Project Developer will contribute the Property to the Issuer in exchange for the option to reacquire the Property as provided in the Option Agreement upon payment of the Release Price.

The Seller Note bears interest at a rate of 10% per annum and matures on April 30, 2030. All payments under the Seller Note are due at maturity. The Seller Note is secured by a pledge of HG Development Concepts, LLC’s membership interest in the Project Developer. It is expected that, upon completion of the improvements required to substantially complete all of the single-family lots located within the Property, HG Development Concepts, LLC, CADG Property Holdings I, LLC, and the Project Developer will enter into a “Contribution Agreement” pursuant to which CADG Property Holdings I, LLC will assign and contribute the Seller Note to the Project Developer, and, upon such assignment and contribution, HG Development Concepts, LLC’s liabilities under the Seller Note will be converted to an increase in CADG Property Holdings I, LLC’s preferred capital account with the Project Developer which shall be a “Preferred Capital Contribution” entitling CADG Property Holdings I, LLC to a 10% preferred return. Contemporaneously with the execution of the Contribution Agreement, HG Development Concepts, LLC and CADG Property Holdings I, LLC will enter into an amended and restated company agreement permitting the contribution, adjusting the capital accounts of the Project Developer’s members, and revising the distribution waterfall so that CADG Property Holdings I, LLC will collect its 10% preferred return prior to any other distributions to the members of the Project Developer. The contribution of the Seller Note and conversion of the Seller Note to a Preferred Capital Contribution may not occur until all Public Improvements have been accepted by the City.

The Project Developer will be granted an option to purchase the Property as provided in the Option Agreement. The Project Developer is a special purpose entity with limited capitalization and anticipates purchasing the Property (or portions thereof due to takedowns under the Lot PSAs) from the Issuer at an unspecified future date, at which point the Project Developer’s sole asset of which will be the Property, related permits and development rights, and minor operating accounts. Such purchases under the Option Agreement are expected to begin in in Q1 2027 concurrent with the conclusion of development of infrastructure benefitting the University Hills Development. The expected source of funding for future land purchases from the Issuer by the Project Developer from the Issuer is expected to be the sale proceeds of the Lot PSAs, the Leon MF Contract and future lot purchase and sale agreements for property in the University Hills Development. NO ASSURANCE CAN BE GIVEN THAT THE PROJECT DEVELOPER WILL PURCHASE THE PROPERTY FROM THE ISSUER OR, IF SUCH PURCHASE DOES OCCUR, THAT A MANDATORY REDEMPTION, IN PART, OF THE BONDS WILL OCCUR.

Development Funding

The Project Developer expects to use a combination of funds consisting of proceeds of the Bonds, builder earnest money, and proceeds of the UHMMD Bonds to finance horizontal infrastructure development of the University Hills Development, the Private Improvements, and the Amenities. The table set forth below shows the expected sources and uses of funds for the development of the horizontal infrastructure, the Private Improvements and the Amenities.

SOURCES	
UH MMD Bonds	\$ 32,555,393
Lot Sale Earnest Money	4,465,000
Developer Funds (from ROW Sale)	3,723,607
Bond Proceeds	24,292,894
TOTAL SOURCES	\$ 65,036,895

USES	
MMD Public Improvements ¹	\$ 37,419,539
Property Acquisition ²	11,500,000
Public Improvements ²	4,112,048
Private Improvements ²	9,448,386
Amenities	2,000,000
Funds Available for Cost Overruns	556,922
TOTAL USES	\$ 65,036,895

¹ Funded with proceeds from UH MMD Bonds, Lot Sale Earnest Money, and Developer Funds (from ROW Sale)

² Funded with Bond Proceeds

APPRAISAL AND MARKET STUDY

Appraisal

General. Integra Realty Resources – Dallas (the “Appraiser”), prepared an appraisal report effective with respect to each portion of the Property on the dates specified below and estimated the values of parcels located in the University Hills Development, based upon a physical inspection of the Property (the “Appraisal”). The Appraisal was prepared at the request of the Placement Agent. The description herein of the Appraisal is intended to be a brief summary only of the Appraisal as it relates to the Property. **The Appraisal is included in this Limited Offering Memorandum as Appendix E and should be read in its entirety. The conclusions reached in the Appraisal are subject to certain assumptions, hypothetical conditions and qualifications, which are set forth therein.**

Value Estimates. The Appraisal provides the fee simple estate values for the Property based on the Tracts specified below which together comprise the expected University Hills Development. For tracts with an effective date of March 1, 2027, the Appraisal assumes the completion of the off-site and onsite development and extension of public utilities as well as the construction of a north/south thoroughfare (98’ ROW) from close to the northern boundary to IH-20, which improvements are expected to be completed with the proceeds of the UHMD Bonds and a portion of the proceeds of the Bonds. For tracts with an effective date of October 1, 2027, the Appraisal assumes that, with the exception of Tracts #10, 11, 12, and 21, all of such tracts will be provided access and utilities by such date, which improvements are expected to be completed with the proceeds of the UHMD Bonds and a portion of the proceeds of the Bonds. The value estimates for each appraised portion of the Property using the methodologies described in the Appraisal, and subject to the limiting conditions and assumptions set forth in the Appraisal are as follows:

<u>Tract</u>	<u>Zoning/Proposed Use</u>	<u>Size/Lots</u>	<u>Estimated Appraised Market Value</u>	<u>Effective Date</u>
Tract #1	TH-2 (Single Family)	43.8 acres/312 developed lots	\$19,860,000	March 1, 2027
Tract #1A	TH-2 (Townhome)	9.7 acres/141 developed townhome lots	\$6,485,000	March 1, 2027
Tract #2	TH-2 (Townhome)	8.2 acres / 120 developed lots	\$5,615,000	March 1, 2027
Tract #3A/3B	MF-2 (Multi-family)	24.6 acres / 370 units MF	\$8,880,000	October 1, 2027
Tract #3C	CR (Commercial/Retail)	2.8 acres	\$1,305,000	October 1, 2027
Tract #4A	MF-3 (Multi-family)	16.9 acres / 542 units MF	\$7,930,000	October 1, 2027
Tract #4B	CR (Commercial/Retail)	4.2 acres	\$1,060,000	October 1, 2027
Tract #13	MU-2 (Mixed Use/Commercial)	7.7 acres	\$1,945,000	October 1, 2027
Tract #14	MU-2 (Mixed Use/Commercial)	5.1 acres	\$1,290,000	October 1, 2027
Tract #19	MU-2 (Multi-family)	8.4 acres / 277 units MF	\$4,050,000	October 1, 2027
Tract #5	CR (Commercial/Retail)	4.6 acres	\$1,160,000	October 1, 2027
Tract #7A	CR (Commercial/Retail)	8.5 acres	\$2,350,000	October 1, 2027
Tract #7B	CR (Commercial/Retail)	5.9 acres	\$1,645,000	October 1, 2027
Tract #9/10	MF-2 (Multi-family)	10.7 acres / 267 units MF	\$4,540,000	October 1, 2027
Tract #11/15	MF-2/MU-2 (Multi-family)	7.8 acres / 222 units MF	\$3,685,000	October 1, 2027
Tract #12/16	MF-2/MU-2 (Multi-family)	4.0 acres / 127 units MF	\$1,820,000	October 1, 2027
Tract #17	MF-2 (Multi-family)	3.4 acres / 112 units MF	\$1,640,000	October 1, 2027
Tract #18	MU-2 (Mixed Use/Commercial)	19.2 acres	\$4,810,000	October 1, 2027
Tract #20/21	UC-2 Institutional/Office	7.3 acres	\$1,650,000	October 1, 2027
Tract #22	CR (Commercial/Retail)	6.9 acres	\$1,740,000	October 1, 2027
Total Estimated Market Value			<u>\$83,460,000</u>	

The Issuer, the Project Developer and the Placement Agent make no representation as to the accuracy, completeness assumptions or information contained in the Appraisal. The assumptions and qualifications with respect to the Appraisal are contained therein. There can be no assurance that any such assumptions will be realized, and the Issuer, the Project Developer and the Placement Agent make no representation as to the reasonableness of such assumptions.

Market Study—Summary

Zonda prepared a development review and market study of the University Hills Development dated March 2025 (the “Market Study”) The description herein of the Market Study is intended to be a brief summary only of the Market Study as it relates to the University Hills Development. **The Market Study is included herein as Appendix F and should be read in its entirety. The conclusions reached in the Market Study are subject to certain assumptions, hypothetical conditions and qualifications, which are set forth therein.**

The Market Study includes a description of current and future market conditions, lot and rental pricing, new home activity, retail market trends, multifamily housing trends and absorption, the office market, and the hotel market, along with potential future competition in order to analyze relevant real estate market conditions and economic demographic trends in the appropriate market area relative to the University Hills Development to assess demand for the planned products to be developed in the University Hills Development.

Subject to various assumptions and limiting conditions stated in the Market Study, Zonda determined, among other things:

1. **Zonda’s analysis indicates a strong opportunity exists for the development of the University Hills Development for the proposed uses including for-sale residential, rental apartments, retail, office, and hotel based on the following factors:**

- Rapid projected growth in the Dallas-Fort Worth MSA. Moody’s expects the MSA to add 54,622 new households per year from 2025 through 2029. That level of growth is above historical averages and higher than any other MSA in the United States.
- An infill location with excellent access and visibility from I-20 and proximity to the University of North Dallas and its DART station. An estimated 1.4 million jobs are accessible within 30-minutes.
- Limited competition in the immediate vicinity for all product types. Strong sales at nearby for-sale communities suggest potential pent-up demand, which may extend to rental/retail development as well.
- Blank slate and mixed-use entitlement allows opportunity to create unique community with convenient, potentially walkable amenities, and mutually supporting uses. With proper design and execution, the synergy among the different land uses could support price/value appreciation over and above average market growth rates.
- As the Dallas-Fort Worth MSA continues to expand (and traffic concerns continue to grow), infill locations such as the University Hills Development (especially with transit access) may become increasingly desirable.

2. **The University Hills Development may face some challenges including:**

- The area around the University Hills Development has been growing slowly (partly because it is relatively built-out in comparison to outlying suburbs) and median household incomes are below median levels found across the Metroplex. The University Hills Development will be somewhat of a “pioneering” development despite a location that is proximate to downtown Dallas.
- Average mortgage rates (6.8% as of March 2025) and the 10-year treasury (4.32%) remain high relative to pre-pandemic averages, reducing housing affordability and potentially making financing more difficult for commercial property developers. However, home sales/prices in the market appear to have largely adjusted to the higher rates.
- Zonda expects complete build-out of the University Hills Development will not occur until 2041. The longer the development timeframe, the greater risk of exposure to cyclical/macro-economic downturns, which could affect pricing and/or absorption (this applies less to the single-family portion of the development, which is projected to sell-out in 3 years). Related to this concern, current federal policy changes related to tariffs, immigration, etc. may impact construction costs and potentially economic demand.

The key findings in the Market Study relating to each sub-type of development are as follows:

For Sale Residential:

- Based on Zonda’s analysis of for-sale communities in the competitive market area (CMA), Zonda expects average base prices at each product series at the University Hills Development to range from \$276,500 for the townhomes to \$364,700 for detached homes on 50’ wide lots. With projected spending on options/upgrades, lot premiums, and price impacting incentives included, Zonda estimates the overall average closing price across all 573 for-sale homes at the University Hills Development to be \$299,600 in March 2025 dollars. This pricing is supported by pricing at the nearby Ellington Woods (\$275,000 to \$320,000) and College Park (\$299,000 to \$370,900) subdivisions.
- Based on Zonda’s assessment of absorption at nearby communities and the planned builders at the University Hills Development, Zonda expects for-sale absorption at the University Hills Development to peak at 288 units per year and complete sell-out to occur by 2029. Average sales paces per program are projected to range from 4.0 to 8.0 homes per month. Overall average sales paces at Ellington Woods (9.3

per month) and College Park (19.0 per month) support these projected paces. A lack of competition in the area appears to be driving sales high sales paces at active new home communities in the CMA.

Rental Residential:

- 1,917 rental apartment units are planned at the University Hills Development. Based on Zonda's review of the site plan, Zonda assumes the apartments would likely be a mix of garden-style apartments (three-stories or less) and mid-rise/wrap style apartments.
- Based on Zonda's review of competing communities in and around the CMA, Zonda expects garden style apartments at the University Hills Development could achieve an average rent of \$1,821 (\$1.94/SF) while mid-rise/wrap apartments could achieve an average rent of \$1,845 (\$2.09/SF). The newest comparable communities, such as Jefferson Cedar Ridge (\$1,775 or \$1.96/SF) and Beacon on Westmoreland (\$1,708 or \$2.01/SF), support these projected rents. Concessions of up to six weeks free may be necessary during lease-up.
- Based on Zonda's projection of demand in the CMA, Zonda believes the University Hills Development could build out its capacity of 1,917 apartment units by 2041. That absorption schedule generally allows enough time for each delivered property to lease-up without competition from within the University Hills Development (assuming an average lease-up pace of 20 units per month) and reasonable capture rates of total projected renter household growth in the CMA. The average projected deliveries of 128 units per year over the next 15 years is comparable to other neighborhoods in the Dallas-Forth Worth MSA that have seen significant deliveries of apartments, including Las Colinas (341 units per year), Bishop Arts District (226 units per year), and Mansfield (97 units per year).
- Based on an income approach to valuation, Zonda expects garden-style apartments at the University Hills Development to be valued at approximately \$222,000 per unit while mid-rise/wrap style units would likely be valued at \$224,000 per unit. That is reasonably consistent with recent transaction prices in the Dallas-Fort Worth MSA reported by RealPage (average of \$251,000 per unit for properties built in 2016 or later). As the University Hills Development is built-out, the convenience of nearby office and retail space may contribute to rising rents and values.

Retail

- The Dallas-Fort Worth MSA retail market is healthy. The average vacancy rate is below 5%, average rent is up 4.5% YOY, and net absorption has been consistently positive over the last three years.
- Based on ESRI's forecasts of household growth within three miles and a 15-minute drive of the University Hills Development, as well as projected household growth and office workers within the University Hills Development itself, Zonda expects the University Hills Development could reasonably support 384,800 square feet of retail by 2041. This includes the 200,000 square feet of space designated for retail as well as 165,000 square feet of the 390,000 square feet designated as mixed-use.
- Based on a review of active listings in the region, Zonda expects non-anchor retail space could likely rent for \$25/SF to \$30/SF on a triple net basis. Anchor space would likely rent for somewhat less (\$19/SF to \$23/SF). These rents position the University Hills Development below Class A space in prime suburbs such as Frisco (\$30/SF to \$40/SF) and reasonably consistent with the newest properties proximate to the University Hills Development.
- Zonda estimates, based on an income approach, that non-anchor retail space at the University Hills Development would be valued at approximately \$365/SF to \$438/SF, while anchor space would likely be valued at \$278/SF to \$336/SF. These estimates are reasonably consistent with actual transaction prices and listings of properties for sale in the region. It should be noted that actual valuations will vary based upon establishment type, tenants, and finish outs.

Office:

- Due to the rise of remote work/COVID-disruptions, the Dallas-Fort Worth office market has experienced negative absorption in the last two years and a rising vacancy rate (25.2% as of 4Q24). Nonetheless, absorption now appears to be stabilizing and Zonda expects positive absorption to resume in the coming years (assuming continued positive employment growth). A return to positive absorption will likely be supported by a growing “return to office” mindset among private and public employers.
- Based on Zonda’s office demand forecast (and considerations of existing market vacancy) Zonda concluded that the University Hills Development could reasonably support 565,200 square feet of office space by 2041. Zonda expects overall office construction volumes to remain muted until absorption can bring down current vacancy levels. Moreover, until new residential and retail development is in place (showing the site’s viability), it may be challenging to secure significant tenants for a new Class A office building. Therefore, Zonda assumes that the first office development is delivered in 2033.
- Based on an analysis of competing office properties in the region, Zonda concluded that new office space at the University Hills Development could likely achieve average rents of \$28/SF to \$32/SF on a triple net basis. That positions it well below new space in prime suburbs or downtown but generally above the Class B space that is dominant in the immediate area.
- Zonda estimates, based on an income approach, that office space at the University Hills Development would be valued at approximately \$336/SF to \$384/SF. That estimate is generally supported by actual transaction prices (\$154/SF to \$551/SF) Zonda was able to assess across the Metroplex.
- Life Sciences space typically achieves a significant rent/value premium. Zonda expects new Life Sciences space at the University Hills Development would be valued at \$700/SF. Forecasting demand/absorption potential for Life Sciences space is difficult as the industry sector is not as well established in Dallas as in other MSAs (such as Boston and the Bay Area). Nonetheless, growth is occurring in this sector in the market. Zonda assumed delivery of the 150,000 square foot Life Sciences space in 2040 but this could occur sooner assuming tenant(s) are found.

The Project Developer and the Placement Agent make no representation representations as to the accuracy, completeness, assumptions or information contained in the Market Study. The assumptions or qualifications with respect to the Market Study are contained therein. There can be no assurance that any such assumptions will be realized, and the Project Developer and the Placement Agent make no representation as to the reasonableness of such assumptions.

Expected Absorption in the University Hills Development

The Market Study sets forth projection for absorption of product to end users in the University Hills Development. Such absorption projections, which are set forth below are subject to various assumptions and limiting conditions stated in the Market Study. Zonda projects the following absorption in the University Hills Development for each product type:

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	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Home Price Escalation	0.5%	2.00%	3.00%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Commercial Property Escalation	0%	3.00%	3.00%	3.0%	3.0%		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Projected Delivery/Closings of Future Development																	
Product	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Townhouses	0	48	96	96	21	0	0	0	0	0	0	0	0	0	0	0	0
Detached Homes 40' Lots	0	72	131	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Detached Homes 50' Lots	0	48	61	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Garden Apartments	0	0	370	0	0	0	0	0	0	277	0	147	120	122	0	0	0
Mid-Rise Apartments						271		271							112	115	112
Anchor Retail				40,000		30,000											
Non-Anchor Retail				14,236	22,724	23,036	23,036	23,036	23,036	23,036	23,336	23,336	23,336	23,336	23,336	22,990	3,190
Hotel						150											
Office									280,000			60,200		75,000	75,000	75,000	
Life Sciences Office																150,000	
Cumulative Deliveries/Closings of Future Development																	
Community	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Townhouses	0	48	144	240	261	261	261	261	261	261	261	261	261	261	261	261	261
Detached Homes 40' Lots	0	72	203	203	203	203	203	203	203	203	203	203	203	203	203	203	203
Detached Homes 50' Lots	0	48	109	109	109	109	109	109	109	109	109	109	109	109	109	109	109
Garden Apartments	0	0	370	370	370	370	370	370	370	647	647	794	914	1,036	1,036	1,036	1,036
Mid-Rise Apartments	0	0	0	0	0	271	271	542	542	542	542	542	542	542	654	769	881
Anchor Retail	0	0	0	40,000	40,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Non-Anchor Retail	0	0	0	14,236	36,960	59,996	83,032	106,068	129,104	152,140	175,476	198,812	222,148	245,484	268,820	291,810	295,000
Hotel	0	0	0	0	0	150	150	150	150	150	150	150	150	150	150	150	150
Office	0	0	0	0	0	0	0	0	280,000	280,000	280,000	340,200	340,200	415,200	490,200	565,200	565,200
Life Sciences Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	150,000	150,000
Avg. Value per Unit/SF of Future Development																	
Community	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Townhouses	\$273,600	\$279,100	\$287,500	\$296,100	\$305,000	\$314,200	\$323,600	\$333,300	\$343,300	\$353,600	\$364,200	\$375,100	\$386,400	\$398,000	\$409,900	\$422,200	\$434,900
Detached Homes 40' Lots	\$307,900	\$314,100	\$323,500	\$333,200	\$343,200	\$353,500	\$364,100	\$375,000	\$386,300	\$397,900	\$409,800	\$422,100	\$434,800	\$447,800	\$461,200	\$475,000	\$489,300
Detached Homes 50' Lots	\$354,100	\$361,200	\$372,000	\$383,200	\$394,700	\$406,500	\$418,700	\$431,300	\$444,200	\$457,500	\$471,200	\$485,300	\$499,900	\$514,900	\$530,300	\$546,200	\$562,600
Garden Apartments	\$222,000	\$228,660	\$235,520	\$242,585	\$249,863	\$257,359	\$265,080	\$273,032	\$281,223	\$289,660	\$298,349	\$307,300	\$316,519	\$326,014	\$335,795	\$345,869	\$356,245
Mid-Rise Apartments	\$224,000	\$230,720	\$237,642	\$244,771	\$252,114	\$259,677	\$267,468	\$275,492	\$283,756	\$292,269	\$301,037	\$310,066	\$319,370	\$328,952	\$338,820	\$348,985	\$359,454
Anchor Retail	\$307	\$316	\$326	\$335	\$345	\$356	\$367	\$378	\$389	\$401	\$413	\$425	\$438	\$451	\$464	\$478	\$493
Non-Anchor Retail	\$402	\$414	\$426	\$439	\$452	\$466	\$480	\$494	\$509	\$525	\$540	\$556	\$573	\$590	\$608	\$626	\$645
Hotel	\$150,000	\$154,500	\$159,135	\$163,909	\$168,826	\$173,891	\$179,108	\$184,481	\$190,016	\$195,716	\$201,587	\$207,635	\$213,864	\$220,280	\$226,888	\$233,695	\$240,706
Office	\$360	\$371	\$382	\$393	\$405	\$417	\$430	\$443	\$456	\$470	\$484	\$498	\$513	\$529	\$545	\$561	\$578
Life Sciences Office	\$700	\$721	\$743	\$765	\$788	\$811	\$836	\$861	\$887	\$913	\$941	\$969	\$998	\$1,028	\$1,059	\$1,091	\$1,123
Cumulative Value of Future Development																	
Community	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Townhouses	\$0	\$13,396,800	\$41,400,000	\$71,064,000	\$79,605,000	\$82,006,200	\$84,459,600	\$86,991,300	\$89,601,300	\$92,289,600	\$95,056,200	\$97,901,100	\$100,850,400	\$103,878,000	\$106,983,900	\$110,194,200	\$113,508,900
Detached Homes 40' Lots	\$0	\$22,615,200	\$65,670,500	\$67,639,600	\$69,669,600	\$71,760,500	\$73,912,300	\$76,125,000	\$78,418,900	\$80,773,700	\$83,189,400	\$85,666,300	\$88,264,400	\$90,903,400	\$93,623,600	\$96,425,000	\$99,327,900
Detached Homes 50' Lots	\$0	\$17,337,600	\$40,548,000	\$41,768,800	\$43,022,300	\$44,308,500	\$45,638,300	\$47,011,700	\$48,417,800	\$49,867,500	\$51,360,800	\$52,897,700	\$54,468,100	\$56,124,100	\$57,802,700	\$59,535,600	\$61,323,400
Garden Apartments	\$0	\$0	\$87,142,300	\$89,756,600	\$92,449,300	\$95,222,800	\$98,079,500	\$101,021,800	\$104,052,500	\$107,169,800	\$110,363,100	\$113,632,100	\$116,976,100	\$120,394,600	\$123,887,100	\$127,453,100	\$131,091,100
Mid-Rise Apartments	\$0	\$0	\$0	\$0	\$0	\$70,372,600	\$72,483,800	\$74,636,500	\$76,830,800	\$79,065,700	\$81,341,200	\$83,657,400	\$86,014,300	\$88,411,800	\$90,850,000	\$93,328,100	\$95,846,100
Anchor Retail	\$0	\$0	\$0	\$13,418,700	\$13,821,200	\$24,912,800	\$25,660,200	\$26,430,000	\$27,222,900	\$28,039,600	\$28,880,800	\$29,747,200	\$30,639,600	\$31,558,800	\$32,505,600	\$33,480,700	\$34,485,100
Non-Anchor Retail	\$0	\$0	\$0	\$6,253,500	\$16,722,700	\$27,959,800	\$39,856,100	\$52,441,000	\$65,745,100	\$79,800,300	\$94,801,700	\$110,631,300	\$127,325,400	\$144,921,600	\$163,459,000	\$182,761,400	\$190,302,100
Hotel	\$0	\$0	\$0	\$0	\$0	\$26,083,700	\$26,866,200	\$27,672,200	\$28,502,300	\$29,357,400	\$30,238,100	\$31,145,300	\$32,079,600	\$33,042,000	\$34,033,300	\$35,054,300	\$36,105,900
Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$127,690,400	\$131,521,100	\$135,466,800	\$169,529,900	\$174,615,800	\$219,504,700	\$266,929,700	\$317,002,700	\$326,512,800
Life Sciences Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$163,586,600	\$168,494,200
Total	\$0	\$53,349,600	\$234,760,800	\$289,901,200	\$315,290,100	\$442,626,900	\$466,956,000	\$567,009,500	\$723,447,200	\$837,468,900	\$875,788,100	\$989,592,000	\$1,070,661,400	\$1,195,975,300	\$1,324,809,600	\$1,624,729,900	\$1,715,808,100

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Issuer to Engage the Project Developer Under Development Management Agreement for the Development of the Property

The Issuer expects to engage the Project Developer to provide development services related to the development of the Property, including the Project, pursuant to a Development Management Agreement dated as of the Closing Date (the “**Development Management Agreement**”). Under the Development Management Agreement, the Project Developer, as “Project Manager” will perform certain infrastructure and lot development upon the Property and market parcels, pad sites and/or lots of the Property for sale to merchant builders, end-users or developers (the Property and its related infrastructure and improvements is referred to as the “Project” in the Development Management Agreement) and, subject to the terms of the Development Management Agreement, arrange, review, supervise, manage and coordinate all contracting, construction, development and final completion of the Project located on the Property. Services to be performed by the Project Developer under the Development Management Agreement include the following:

(a) Supervise and coordinate the preparation of cost, income and other financial projections for the development of the Project, including supplementing and/or updating the same throughout the course of development to reflect material changes in the scope or timing of development of the Project, and

(b) Perform and direct the following functions relevant to the design and construction of the Project:

(i) supervise and coordinate the activities of the architect, engineers, contractor and other professional consultants involved in the development and construction of the Project; provided, that the Project Manager will not be liable for any breach or non-performance by any architect, engineer, construction manager, design-builder, other contractor, subcontractor, sub-subcontractor, materialman, other professional consultant or tradesman in the latter’s performance or nonperformance of its contract so long as such breach of nonperformance does not arise from Project Manager’s failure to perform in good faith and with reasonable diligence its duties under the Development Management Agreement;

(ii) supervise and coordinate preparation of a Project manual and bid specifications for Project contractors;

(iii) exercise commercially reasonable efforts to cause the Project to be constructed in accordance with the construction plan approved by the Issuer and maintain all records required in connection with such construction work;

(iv) review and approve preliminary and final plans and specifications relating to the Project for compliance with design criteria and the construction contracts;

(v) identify and evaluate contractors and subcontractors;

(vi) identify construction financing for any costs not included within the original scope of the Project;

(vii) coordinate for the Issuer its obligations under its construction loan financing, if any;

(viii) negotiate, for the Issuer’s approval and execution, usual and customary agreements with architects, engineers, construction managers, professional consultants, surveyors, environmental experts, attorneys, accountants, and the like and such other development professionals or entities as in the Project Manager’s judgment are necessary to develop the Project and any agreements for the construction of the Project, the furnishing of any supplies, materials machinery or equipment therefor, or any amendments thereof;

(ix) coordinate local governmental support and cooperation including requisite permits, approvals, Entitlements (hereinafter defined) and zoning determinations;

(x) assist the Issuer in dealing with neighborhood groups, local organizations, abutters and other parties interested in the development of the Project;

(xi) establish and implement appropriate administrative and financial controls, for the design and construction of the Project including but not limited to:

(A) coordination and administration of the Project by the architect, design-builder and other contractors (and such other development professionals and consultants as in Project Manager's judgment are necessary to develop the Project);

(B) administration of all contracts for development, construction and/or rehabilitation of the Project;

(C) participation in conferences and the rendering of such advice with respect to the Project as will aid in the economical and efficient realization of the Project;

(D) the rendering of advice and recommendations as to the selection procedures for and selection of subcontractors and suppliers;

(E) the submission of any suggestions or requests for changes which could in any reasonable manner improve the timeline, budget, design, efficiency or cost of the Project;

(F) the review and submission to the Issuer for approval of all requests for payments under any architectural agreement, design-builder's agreement, or any loan agreements with any lending institutions providing funds for the benefit of the Issuer for the design or construction and/or rehabilitation of the Project;

(G) compliance with all terms and conditions applicable to the Issuer or the Project contained in any governmental permit or approval required or obtained for the lawful construction of the Project, or in any insurance policy affecting or covering the Project;

(H) keeping the Issuer fully informed on a regular basis of the progress of the design, and construction and/or rehabilitation of the Project including the preparation of such reports as are provided for in the Development Management Agreement or as may be reasonably requested by the Issuer;

(I) at the Issuer's expense, filing on behalf of, and as the attorney-in-fact for, the Issuer, any notices of completion required or permitted to be filed upon the completion of any improvement(s) and taking, at the expense of the Issuer, such actions as may be required to obtain any certificates of occupancy or equivalent documents required to permit the occupancy and use of the Property in the Project.

(xii) inspect the progress of the course of construction of the Project and, in consultation with the architect as to payments for labor and materials related to construction, approve or disapprove requests for payment made by the Project architect and the design-builder, or by any other parties with respect to the design and rehabilitation of the Project, and in addition verify that the same is being carried out substantially in accordance with the budget, timeline, plans and specifications approved by the Issuer or, in the event that the same is not being so carried out, to promptly so notify the Issuer;

(xiii) advise the Issuer with respect to all obligations of the Issuer with respect to the design and construction of the Project contained in any construction loan agreement or security agreement entered into in connection with any financing for the Project, or in any lease, management agreement or rental agreement relating to the improvements in the Project, or in any agreement entered into with any governmental body or agency relating to the terms and conditions of such construction, provided that copies of such agreements have been provided by the Issuer to the Project Manager or the Issuer has otherwise notified the Project Manager in writing of such obligations;

(xiv) assist the Issuer, with the assistance of such insurance adviser as the Project Manager may retain at Issuer expense, in obtaining and maintaining insurance coverage for the Project, in accordance with an insurance schedule approved by the Issuer, which insurance shall include general public liability insurance covering claims for personal injury, or property damage, occurring in or upon the Project or the streets, passageways, curbs and vaults adjoining the Project. Such insurance shall be in a liability amount approved by the Issuer in accordance with the Indenture;

(xv) assemble and retain all contracts, agreements and other records and data as may be necessary to carry out the Project Manager's functions hereunder;

(xvi) coordinate and administer the design and construction of the Project;

(xvii) ensure, at the expense of the Issuer, compliance with all applicable building, zoning, fire, health, environmental and other governmental laws, ordinances, rules and regulations during the course of the construction work;

(xviii) negotiate on behalf of the Issuer any necessary agreements with public authorities and utility companies relating to access, traffic control, utility services, flood control, franchise utilities and other matters affecting the development of the Project;

(xix) obtain, or cause to be obtained, at the Issuer's expense, such certificates, licenses, permits and approvals as are necessary for the development of the Project;

(xx) advise the Issuer with respect to obtaining governmental, county and/or municipal approvals for land use entitlements and economic incentive entitlements with respect to the Property or a portion thereof (collectively, the "**Entitlements**"), which Entitlements may include, but are not limited to: specific use permits; conditional use permits; planned development districts and/or zoning changes; annexations; plats; certificates of convenience and necessity; property assessed clean energy ("**PACE**") financing; Housing and Urban Development ("**HUD**") financing; grants or loans of money pursuant to Chapter 380 or Chapter 381 of the Texas Local Government Code, as amended; creation of tax increment reinvestment zones ("**TIRZ**"); creation of public improvement districts, water control improvement districts, fresh water supply districts, municipal management districts, municipal utility districts, or other assessment districts (collectively, "**Districts**"); monetization of any such TIRZ or Districts through reimbursement agreements and/ or bond financings; and any other agreements, applications, certificates, petitions or other documents and approvals or amendments thereto related to such Entitlements;

(xxi) during the construction of the Project, assist the Issuer in complying in all material respects with all applicable present and future laws, ordinances, orders, rules, regulations and requirements (hereinafter called "**laws**") of all federal, state and municipal governments, courts, departments, commissions, boards and offices or any other body exercising functions similar to those of any of the foregoing, or any insurance carriers providing any insurance coverage for the Issuer or the Project, which will be applicable to the Project or any part thereof. Any such compliance undertaken by the Project Manager in accordance with the provisions of the Development Management Agreement, shall be at the Issuer's expense. The Project Manager shall likewise use commercially reasonable efforts to ensure that all agreements between the Issuer and independent contractors comply with all such applicable laws and the requirements of Project lenders and equity investors;

(xxii) obtain Phase II, at the Issuer's expense, testing and evaluation, if any, of any suspect conditions discovered during construction, supervise environmental consultants and ensure compliance by the Issuer with any required environmental remediation or abatement plan;

(xxiii) ensure compliance, at the Issuer's expense, with lead hazard, asbestos, or other environmental condition abatement requirements;

(xxiv) Use its commercially reasonable efforts to accomplish the timely completion of the Project in accordance with the approved plans and specifications and the time schedules for such completion approved by the Issuer;

(xxv) At the direction of the Issuer, implement any decisions of the Issuer made in connection with the design, development and construction of the Project or any policies and procedures relating thereto; and

(xxvi) Perform and administer any and all other services and responsibilities of the Project Manager which are set forth in any other provisions of the Development Management Agreement, or which are requested to be performed by the Issuer and are within the general scope of the services in the Development Management Agreement.

The Issuer has designated Mike Hoque as its authorized representative for the purposes of the Development Management Agreement. The Project Developer has designated Mehrdad Moyaedi as its authorized representative for the purposes of the Development Management Agreement.

Issuer To Engage the Project Developer Under Administrative Services Agreement

The Issuer will engage the Project Developer under an Administrative Service and Premises Agreement dated as of the Closing Date (the "**Administrative Services Agreement**") to provide certain services and the lease of office space. The

Issuer shall reimburse the Project Developer, for all reasonable shared general and administrative expenses, fees and direct expenses paid or incurred by The Project Developer and its employees and agents in performance of the obligations of the Project Developer under the Administrative Services Agreement, at amounts not in excess of the actual cost thereof, including but not limited to appropriate allocations of (i) salaries and benefits of the Project Developer's employees and agents who perform services for the Issuer calculated on a per-hour basis, (ii) computing and other expenses attributable to services performed by the Project Developer for the Issuer hereunder, (iii) the costs of the insurance policies required by the Indenture, and (iv) a license fee for use of those certain premises as provided under the Administrative Services Agreement (the "Premises").

The Project Developer shall, subject to direction from any officers of the Issuer, provide the following services to the Issuer:

(a) provide clerical, bookkeeping, office administration, contract administration, legal, and accounting services necessary or appropriate for the Issuer, including maintaining general and accounting records of the Issuer, preparing and causing to be issued such periodic financial statements as may be necessary or appropriate, and maintaining the accounts of the Issuer; provided, however, that the records of the Issuer shall be maintained separately from those of the Project Developer or any other person or entity and shall be kept at the Premises or at such other office space as the Issuer shall maintain;

(b) prepare, or cause to be prepared, for execution by the appropriate representatives of the Issuer, and file or cause to be filed, such franchise, withholding, income or other tax returns of the Issuer as shall be required under applicable law;

(c) prepare, or cause to be prepared, for execution by the appropriate representatives of the Issuer, and file or cause to be filed, all filings as may be necessary or appropriate under applicable law or under the Transaction Documents;

(d) provide equipment and services relating to, and access to, computer and telecommunications systems and networks, including without limitation local and long distance telephone networks, data communication lines, and computer hardware and software, and coordinate vendor invoicing, repairs, and maintenance;

(e) procure, on behalf of and in the name of, or for the benefit of, the Issuer, standard loss insurance protection;

(f) manage the Issuer's funds, including without limitation providing the following services: (i) bank account management; (ii) cash forecasting; and (iii) short-term cash investment; and

(g) provide such other administrative services related to the operation of the Issuer as requested by the Issuer; provided, however, the Project Developer shall not: (i) have possession of any assets of the Issuer; (ii) pay or incur any obligation or liability of the Issuer; (iii) execute any document, agreement or instrument in the name of the Issuer; (iv) initiate or compromise any claim or lawsuit in the name of the Issuer; or (v) dispose of any assets of the Issuer, whether by sale, pledge, or otherwise.

The Project Developer shall not take any action on behalf of the Issuer that the Issuer is prohibited from taking under the Transaction Documents.

Initial Purchaser Relationships

The Initial Purchaser serves as financial advisor to the UHMMMD, and is expected to serve as financial advisor in connection with the issuance of the UHMMMD Bonds. Any compensation received by the Initial Purchaser as a result of the foregoing transactions will be contingent upon the closing of such UHMMMD Bonds.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

Each bondholder should seek advice based on the holder's particular circumstances from an independent tax advisor.

The following discussion summarizes certain U.S. federal income tax considerations generally applicable to holders of the Bonds that acquire their Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the U.S. Internal Revenue Service (the “**IRS**”) with respect to any of the U.S. federal tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Bonds as part of a hedge, straddle or an integrated or conversion transaction, certain accrual method taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies, or investors whose “functional currency” is not the U.S. dollar. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Code, (iii) the indirect effects on persons who hold equity interests in a holder, (iv) any tax consequences applicable to Non-U.S. Holders, or (v) any tax consequences applicable to bondholders that own membership interests in the Issuer. This summary also does not consider the taxation of the Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. federal income tax considerations applicable to investors that acquire their Bonds pursuant to this offering for the issue price that is applicable to such Bonds (i.e., the price at which a substantial amount of the Bonds are sold to the public) and who will hold their Bonds as “capital assets” within the meaning of Section 1221 of the Code.

As used herein, “**U.S. Holder**” means a beneficial owner of a Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, “**Non-U.S. Holder**” generally means a beneficial owner of a Bond (other than a partnership) that is not a U.S. Holder. If a partnership holds Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Bonds (including their status as U.S. Holders or Non-U.S. Holders).

The Issuer will agree, and each bondholder (other than a bondholder who is the beneficial owner of membership interests in the Issuer for U.S. federal income tax purposes) will agree, by its acquisition of a beneficial ownership interest in the Bonds, to treat such Bonds as debt for all U.S. federal, state, and local income and franchise tax purposes and not to take any position inconsistent with that characterization unless otherwise required by a change in applicable law after the date hereof, a closing agreement with an applicable tax authority or a final judgment of a court of competent jurisdiction. The remainder of the following discussion assumes that the Bonds properly are treated as debt instruments for U.S. federal income tax purposes. If the IRS successfully asserted that any of the Bonds did not represent debt instruments for U.S. federal income tax purposes, such Bonds would be treated as equity interests in the Issuer. If this occurred, and there was not a single owner of both the Bonds and all other equity interests in the Issuer, the Issuer would be treated as a partnership. In such case, if the Issuer were characterized as a partnership that is not a publicly traded partnership treated as a corporation, a U.S. Holder of the Bonds recharacterized as equity would be required to take into account its allocable share of the Issuer’s income, gains, losses, deductions, and credits for each taxable year of the Issuer ending with or within the U.S. Holder’s taxable year, regardless of whether the Issuer makes any cash distributions to the U.S. Holder in that taxable year. Such tax items could differ in amount, timing and character from the income and other tax items reportable if the Bonds were respected as debt for U.S. federal income tax purposes. If the Bonds were recharacterized as equity interests in the Issuer and the Issuer were characterized as a “publicly traded partnership” taxable as a corporation, the Issuer would be subject to U.S. federal income tax at corporate rates on its taxable income. This characterization of the Issuer could cause the amount of cash flow available to bondholders to be reduced. Prospective investors are urged to consult their own tax advisors with respect to the tax consequences to them in the case of a re-characterization of the Bonds.

Prospective investors should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the purchase, ownership and disposition of the Bonds in light of their particular circumstances.

Interest. Interest on the Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

To the extent that the issue price of the Bonds is less than the amount to be paid at the maturity of the Bonds (excluding amounts stated to be interest and payable at least annually over the term of the Bonds) by more than a *de minimis* amount, the difference may constitute original issue discount ("OID"). If the Bonds are issued with OID, U.S. Holders of Bonds will be required to include OID in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest (which will be before the receipt of cash payments attributable to such income). Under this method, U.S. Holders generally will be required to include in income increasingly greater amounts of OID in successive accrual periods.

Sale or Other Taxable Disposition of the Bonds. Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement or other disposition of a Bond will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the Bond, which will be taxed in the manner described above) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the Bond (generally, the purchase price paid by the U.S. Holder for the Bond, increased by the amount of any OID previously included in income by such U.S. Holder with respect to such Bond). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Defeasance of the Bonds. If the Issuer defeases any Bonds, such Bonds may be deemed to be retired for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, a U.S. Holder will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the Bonds.

Information Reporting and Backup Withholding. Payments on the Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the Bonds may be subject to backup withholding at the current rate of 24% with respect to "reportable payments," which include gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("**TIN**") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Foreign Account Tax Compliance Act ("FATCA"). Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on certain payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Under current guidance, failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on interest on the Bonds. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and, under current guidance, will apply to certain "passthru" payments no earlier than the date that is two years after publication of final U.S. Treasury

Regulations defining the term “foreign passthru payments” and will not apply to any “gross proceeds” from the disposition of a Bond. Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

The foregoing summary is included herein for general information only and does not discuss all aspects of U.S. federal taxation that may be relevant to a particular holder of Bonds in light of the holder’s particular circumstances and income tax situation. Prospective investors are urged to consult their own tax advisors as to any tax consequences to them from the purchase, ownership and disposition of Bonds, including the application and effect of state, local, non-U.S., and other tax laws.

CERTAIN ERISA CONSIDERATIONS

The Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), imposes certain restrictions on employee pension and welfare benefit plans subject to ERISA (“**ERISA Plans**”) regarding prohibited transactions, and also imposes certain obligations on those persons who are fiduciaries with respect to ERISA Plans. Section 4975 of the Code imposes similar prohibited transaction restrictions on certain plans, including (i) tax-qualified retirement plans described in Section 401(a) and 403(a) of the Code, which are exempt from tax under section 501(a) of the Code and which are not governmental or church plans as defined herein (“**Qualified Retirement Plans**”), and (ii) individual retirement accounts (“**IRAs**”) described in Section 408(b) of the Code (the foregoing in clauses (i) and (ii), “**Tax-Favored Plans**”). Certain employee benefit plans, such as governmental plans (as defined in Section 3(32) of ERISA), non-U.S. plans (as described in Section 4(b)(4) of ERISA) and, if no election has been made under Section 410(d) of the Code, church plans (as defined in Section 3(33) of ERISA), are not subject to ERISA requirements—or Section 4975 of the Code—but may be subject to requirements or prohibitions under applicable federal, state, local, non-U.S. or other laws or regulations that are, to a material extent, similar to the requirements of ERISA and Section 4975 of the Code (“**Similar Law**”).

In addition to the imposition of general fiduciary obligations, including those of investment prudence and diversification and the requirement that a plan’s investment be made in accordance with the documents governing the plan, ERISA Plans are subject to prohibited transaction restrictions imposed by Section 406 of ERISA. ERISA Plans and Tax-Favored Plans are also subject to prohibited transaction restrictions imposed by Section 4975 of the Code. These rules generally prohibit a broad range of transactions between (i) ERISA Plans, Tax-Favored Plans and entities whose underlying assets include plan assets by reason of ERISA Plans or Tax-Favored Plans investing in such entities (collectively, “**Benefit Plans**”) and (ii) persons who have certain specified relationships to the Benefit Plans (such persons are referred to as “**Parties in Interest**” or “**Disqualified Persons**”), in each case unless a statutory, regulatory or administrative exemption is available. The definitions of “Party in Interest” and “Disqualified Person” are expansive. While other entities may be encompassed by those definitions, they include most notably: (1) a fiduciary with respect to a Benefit Plan; (2) a person providing services to a Benefit Plan; (3) an employer or employee organization any of whose employees or members are covered by a Benefit Plan; and (4) an owner of an IRA. Certain Parties in Interest (or Disqualified Persons) that participate in a non-exempt prohibited transaction may be subject to a penalty (or an excise tax) imposed pursuant to Section 502(i) of ERISA (or Section 4975 of the Code) unless a statutory, regulatory or administrative exemption is available. Without an exemption, an owner of an IRA may disqualify his or her IRA.

Certain transactions involving the purchase, holding or transfer of the Bonds might be deemed to constitute prohibited transactions under ERISA and the Code if assets of the Issuer were deemed to be assets of a Benefit Plan. Under final regulations issued by the United States Department of Labor at 29 C.F.R. section 2510.3-101, as modified by Section 3(42) of ERISA (the “**Plan Assets Regulation**”), the assets of the Issuer would be treated as plan assets of a Benefit Plan for the purposes of ERISA and the Code if the Benefit Plan acquires an “equity interest” in the Issuer and none of the exceptions contained in the Plan Assets Regulation are applicable. An equity interest is defined under the Plan Assets Regulation as an interest in an entity other than an instrument that is treated as indebtedness under applicable local law and that has no substantial equity features. Although there can be no assurances in this regard, it appears that the Bonds should be treated as debt without substantial equity features for purposes of the Plan Assets Regulation and accordingly the assets of the Issuer should not be treated as the assets of Benefit Plans investing in the Bonds. The debt treatment of the Bonds for ERISA purposes could change subsequent to issuance of the Bonds. In the event of a withdrawal or downgrade to below investment grade of the rating of the Bonds or a characterization of the Bonds as other than indebtedness under applicable local law, the subsequent purchase of the Bonds or any interest therein by a Benefit Plan is prohibited.

However, without regard to whether the Bonds are treated as an equity interest for such purposes, the acquisition or holding of Bonds by or on behalf of a Benefit Plan could be considered to give rise to a prohibited transaction if the Issuer or

the Trustee, or any of their respective affiliates, is or becomes a Party in Interest or a Disqualified Person with respect to such Benefit Plan. The fiduciary of a Benefit Plan that proposes to purchase and hold any Bonds should consider, among other things, whether such purchase and holding may involve (i) the direct or indirect extension of credit to a Party in Interest or a Disqualified Person, (ii) the sale or exchange of any property between a Benefit Plan and a Party in Interest or a Disqualified Person, or (iii) the transfer to, or use by or for the benefit of, a Party in Interest or a Disqualified Person, of any Benefit Plan assets.

Certain status-based exemptions from the prohibited transaction rules could be applicable depending on the type and circumstances of the plan fiduciary making the decision to acquire a Bond. These are commonly referred to as prohibited transaction class exemptions or “PTCEs.” Included among these exemptions are:

PTCE 75-1, which exempts certain transactions between a Benefit Plan and certain brokers-dealers, reporting dealers and banks;

PTCE 96-23, which exempts transactions effected at the sole discretion of an “in-house asset manager”;

PTCE 90-1, which exempts certain investments by an insurance company pooled separate account;

PTCE 95-60, which exempts certain investments effected on behalf of an “insurance company general account”;

PTCE 91-38, which exempts certain investments by bank collective investment funds; and

PTCE 84-14, which exempts certain transactions effected at the sole discretion of a “qualified professional asset manager.”

In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code generally provide for a statutory exemption from the prohibitions of Section 406(a) of ERISA and Section 4975 of the Code, commonly referred to as the “Service Provider Exemption.” The Service Provider Exemption covers transactions involving “adequate consideration” between Benefit Plans and persons who are Parties in Interest or Disqualified Persons solely by reason of providing services to such Benefit Plans or who are persons affiliated with such service providers, provided generally that such persons are not fiduciaries with respect to “plan assets” of any Benefit Plan involved in the transaction and that certain other conditions are satisfied.

The availability of each of these PTCEs and/or the Service Provider Exemption is subject to a number of important conditions which the Benefit Plan’s fiduciary must consider in determining whether such exemptions apply. There can be no assurance that all the conditions of any such exemptions will be satisfied at the time that the Bonds are acquired by a purchaser, or thereafter, if the facts relied upon for utilizing a prohibited transaction exemption change, or that the scope of relief provided by these exemptions will necessarily cover all acts that might be construed as prohibited transactions. Therefore, a Benefit Plan fiduciary considering an investment in the Bond should consult with its counsel prior to making such purchase.

By its acceptance of a Bond (or an interest therein), each purchaser and transferee (and if the purchaser or transferee is a Benefit Plan, its fiduciary) will be deemed to have represented and warranted that either (i) no “plan assets” of any Benefit Plan or a plan subject to Similar Law have been used to purchase such Bond or (ii) the purchase and holding of such Bonds is exempt from the prohibited transaction restrictions of ERISA and Section 4975 of the Code pursuant to a statutory, regulatory or administrative exemption and will not violate Similar Law. A purchaser or transferee who acquires Bonds with assets of a Benefit Plan represents that such purchaser or transferee has considered the fiduciary requirements of ERISA, the Code or Similar Laws and has consulted with counsel with regard to the purchase or transfer.

None of the Issuer, Trustee or Initial Purchaser is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity in connection with the acquisition or transfer of the Bonds by any Benefit Plan.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that any Benefit Plan fiduciary or other person considering whether to purchase Bonds on behalf of a Benefit Plan

should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code to such investment and the availability of any exemption. In addition, persons responsible for considering the purchase of Bonds by a governmental plan, non-electing church plan or non-U.S. plan should consult with their counsel regarding the applicability of any Similar Law to such an investment.

NOTICE TO INVESTORS

Each purchaser of Bonds in the initial offering will be required to execute an Investor Representation Letter Agreement substantially in the form of Appendix C to this limited offering memorandum and all future holders of Bonds will be deemed to have acknowledged, represented to and agreed with the Issuer and the Initial Purchaser as follows:

1. Such purchaser understands and expressly acknowledges that the Bonds have not been and will not be registered under the Securities Act, and accordingly, that the Bonds may not be Transferred, pledged or hypothecated unless an applicable exemption from the registration requirements of the Securities Act is available.
2. Such purchaser confirms that any purchase of Bonds made by it will be for its own account, and not with a view to any public resale or distribution thereof. Such purchaser represents that it will at all times prior to the transfer of the Bonds by it pursuant to the terms described in the Limited Offering Memorandum remain the sole beneficial owner of such Bonds purchased by it. Such purchaser understands the transfer restrictions imposed under the Indenture, and will only transfer as permitted, but such purchaser reserves the right to transfer the Bonds at any time in accordance with the Indenture and applicable securities laws.
3. Such purchaser is a “qualified institutional buyer” within the meaning of Rule 144A under the Securities Act. It has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Bonds, and is able and prepared to bear the economic risk of investing in and holding such Bonds.
4. Such purchaser has received a copy of this Limited Offering Memorandum related to the Bonds acquired by such Purchaser, and to the extent such purchaser has requested additional documents or information concerning the Bonds or the Collateral securing the Bonds, such purchaser has obtained such other documents or information; provided, however, such purchaser’s execution of the Investor Representation Letter Agreement shall not constitute a waiver of any rights or remedies such purchaser may have with respect to (i) any information provided to it by the Issuer in connection with the issuance of the Bonds which is materially inaccurate or which contains a material omission or (ii) any material information or additional material documents withheld from our review. Such purchaser understands that the Limited Offering Memorandum speaks as of its date and that neither the Issuer nor the Trustee has undertaken to update such Limited Offering Memorandum at any time subsequent to such date.

PLAN OF DISTRIBUTION

Subject to the terms and conditions set forth in the purchase agreement dated as of April 24, 2025, the Issuer has agreed to sell to the Initial Purchaser up to the entire principal amount of the Bonds, and the Initial Purchaser has agreed to purchase from the Issuer such principal amount of the Bonds as the Initial Purchaser is able to obtain firm commitments from prospective purchasers after the Initial Purchaser has used reasonable best efforts in offering the Bonds; provided, however, that the Initial Purchaser will not be obligated to purchase any Bonds that any prospective purchaser does not actually purchase at the closing of this offering.

The purchase agreement provides that the obligations of the Initial Purchaser are subject to certain conditions precedent. The Issuer has agreed to indemnify the Initial Purchaser and its controlling persons against certain liabilities in connection with this offering, including liabilities under the Securities Act, and to contribute to payments that the Initial Purchaser may be required to make in respect to those liabilities. The Issuer has been advised by the Initial Purchaser that the Initial Purchaser proposes to resell the Bonds only to “qualified institutional buyers,” as defined in Rule 144A under the Securities Act, in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A.

The Bonds will initially be offered at the price indicated on the cover page of this limited offering memorandum. After the initial offering of the Bonds, the offering price and other selling terms of the Bonds may be changed at any time without notice. Each purchaser of the Bonds, by its purchase of the Bonds, will be deemed to have made certain acknowledgements, representations, warranties and agreements as set forth under “Notice to Investors.”

The Bonds will be ready for delivery on or about the Closing Date, at which time the Bonds will be delivered to buyers in book-entry form through DTC.

The Bonds have not been registered under the Securities Act or qualified for sale under the securities laws of any U.S. state or any jurisdiction outside the United States. Accordingly, the Bonds will be subject to significant restrictions on resale and transfer as described under “Notice to Investors.” The Bonds will constitute a new class of securities with no established trading market. The Issuer does not intend to apply for the Bonds to be listed on any securities exchange or to arrange for any of the Bonds to be quoted on any quotation system. Accordingly, no assurance can be given that a liquid trading market will ever develop for the Bonds, that a Bondholder will be able to sell any of the Bonds at a particular time or that the resale price of the Bonds will be favorable.

In connection with this offering, the Initial Purchaser may engage in transactions that stabilize, maintain or otherwise affect the price of the Bonds. Specifically, the Initial Purchaser may bid for and purchase Bonds in the open market to stabilize the price of the Bonds. The Initial Purchaser also may overallocate this offering, creating a short position, by selling more Bonds than have been sold to it by the Issuer and may bid for and purchase Bonds in the open market to cover the short position. In addition, the Initial Purchaser may bid for and purchase Bonds in market-making transactions and impose penalty bids, under which selling concessions allowed to other broker-dealers participating in the offering are reclaimed if Bonds previously distributed in this offering are repurchased in connection with stabilization transactions or otherwise. These activities may stabilize or maintain the market price of the Bonds at levels above that which might otherwise prevail in the open market in the absence of those transactions. The imposition of a penalty bid may also affect the price of the Bonds to the extent that it discourages resales. The Initial Purchaser is not required to engage in these activities and may end these activities at any time.

LEGAL MATTERS AND EXPERTS

Certain legal matters in connection with the validity of the Bonds offered hereby will be passed upon for the Issuer by Orrick, Herrington & Sutcliffe LLP, Houston, Texas. Certain legal matters will be passed upon for the Initial Purchaser by Greenberg Traurig, LLP, Dallas, Texas. Certain legal matters will be passed upon for the Project Developer by Boghetich Law, PLLC.

The Appraisal and information relating to the Appraisal in this limited offering memorandum has been provided by the Appraiser and have been included in reliance upon the authority of such firm as experts in the field of appraisal of real property.

The Market Study and information relating to the Market Study in this limited offering memorandum has been provided by Zonda and has been included in reliance upon the authority of such firm as an expert in the field of market studies of real property.

APPENDIX A

FORM OF INDENTURE

INDENTURE OF TRUST

Dated as of May 5, 2025

by and between

I-20 LANCASTER FUND, LLC,
as Issuer

and

COMPUTERSHARE TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

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EXHIBITS

Exhibit A	Form of Bonds
Exhibit B	List of Lot Sale Contracts and Assignments
Exhibit C	Form of Request for Partial Release of Lien
Exhibit D	Form of Investor Letter of Representation
Exhibit E	Form of Quarterly Development Reports on the Project
Exhibit F	Form of Certificate of Payment

INDENTURE OF TRUST

This **INDENTURE OF TRUST** (“**Indenture**”) is dated as of May 5, 2025, by and between I-20 Lancaster Fund, LLC, a Texas limited liability company, as Issuer (the “**Issuer**”), and **COMPUTERSHARE TRUST COMPANY, NATIONAL ASSOCIATION**, as trustee.

RECITALS

WHEREAS, the Issuer has authorized the issuance of the Development Mortgage Backed and Limited Revenue Bonds (Taxable), Series 2025 (the “**Bonds**”), in the aggregate principal amount of Thirty-Five Million Three Hundred Forty-Four Thousand Nine Hundred Sixty-Seven dollars (\$35,344,967.00) in order to (i) provide funds to acquire the Property (as defined herein) and pay off and release the existing lien related thereto encumbering the Property, (ii) fund the construction of certain Public Improvements, Private Improvements and Amenities (each as defined herein) to be constructed to benefit the University Hills project located in Dallas, Texas (collectively with the acquisition of the Property, the “**Project**”), (iii) fund the Reserve Fund in the amount of the Reserve Fund Amount, (iv) fund capitalized interest on the Bonds and (v) pay the costs of issuance of the Bonds.

WHEREAS, the payment of the Bonds and the performance of the Issuer’s obligations under this Indenture and the related transaction documents will be secured by, among other things, certain revenues derived from the sale of the Property;

WHEREAS, the Issuer is duly authorized to execute and deliver this Indenture and to provide for the Bonds issuable as provided in this Indenture. All covenants and agreements made by the Issuer herein are for the benefit and security of the Trustee on behalf of the Bondholders and the Trustee. The parties to this Indenture are entering into this Indenture, and the Trustee is accepting the trusts created hereby, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged;

WHEREAS, the Issuer confirms hereby that all things necessary to make this Indenture a valid agreement of the Issuer in accordance with this Indenture’s terms have been done;

WHEREAS, the Issuer is the owner of the fee simple interest in the Property;

WHEREAS, to secure the Issuer’s obligations to the Builders under the Lot Sale Contracts and Assignments, the Issuer has granted a subordinate lien on certain portions of the Property pursuant to the Lot Sale Earnest Money Subordinate Deed of Trust, which security interest is subordinate in all respects, including in both priority and right of payment, to the security interest granted pursuant to this Indenture and the Deed of Trust; and

WHEREAS, capitalized terms used herein shall have the meaning set forth in Article I hereof or as otherwise provided herein.

GRANTING CLAUSES

NOW, THEREFORE, in order to secure the payments on or the payment of the Bonds issued and outstanding under this Indenture from time to time according to their tenor and effect,

and to the secure the performance and observance by the Issuer of all the covenants, agreements, and conditions herein and in the Bonds contained, the Issuer does hereby grant to the Trustee, not in its individual capacity but solely in its capacity as Trustee for the benefit and security of the Holders of the Bonds, a security interest in all of the Issuer's right, title, and interest, whether now owned or hereafter acquired, in, to, and under: (i) the Property, (ii) the Revenues, (iii) the Membership Pledge Agreement and the Transaction Documents to which the Issuer is a party, (iv) all the Funds established hereunder and all money, instruments, investment property, and other property credited thereto or on deposit therein, and all investment earnings thereon, (v) all money or other property delivered to the Trustee (or its authorized representative) in respect of the Bonds or the money or other property held under this Indenture, (vi) all deposit accounts, all goods, all licenses, all documents and all investment property, and (vii) any and all proceeds of the foregoing (collectively, the "**Collateral**"). Such grants are made, however, in trust, to secure the Bonds equally and ratably without prejudice, priority or distinction between any Bond and any other Bond by reason of difference in time of issuance or otherwise, except as expressly provided in this Indenture, and to secure (i) the payment of all amounts due on and in respect of the Bonds in accordance with their terms, (ii) the payment of all other sums payable under this Indenture and the Transaction Documents, including, without limitation, any costs and expenses of the Trustee (including, without limitation, reasonable legal fees and expenses), in all cases which the Issuer is required to pay pursuant to the terms and conditions of this Indenture and the other Transaction Documents, and (iii) compliance with the provisions of this Indenture and the other Transaction Documents, all as provided in this Indenture or therein.

This Indenture shall constitute a security agreement under the laws of the State of Texas applicable to agreements made and to be performed therein, for the benefit and security of the Holders of the Bonds and the Trustee, as specified herein. Upon the occurrence and during the continuation of any Event of Default hereunder (or under any other Transaction Document), and in addition to any other rights available under this Indenture (or under any other Transaction Document) or otherwise available at law or in equity, but subject to the terms hereof, the Trustee shall have all rights and remedies of a secured party on default under the laws of the State of Texas and other applicable law to enforce the assignments and security interests contained herein and in the other Transaction Documents, and, in addition, shall have the right, subject to compliance with any mandatory requirements of applicable law and the terms of the Transaction Documents, to sell or apply any rights and other interests assigned or pledged hereby in accordance with the terms hereof at public and private sale, as more particularly described herein. The address of the Issuer (debtor) and the address of Beneficiary (secured party) from whom information concerning the security interest may be obtained are set forth in Section 9.3 hereof.

The Deed of Trust is being delivered to the Trustee in furtherance of the grants set forth herein. The Trustee acknowledges such grants, accepts the trusts hereunder in accordance with the provisions hereof, and agrees to perform the duties herein in accordance with, and subject to, the terms hereof.

WITNESSETH THAT:

In consideration of the mutual agreements herein contained, the parties hereto agree as follows:

ARTICLE I.

DEFINITIONS

Section 1.1. Definitions. Whenever used in this Indenture, the following words and phrases, unless the context otherwise requires, shall have the following meanings and such meanings shall be equally applicable to the singular and plural forms of such terms, as the context may require.

“Administrative Services Agreement” means that certain Administrative Services Agreement by and between the Issuer and I-20 Lancaster Development, LLC, dated as of May 5, 2025.

“Affiliate” means, as to any Person, (i) any other Person that, directly or indirectly, is in control of, is controlled by or is under common control with such Person or (ii) any director or officer of such Person. For the purposes of this definition, “control” of a Person shall mean the power, direct or indirect, (x) to vote more than thirty-three percent (33%) of the securities having ordinary voting power for the election of directors of such Person or (y) thirty-three percent (33%) of the power to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

“Amenities” means the amenity center for the single-family development that is expected to include a splash pad, pavilion, picnic tables, umbrellas, benches, BBQ and fire pits, lawn games, restrooms, and a pool.

“Appraisal” means, with respect to the Property, the Foreclosed Property, one or more appraisal(s) of the Property or Foreclosed Property, conducted by an Independent Appraiser in accordance with the standards of the Appraisal Institute and certified by such Independent Appraiser with an “MAI” designation as having been prepared in accordance with the requirements of the Standards of Professional Practice of the Appraisal Institute with an “MAI” designation and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation, as well as the Financial Institutions Reform, Recovery and Enforcement Act of 1989, as amended; provided that, after an initial “Appraisal” has been obtained pursuant to the terms of this Indenture, an update of such initial Appraisal shall be considered an “Appraisal” hereunder for all purposes. All Appraisals (and updates thereof) obtained pursuant to the terms of this Indenture shall include a valuation using the sales comparison approach. All calculations under this Indenture requiring that a “value” or “appraised value” be used with respect to the Property or any Foreclosed Property shall use the most recently determined appraised value set forth in an Appraisal (or update thereof) unless a different valuation is specifically required (such as the appraised value of the Property at origination).

“Authorized Denominations” means principal amounts of \$1 and integral multiples of \$1 in excess thereof.

“Authorized Officer” means (i) with respect to the Issuer, any Officer who is authorized to act for the Issuer in matters relating to, and binding upon, the Issuer as evidenced by a written certification of such authority or an incumbency certificate evidencing the same; and (ii) with

respect to the Trustee, a Responsible Officer. Each party may receive and accept a certification of the Issuer with respect to any other authorized party as conclusive evidence of the Issuer of any Person to act, and such certification may be considered as in full force and effect until receipt by such other party of written notice to the contrary.

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy”, as amended from time to time, and any successor statute or statutes and all rules and regulations from time to time promulgated thereunder, and any comparable foreign laws relating to bankruptcy, insolvency or creditors’ rights.

“Bankruptcy Event” means the occurrence of any one or more of the following:

(i) Issuer shall commence any case, proceeding or other action (A) under the Bankruptcy Code and/or any other insolvency laws seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, liquidation or dissolution or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets;

(ii) any involuntary petition against the Issuer is filed by any Person under the Bankruptcy Code or any other insolvency laws, or the Issuer solicits or causes to be solicited or colludes with petitioning creditors for any involuntary petition against it by any Person;

(iii) Issuer shall make a general assignment for the benefit of its creditors;

(iv) Issuer admits in writing to any Person its insolvency or inability to pay its debts as they become due;

(v) Issuer or any other Person alleges, pleads, avers or promotes in any way that the Issuer should be substantively consolidated with any other entity in connection with any proceeding under the Bankruptcy Code or any other insolvency laws;

(vi) any Owner Affiliate files, or joins or colludes in the filing of, (A) an involuntary petition against Issuer under the Bankruptcy Code or any other insolvency laws, or solicits or causes to be solicited or colludes with petitioning creditors for any involuntary petition under the Bankruptcy Code or any other insolvency laws against the Issuer or (B) any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of the Issuer’s assets;

(vii) any Owner Affiliate consents to or acquiesces in or joins in an application for the appointment of a custodian, receiver, trustee, or examiner for the Issuer or any portion of the Property, provided, however, to the extent an Owner Affiliate does not have standing to challenge the filing of such an application, such Person shall not be deemed to have acquiesced because of its failure to challenge such application; or

(viii) any Owner Affiliate contests or opposes any motion made by Trustee to obtain relief from the automatic stay or seeking to reinstate the automatic stay in the event of any proceeding under the Bankruptcy Code or any other insolvency laws involving the Issuer.

“Beneficial Owner” means with respect to a Bond, the Person who is the beneficial owner of such Bond as reflected on the books of the Depository or on the books of a Person maintaining an account with such Depository (directly as a Depository Participant or indirectly through a Depository Participant, in accordance with the rules of such Depository).

“Beneficiary” means the Trustee, in its capacity as trustee for the Bonds.

“Bond Counsel” means Orrick, Herrington & Sutcliffe LLP.

“Bond Proceeds” has the meaning set forth in Section 7.7.

“Bond Register” means the register maintained by the Trustee.

“Bondholder” or **“Holder”** means with respect to any Bond, the Person in whose name a Bond is registered in the Bond Register; provided that, solely for the purposes of giving any consent or taking of any action pursuant to this Indenture (except as set forth in the following sentence), any Bond beneficially owned by the Trustee, the Issuer, any Issuer Party or any Owner Affiliate shall be deemed not to be Outstanding and shall not be taken into account in determining whether the requisite consent of Bondholders has been obtained. For the avoidance of doubt, the Person in whose name a Bond is registered in the Bond Register shall serve as evidence of ownership.

“Bonds” means the Development Mortgage Backed and Limited Revenue Bonds (Taxable), Series 2025, issued pursuant to this Indenture and having the characteristics specified in Section 2.2 hereof.

“Builder” means the purchaser under a Lot Sale Contract and Assignment.

“Business Day” means any day other than a Saturday, Sunday or any other day on which the following are not open for business: (i) banks in the State of Texas, (ii) the place of business of the Trustee, or (iii) the New York Stock Exchange or the Federal Reserve Bank of New York.

“Capitalized Interest Fund” means the capitalized interest fund established pursuant to Section 3.1 hereof.

“Cash” means such coin or currency of the United States of America as at the time shall be legal tender for payment of all public and private debts.

“Certificate for Payment” means the Certificate for Payment executed by the Issuer directing the disbursement of funds in accordance with and substantially in the form of Exhibit F.

“Closing Date” means May 5, 2025.

“Closing Memorandum” means the closing memorandum or other similar document prepared by SAMCO Capital Markets Inc., signed by the Issuer, and delivered to the Trustee on the Closing Date.

“Collateral” shall have the meaning specified in the Granting Clauses.

“Corporate Trust Office” means the corporate trust office of the Trustee at which at any particular time its corporate trust business shall be administered, which office at the date of the execution of this Indenture is located at (i) for Bond transfer services, Computershare Trust Company, National Association, 1505 Energy Park Drive, St. Paul, Minnesota 55108, Attention: Bondholder Communications, or (ii) at such other address as the Trustee may designate from time to time by notice to the Bondholders.

“Costs of Issuance Fund” means the costs of issuance fund established pursuant to Section 3.1 hereof.

“Debt Service Fund” means the debt service fund established pursuant to Section 3.1 hereof.

“Deed of Trust” means the Deed of Trust Security Agreement - Financing Statement, dated as of the Closing Date, by the Issuer, as grantor, for the benefit of the Trustee, creating a perfected first lien on the Property granted by the Issuer to the Trustee for the benefit of the Bondholders.

“Depository” means The Depository Trust Company, or a successor appointed by the Trustee.

“Depository Participant” means a Person for whom, from time to time, the Depository effects book-entry transfers and pledges of securities deposited with the Depository.

“Disbursement” means a payment by the Trustee to the Issuer of amounts from the Project Fund or the Lot Sale Earnest Money Fund, as applicable, pursuant to Section 3.5.

“Event of Default” has the meaning set forth in Section 8.1 of this Indenture.

“Exchange Act” means The Securities Exchange Act of 1934, as amended from time to time.

“Existing Debt” means all loans, debt or other obligations secured in whole or in part by a lien on the Property.

“Expense Fund” means the expense fund established pursuant to Section 3.1 hereof.

“Expense Fund Amount” means an amount equal to 3.50% of the Outstanding Bond Amount as of the applicable Interest Payment Date or mandatory Redemption Date, which amount shall be calculated after giving effect to the contemplated payment of principal to the Bondholders on such mandatory Redemption Date.

“Extraordinary Mandatory Redemption Amount” means the Outstanding Bond Amount with respect to an extraordinary mandatory redemption pursuant to Section 2.3(c) hereof.

“Extraordinary Mandatory Redemption Date” means August 20, 2025, with respect to an extraordinary mandatory redemption pursuant to Section 2.3(c) hereof.

“Financing” means the receipt by the Issuer of funds from a lender or from the proceeds of one or more sales by the Issuer of publicly-offered or privately placed obligations undertaken in whole or in part to refinance the Bonds.

“Financing Statement” shall have the meaning specified in Section 9-102(a)(39) of the UCC.

“FIRPTA Tax” means the Foreign Investment in Real Property Tax Act of 1980.

“Fiscal Year” means beginning January 1 through and including December 31.

“Fitch” means Fitch Ratings, Inc. and its successors in interest. If neither Fitch nor any successor remains in existence, “Fitch” shall be deemed to refer to such other nationally recognized statistical rating agency or other comparable Person designated by the Issuer, notice of which designation shall be given to the Trustee in writing, and specific ratings of Fitch herein referenced shall be deemed to refer to the equivalent ratings of the party so designated.

“Foreclosed Property” means any portion of the Property, title to which has been acquired by the Trustee or an Affiliate on behalf of the Bondholders through foreclosure, deed-in-lieu of foreclosure or otherwise in the name of the Trustee or its nominee, on behalf of the Bondholders.

“Foreclosure” means any foreclosure, the taking of a deed-in-lieu of foreclosure, or the completion of any judicial or non-judicial foreclosure or termination, cancellation or rescission of any such foreclosure of the Deed of Trust.

“Foreclosure Proceeds” means proceeds, net of any related expenses of the Trustee, received in respect of the Foreclosed Property (including, without limitation, proceeds from the operation or rental of such Foreclosed Property) prior to the final liquidation of the Foreclosed Property.

“Foreclosure Vehicle” shall have the meaning as defined in Section 3.15.

“Funds” shall mean the funds, accounts and subaccounts established pursuant to Section 3.1 hereof.

“Governmental Issuer” means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, issuer, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Indenture” means this Indenture of Trust (including all exhibits hereto) and all amendments and supplements hereto.

“Independent” means when used with respect to any specified Person, such a Person who (i) does not have any direct financial interest or any material indirect financial interest in the Issuer, the Trustee, or in any of their respective Affiliates and (ii) is not connected with the Issuer, the

Trustee, or any of their respective Affiliates as an officer, employee, promoter, underwriter, trustee, partner, director or person performing similar functions.

“Independent Appraiser” means an Independent professional real estate appraiser who (i) is a member in good standing of the Appraisal Institute, (ii) if the state in which the subject Property or Foreclosed Property is located certifies or licenses appraisers, is certified or licensed in such state, and (iii) has a minimum of five (5) years’ experience in the appraisal of comparable properties in the geographic area in which the subject Property is located.

“Initial Bondholder” means Capital Research and Management Company.

“Initial Purchaser” means SAMCO Capital Markets, Inc. and its successors in interest.

“Initial Purchaser Counsel” means Greenberg Traurig, LLP.

“Interest Payment Date” has the meaning set forth in Section 2.2.

“Interest Rate” means 12.000% per annum.

“Investor Letter of Representation” means a letter executed by a Beneficial Owner of Bonds substantially in the form of Exhibit D hereto.

“IRS” means the U.S. Internal Revenue Service.

“Issuer” shall have the meaning as defined in the introductory paragraph to this Indenture.

“Issuer LLC Agreement” means the limited liability company agreement of the Issuer, dated as of the Closing Date, by I-20 Lancaster Development, LLC, as sole member.

“Issuer Party” means, the Issuer and any Affiliate of the Issuer.

“Laws” means collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Issuer charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Issuer, in each case whether or not having the force of law.

“Limited Offering Memorandum” means the Limited Offering Memorandum, dated April 24, 2025, relating to the offer and sale of the Bonds.

“Liquidation Expenses” means the reasonable and customary expenses (other than expenses covered by any insurance policy) incurred by the Trustee in connection with the liquidation of the Property, such expenses including, without limitation, legal fees and expenses, appraisal fees, brokerage fees and commissions, conveyance taxes and Trustee fees, if any. Liquidation Expenses shall not include any previously incurred expenses which have been previously reimbursed to the party incurring the same or which were netted against income from

any Foreclosed Property and were considered in the calculation of the amount of Foreclosure Proceeds pursuant to the definition thereof.

“Liquidation Proceeds” means amounts (other than Net Proceeds) received by the Trustee in connection with any full, partial or discounted payoff of the Bonds following an Event of Default, or liquidation of the Property (whether through judicial foreclosure, sale or otherwise), exclusive of any portion of such payoff or proceeds that represents Default Interest.

“Lot Sale Contracts” means, collectively, any contract providing for the sale of any portion of the Property, whether on the Closing Date or any time thereafter.

“Lot Sale Contracts and Assignments” means, collectively, (i) any contract providing for the sale of any portion of the Property, whether on the Closing Date or any time thereafter, (ii) the related assignment, between the Issuer, as assignee, and the applicable assigning party, and (iii) the related notice and consent to assignment of contract, among the Issuer and the applicable assigning party and pledged to the Trustee hereunder, all as identified on Exhibit B hereto, as amended, restated and/or supplemented from time to time.

“Lot Sale Earnest Money” means all earnest money delivered pursuant to the Lot Sale Contracts and Assignments.

“Lot Sale Earnest Money Fund” means the Lot Sale Earnest Money Fund established pursuant to Section 3.1 hereof.

“Lot Sale Earnest Money Subordinate Deed of Trust” means each deed of trust executed by the Issuer, as grantor for the benefit of one or more Builders, creating a perfected subordinate lien on certain portions of Property.

“Majority Holder” means, as of any date of determination, the Beneficial Owners of more than 50% of the aggregate principal amount of Bonds Outstanding.

“Maturity Date” has the meaning set forth in Section 2.2 hereof.

“Membership Pledge Agreement” means that certain membership pledge agreement, dated as of May 5, 2025, from I-20 Lancaster Development, LLC to the Trustee.

“Moody’s” means Moody’s Investors Service, Inc. and its successors in interest. If neither Moody’s nor any successor remains in existence, “Moody’s” shall be deemed to refer to such other nationally recognized statistical rating agency or other comparable Person designated by the Issuer, notice of which designation shall be given to the Trustee in writing, and specific ratings of Moody’s herein referenced shall be deemed to refer to the equivalent ratings of the party so designated.

“Net Liquidation Proceeds” means the excess of Liquidation Proceeds received with respect to the Property or the Bonds, as the case may be, over the amount of Liquidation Expenses incurred with respect thereto.

“Net Proceeds” means (i) the net amount of all insurance proceeds payable to or on behalf of Issuer as a result of a casualty to the Property, after deduction of reasonable costs and expenses (including, but not limited to, reasonable attorneys’ fees), if any, in collecting such insurance proceeds, or (ii) the net amount of the award to or on behalf of Issuer, after deduction of reasonable costs and expenses (including, but not limited to, reasonable attorneys’ fees), if any, in collecting such award. “Net Proceeds” shall include, to the extent related to this Indenture only, amounts paid by any insurer pursuant to any insurance policy required to be maintained by the Issuer.

“Non-Economic Property” means any Portion of the Property conveyed by Issuer to (i) a governmental entity for streets, roads, public parks, or schools, or (ii) a homeowner’s association for community property; provided that, such conveyance shall not exceed ten percent (10%) of the appraised value of the Property.

“Officer” means with respect to any company, corporation or limited liability company, including the Issuer, any director, manager, the chairman of the board of directors, the president, any senior vice president, any vice president, the secretary, any assistant secretary, the treasurer, any assistant treasurer, member or general partner of such entity or any authorized person designated by such company, corporation or limited liability company as an “Officer”; and with respect to the Trustee, any Responsible Officer.

“Officer’s Certificate” means a certificate signed by the President of the board of the Issuer, the Vice President of the board of the Issuer, the President or a Vice President, the Treasurer, the Secretary, one of the Assistant Treasurers or Assistant Secretaries, or other officer of the Issuer or any other entity referred to herein, as the case may be, customarily performing functions similar to those performed by any of the above designated officers and also with respect to a particular matter, any other officer to whom such matter is referred because of such officer’s knowledge of and familiarity with the particular subject.

“Opinion of Counsel” means a written opinion of counsel, who may, without limitation, be counsel for the Trustee or the Issuer.

“Option Agreement” means the option agreement, dated as of the Closing Date, by and between the Issuer and I-20 Lancaster Development, LLC, as optionee.

“Optional Redemption Fund” means the Optional Redemption Fund established pursuant to Section 3.1 hereof.

“Original Bond Amount” means, as of the Closing Date, the amount set forth in Section 2.2 hereof.

“Outstanding” means, when used with respect to any Bonds as of a particular date, all such Bonds theretofore issued and delivered under this Indenture, except (i) any such Bond theretofore canceled by the Trustee or delivered to the Trustee for cancellation, (ii) any such Bond or portion thereof for whose payment at the redemption or maturity thereof money in the necessary amount has been paid to the Trustee by the Issuer and is held by the Trustee in trust for or was paid by the Trust to the Holder of such Bond pursuant to this Indenture, (iii) any such Bond in exchange for or in lieu of which other Bond have been issued and delivered pursuant to this

Indenture, and (iv) any Bonds beneficially owned by the Issuer or any Issuer Party shall be deemed not outstanding.

“Outstanding Bond Amount” means, as of any date of determination, the Original Bond Amount *plus* accrued interest thereon *less* any payments of principal made in respect of the Bonds, including, without limitation, reductions in the Original Bond Amount made in connection with Net Liquidation Proceeds and Net Proceeds applied to pay principal on the Bonds.

“Owner Affiliate” CADG Property Holdings I, LLC and its Affiliates and/or HG Development Concepts, LLC and its Affiliates.

“Patriot Act” has the meaning set forth in Section 9.14 hereof.

“Permitted Encumbrances” means collectively, (a) the lien and security interests created by this Indenture and the other Transaction Documents, (b) all liens, encumbrances and other matters disclosed in the Title Policy, (c) liens, if any, for Taxes imposed by any Governmental Issuer not yet delinquent or which are being contested in accordance with the terms of this Indenture, (d) any mechanic’s, materialman’s or other similar lien, so long as such lien is (i) (A) being contested by appropriate legal proceedings, promptly initiated and conducted in good faith and with due diligence in accordance with the Transaction Documents, (B) such proceeding is permitted under this Indenture, (C) neither the Property nor any part thereof or interest therein will be in danger of being sold, forfeited, terminated, canceled or lost, (D) Issuer shall within seven (7) Business Days upon final determination thereof pay the amount of such lien, together with all costs, interest and penalties which may be payable in connection therewith, (E) such proceeding shall suspend the collection of such contested lien from the Property and (F) Issuer shall furnish such security to the Trustee as may be required to fully satisfy such lien or (ii) such lien is discharged of record (by payment, bonding or otherwise) within forty-five (45) days from the date Issuer has actual knowledge that such lien was placed on the Property, (e) liens securing assessments imposed pursuant to Chapter 372 Texas Local Government Code, as may be amended, Chapter 377 Texas Local Government Code, as may be amended, and Chapter 3947 to the Texas Special District Local Laws Code, as may be amended, (f) any deed of trust encumbering the Property executed in favor of the City of Dallas, Texas pursuant to that certain Tax Increment Development and Chapter 380 Grant Agreement with I-20 Lancaster Development, LLC by and between the City of Dallas, Texas and I-20 Lancaster Development, LLC, (g) the option to purchase the Property granted by the Issuer as evidenced by the Option Agreement and (h) any lien and security interest created by the Lot Sale Earnest Money Subordinate Deed of Trust.

“Permitted Investments” means any one or more of the following obligations or securities, including those issued by the Trustee under any securitization or any of its Affiliates and meeting one of the appropriate standards set forth below:

(a) the following obligations of, or the following obligations directly and unconditionally guaranteed as to principal and interest by, the U.S. government or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the United States of America and have maturities not in excess of one year:

(i) all direct or fully guaranteed obligations of the Treasury;

(ii) U.S. Department of Housing and Urban Development public housing agency bonds (previously referred to as local issuer bonds);

(iii) Federal Housing Administration debentures;

(iv) Government National Mortgage Association (GNMA) guaranteed mortgage-backed securities or participation certificates;

(v) RefCorp debt obligations;

(vi) SBA-guaranteed participation certificates and guaranteed pool certificates;

(b) federal funds, unsecured certificates of deposit, time deposits, banker's acceptances, and repurchase agreements having maturities of not more than ninety (90) days of any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia, the short-term debt obligations of which are rated (a) "A-1+" (or the equivalent) by S&P and, if it has a term in excess of three months, the long-term debt obligations of which are rated "AAA" (or the equivalent) by S&P, and that (1) is at least "adequately capitalized" (as defined in the regulations of its primary Federal banking regulator) and (2) has Tier 1 capital (as defined in such regulations) of not less than \$1,000,000,000, (b) in one of the following Moody's rating categories: (1) for maturities less than one month, a long-term rating of "A2" or a short-term rating of "P-1", (2) for maturities between one and three months, a long-term rating of "A1" and a short-term rating of "P-1", (3) for maturities between three months to six months, a long-term rating of "Aa3" and a short-term rating of "P-1" and (4) for maturities over six months, a long-term rating of "Aaa" and a short-term rating of "P-1" and (c) in one of the following Fitch rating categories: (1) for maturities less than three months, a long term rating of "A" and a short term rating of "F-1" and (2) for maturities greater than three months, a long-term rating of "AA-" and a short term rating of "F-1+";

(c) deposits that are fully insured by the Federal Deposit Insurance Corp.;

(d) commercial paper rated (a) "A-1+" (or the equivalent) by S&P and having a maturity of not more than ninety (90) days, (b) in one of the following Moody's rating categories: (i) for maturities less than one month, a long-term rating of "A2" or a short-term rating of "P-1", (ii) for maturities between one and three months, a long-term rating of "A1" and a short-term rating of "P-1", (iii) for maturities between three months to six months, a long-term rating of "Aa3" and a short-term rating of "P-1" and (iv) for maturities over six months, a long-term rating of "Aaa" and a short-term rating of "P-1" and (c) in one of the following Fitch rating categories: (1) for maturities less than three months, a long term rating of "A" and a short term rating of "F-1" and (2) for maturities greater than three months, a long-term rating of "AA-" and a short term rating of "F-1+"; and

(e) money market mutual funds that are rated in either of the two highest categories by a Rating Agency, including funds for which the Trustee and/or its Affiliates provide investment advisory or other management services.

Notwithstanding the foregoing, "Permitted Investments" (i) shall exclude any security with the S&P "r" symbol (or any corresponding symbol of Moody's or Fitch) attached to the rating

(indicating high volatility or dramatic fluctuations in their expected returns because of market risk), as well as any mortgage-backed securities and any security of the type commonly known as “strips”; (ii) shall be limited to those instruments that have a predetermined fixed dollar of principal due at maturity that cannot vary or change; (iii) shall only include instruments that qualify as “cash flow investments” (within the meaning of Section 860G(a)(6) of the Code); and (iv) shall exclude any investment where the right to receive principal and interest derived from the underlying investment provides a yield to maturity in excess of 120% of the yield to maturity at par of such underlying investment. Interest may either be fixed or variable, and any variable interest must be tied to a single interest rate index plus a single fixed spread (if any) and move proportionately with that index. All investments shall mature or be redeemable upon the option of the holder thereof on or prior to the Business Day preceding the day before such amounts are required to pay amounts due hereunder. The Trustee shall be entitled to assume that any investment which at the time of purchase is a Permitted Investment remains a Permitted Investment thereafter, absent receipt of written notice or actual knowledge of a Responsible Officer in the corporate trust department of the Trustee to the contrary. The Trustee shall have no responsibility to monitor the ratings of Permitted Investments after the initial purchase of or investment in such Permitted Investments.

“**Person**” means any individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any federal, state, county or municipal government or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

“**Post-Default Rate**” means the Interest Rate on the Bonds *plus* 5.00% per annum

“**Private Improvements**” means those certain improvements related to earthwork, dry utilities, landscape and soft costs benefitting all or a portion of the Property.

“**Project**” has the meaning set forth in the recitals hereto.

“**Project Fund**” means the Project Fund established pursuant to Section 3.1 hereof.

“**Project Monitor**” means MuniCap, Inc., and its successors and assigns.

“**Property**” has the meaning ascribed thereto in the Deed of Trust.

“**Public Improvements**” means those certain wastewater improvements and related improvements benefitting the Property which will be owned and maintained by the City of Dallas, Texas and will not be financed by the University Hills MMD Bonds.

“**Purchase Agreement**” means the bond purchase agreement, dated as of April 24, 2025, by and between the Issuer and the Initial Purchaser.

“**Record Date**” means the Business Day prior to each Interest Payment Date, each Redemption Date or the Maturity Date, as applicable.

“**Redemption Date**” means the date of any optional, mandatory or extraordinary mandatory redemption of the Bonds in accordance with Section 2.3 hereof.

“Release Price” means (i) with respect to Property that is one or more single family lots, Cash equal to the Sale Proceeds related to the Property being released, and (ii) with respect to other Property, Cash equal to the Sale Proceeds related to the applicable portion of the Property being released, as further described in Section 3.22; provided, however, there shall be no Release Price payable for Non-Economic Property.

“Representation Letter” means the Issuer’s letter of representations, including the Rule 144A rider, dated as of the Closing Date and executed by the Issuer.

“Request for Partial Release of Lien” means a written request from the Issuer to the Trustee in substantially the form of Exhibit C hereto.

“Reserve Fund” means the reserve fund established pursuant to Section 3.1 of this Indenture.

“Reserve Fund Amount” means an amount equal to, on each Interest Payment Date, 1.50% of the Outstanding Bond Amount, calculated on such Interest Payment Date.

“Responsible Officer” means with respect to the Trustee any officer assigned to its corporate trust services group, with direct responsibility for the administration of this Indenture.

“Revenues” means all revenue derived from the sale of any Property including the proceeds from the Lot Sale Contracts and Assignments, Foreclosure Proceeds, Net Proceeds and Net Liquidation Proceeds.

“Rule 144A” means Rule 144A of the Securities Act.

“Sanctions” has the meaning set forth in Section 9.14 hereof.

“S&P” means S&P Global Ratings, acting through Standard & Poor’s Financial Services LLC, and its successors in interest. If neither S&P nor any successor remains in existence, “S&P” shall be deemed to refer to such other nationally recognized statistical rating agency or other comparable Person designated by the Issuer, notice of which designation shall be given to the Trustee in writing, and specific ratings of S&P herein referenced shall be deemed to refer to the equivalent ratings of the party so designated.

“Sale Proceeds” means the amount of funds received pursuant to the Lot Sale Contracts.

“Securities Act” means the Securities Act of 1933, as it may be amended from time to time.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Issuer, including any interest, additions to tax or penalties applicable thereto.

“Title Policy” means the loan policy or policies of title insurance, including any endorsements reasonably requested by the Initial Purchaser Counsel, insuring Trustee’s lien granted in the Deed of Trust.

“Transaction Documents” shall mean, collectively, this Indenture, the Purchase Agreement, the Bonds, the Deed of Trust, the Financing Statements, the LLC Agreement, the Administrative Services Agreement, the Option Agreement, the Lot Sale Contracts and Assignments, and all other documents executed and delivered in connection with the Bonds, as each of the same may be amended, restated, replaced, extended, renewed, supplemented or otherwise modified from time to time.

“Treasury” means the U.S. Department of the Treasury.

“Trustee” means Computershare Trust Company, National Association, in its capacity as trustee hereunder, and its successors in interest, or any successor trustee appointed as herein provided.

“Trustee Personnel” means the divisions and individuals of the Trustee who are involved in the performance of the duties of the Trustee under this Indenture.

“UCC” or **“Uniform Commercial Code”** means the Uniform Commercial Code as in effect in the State of Texas or other applicable jurisdiction.

“University Hills MMD Bonds” means the bonds issued by the City of Dallas, Texas, to finance certain public improvements in the University Hills Municipal Management District located in the Property.

Section 1.2. Interpretation.

(a) The words “hereof”, “herein”, and “hereunder” and words of similar import when used in this Indenture shall refer to this Indenture as a whole and not to any particular provision of this Indenture unless otherwise specified, and Section, Schedule and Exhibit references contained in this Indenture are references to Sections, Schedule and Exhibits in or to this Indenture unless otherwise specified.

(b) Terms used herein that are defined in the UCC and not otherwise defined herein shall have the meaning set forth in the UCC, unless the context otherwise requires. Any reference herein to a “beneficial interest” in a security also shall mean, unless the context otherwise requires, a security entitlement with respect to such security, and any reference herein to a “beneficial owner” or “beneficial holder” of a security also shall mean, unless the context otherwise requires, the holder of a security entitlement with respect to such security. Any reference herein to money or other property that is to be deposited in or is on deposit in a securities account shall also mean that such money or other property is to be credited to, or is credited to, such securities account.

ARTICLE II.

THE BONDS AND CONDITIONS TO CLOSING

Section 2.1. Authorization and Purpose of the Bonds. The Issuer has reviewed all proceedings heretofore taken relative to the authorization of the Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by

law to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that the Issuer is now duly authorized to issue the Bonds in the form and manner provided herein for the purpose of providing funds for the purposes set forth in Section 2.11 hereof, and that the Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, OR ANY STATE SECURITIES LAWS. NEITHER THE BONDS NOR ANY INTEREST OR PARTICIPATION THEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION.

Section 2.2. Terms of the Bonds. On the Closing Date, the aggregate Original Bond Amount of the Bonds that may be authenticated and delivered under this Indenture is limited in the aggregate to \$35,344,967.00. Such Bonds shall have the designation, Original Bond Amount and other characteristics set forth below. The Bonds shall be dated as of the Closing Date, shall be issued only in fully registered form in Authorized Denominations, and interest thereon shall be computed at the rates, as shown below:

Designation	Development Mortgage Backed and Limited Revenue Bonds (Taxable), Series 2025
Maturity Date	January 15, 2035
Original Bond Amount	\$35,344,967.00
Interest Rate	12.000%
Post-Default Rate	Interest Rate <i>plus</i> 5.00%
Yield	12.680%

The Bonds are issued as current interest term bonds. Interest on the aggregate principal amount of Bonds Outstanding shall accrue and be paid in arrears on the 15th day of January of each year (commencing January 15, 2026), or if any such date is not a Business Day, the next succeeding Business Day (each, an “**Interest Payment Date**”), a Redemption Date (if applicable) and the Maturity Date. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months at the applicable interest rate set forth above; provided that, during the occurrence and continuance of an Event of Default, the Bonds shall bear interest at the Post-Default Rate. Principal of the Bonds shall be payable on each Redemption Date (if applicable) and the Maturity Date.

Section 2.3. Redemption of Bonds.

(a) The Bonds are subject to optional redemption prior to the Maturity Date, in whole or in part, on any Business Day at the principal amount thereof *plus* accrued and unpaid interest thereon to but excluding the Redemption Date, at the written direction of the Issuer in principal amounts of \$1.00 and integral multiples of \$1.00 in excess thereof, from available amounts in the Optional Redemption Fund. The Bonds shall not be subject to optional redemption under this paragraph or under any other provision hereof from the proceeds of a Financing, without the prior written consent of the Majority Holders.

(b) The Bonds are subject to mandatory redemption prior to the Maturity Date, in whole or in part, on any Business Day at the principal amount thereof *plus* accrued and unpaid interest thereon to but excluding the Redemption Date, in principal amounts of \$1.00 and integral multiples of \$1.00 in excess thereof from Sale Proceeds received by the Trustee pursuant to any Lot Sale Contract. Following the receipt or deposit of such moneys, as applicable, by the Trustee, the Trustee shall provide notice of mandatory redemption in accordance with Section 2.3(d); *provided* that, no such mandatory redemption shall occur unless (x) the amount on deposit in the Expense Fund is at least equal to the Expense Fund Amount on such mandatory Redemption Date, which condition, for the avoidance of doubt, may be satisfied by the application of funds pursuant to Section 3.2(b) on such mandatory Redemption Date and (y) following such mandatory redemption, there shall be sufficient funds remaining in the Debt Service Fund for the payment of all interest due on the Bonds to the Bondholders on the Interest Payment Date immediately following such mandatory Redemption Date, which amount shall be calculated on the aggregate principal amount of the Bonds after giving effect to the payment of principal to be made to the Bondholders on such mandatory Redemption Date.

(c) The Bonds are subject to extraordinary mandatory redemption prior to the Maturity Date, in whole, on the Extraordinary Mandatory Redemption Date at the Extraordinary Mandatory Redemption Amount from available amounts in the Debt Service Fund and the Project Fund and, to the extent of a shortfall therein, the Reserve Fund, if at least ten (10) days prior to the Extraordinary Mandatory Redemption Date, the Issuer has not delivered to the Trustee an Officer's Certificate certifying that:

- (i) the University Hills MMD Bonds have been issued; and
- (ii) the Initial Bondholder is the sole investor in the University Hills MMD Bonds.

However, such Extraordinary Mandatory Redemption Date shall be cancelled if the Issuer delivers such Officer's Certificate to the Trustee during the ten (10) day period prior to the Extraordinary Mandatory Redemption Date.

(d) Notice of redemption shall be mailed by first-class mail by the Trustee, not less than five (5) days prior to the applicable Redemption Date to (i) the respective Holders of the Bonds designated for redemption at their addresses appearing on the registration books of the Trustee and (ii) the Depository. Notice of redemption to the Depository shall be given by electronic mail, overnight courier delivery or facsimile transmission. Each notice of redemption shall state

the (i) date of such notice, (ii) Redemption Date, (iii) redemption price, (iv) CUSIP number(s), and (v) if a redemption in part, the amount to be redeemed, together with interest accrued thereon to the Redemption Date, and that from and after such Redemption Date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered at the address of the Trustee specified in the redemption notice or otherwise described herein. Failure to receive such notice shall not invalidate any of the proceedings taken in connection with such redemption.

In the event of an optional redemption of Bonds, the Trustee shall mail a notice of redemption in accordance with the foregoing paragraph upon receipt of a written instruction from the Issuer, received by the Trustee five (5) days prior to the Redemption Date; provided that the redemption of Bonds may be expressly conditioned upon the receipt of funds by the Trustee on or prior to the Redemption Date. The failure to provide such funds shall result in a rescission of such written request of optional redemption and shall not constitute a default by the Issuer, and the Bonds that were to be redeemed shall remain subject to future redemption in accordance with the terms hereof.

If notice of redemption has been duly given as aforesaid and money for the payment of the redemption price of the Bonds called for redemption is held by the Trustee, then on the Redemption Date designated in such notice Bonds so called for redemption shall become due and payable, and from and after the date so designated interest on such Bonds shall cease to accrue, and the Holders of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

If less than all Outstanding Bonds are to be redeemed at any one time, such redemption shall be done on a pro rata basis for each \$1.00 of principal amount Bonds Outstanding. Such redemption shall be processed through DTC in accordance with its normal rules and procedures, and the Trustee shall promptly notify the Issuer in writing of the numbers of the Bonds so selected for redemption. For purposes of such selection, Bonds shall be deemed to be composed of \$1.00 multiples of the principal and any integral multiple of \$1.00 of the principal in excess thereof; any such multiple may be separately redeemed.

All Bonds redeemed pursuant to the provisions of this Section shall be cancelled by the Trustee and shall be destroyed with a certificate of destruction furnished to the Issuer upon its written request and shall not be reissued.

Section 2.4. Forms Generally. The Bonds and the Trustee's certificate of authentication thereon (the "**Certificate of Authentication**") shall be in substantially the form set forth in the applicable part of Exhibit A hereto, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon, as may be consistent herewith, determined by the Authorized Officers of the Issuer executing such Bonds as evidenced by their execution of such Bonds. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

Section 2.5. Execution of Bonds. The Bonds shall be executed on behalf of the Issuer by the facsimile or manual signature of any Authorized Officer of the Issuer. The Bonds shall then be delivered to the Trustee for authentication by it. If any Officer of the Issuer who signs any of

the Bonds or whose signature appears on any of the Bonds subsequently ceases to be an Officer of the Issuer before such signed Bonds have been authenticated by or delivered by the Trustee, such Bonds may, nevertheless, be authenticated, delivered and issued. Upon such authentication, delivery and issue, such Bonds shall be as binding upon the Issuer as though the Person who signed had continued to be an Officer of the Issuer. If an Officer of the Issuer executed the Bonds on behalf of the Issuer, the date of such execution shall be deemed to be the nominal date of such Bond. Only Bonds that bear thereon a Certificate of Authentication, manually, executed by the Trustee shall be valid, obligatory and entitled to the benefits of this Indenture. A Certificate of Authentication shall be conclusive evidence that the Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

Section 2.6. Transfer and Payment of Bonds. (a) Any Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of Section 2.8 by the Person in whose name it is registered, in person or by its duly authorized attorney, upon surrender of such Bonds for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form acceptable by the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer, the Issuer shall execute, and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds in Authorized Denominations. The Trustee shall require the payment by the Holder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege. The cost of printing Bonds and any services rendered, or expenses incurred by the Trustee in connection with any transfer shall be paid by the Issuer. The transferor shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

The Issuer and the Trustee shall deem and treat the registered owner of any Bonds as the absolute owner of such Bonds for the purpose of receiving payment thereof and for all other purposes, whether such Bonds shall be overdue or not, and neither the Issuer nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of amounts due on such Bonds shall be made only to such registered owner as of the Record Date, which payments shall be valid and effectual to satisfy and discharge liability on such Bonds to the extent of the sum or sums so paid.

The Trustee shall not be required to register the transfer of or exchange any Bond which have been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as provided in Section 2.3 or during the period established by the Trustee for selection of Bonds for redemption.

Section 2.7. Exchange of Bonds. Bonds may be exchanged at the Corporate Trust Office of the Trustee in St. Paul, Minnesota, or such other place as designated by the Trustee in Authorized Denominations. The Trustee shall require the payment by the Holder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege. The cost of printing Bonds and any services rendered, or expenses incurred by the Trustee in connection with any exchange shall be paid by the Issuer. The Trustee shall not be required to exchange any Bond which has

been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as provided in Section 2.3 or during the period established by the Trustee for selection of Bonds for redemption.

Section 2.8. Bond Registration Books. The Trustee will keep sufficient books for the registration and transfer of the Bonds which shall during normal business hours be open to inspection by the Issuer, and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Bonds in such books as hereinabove provided.

Section 2.9. Mutilated, Destroyed, Stolen or Lost Bonds. If any Bond shall become mutilated, the Issuer shall issue and direct the Trustee in writing at the expense of the Holder, to thereupon authenticate and deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender at the Corporate Trust Office of the Trustee in St. Paul, Minnesota, or such other place as designated by the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled.

If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence is satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Holder, shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen.

The Trustee may require payment of a reasonable sum for each new Bond issued under this Section 2.9 and of the expenses which may be incurred by the Issuer and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds. Neither the Issuer nor the Trustee shall be required to treat both the original Bond and any replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original and replacement Bond shall be treated as one and the same.

Section 2.10. Conditions to Closing. The closing of the Bonds on the Closing Date is conditioned upon the Trustee receiving the following documents in form and substance acceptable to Bond Counsel and Initial Purchaser's Counsel:

- (a) executed copies of the Transaction Documents;
- (b) the Limited Offering Memorandum;
- (c) the Appraisal;
- (d) an executed copy of a certificate of the Issuer as to incumbency, authority, good standing and constituent documents, including an executed copy of the approving resolutions of the Issuer;

(e) an executed copy of a certificate of I-20 Lancaster Development, LLC as to incumbency, authority, good standing and constituent documents;

(f) an executed copy of the Trustee's certificate as to incumbency, authority, good standing, and constituent documents;

(g) an executed Officer's Certificate of the Issuer directing the authentication and delivery of the Bonds, describing the Bonds to be authenticated and delivered, designating the purchasers to whom the Bonds are to be delivered, stating the purchase price of the Bonds and stating that all items required by this Indenture to be therewith delivered to the Trustee;

(h) specimen copies of the initial Bonds;

(i) an executed copy of the Representation Letter;

(j) an executed title commitment upon which a Title Policy is issued for the Property;

(k) an executed copy of the Membership Pledge Agreement;

(l) an executed copy of the Investor Letter of Representation from the Initial Purchaser;

(m) an executed copy of the Opinion of Counsel as to certain corporate, enforceability and securities law matters, acceptable to the Issuer, the Initial Purchaser and the Initial Bondholder Counsel; and

(n) an executed copy of the Opinion of Counsel as to certain bankruptcy matters addressed to the Initial Purchaser, acceptable to the Issuer, the Initial Purchaser and the Initial Bondholder Counsel.

Section 2.11. Procedure for the Issuance of Bonds.

(a) The Issuer shall execute the Bonds for issuance hereunder and shall deliver them to the Trustee, and thereupon the Bonds shall be authenticated and delivered by the Trustee to the Initial Purchaser upon the written request of the Issuer and upon receipt of payment therefor from the Initial Purchaser. The Trustee may conclusively rely upon such written request and shall not be required to make any independent investigation in connection therewith. The execution of any such written request shall constitute, unto the Trustee, an irrevocable determination that all conditions precedent to the payments requested have been completed.

(b) Pursuant to the Closing Memorandum and upon receipt of payment for the Bonds from Initial Purchaser, the Trustee shall set aside and deposit the proceeds received from such sale in the following respective accounts or funds or with the following respective persons as follows:

(i) The Trustee shall transfer \$3,028,350.81 to satisfy the costs of issuance.

(ii) The Trustee shall transfer \$11,500,000 to satisfy the Existing Debt and other closing real estate expenses.

(iii) The Trustee shall deposit \$6,022,136.52 in the Capitalized Interest Fund.

(iv) The Trustee shall deposit \$12,792,894.22 in the Project Fund.

(v) The Trustee shall deposit \$375,540.27 in the Reserve Fund.

(vi) The Trustee shall deposit \$375,540.27 in the Costs of Issuance Fund.

Section 2.12. Validity of Bonds. The recital contained in the Bonds that the same are issued pursuant to this Indenture shall be conclusive evidence of validity and regularity of issuance. At issuance, all Bonds shall be deemed (i) issued, within the meaning hereof, (ii) delivered to Bondholders and (iii) proceeds of sale thereof received.

Section 2.13. Special Covenants as to Book-Entry Only System for Bonds.

(a) Except as otherwise provided in this Section 2.13, all of the Bonds initially issued shall be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), or such other nominee as DTC shall request pursuant to the Representation Letter.

(b) The Bonds initially shall be issued in the form of a single authenticated fully registered bond for each maturity of the Bonds, numbered in sequence beginning with R-1. Upon initial issuance, the ownership of all such Bonds shall be registered in the registration records maintained by the Trustee pursuant to Section 2.8 hereof in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. The Trustee, the Issuer and any paying agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price of and interest on such Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Holders hereunder, registering the transfer of Bonds, obtaining any consent or other action to be taken by Holders of the Bonds and for all other purposes whatsoever; and neither the Trustee nor the Issuer or any paying agent shall be affected by any notice to the contrary. Neither the Trustee nor the Issuer or any paying agent shall have any responsibility or obligation to any Depository Participant (which shall mean, for purposes of this Section 2.13, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Depository Participant, or any other person which is not shown on the registration records as being a Bondholder, with respect to (i) the accuracy of any records maintained by DTC or any Depository Participant, (ii) the payment by DTC or any Depository Participant of any amount in respect of the principal or redemption price of or interest on the Bonds, (iii) any notice which is permitted or required to be given to Holders of Bonds hereunder, (iv) the selection by DTC or any Depository Participant of any person to receive payment in the event of a partial redemption of the Bonds, or (v) any consent given or other action taken by DTC as Holder of Bonds. The Trustee shall pay all

principal of, premium, if any, and interest on the Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with this Indenture and the Representation Letter, and all such payments shall be valid and effective to satisfy fully and discharge the Issuer's obligations with respect to the principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Bonds will be transferable to such new nominee.

(c) In the event that the Majority Holder determines, to the extent permitted by law, that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain bond certificates, the Trustee shall, upon the written instruction of the Majority Holder, so notify DTC, whereupon DTC shall notify the Depository Participant of the availability through DTC of bond certificates. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice of such discontinuance to the Issuer or the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Bonds will be transferable to a successor nominee for DTC or any successor depository. Whenever DTC requests the Issuer and the Trustee to do so, the Trustee and the Issuer will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all certificates evidencing the Bonds then Outstanding. In such event, the Bonds will be transferable to a successor nominee for DTC or any successor depository, and thereafter, all references in this Indenture to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate. In connection with any proposed transfer outside the book-entry only system, the Issuer or DTC shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(d) Notwithstanding any other provision of this Indenture to the contrary, so long as all Bonds Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal of, premium, if any, and interest on each such Bond and all notices with respect to each such Bond shall be made and given, respectively, to DTC as provided in this Indenture and the Representation Letter.

Section 2.14. No Additional Bonds. The Issuer covenants not to issue or permit the issuance of additional bonds hereunder.

Section 2.15. Defeasance.

(a) If the Issuer shall pay or cause to be paid or there shall otherwise be paid to the Holders of all Outstanding Bonds the principal of and the redemption premiums, if any, thereon at the times and in the manner stipulated herein and therein, plus interest thereon to the Maturity Date or Redemption Date, as applicable, and all amounts due and owing to the Trustee have been paid in full, then the Holders of such Bonds shall cease to be entitled to the pledge of and charge and lien upon the Collateral as provided herein, and all agreements, covenants and other obligations of the Issuer to the Holders of such Bonds hereunder shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the Issuer all such instruments as the Issuer requests and provides to the Trustee to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the Issuer all money or securities or other Collateral held by it pursuant hereto which are not required for the payment of the principal of, redemption premiums, if any, and interest on such Bonds.

(b) Any Outstanding Bonds shall prior to the Maturity Date or Redemption Date thereof be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this Section if (1) in case any of such Bonds are to be redeemed on any date prior to their Maturity Date, with respect to any optional redemption, mandatory redemption or extraordinary mandatory redemption, the Trustee shall have provided the notice required with respect to such redemption pursuant to the terms of Section 2.3(d) and, with respect to any optional redemption, the Issuer shall have given to the Trustee in form satisfactory to it irrevocable written instructions to provide notice in accordance with Section 2.3(a) and Section 2.3(d) hereof, (2) there shall have been deposited with the Trustee either (A) money in an amount which shall be sufficient or (B) Permitted Investments of the type described in clause (a) of the definition of Permitted Investments and which are not subject to redemption prior to maturity (including any such Permitted Investments issued or held in book-entry form on the books of a Federal Reserve Bank or otherwise) or obligations of a state or political subdivision thereof which have been defeased under irrevocable escrow instructions by the deposit of such money or Permitted Investments and which are then rated in the highest rating category by S&P, Moody's or Fitch, the interest on and principal of which when paid will provide money which, together with the money, if any, deposited with the Trustee at the same time, shall be sufficient, in the opinion of a nationally recognized Independent certified public accountant or verification agent, to pay when due the principal of, premium, if any, and interest on such Bonds on the Maturity Date or Redemption Date thereof, and (3) in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Issuer shall have given the Trustee irrevocable written instructions to mail as soon as practicable, a notice to the Holders of such Bonds that the deposit required by clause (2) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section and stating the Maturity Date or Redemption Date upon which money is to be available for the payment of the principal of, redemption premium, if any, and interest on such Bonds.

Section 2.16. Payment of the Bonds. The Issuer shall duly and punctually pay amounts due on the Bonds in accordance with the terms of such Bonds, this Indenture and the other Transaction Documents. The Issuer agrees that its obligations to make payments hereunder shall be absolute and unconditional, irrespective of any rights of set-off (subject to Section 4.2(b) hereof), diminution, abatement, recoupment or counterclaim the Issuer might otherwise have

against any Person, and except in connection with a discharge of the Indenture, the Issuer will perform and observe all its payment obligations and covenants, representations and warranties hereunder. The Issuer covenants not to seek and hereby waives, to the extent permitted by applicable law, the benefits of any rights which it may have at any time to any stay or extension of time for performance or to terminate, cancel or limit its liability under the Transaction Documents to which it is a party, except through payment or deemed payment of the Bonds as provided in such Transaction Documents. Without limiting the generality of the foregoing, the Issuer shall ensure that, as of any date on which payments are to be made on the Bonds under this Indenture, there are sufficient funds on deposit in the applicable Fund to make such payments. To the extent that there are insufficient funds on deposit in any Fund required to make such payments on any such date, the Issuer shall deposit or cause to be deposited in advance of the date of such payment an amount sufficient to cure such shortfall.

ARTICLE III.

FUNDS AND MAINTENANCE OF PROPERTY

Section 3.1. Establishment of Funds. The Trustee is hereby directed to establish and maintain the following funds:

- (a) the Debt Service Fund;
- (b) the Capitalized Interest Fund;
- (c) the Expense Fund;
- (d) the Project Fund;
- (e) the Lot Sale Earnest Money Fund;
- (f) the Optional Redemption Fund;
- (g) the Reserve Fund; and
- (h) the Costs of Issuance Fund.

Section 3.2. Debt Service Fund.

(a) All amounts held by the Trustee in the Debt Service Fund are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as provided herein, and the amounts in the Debt Service Fund, except as otherwise set forth herein (including Section 3.2(b) and Article VIII hereof), shall not be used for any other purpose while any of the Bonds remain Outstanding. This pledge shall constitute a pledge of and charge and lien upon the Debt Service Fund and all other moneys on deposit in the funds and accounts established hereunder for the payment of the principal of and interest on the Bonds in accordance with the terms hereof and thereof.

(b) The Trustee shall deposit all funds received in the amount of any Release Price and any Cash received pursuant to Section 3.11(e), Section 3.15 and Article VIII hereof in the Debt Service Fund. On each Interest Payment Date, each Redemption Date and the Maturity Date, all moneys on deposit in the Debt Service Fund (excluding any funds on deposit in the Debt Service Fund that have been earmarked for application pursuant to this Section 3.2(b) on a Redemption Date occurring after an intervening Interest Payment Date) shall, after payment of the Trustee's fees and expenses outstanding, if any, be applied and disbursed in the following order and priority:

(i) *first*, except on the Redemption Date that is the Extraordinary Mandatory Redemption Date, all interest then due on the Bonds to the Bondholders;

(ii) *second*, on each Interest Payment Date prior to the Maturity Date, to the Reserve Fund, the amount required, if any, to cause the amount on deposit therein to equal the Reserve Fund Amount;

(iii) *third*, on each Interest Payment Date and mandatory Redemption Date prior to the Maturity Date, to the Expense Fund, the amount required, if any, to cause the amount on deposit therein to equal the Expense Fund Amount;

(iv) *fourth*, on each Redemption Date other than the Extraordinary Mandatory Redemption Date, all principal then due on the Bonds to the Bondholders;

(v) *fifth*, on the Extraordinary Mandatory Redemption Date, the Extraordinary Mandatory Redemption Amount to the Bondholders;

(vi) *sixth*, prior to the Maturity Date, any remaining funds in the following order of priority: (1) *first*, to the Optional Redemption Fund; *provided* that no such transfer shall occur unless, following such transfer, there shall be sufficient funds remaining in the Debt Service Fund for the payment of all interest due on the Bonds to the Bondholders on the next Interest Payment Date and (2) *second*, to the Debt Service Fund; and

(vii) *seventh*, on the Maturity Date, any remaining funds in the following order of priority: (1) *first*, to the payment of all principal then due on the Bonds to the Bondholders; (2) *second*, to the payment of any additional amounts due under this Indenture; and (3) *third*, following the application of funds pursuant to clauses (1) and (2) above, to the Issuer, free and clear of the lien of this Indenture;

provided that, with respect to the Reserve Fund Amount and the Expense Fund Amount, the Trustee shall be entitled to rely on the Issuer to provide confirmation of such amounts.

Section 3.3. Capitalized Interest Fund.

(a) All amounts held by the Trustee in the Capitalized Interest Fund are hereby irrevocably pledged to the payment of the interest on the Bonds as provided herein, and the amounts in the Capitalized Interest Fund, except as otherwise set forth herein (including Article VIII hereof), shall not be used for any other purpose while any of the Bonds remain Outstanding. This pledge shall constitute a pledge of and charge and lien upon the Capitalized Interest Fund and all other moneys on deposit in the funds and accounts established hereunder for the payment of interest on the Bonds in accordance with the terms hereof and thereof.

(b) All moneys on deposit in the Capitalized Interest Fund shall be applied and disbursed on an Interest Payment Date or the Maturity Date, as the case may be, to pay interest as of such date on the Bonds to the extent insufficient funds are on deposit in the Debt Service Fund to make such interest payment and prior to using funds in the Reserve Fund to make such interest payment. After all amounts in the Capitalized Interest Fund have been disbursed, the Capitalized Interest Fund shall then be closed.

Section 3.4. Expense Fund.

All moneys on deposit in the Expense Fund shall be applied and disbursed to make payments required under Sections 3.10, 3.11, and 3.15 hereof, at the written direction of the Issuer; provided, however, after an Event of Default, the Trustee shall be entitled to transfer funds from the Expense Fund without the written direction of the Issuer; provided, further, however, in the event that funds on deposit in the Expense Fund are insufficient to pay such amounts, the Issuer shall be obligated to make such payment with ten (10) Business Days of invoice therefor. Upon the payment in full of the Bonds, all obligations owed by the Issuer to the Trustee, and the discharge of this Indenture, any amounts remaining in the Expense Fund shall be disbursed to the Issuer free and clear of the lien of this Indenture.

Section 3.5. Project Fund.

(a) All amounts held by the Trustee in the Project Fund are hereby irrevocably pledged to the Bondholders as provided herein. This pledge shall constitute a pledge of and charge and lien upon the Project Fund in accordance with the terms hereof.

(b) The Project Fund shall be funded in accordance with Section 2.11(b)(v) hereof. Money in the Project Fund shall be disbursed first in accordance with Section 2.11(b)(ii). Subsequent the initial disbursements of funds from the Project Fund as provided in Section 2.11(b)(ii), money in the Project Fund and the Lot Sale Earnest Money Fund shall be disbursed in accordance with Section 3.5(c) below, and the disbursement of funds subsequent to the initial disbursement is restricted pursuant to the following conditions:

- (1) the University Hills MMD Bonds must be issued by August 10, 2025;
and
- (2) the Initial Bondholder is the sole investor in the University Hills MMD Bonds.

(c) Each Disbursement from the Project Fund (other than the initial disbursement pursuant to Section 2.11(b)(ii) hereof) or the Lot Sale Earnest Money Fund, as applicable, is subject to the following conditions precedent:

- (1) Issuer shall have delivered to the Trustee a completed Certificate for Payment, a form of which is attached hereto as Exhibit F, as executed by the Issuer and the Project Monitor.
- (2) There shall then exist no Event of Default nor shall there have occurred any event which with the giving of notice or the lapse of time, or both, could become an Event of Default of which the Trustee has received written notice or is deemed to have received notice of in accordance with Section 5.1(p) of this Indenture.
- (3) The covenants made in this Indenture shall be true and correct in all material respects on and as of the date of such Disbursement, and the Issuer's delivery of the Certificate for Payment shall constitute the representation and warranty by the Issuer that such covenants are true and correct in all material respects at such time.

The Trustee may conclusively rely upon any Certificate for Payment received by it from the Issuer and shall have no obligation to review or confirm receipt of any of the attachments thereto.

(d) Upon the payment in full of the Bonds, all obligations owed by the Issuer to the Trustee, and the discharge of this Indenture, any amounts remaining in the Project Fund shall be disbursed to the Issuer free and clear of the lien of this Indenture.

Section 3.6. Lot Sale Earnest Money Fund.

The Issuer shall deposit the Lot Sale Earnest Money into the Lot Sale Earnest Money Fund when received. Money in the Lot Sale Earnest Money Fund shall be disbursed from time to time by the Trustee pursuant to Section 3.5(c) hereof to pay the costs associated with the Project to the extent funds in the Project Fund are insufficient to pay such costs. Upon the Trustee's receipt of an Officer's Certificate confirming the completion of the Project, the funds in Lot Sale Earnest Money Fund, if any, shall be transferred to the Debt Service Fund. Upon the payment in full of the Bonds, all obligations owed by the Issuer to the Trustee, and the discharge of this Indenture, any amounts remaining in the Lot Sale Earnest Money Fund shall be disbursed to the Issuer free and clear of the lien of this Indenture.

Section 3.7. Optional Redemption Fund.

(a) All amounts held by the Trustee in the Optional Redemption Fund are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as provided herein, and the amounts in the Optional Redemption Fund shall not be used for any other purpose while any of the Bonds remain Outstanding. This pledge shall constitute a pledge of and charge and lien upon the Optional Redemption Fund and all other moneys on deposit in the funds and accounts established hereunder for the payment of the principal of and interest on the Bonds in accordance with the terms hereof and thereof.

(b) All moneys on deposit in the Optional Redemption Fund shall be applied and disbursed on each optional redemption date to pay the principal of and interest on the Bonds as of such date in accordance with Section 2.3(a) and Section 3.2(b) hereof. Upon the payment in full of the Bonds, all obligations owed by the Issuer to the Trustee, and the discharge of this Indenture, any amounts remaining in the Optional Redemption Fund shall be disbursed to the Issuer free and clear of the lien of this Indenture.

Section 3.8. Reserve Fund.

(a) All amounts held by the Trustee in the Reserve Fund are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as provided herein, and the amounts in the Reserve Fund, except as otherwise set forth herein (including Article VIII hereof), shall not be used for any other purpose while any of the Bonds remain Outstanding, except to pay extraordinary fees and expenses of the Trustee. This pledge shall constitute a pledge of and charge and lien upon the Reserve Fund and all other moneys on deposit in the funds and accounts established hereunder for the payment of the principal of and interest on the Bonds in accordance with the terms hereof and thereof.

(b) All moneys on deposit in the Reserve Fund shall be applied and disbursed on an Interest Payment Date, the Extraordinary Mandatory Redemption Date or the Maturity Date, as the case may be, to pay the principal of and interest on the Bonds as of such date to the extent insufficient funds are on deposit in the Debt Service Fund to make such payment; provided that, upon the occurrence and continuance of an Event of Default, amounts in the Reserve Fund may be retained in the Reserve Fund or disbursed as directed by the Majority Holders to satisfy obligations hereunder. Upon the payment in full of the Bonds, all obligations owed by the Issuer to the Trustee, and the discharge of this Indenture, any amounts remaining in the Expense Fund shall be disbursed to the Issuer free and clear of the lien of this Indenture.

Section 3.9. Deposit and Permitted Investments of Money in Funds. All money held by the Trustee in any of the accounts or funds established pursuant hereto shall be invested in Permitted Investments at the written request of the Issuer. In the absence of any such written request of the Issuer, the Trustee is hereby directed to invest moneys in Permitted Investments of the type described in subparagraph (e) of the definition thereof. The Trustee may conclusively rely upon the Issuer's instructions as to both the suitability and legality of the directed investments. Permitted Investments (except investment agreements) in funds established under this Indenture shall be valued at the market cost thereof, exclusive of accrued interest. Permitted Investments purchased with funds on deposit in the Debt Service Fund shall mature not later than the dates

upon which such funds shall need to be expended. All interest or profits received on amounts invested shall be deposited in the Debt Service Fund. The Trustee may make any and all such investments through its own investment department or that of its Affiliates or subsidiaries and may charge its ordinary and customary fees for such trades, including cash sweep account fees. The Trustee shall not be liable for any losses on such investments.

Section 3.10. Payment of Taxes, Assessments, etc. The Issuer shall maintain accurate records with respect to the Property reflecting the status of taxes, assessments, charges and other similar items that are or may become a lien on the Property and the status of insurance premiums payable in respect of insurance policies required to be maintained pursuant to Section 3.11 hereof. The Issuer shall use efforts to obtain, from time to time, all bills for the payment of such items (including renewal premiums). The Issuer shall pay (or cause to be paid) real estate taxes, assessments, insurance premiums and other similar items, including Property maintenance items, at such time as the same are due and payable. The Trustee shall have no duty to monitor the status of or pay any items set forth in this Section nor to monitor the Issuer's compliance with this Section 3.10.

Section 3.11. Maintenance of Insurance.

(a) The Issuer shall, at its expense, obtain, cause to be obtained or be provided policies obtained by an Issuer Party or a third party with respect to the Property with insurance coverage as provided below. Such insurance shall provide that the insurer will mail 30 days' written notice to the Issuer and the Trustee of any cancellation prior to the expiration of such policy. In each such case, the Issuer shall be the policy holder, and the Trustee shall be named an additional insured and loss payee:

<u>Policies</u>	<u>Coverage Requirements</u>
General Liability Insurance	\$1,000,000 for each occurrence and not less than \$2,000,000 in the aggregate
Pollution Liability Insurance	\$1,000,000 for each occurrence and not less than \$2,000,000 in the aggregate
Workers' Compensation Insurance	Minimum amount required by law and none required with respect to the Issuer itself
Commercial Automobile Coverage	\$1,000,000 per accident

(b) The Issuer shall cause to be maintained such insurance with respect to any Foreclosed Property as the Issuer is required to maintain with respect to the Property referred to in subsection (a) of this Section 3.11. The cost of any such insurance with respect to the Foreclosed Property shall be payable by the Issuer, or at the written direction of the Issuer, out of amounts on deposit in the Expense Fund (or, in the Project Fund, if no amounts are on deposit in the Expense Fund). Any such insurance that is required to be maintained with respect to any Foreclosed Property shall only be so required to the extent such insurance is available at commercially reasonable rates.

(c) The Issuer may satisfy its obligations to cause insurance policies to be maintained by maintaining a master force placed or blanket insurance policy insuring against losses on the Property or the Foreclosed Property. Certificates of all insurance procured under this Section 3.11 shall be forwarded to the Trustee for its records. The incremental cost of such insurance allocable to the Property or any Foreclosed Property shall be borne by the Issuer, but the Issuer may submit written direction to the Trustee to pay any such costs from moneys on deposit in the Expense Fund (or, in the Project Fund, if no amounts are on deposit in the Expense Fund).

(d) The Trustee shall not be responsible for the sufficiency of coverage or the amounts of any such policies nor for monitoring the Issuer's compliance with this Section 3.11. If the Issuer fails to maintain the insurance required hereby, the Trustee may purchase, but is under no obligation to purchase, insurance at the expense of the Issuer.

(e) Proceeds paid from such insurance policies shall be deposited in the Debt Service Fund.

(f) The Trustee's only duties and responsibilities pertaining to this Section extend to the aforementioned receipt and maintenance of any insurance certificates delivered to it.

Section 3.12. Development Status Reports: Annual Financial Reporting.

(a) The Issuer shall provide to the Trustee the information included in Exhibit E hereto no later than February 15, May 15, August 15, and November 15 (or, if such day is not a Business Day, then the next succeeding Business Day) of each year, commencing with November 15, 2025 (the "**Quarterly Surveillance Date**").

(b) The Trustee shall forward a copy of Exhibit E to the Bondholders within ten (10) Business Days of receipt thereof.

(c) On each March 30 (the "**Annual Surveillance Date**"), the Issuer shall provide to the Trustee unaudited financial statements consisting of an income statement and balance sheet for the Issuer's Fiscal Year immediately preceding such Annual Surveillance Date.

Section 3.13. Realization upon the Property.

(a) Upon the occurrence of an Event of Default, the Trustee on behalf of the Bondholders, subject to the terms of this Indenture, shall be entitled to promptly pursue the remedies set forth herein, including Foreclosure or other realization on the Property and the other Collateral for the Bonds. In connection with any Foreclosure, enforcement of this Indenture or the other Transaction Documents or the Membership Pledge Agreement, or other realization on the Collateral, the Trustee shall be entitled to pay the costs and expenses in any such proceedings in accordance with Section 8.12 hereof.

(b) Upon the Trustee's receipt of written direction of the Majority Holders directing acceleration and/or Foreclosure of the Property and indemnity satisfactory to it, such directed acceleration of the Bonds and/or Foreclosure on the Property shall be taken unless the Trustee waives such Event of Default in writing (or modifies or amends the Bonds to cure the Event of Default).

(c) Notwithstanding the foregoing, the Trustee shall not be obligated to foreclose on the Property on behalf of the Bondholders, and thereby be the beneficial owner of the Property, or take any other action with respect to such item that would cause the Trustee, on behalf of the Bondholders, to be considered to hold title to, to be a “mortgagee-in-possession” of, or to be an “owner” or “operator” of a Property within the meaning of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended or any comparable law.

(d) Without limiting any of the Trustee’s rights under this Indenture, in connection with the exercise of the Trustee’s rights under this Section 3.13, the Trustee may engage an Independent Person who regularly conducts environmental site assessments for purchasers of comparable property. The cost of such environmental site assessment shall be paid by the Issuer, or may, at the written direction of the Issuer, be paid from the Expense Fund (or, from the Project Fund, if no amounts are on deposit in the Expense Fund).

Section 3.14. Partial Release of Deed of Trust Lien.

(a) No Property shall be released from the lien of the Deed of Trust and the other Transaction Documents unless the Issuer delivers, or causes to be delivered, to the Trustee Cash in an amount at least equal to the Release Price, if any.

(b) Upon delivery to the Trustee of a Request for Partial Release of Lien, which shall evidence the satisfaction of the relevant requirements set forth in this Indenture and in the Request for Partial Release of Lien, the Trustee shall execute the release delivered to it by the Issuer in the form of Appendix A to the Request for Partial Release of Lien for the applicable Property within five (5) Business Days of receipt thereof.

Section 3.15. Title and Management of Foreclosed Property.

(a) In the event that title to the Property is acquired for the benefit of the Bondholders in Foreclosure or by deed-in-lieu of Foreclosure or otherwise, the deed, bill of sale or other comparable document may be taken in the name of a trust, receiver or limited liability company (or comparable vehicle) (the “**Foreclosure Vehicle**”) which is managed by the Trustee or its designee (the costs of which shall be paid in accordance with Section 8.12 hereof). The Trustee or its designee, on behalf of the Bondholders, shall, at the written direction of the Majority Holders, dispose of any Foreclosed Property held by the Foreclosure Vehicle as expeditiously as appropriate.

(b) The Trustee shall have full power and authority, subject to the specific requirements and prohibitions of this Indenture, to do any and all things in connection with any Foreclosed Property for the benefit of the Bondholders (as a collective whole as if the Bondholders constituted a single lender) on such terms as are appropriate and necessary for the efficient operation of the Foreclosure Vehicle, and the operation and liquidation, as applicable, of any Foreclosed Property. Without limiting the generality of the foregoing, the Trustee may retain an Independent contractor on behalf of the Foreclosure Vehicle to manage the Foreclosed Property.

The Trustee shall deposit or cause to be deposited in the Debt Service Fund, within two (2) Business Days of receipt of properly identified funds, all revenues received with respect to any

Foreclosed Property. The Trustee shall be entitled to apply any such funds in accordance with Section 8.12 hereof or, after payment of the Trustee's fees and expenses, including attorneys' fees and expenses, as the Trustee is otherwise directed in writing by the Majority Holders. The Trustee may withdraw from the amounts collected or held by it under Section 8.12 hereof necessary for the proper management, maintenance, preservation and protection of any Foreclosed Property including, but not limited to:

(i) all insurance premiums due and payable in respect of any Foreclosed Property; and

(ii) all taxes, assessments, charges, management fees or other similar items in respect of any Foreclosed Property that could result or have resulted in the imposition of a lien thereon.

Section 3.16. Amendment of the Agreement. This Indenture and the rights and obligations of the Issuer and of the Holders (who have no obligations) may be amended at any time by the written consents of the Majority Holder, exclusive of Bonds disqualified as provided in Section 3.17, are filed with the Trustee. No such amendment shall (i) extend the Maturity Date on any Bond without the express written consent of the Holder of such Bond, (ii) reduce the interest rate on, the principal of, as applicable, or redemption premium, if any, on any Bond without the express written consent of the Holder of such Bond, (iii) permit the creation by the Issuer of any pledge of or charge or lien upon the Collateral as provided herein superior to or on a parity with the pledge, charge and lien created hereby for the benefit of the Bonds, (iv) reduce the percentage of Bonds required for the written consent to any such amendment, or (v) modify any rights or obligations of the Trustee or the Issuer without their prior written assent thereto, respectively.

This Indenture and the rights and obligations of the Issuer and of the Holders may also be amended at any time without the consent of any Holders, but upon ten (10) Business Days' prior notice, and only to the extent permitted by law and after receipt of an approving Opinion of Counsel for any one or more of the following purposes:

(a) to add to the agreements and covenants required herein to be performed by the Issuer other agreements and covenants thereafter to be performed by the Issuer, or to surrender any right or power reserved herein to or conferred herein on the Issuer;

(b) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the Issuer may deem desirable or necessary and not inconsistent herewith;

(c) to add to the agreements and covenants required herein, such agreements and covenants as may be necessary to qualify this Indenture under the Trust Indenture Act of 1939; or

(d) to add Collateral.

The Trustee shall receive, and shall be fully protected in relying upon, an Opinion of Counsel to the effect that (i) such supplemental indenture is authorized or permitted by this

Indenture, (ii) all conditions precedent with respect to the execution and delivery of such supplemental indenture have been met and complies with this Indenture's terms, and (iii) such supplemental indenture, upon execution and delivery thereof, shall be a valid and binding obligation of the Issuer. The Trustee shall not be obligated to enter into any supplemental indenture that adversely impacts its rights, duties or immunities.

Section 3.17. Disqualified Bonds. Bonds owned or held by or for the account of the Issuer or any Affiliate of the Issuer any shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided in this Article, and shall not be entitled to consent to or take any other action provided in this Article provided, however, that the Trustee shall not be deemed to have knowledge that any Bond is owned or held by or for the account of the Issuer or any Affiliate of the Issuer unless the Issuer is the registered Holder or the Trustee has received written notice that any other registered Holder is the owner or is holding for the account of the Issuer.

Section 3.18. Endorsement or Replacement of Bonds After Amendment. After the effective date of any action taken as hereinabove provided, the Issuer may determine that the Bonds may bear a notation by endorsement in form approved by the Issuer as to such action, and in that case upon demand of the Holder of any Outstanding Bonds and presentation of its Bond for such purpose at the office of the Trustee a suitable notation as to such action shall be made on such Bond. If the Issuer shall so determine, new Bonds so modified as, in the opinion of the Issuer, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Holder of any Outstanding Bond a new Bond or Bonds shall be exchanged at the office of the Trustee without cost to each Holder for its Bond or Bonds then Outstanding upon surrender of such Outstanding Bonds.

Section 3.19. Trustee May Own Bonds. The Trustee and any agent thereof in its individual or any other capacity may become the owner or pledgee of Bonds with the same rights it would have if it were not the Trustee or such agent.

Section 3.20. Protection of the Collateral. The Issuer shall (i) prepare and file all Financing Statements to be filed on the Closing Date, instruments of further assurance and other instruments may be necessary, advisable or required under the UCC in order to at all times fully preserve, perfect, and protect the security of the Bondholders and the rights and the security interest of the Trustee hereunder and (ii) take such other action as may be necessary or advisable or desirable to secure the rights and remedies of the Holders hereunder and to: (1) grant more effectively all or any portion of the Collateral, (2) maintain and preserve the lien (and the priority thereof) of this Indenture or to carry out more effectively the purposes hereof, and (3) perfect, publish notice of or protect the validity of any grant made or to be made by this Indenture (including, without limitation, any and all actions necessary or desirable as a result of changes in law or regulations). The Trustee shall at the expense of the Issuer file any and all Financing Statements required to be filed after the Closing Date prepared by or on behalf of the Issuer and cooperate in all respects with the Issuer in connection with the foregoing. Notwithstanding any other provision, the Trustee shall have the authority, but not the obligation (except as expressly provided herein), to make any filings under the UCC to perfect the lien of this Indenture.

Section 3.21. Limitation on Transfer.

(a) Bonds and interests therein may only be issued and sold or transferred to Persons who are qualified institutional buyers (as defined in Rule 144A) purchasing the Bonds for their own account. Neither the Bonds nor any interest therein may be transferred or resold except as permitted under the Securities Act pursuant to registration or an exemption therefrom.

(b) The Bonds shall bear legends stating that they have not been registered under the Securities Act, the Issuer has not been registered under the Investment Company Act and they are subject to the transfer requirements described in this Section 3.21(a). By purchasing a Bond or any interest therein, each purchaser shall have agreed to these transfer requirements.

(c) Each purchaser of Bonds in the initial offering will be required to execute an Investor Letter of Representation substantially in the form of Exhibit D hereto, and all future holders of Bonds will be deemed to have acknowledged, represented to and agreed with the Issuer and the Initial Purchaser as follows:

(i) Such purchaser understands and expressly acknowledges that the Bonds have not been and will not be registered under the Securities Act, and accordingly, that the Bonds may not be transferred, pledged or hypothecated unless an applicable exemption from the registration requirements of the Securities Act is available.

(ii) Such purchaser confirms that any purchase of Bonds made by it will be for its own account, and not with a view to any public resale or distribution thereof. Such purchaser represents that it will at all times prior to the transfer of the Bonds by it pursuant to the terms described in this Indenture remain the sole beneficial owner of such Bonds purchased by it. Such purchaser understands the transfer restrictions imposed under this Indenture, and will only transfer as permitted, but such purchaser reserves the right to transfer the Bonds at any time in accordance with this Indenture and applicable securities laws.

(iii) Such purchaser is a “qualified institutional buyer” within the meaning of Rule 144A under the Securities Act. Such purchaser has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Bonds, and is able and prepared to bear the economic risk of investing in and holding such Bonds.

(iv) Such purchaser has received a copy of the Limited Offering Memorandum related to the Bonds acquired by such purchaser, and to the extent such purchaser has requested additional documents or information concerning the Bonds or the Collateral securing the Bonds, such purchaser has obtained such other documents or information; provided, however, such purchaser’s execution of the Investor Letter of Representation shall not constitute a waiver of any rights or remedies such purchaser may have with respect to (i) any information provided to it by the Issuer in connection with the issuance of the Bonds which is materially inaccurate or which contains a material omission or (ii) any material information or additional material documents withheld from such purchaser’s review. Such purchaser understands that the Limited Offering Memorandum speaks as of

its date and that neither the Issuer nor the Trustee has undertaken to update such Limited Offering Memorandum at any time subsequent to such date.

Section 3.22. Release Price of Property Other than Single Family Lots. The Issuer shall notify the Majority Holders of a proposed Release Price regarding any Property other than single family lots and Non-Economic Property. The Majority Holders shall have ten (10) days to request the Issuer order a third-party appraisal to confirm the proposed Release Price, at the Issuer's expense. Such third-party appraisal must be completed within forty-five (45) days of the Majority Holders' request, unless agreed upon by the Issuer and the Majority Holders. If a third-party appraisal results in (i) an appraised value of such Property being more than fifteen percent (15%) less than the Release Price, the Issuer shall provide the necessary amount to ensure the value is within fifteen percent (15%) of the Release Price or (ii) an appraised value of such Property being more than fifteen percent (15%) more than the Release Price, the proposed Release Price would be utilized. The Majority Holders waive their right to a third-party appraisal if not requested within ten (10) days of notification of the proposed Release Price.

Section 3.23. Costs of Issuance Fund. The Costs of Issuance Fund shall be funded in accordance with Section 2.11(b)(vii) hereof. All money in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay the costs of issuance pursuant to Section 2.11(b)(i) as set forth in the Closing Memorandum. Following disbursement of the amounts on deposit in the Costs of Issuance Fund, the Costs of Issuance Fund shall be closed.

ARTICLE IV.

PAYMENTS AND WITHHOLDING TAX

Section 4.1. Payment of Cash from Capitalized Interest Fund, Debt Service Fund and Reserve Fund. All amounts payable on the Bonds shall be allocated pro rata among the Outstanding Bonds.

Such payments shall be made to each Bondholder of record at the close of business on the related Record Date by wire transfer of immediately available funds to the account of such Bondholder at a bank or other entity located in the United States and having appropriate facilities therefor provided that the Trustee has received appropriate wire transfer instructions therefrom, or by check by first class mail to the address set forth therefor in the Bond Register if wiring instructions have not been received at least five (5) Business Days prior to the Interest Payment Date.

The final payment on each Bond shall be made in like manner to the Bondholders, but only upon presentment and surrender of such Bond on the Maturity Date or the Redemption Date at the location specified by the Trustee in the notice to Bondholders of such final payment or otherwise as directed by the Trustee. Any funds not distributed to any Holder or Holders of Bonds on such final payment date because of the failure of such Holder or Holders to tender their Bonds shall, on such date, be set aside and held in trust for the benefit of the appropriate non-tendering Holder or Holders. If any Bonds as to which notice has been given pursuant to this Section shall not have been surrendered for cancellation within six (6) months after the time specified in such notice, the Trustee shall mail a second notice to the remaining non-tendering Bondholders to surrender their

Bonds for cancellation to receive the final distribution with respect thereto. If within one (1) year after the second notice not all of such Bonds shall have been surrendered for cancellation, the Trustee or Issuer may, directly or through an agent, take appropriate steps to contact the remaining non-tendering Bondholders concerning surrender of their Bonds. The costs and expenses of holding such funds in trust and of contacting such Bondholders shall be paid out of such funds held in trust. All such amounts shall be held by the Trustee in trust in accordance herewith until the expiration of a two-year period following such second notice, notwithstanding any termination of the Issuer. If within two years after the second notice any such Bonds shall not have been surrendered for cancellation, the Trustee shall, subject to applicable escheat laws, transfer such funds to the Issuer and shall thereafter have no liability for such funds. No interest shall accrue or be payable to any Bondholder on any amount held in trust hereunder or by the Trustee or Issuer as a result of such Bondholder's failure to surrender its Bond(s) for final payment thereof in accordance with this Section. Any such amounts held in trust as set forth in this Section by the Trustee will remain uninvested.

Section 4.2. Withholding Tax.

(a) Any and all payments by the Trustee shall be made without deduction or withholding for any Taxes, except as required by applicable Law. If any applicable Law (as determined in the good faith discretion of the Trustee or the Issuer) requires the deduction or withholding of any Tax payable by or with respect to the Bondholders from any such payment by the Trustee, then the Trustee, or the Issuer, as the case may be, shall be entitled to make such deduction or withholding and, and the Trustee, or the Issuer, as applicable, shall timely pay the full amount deducted or withheld to the relevant Governmental Issuer in accordance with applicable Law for the account of the Bondholders. The Issuer shall not be obligated to pay any additional amounts to the Bondholders or beneficial owners of the Bonds as a result of deduction or withholding for or on account of any Taxes. The Trustee shall have no liability to the Issuer or any other Person in connection with any tax withholding amounts paid or withheld pursuant to applicable law arising from any Bondholder's failure to provide an accurate, correct and complete IRS Form W-9 or such other documentation contemplated under Section 4.2(d) hereof.

(b) Each Bondholder, by the purchase of a Bond, shall agree to severally indemnify the Trustee, upon demand therefor, for any Taxes attributable to such Bondholder that are payable or paid by the Trustee, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Issuer. A certificate as to the amount of such payment or liability delivered to any Bondholder by the Trustee shall be conclusive absent manifest error. Each Bondholder hereby authorizes the Trustee to set off and apply any and all amounts at any time owing to such Bondholder or otherwise payable by the Trustee to the Bondholder from any other source against any amount due to the Trustee under this paragraph (b).

(c) As soon as practicable after any payment of Taxes by the Issuer to a Governmental Issuer pursuant to this Section, the Issuer shall deliver to the Trustee the original or a certified copy of a receipt issued by such Governmental Issuer evidencing such payment, a copy of the return reporting such payment or other evidence of such payment as the Trustee may request.

(d) Any Bondholder that is entitled to an exemption from or reduction of withholding Tax with respect to payments on the Bonds shall deliver to the Issuer and the Trustee, at the time or times reasonably requested by the Trustee or the Issuer, such properly completed and executed documentation (including IRS Form W-9) reasonably requested by the Trustee or the Issuer as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Bondholder, if reasonably requested by the Trustee or the Issuer, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Trustee or the Issuer as will enable the Trustee or the Issuer to determine whether or not such Bondholder is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation shall not be required if the Bondholder certifies to the Issuer and the Trustee that the Bondholder has determined, in the Bondholder's reasonable judgment, such completion, execution or submission would subject such Bondholder to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Bondholder. The Trustee and Issuer may conclusively rely on any such certification and all documents provided by the Bondholder. Each Bondholder agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Trustee in writing of its legal inability to do so.

(e) Each party's obligations under this Section shall survive the resignation or replacement of the Trustee or any assignment of rights by a Bondholder and the repayment, satisfaction or discharge of all obligations under any Transaction Document or the Membership Pledge Agreement.

ARTICLE V.

THE TRUSTEE

Section 5.1. Respective Liabilities of the Trustee. The Trustee hereby accepts the trusts imposed upon it by this Indenture and agrees to perform said trusts as a corporate trustee ordinarily would perform said trusts under a corporate indenture, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) Before the occurrence or an Event of Default and after the curing or all Events of Default which may have occurred, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. If any Event of Default shall have occurred and be continuing, the Trustee shall exercise such or the rights and powers vested in it by this Indenture and shall use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs in exercising any rights or remedies or performing any of its duties hereunder.

(b) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys or receivers and shall not be responsible for any misconduct or negligence on the part of any agent, attorney or receiver appointed or chosen by it with due care, and the Trustee shall be entitled to conclusively rely and

act upon the Opinion of Counsel or at the advice of counsel, who may be counsel to the Issuer, concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys and receivers as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith in reliance upon such Opinion of Counsel or advice of counsel.

(c) The Trustee shall not be responsible for any recital herein or in the Bonds (except with respect to the Certificate of Authentication of the Trustee endorsed on the Bonds), or for the recording or re-recording, filing or re-filing of this Indenture or any initial Financing Statement in connection therewith, or for insuring the Project or collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplemental trust indenture agreement or instruments of further assurance, or for the sufficiency or the security or the Bonds. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment or funds made in accordance with this Indenture.

(d) The Trustee makes no representations as to the value or condition of the Collateral held hereunder or any part thereof or as to the validity or sufficiency of this Indenture or of the Bonds. The Trustee shall not be accountable for the use or application of any Bonds or the proceeds thereof or of any money paid to or upon the order or the Issuer under any provision of this Indenture or the Deed of Trust. The Trustee, in its individual or any other capacity, may become the Bondholder or pledgee of Bonds with the same rights that it would have if it were not Trustee.

(e) The Trustee may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, affidavit, letter, or other paper or document provided pursuant to this Indenture, if the Trustee believes such to be genuine and correct and to have been signed, presented or sent by the proper person or persons. The Trustee may rely conclusively on any such certificate or other document and shall not be required to make any independent investigation in connection therewith. Any action taken by the Trustee pursuant to this Indenture, upon the request, authority or consent of any person who at such time is a Bondholder, shall be conclusive and binding upon all future Bondholders of the applicable Bonds.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, or whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established before taking, suffering or omitting any action hereunder, the Trustee shall be entitled to conclusively rely upon an Officer's Certificate as sufficient evidence of the facts therein contained, and before the occurrence of a default of which the Trustee has been notified as provided in this Section or an Event of Default pursuant to Section 8.1(a) hereof, the Trustee shall also be at liberty to accept and to conclusively rely upon a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its gross negligence or willful misconduct.

(h) At any and all reasonable times, the Trustee, the Bondholders and their duly authorized agents, attorneys, experts, engineers, accountants, and representatives shall have the right, but shall not be required, to inspect any and all of the Project, and all books, papers and records of the Issuer pertaining to the Project and the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(i) The Trustee shall not be required to give any bond or surety in respect to the execution of its trusts and powers hereunder or otherwise in respect of the Bonds.

(j) The Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture (other than making payments on the Bonds), any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(k) Before taking any action under this Indenture (other than making any payment of principal, premium or interest on the Bonds), the Trustee may require that a satisfactory indemnity be furnished to it for the payment or reimbursement of all costs and expenses (including, without limitation, attorney's fees, and expenses) to which it may be put and to protect it against all liability which it may incur in or by reason of such action, except liability which is finally adjudicated to have been directly caused by its gross negligence or willful misconduct.

(l) Notwithstanding any other provision of this Indenture to the contrary, any provision relating to the conduct of, intended to provide authority to act, right to payment of fees and expenses, protection, immunity and indemnification to the Trustee, shall be interpreted to include any action of the Trustee, whether it is deemed to be in its capacity as Trustee or paying agent.

(m) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, the Limited Offering Memorandum, or any other disclosure material prepared or distributed with respect to the Bonds and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(n) None of the provisions of this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

(o) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it, in good faith and in accordance with the direction of Majority Holders, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

(p) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default, except for an Event of Default described under Section 8.1(a) hereof, unless the Trustee shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the Issuer or by Holders of 25% or more of the aggregate Outstanding Bond Amount. In the absence of delivery of a notice satisfying those requirements, the Trustee may assume conclusively that there is no Event of Default, except as noted above.

(q) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Indenture shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and rights to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of this Indenture, and final payment of the Bonds.

(r) The Trustee may inform any Bondholder of environmental hazards that the Trustee has reason to believe exist, and the Trustee has the right to take no further action and, in such event no fiduciary duty exists which imposes any obligation for further action by the Trustee with respect to the real property held hereunder or any portion thereof, if the Trustee, in its individual capacity, determines that any such action would materially and adversely subject the Trustee to environmental or other liability for which the Trustee has not been adequately indemnified. The Trustee shall not be responsible or liable for the environmental condition related to the improvements to any real property or for diminution in value of the same, or for any claims by or on behalf of the owners thereof as the result of any contamination by a hazardous substance, hazardous material, pollutant, or contaminant. The Trustee assumes no duty or obligation to assess the environmental condition of any improvements or with respect to compliance thereof under State or federal laws pertaining to the transport, storage, treatment, or disposal of hazardous substances, hazardous materials, pollutants, or contaminants or regulations, permits, or licenses issued under such laws.

(s) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(t) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, pandemics, epidemics, recognized public emergencies, quarantine restrictions, hacking or cyber-attacks, or other use or infiltration of the Trustee's technological infrastructure exceeding authorized access, accidents, acts or war or terrorism, civil or military disturbances, nuclear or natural catastrophes

or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services.

Section 5.2. Fees, Charges, Costs and Expenses of the Trustee. The Trustee shall be entitled to its fees and expenses for its ordinary services as Trustee, paying agent and registrar, to the extent not already satisfied on the Closing Date. If it should become necessary that the Trustee perform extraordinary services, the Trustee shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable extraordinary expenses in connection therewith; provided that, if such extraordinary services or extraordinary costs and expenses are occasioned by the gross negligence or willful misconduct of the Trustee, it shall not be entitled to compensation or reimbursement therefor. The Trustee shall have a first lien with right of payment before payment on account of principal of or interest on any Bond, upon all moneys in its possession under any provisions hereof for the foregoing reasonable advances, fees, costs, and expenses incurred and its indemnification rights hereunder. The Trustee's right to compensation and indemnification shall survive the satisfaction and discharge of this Indenture or its resignation or removal hereunder and payment in full of the Bonds.

Section 5.3. Notice to Bondholders if Default Occurs. If an Event of Default occurs of which the Trustee has notice or if notice of an Event of Default be given as provided herein, then the Trustee shall, within five (5) days, give written notice thereof to the last known Bondholders then Outstanding as shown by the bond registration books to be kept at the Corporate Trust Office of the Trustee, unless such Event of Default has been cured or waived.

Section 5.4. Intervention by the Trustee. In any judicial proceeding to which the Issuer is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Bondholders, the Trustee may intervene on behalf of Bondholders and, subject to the provisions hereof concerning its right to indemnification, shall do so if requested in writing by Holders of 25% or more of the aggregate Outstanding Bond Amount.

Section 5.5. Successor Trustee Upon Merger, Consolidation or Sale. Any corporation or association into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

Section 5.6. Resignation of the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving thirty (30) days' written notice to the Issuer and the Bondholders, and such resignation shall take effect at the end of such thirty (30) days, or upon the earlier appointment of a successor Trustee in accordance with Section 5.8 hereof; provided that, notwithstanding the foregoing, no resignation shall become effective until a successor Trustee has been appointed and accepted such appointment in accordance with this Indenture.

Section 5.7. Removal of the Trustee. The Trustee may be removed at any time, with or without cause, by an instrument or concurrent instruments in writing (a) delivered to the Trustee and the Issuer and signed by the Majority Holders or (b) so long as no Event of Default has occurred and is continuing under this Indenture or any other Transaction Document shall have occurred and be continuing, delivered to the Trustee and signed by the Issuer, with the written consent of the Majority Holders. No removal shall become effective until a successor Trustee has been appointed and accepted such appointment in accordance with this Indenture.

Section 5.8. Appointment of Successor Trustee. If the Trustee resigns pursuant to Section 5.6 hereof, is removed pursuant to Section 5.7 hereof, otherwise becomes incapable of acting hereunder, or if the Trustee is taken under the control of any public officer(s) or a receiver, conservator or similar officer is appointed with respect to the Trustee, a successor Trustee shall be appointed by the Majority Holders and, if no Event of Default has occurred and is continuing, with the consent of the Issuer (not to be unreasonably withheld, conditioned or delayed), by an instrument or concurrent instruments in writing; provided that, in case of such vacancy, the Issuer may appoint a temporary Trustee until a successor Trustee is appointed pursuant to this Section 5.8. Any temporary Trustee shall immediately and without further acts be superseded by a successor Trustee appointed pursuant to this Section 5.8. A successor Trustee appointed pursuant to this Section 5.8 shall be a trust company or bank in good standing and qualified to accept such trust having, or whose obligations are guaranteed by a financial institution having, a reported capital, surplus and undivided profits of not less than \$50,000,000. If a successor Trustee is not appointed or does not accepted its appointment within thirty (30) days of the Trustee's resignation, removal, incapacity or the occurrence of a vacancy in the office of the Trustee, the Trustee or any Bondholder may petition any court of competent jurisdiction for the appointment of a successor.

Section 5.9. Vesting of Trusts in Successor Trustee. Each successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed or conveyance, become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor and the duties and obligations or such predecessor hereunder shall thereafter cease and terminate; but such predecessor shall, upon the payment of the fees and expenses owed to the predecessor, nevertheless, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder; every predecessor Trustee shall deliver all securities and moneys and other property held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any predecessor or successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

Section 5.10. Rights of the Trustee to Pay Taxes and Other Charges. In case any tax, assessment or governmental or other charge upon, or insurance premium with respect to, any part of the Property is not paid as required herein or in the Deed of Trust, the Trustee may pay such tax, assessment or governmental charge or insurance premium, without prejudice, however, to any rights of the Trustee or the Bondholders hereunder arising in consequence of such failure; any amount at any time so paid under this Section, with interest thereon from the date of payment at

the lesser of (a) 10% per annum or (b) the highest rate permitted by law, shall become an additional obligation secured by this Indenture, and the same shall be given a preference over any payment of the Bonds, and shall be paid out of the proceeds of rents, revenues and receipts collected from the Property, if not otherwise caused to be paid, but the Trustee shall be under no obligation to make any such payment unless it shall have been requested to do so by Holders of 25% or more of the aggregate Outstanding Bond Amount and shall have been provided adequate funds for the purpose of such payment.

Section 5.11. Trustee Entitled to Indemnity.

(a) The Issuer agrees to indemnify the Trustee, its officers, directors, employees, agents and affiliates (collectively, the “*Indemnitees*”) for, and to defend and hold them harmless against, any loss, liability, damages, claims, proceedings, suits, demands, penalties, costs and expenses, including without limitation, the costs and expenses of outside and in house counsel and experts and their staffs and all expenses of document location, duplication and shipment and of preparation to defend and defending any of the foregoing (“*Losses*”), that may be imposed on, incurred by or asserted against any Indemnatee in respect of (i) this Indenture and any Transaction Document, (ii) the Trustee’s execution, delivery and performance of this Indenture, except in respect of any Indemnatee to the extent such Indemnatee’s gross negligence or bad faith directly caused such Loss (as determined in a final order by a court of competent jurisdiction), and (iii) compliance with or attempted compliance with or reliance on any instruction or other direction upon which the Trustee may rely under this Indenture or any instrument related thereto. The Issuer further agrees to indemnify the Indemnitees against any Losses as a result of (1) any untrue statement or alleged untrue statement of any material fact or the omission or alleged omission to state a material fact necessary to make the statements made not misleading in any statement, information or material furnished by the Issuer to the Trustee or the Bondholders by the Issuer, including, but not limited to, any disclosure document utilized in connection with the sale of any Bonds; or (2) the inaccuracy of the statements contained in any section of the Deed of Trust relating to environmental representations and warranties. The foregoing indemnification shall include, without limitation, indemnification for any statement or information concerning the Issuer or its officers and board members or its property contained in any offering document furnished to the Trustee or any Bondholder by the Issuer that is untrue or incorrect in any material respect, and any omission from such offering document of any statement or information which should be contained therein for the purpose for which the same is to be used or which is necessary to make the statements therein concerning the Issuer, its officers and board members and its property not misleading in any material respect. The foregoing is in addition to any other rights, including rights to indemnification, to which the Trustee may otherwise be entitled, including without limitation, pursuant to the Deed of Trust. The provisions of this Section 5.11(a) shall survive the satisfaction and discharge of this Indenture, the resignation or removal of the Trustee and the payment of all Bonds hereunder.

(b) The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction by the Bondholders against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own

negligence or willful misconduct; provided, however, that in no event shall the Trustee request, require or be entitled to indemnification as a condition to making scheduled debt service payments prior to the occurrence of a default.

ARTICLE VI.

SATISFACTION AND DISCHARGE

Section 6.1. Satisfaction and Discharge. This Indenture shall be discharged and shall cease to be of further effect with respect to the Collateral securing the Bonds except as to (i) rights of registration of transfer and exchange, (ii) substitution of mutilated, defaced, destroyed, lost or stolen Bonds, (iii) rights of the Bondholders to receive payments of principal thereof and interest thereon as provided herein, (iv) the rights, indemnities and immunities of the Trustee Personnel and the Trustee, and (v) the rights of Bondholders as beneficiaries hereof with respect to the property deposited with the Trustee on their behalf and payable to all or any of them; and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when:

(a) the redemption price for the Bonds has been paid by the Issuer in accordance with this Indenture, and all Bonds theretofore authenticated and delivered (other than (i) Bonds which have been mutilated, defaced, destroyed, lost or stolen and which have been replaced or paid as provided herein and (ii) Bonds for whose payment money has theretofore irrevocably been deposited in trust with the Trustee) have been repaid in full and delivered to the Trustee for cancellation; and

(b) the Issuer has paid or caused to be paid or provided for (to the satisfaction of the Person entitled thereto) all other sums (including, without limitation, any fees or expenses reimbursable to the Issuer and any other outstanding fees, indemnities or expenses) payable to each and every Person pursuant to the Transaction Documents; and

(c) the Issuer has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent herein relating to the satisfaction and discharge of this Indenture, the Membership Pledge Agreement and the other Transaction Documents have been complied with and that such satisfaction and discharge is authorized and permitted by this Indenture.

Notwithstanding the satisfaction and discharge of this Indenture, the rights and obligations of the Issuer, the Trustee Personnel, the Trustee, the Initial Purchaser and, if applicable, the Bondholders, as the case may be, that expressly provide that they shall survive termination of this Indenture and/or the other Transaction Documents shall survive.

Section 6.2. Application of Trust Money. All monies deposited with the Trustee pursuant to Section 6.1 hereof shall be held in trust and applied in accordance with the provisions of the Bonds, this Indenture and the other Transaction Documents to the payments on or the payment of the Bonds and all other sums payable by the Issuer to each and every Person pursuant to the Transaction Documents, either directly or through the Trustee, as the Trustee may determine.

On the Maturity Date, all amounts on deposit in the Debt Service Fund shall be applied pursuant to Section 3.2 hereof.

ARTICLE VII.

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE ISSUER

Section 7.1. Representations and Warranties of the Issuer. In addition to any other representation and warranty of the Issuer herein, the Issuer represents and warrants, as of the date hereof, as follows:

(a) The Issuer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Texas, is duly qualified, authorized and licensed to transact business in the State of Texas, and has full corporate power and authority to own its properties, to conduct its business as now being conducted and to issue and deliver the Bonds.

(b) All of the documents, instruments and written information furnished by or on behalf of the Issuer to the Trustee or the Initial Purchaser in connection with the issuance of the Bonds are true and correct in all material respects and do not omit or fail to state any material facts necessary or required to be stated therein to make the information provided not misleading.

(c) No event of default or event which, with notice or lapse of time or both, would constitute an event of default or a default under any agreement or instrument to which the Issuer is a party or by which the Issuer is bound or to which any of the property or assets of the Issuer is subject, and which would have a material adverse effect on the Issuer or which would impair its ability to carry out its obligations under the Transaction Documents has occurred and is continuing; neither the execution nor the delivery by the Issuer of the Transaction Documents to which it is party, nor the consummation of any of the transactions herein and therein contemplated nor the fulfillment of, or compliance with, the terms and provisions hereof or thereof, will contravene the Issuer's organizational documents or will conflict with, in any way which is material to the Issuer, or result in a breach of, any of the terms, conditions or provisions of, or constitute a default under, any corporate or limited liability company restriction or any bond, debenture, note, mortgage, indenture, agreement or other instrument to which the Issuer is a party or by which the Issuer is bound or to which any of the property or assets of the Issuer is subject, or any law or any order, rule or regulation (applicable as of the date hereof to the Issuer) of any court, or regulatory body, administrative agency or other governmental body having jurisdiction over the Issuer or its properties or operations, or will result in the creation or imposition of a prohibited lien, charge or other security interest or encumbrance of any nature, other than the Permitted Encumbrances, upon any property or asset of the Issuer under the terms of any such restriction, bond, debenture, note, mortgage, indenture, agreement, instrument, law, order, rule or regulation.

(d) There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or threatened wherein an adverse decision, ruling or finding (i) would result in any material adverse change in the condition (financial or otherwise), results of operations, business or prospects of the Issuer or which would materially and adversely affect the properties of the Issuer, or (ii) would materially and adversely

affect the transactions contemplated by, or the validity or enforceability of, the Transaction Documents to which it is a party.

(e) The Issuer has full corporate power and authority to execute and deliver the Transaction Documents to which the Issuer is a party and has full power and authority to perform its obligations hereunder and thereunder and engage in the transactions contemplated by the Transaction Documents to be executed by it. The Transaction Documents to which the Issuer is a party have been duly authorized, executed and delivered by the Issuer and each constitutes a legal, valid and binding obligation of the Issuer, enforceable in accordance with its terms (except that (i) the enforceability of such Transaction Documents may be limited by bankruptcy, reorganization, insolvency, fraudulent transfer, moratorium or other similar laws of general application relating to the enforcement of creditors' rights and principles of equity, and (ii) the indemnification provisions contained herein or therein may be limited by applicable securities laws and public policy).

(f) No consents, approvals, including federal tax related approvals, authorizations or any other actions by any governmental or regulatory authority that have not been obtained or taken are required for the issuance and sale of the Bonds, the execution and delivery of the Transaction Documents by the Issuer, the construction, ownership and operation of the Project or the consummation of the other transactions contemplated by the Transaction Documents.

(g) All Lot Sale Contracts and Assignments entered into as of the Closing Date have been duly executed by the Issuer, assigned to the Issuer in strict accordance with the terms of the applicable Lot Sale Contract and Assignment, have been further assigned to the Trustee, all necessary notices and consents, if any, have been duly obtained and provided to the Trustee in accordance with the applicable Lot Sale Contract and Assignment, and executed copies of such Lot Sale Contracts and Assignments and assignments thereof delivered to the Trustee as of the Closing Date. If any Lot Sale Contracts and Assignments are executed after the Closing Date, the Issuer shall deliver executed copies of such Lot Sale Contracts and Assignments to the Trustee within ten (10) Business Days of execution and delivery thereof, and the Issuer shall provide the Trustee an updated a list of Lot Sale Contracts and Assignments in the form of Exhibit B.

(h) The Issuer has good and marketable title to the Property free and clear from all encumbrances other than Permitted Encumbrances.

(i) Any Officer's Certificate of the Issuer with respect to financial matters delivered to the Trustee or Bondholders shall be deemed a representation and warranty by the Issuer as to the statements contained therein as if made in this Section 7.1(i).

(j) The Issuer has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the Collateral that ranks on a parity with or prior to the lien granted hereunder that will remain outstanding on the Closing Date. The Issuer has not described the Collateral in a Financing Statement that will remain effective on the Closing Date.

Section 7.2. Negative Covenants. The Issuer shall not:

(a) claim any credit on, make any deduction from, or dispute the enforceability of, the payment of the principal or interest payable in respect of the Bonds (other than amounts

required to be paid, deducted or withheld in accordance with any applicable law or regulation of a Governmental Issuer as provided herein) or assert any claim against any present or future Bondholder by reason of the payment of any taxes or assessments levied or assessed upon any part of the Collateral;

(b) (A) permit the validity or effectiveness of this Indenture, the Deed of Trust or any other Transaction Document to be impaired, or permit the lien of this Indenture, the Deed of Trust or any other Transaction Document to be amended, hypothecated, subordinated, terminated or discharged, or permit any Person to be released from any covenants or obligations with respect to this Indenture, any other Transaction Documents or the Bonds, (B) except as may be expressly permitted in this Indenture, permit any lien, charge, adverse claim, security interest, or other encumbrance (other than the lien of this Indenture, the Deed of Trust and/or the other Transaction Documents) to be created on or extend to or otherwise arise upon or burden the Collateral or any part thereof, any interest therein or the proceeds thereof, or (C) take any action that would permit the lien of this Indenture, the Deed of Trust and/or any other Transaction Document, in each case, to be impaired as to validity or priority in the Collateral (subject to the liens of the Trustee pursuant to Sections 5.2, 5.10 and 5.11 hereof);

(c) engage in any modification of the Bonds that would cause the Bondholders previously issued Bonds to be deemed to have sold or exchanged such Bonds under Section 1001 of the Code;

(d) enter into any agreements unless such agreements contain customary “non-petition” and “limited recourse” provisions;

(e) permit the formation of any subsidiaries (other than the Foreclosure Vehicle);

(f) sell, transfer, exchange or otherwise dispose of Collateral, or enter into or engage in any business with respect to any part of the Collateral, except as expressly permitted or required by this Indenture and the other Transaction Documents;

(g) incur any indebtedness (whether secured or unsecured), other than as permitted by the Transaction Documents, or enter into any swap, derivative transaction or similar transaction or, as long as any Bonds would remain Outstanding thereafter, enter into any Financing;

(h) not divert any part of the proceeds from the issuance of the Bonds or proceeds derived from the Lot Sale Contracts and Assignments for a purpose or purposes other than those for which it is organized and operated in accordance with the Issuer LLC Agreement; and

(i) make or suffer to exist any pledge or assignment of, lien on, or security interest in the Collateral, or file any financing statement describing any such pledge, assignment, lien or security interest against any part of the Collateral, except as expressly permitted by the Transaction Documents.

Section 7.3. Separateness and Other Covenants. The Issuer shall:

(a) hold itself out to the public and all other Persons as a legal entity separate and distinct from any other Person (including any Affiliate), correct any known misunderstanding regarding its status as a separate entity, conduct business solely in its own name, and not identify itself as a division of any of its Affiliates or any of its Affiliates as a division of the Issuer (except for income tax purposes);

(b) not permit its name to be used by any Affiliate of the Issuer in the conduct of such Affiliate's business, and not use the name of any Affiliate in the conduct of the Issuer's business;

(c) file its own tax returns, if any, as may be required under applicable law, to the extent (i) not part of a consolidated group filing a consolidated return or returns or (ii) not treated as a division for tax purposes of another taxpayer, and pay any taxes required to be paid under applicable law;

(d) maintain all of its books, records, and financial statements separate from those of any Affiliate, except that such financial statements may be consolidated to the extent consolidation is required by law or modified cash basis accounting as long as such financial statements make clear that the Issuer is separate from each Affiliate;

(e) separately identify the assets of the Issuer, separately maintain and segregate the assets of the Issuer, and not commingle the assets of the Issuer with those of any other Person;

(f) maintain its assets in such a manner that it would not be costly or difficult to identify, segregate or ascertain its assets from those of any other Person;

(g) maintain bank accounts that are separate from those of any other Person;

(h) comply with all corporate formalities to maintain and preserve its separate existence, including holding meetings of or obtaining the consent of its member, as appropriate, and maintaining separate current and accurate minute books;

(i) other than organizational expenses, pay its own debts, liabilities, and expenses only out of its own funds, and pay the salaries of its own employees, if any;

(j) maintain an arm's length relationship with its Affiliates, and not enter into any transaction with any Affiliate unless such transaction is (i) on such terms and conditions (including terms relating to amounts paid thereunder) as would be generally available if such business transaction were with an entity that was not an Affiliate in comparable transactions, and (ii) pursuant to enforceable written agreements;

(k) not hold out its credit or assets as being available to satisfy the obligations of others nor guarantee the obligation of any Person;

(l) allocate fairly and reasonably any overhead for office space that it shares with any Affiliate and the costs of services performed for the Issuer by an Affiliate or an employee of an Affiliate;

(m) use stationery, invoices and checks that are separate from those of any other Person, and have a tax identification number that is separate from those of any other Person;

(n) not grant a security interest in its assets to secure the obligations of any other Person;

(o) maintain adequate capital in light of its contemplated business purpose, transactions, and liabilities (provided, that no member of the Issuer shall have any obligation to make any contribution of capital to the Issuer);

(p) not, directly or indirectly, engage in any business or activity other than the actions that are both (i) required or permitted to be performed under its organizational documents and (ii) permitted by the terms of the Transaction Documents;

(q) not incur any indebtedness, liability, obligation, or expense, or own any assets, other than in each case those that are both (i) necessary to achieve the purposes set forth in its organizational documents and (ii) permitted by the Transaction Documents;

(r) not make or permit to remain outstanding any loan or advance to, or own or acquire any stock or securities of, any Person, other than as permitted by the Transaction Documents;

(s) maintain complete records of all transactions (including all transactions with any Affiliate);

(t) comply with all requirements of applicable law regarding its operations and comply with the provisions of its organizational documents;

(u) not form, acquire, or hold any subsidiary (other than the Foreclosure Vehicle);

(v) cause the directors, officers, agents and other representatives of the Issuer to act at all times with respect to the Issuer consistently and in furtherance of the foregoing and in the best interests of the Issuer;

(w) promptly take such action (including, but not limited to, the payment of money) as may be necessary to prevent any lien, encumbrance or charge of any kind based on any claim of any kind (including, without limitation, any claim for income, franchise or other taxes, whether federal, state or otherwise) to remain effective against the Collateral or any order (whether or not valid) of any court entered with respect to the Collateral, which lien, encumbrance, charge or order either exceeds \$100,000.00 or would:

(i) interfere with the due payment of principal and interest on the Bonds pursuant to the applicable provisions hereof,

(ii) subject the Bondholders to any obligation to refund any principal of or interest on any Bond, or

(iii) result in the refusal of the Trustee to make payments as required pursuant to Section 3.2 hereof because of the Trustee's reasonable determination that liability might be incurred by the Trustee if such payment were to be made;

(x) from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention or facilitating the performance of this Indenture, and act and cooperate so that this Indenture, any financing statements and all supplements thereto, and any other instruments as may be required from time to time to be kept, shall be recorded and filed in such manner and in such places as may from time to time be required by law in order fully to preserve and protect the security of the Bondholders and the rights of the Trustee herein;

(y) maintain its existence as a limited liability company, not dissolve, sell or dispose of all or substantially all of its assets (other than in compliance with the terms of this Indenture), combine or consolidate with or merge into any entity without the prior written consent of the Majority Holders.

Section 7.4. Issuer's Further Assurance. The Issuer covenants that it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered by the parties within its control, such instruments supplemental hereto and such further acts, instruments, and transfers as the Trustee may reasonably require for the better assuring, transferring, mortgaging, conveying, pledging, assigning, and confirming unto the Trustee, the Issuer's interest in and to all interests, revenues, proceeds, and receipts pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds in the manner and to the extent contemplated herein.

Section 7.5. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account prepared in accordance with corporate trust accounting standards, in which complete and accurate entries shall be made of all transactions relating to the receipt, investment, disbursement, allocation and application of the proceeds of the Bonds, the Collateral and all funds and accounts established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Issuer and any Bondholder, or his or her agent or representative duly authorized in writing, at reasonable hours and under reasonable circumstances. The book and records described in this subsection shall be maintained by the Trustee until four years after no Bonds are Outstanding.

Section 7.6. Administration of Collateral. The Issuer shall not consent to an amendment, modification or termination of any of the terms of the Collateral without the prior consent of the Majority Holders.

Section 7.7. (Reserved).

Section 7.8. Waiver Concerning Bond Proceeds. Issuer acknowledges that the consideration it has received from Holders by way of their purchase of the Bonds and that some or all of monies in the Funds comprising a portion of the Collateral pledged to repay the Bonds were generated from such purchase (the "**Bond Proceeds**"). Therefore, if the Issuer should file or

be the subject of any other petition under the Bankruptcy Code or any other present or future law relating to bankruptcy, insolvency, reorganization, arrangement, composition, readjustment, liquidation, dissolution, conservatorship, receivership or similar relief for debtors (the Bankruptcy Code and any such other law being referred to herein as an “**Insolvency Law**”), or if the Issuer shall otherwise commence or be the subject of any other case or proceeding under any Insolvency Law, only the Trustee shall have rights relative to the Bond Proceeds, and neither the Issuer nor its members shall make any claim therefor including, without limitation, any claim or assertion that the Bond Proceeds are property of the Issuer’s bankruptcy or receivership estate. The foregoing acknowledgment and waiver shall be effective to the maximum extent permitted by and enforceable under applicable law.

ARTICLE VIII.

EVENTS OF DEFAULT

Section 8.1. Events of Default. An “**Event of Default**” means: any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) a default in the payment of the principal of or interest on the Bonds when due hereunder;

(b) Issuer shall disavow, revoke or terminate this Indenture or any other Transaction Document to which it is a party, or shall otherwise challenge or contest in any action, suit or proceeding in any court or before any Governmental Issuer the validity or enforceability of any of the foregoing;

(c) a Bankruptcy Event occurs with respect to the Issuer;

(d) except as otherwise specifically provided in this Section 8.1, a default in the performance or breach of any covenant or agreement by the Issuer under any of the Transaction Documents and the passage of any grace periods contained herein or therein (if applicable), in each case, beyond the period (if any) specified in such covenant or agreement unless such default or breach is susceptible to cure and the Issuer corrects such breach or violation within thirty (30) days of the earlier of (x) notice thereof from Trustee or (y) the date Issuer becomes aware of such default or breach;

(e) any representation or warranty made herein, or in any certificate, report, financial statement or other instrument or document furnished to Trustee by the Issuer in connection with the Bonds shall have been false or misleading in any material adverse respect, unless the Issuer cures the same within thirty (30) days of the earlier of (i) notice thereof from Trustee or (ii) the date Issuer becomes aware that such representation or warranty was false or misleading;

(f) if the Issuer becomes listed on any list promulgated under the Patriot Act or is convicted on charges involving money laundering or predicate crimes to money laundering in violation of Section 9.12 hereof;

(g) the Issuer becomes the subject of Sanctions or is indicted, arraigned or custodially detained on charges involving Sanctions, money laundering or predicate crimes to money laundering;

(h) one or more final, non-appealable judgments are entered against the Issuer in an aggregate amount greater than \$1,000,000, which, in each case, is not paid, bonded or otherwise satisfied in full within one-hundred twenty (120) days following the date such judgment was entered;

(i) failure of the Issuer to provide funds to the Trustee for the redemption of Bonds on any Redemption Date if required pursuant to Sections 2.3(b), (c) or (d) hereof;

(j) failure of the Issuer to comply with Sections 2.14, 7.2(h), 7.2(i) or 9.12 hereof; or

(k) failure of the Issuer to maintain on deposit in the Reserve Fund an amount equal to the Reserve Fund Amount on each Interest Payment Date.

Upon the Issuer's obtaining actual knowledge of the occurrence of an Event of Default, the Issuer shall give prompt written notice thereof to the Trustee. Upon receipt of such written notification by an Authorized Officer, the Trustee shall promptly notify the Bondholders of the occurrence of such Event of Default. Any Bondholder may also notify the Trustee in writing of any Event of Default of which any Bondholder becomes aware.

Section 8.2. Acceleration of Maturity; Rescission and Annulment.

(a) If an Event of Default has occurred and is continuing (other than an Event of Default specified in Section 8.1(c)), then the Trustee may (and shall at the direction of Holders of 25% or more of the aggregate Outstanding Bond Amount) declare the principal of, accrued and unpaid interest on, and other amounts payable under, all the Bonds to be immediately due and payable. If an Event of Default described in Section 8.1(c) occurs, such an acceleration shall occur automatically and without any further action.

(b) At any time after such a declaration of acceleration of maturity of the Bonds has been made and before a judgment or decree for payment of the Bonds has been obtained by the Trustee as provided in this Article VIII, the Majority Holders, by written notice to the Issuer and the Trustee, may rescind and annul such declaration and its consequences. At any such time that the Majority Holders shall rescind and annul such declaration and its consequences as permitted hereinabove, the Trustee shall be entitled to preserve the Collateral in accordance with this Indenture and the other Transaction Documents with respect to the Event of Default that gave rise to such declaration; provided that, if such preservation of the Collateral is subsequently rescinded by the Majority Holders, the Bonds may be accelerated pursuant to Section 8.2(a) hereof, notwithstanding any previous rescission and annulment of a declaration of acceleration pursuant to this Section 8.2(b). No such rescission shall affect any subsequent default or Event of Default or impair any right consequent thereon (including without limitation, any right to accelerate the maturity of the Bonds).

(c) Majority Holders of the aggregate Outstanding Bond Amount shall have the right to direct the Trustee in the conduct of any proceedings for any remedy available to the Trustee; provided that, (i) such direction will not conflict with any rule of law, this Indenture (including the limitations described in this Article VIII) or any other Transaction Document; (ii) the Trustee may take any other action not inconsistent with such direction; and (iii) the Trustee has been provided with an indemnity and security acceptable to it (and the Trustee need not take any action that it determines might involve it in liability unless the Trustee has received indemnity and security acceptable to it against any such liability).

Section 8.3. Collection of Indebtedness; Suits for Enforcement.

(a) The Issuer covenants that if a default or Event of Default shall occur in respect of amounts due on the Bonds when due and payable, the Issuer shall, upon demand of the Trustee, pay to the Trustee solely from the Collateral, for the benefit of the Holders of the Bonds, the redemption price then due and payable on the Bonds, to the extent that payments of such interest shall be legally enforceable, and, in addition thereto, such further amounts as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel engaged in connection therewith. If the Issuer fails to pay such amounts forthwith upon such demand, the Trustee may, subject to the terms of this Indenture, (i) institute a proceeding for the collection of the sums so due and unpaid, (ii) prosecute such proceeding to judgment or final decree, and (iii) enforce the same against the Issuer or any other obligor upon the Bonds and collect the monies adjudged or decreed to be payable in the manner provided by law out of the Collateral.

(b) If an Event of Default occurs and is continuing, the Trustee (i) may, in its discretion, proceed to protect and enforce the rights of Bondholders by such appropriate proceedings as the Trustee shall deem most effectual and (ii) if directed by Holders of 25% or more of the aggregate Outstanding Bond Amount and indemnified to its satisfaction, shall, subject to Article V hereof, proceed to protect and enforce its rights and the rights of the Bondholders for the specific enforcement of any covenant or agreement under the Membership Pledge Agreement or the Transaction Documents, to exercise any power granted herein, or to enforce any other remedy or legal or equitable right vested in the Trustee under the Membership Pledge Agreement or Transaction Documents or the law.

(c) In case there shall be pending proceedings relative to the Issuer under the Bankruptcy Code or any other applicable bankruptcy, insolvency or other similar law, or in case a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of the Issuer, or their respective property, or in case of any other comparable proceedings relative to the Issuer, or the creditors or property of the Issuer, the Trustee, regardless of whether the principal of or interest on any Bonds shall then be due and payable as therein expressed or by declaration or otherwise and regardless of whether the Trustee shall have made any demand pursuant to the provisions of this Section 8.3, shall be entitled and empowered subject, in each case, to receipt of written direction and instruction from the Majority Holders, by intervention in such proceedings or otherwise:

(i) to file a claim or claims for the whole amount owing and unpaid in respect of the Bonds and to file such other papers or documents and take such actions as

may be necessary or advisable in order to have all claims related to the Bonds allowed in any proceedings relative to the Issuer or other obligor upon the Bonds or to the creditors or property of the Issuer or such other obligor;

(ii) unless prohibited by applicable law, to vote on behalf of the Bondholders or the Issuer in any election of a trustee or a standby trustee in arrangement, reorganization, liquidation or other bankruptcy or insolvency proceedings or Person performing similar functions in comparable proceedings; and

(iii) to collect and receive any monies or other property payable to or deliverable on any such claims, and to distribute all amounts received with respect to such claims as required by this Indenture and the other Transaction Documents; and any trustee, receiver or liquidator, custodian or other similar official is hereby authorized by each of the Bondholders to make payments to the Trustee.

(d) The Trustee shall have no liability for any inaction during the pendency of any proceeding under the Bankruptcy Code, if the Trustee fails to take any required action as a result of the fact that the Trustee has not received instruction from Holders under this Section 8.3 and Holders (on a pro rata basis, but in a form satisfactory to the Trustee) shall indemnify the Trustee for any losses the Trustee may have suffered as a result of failing to take any required action because the Trustee had not received timely instruction from (i) Holders of 25% or more of the aggregate Outstanding Bond Amount or (ii) Majority Holders, as applicable.

Section 8.4. Remedies.

(a) If an Event of Default shall have occurred and be continuing, the Trustee may, to the extent permitted by applicable law and indemnified as further described herein, exercise one or more of the following rights, privileges and remedies (which, for the avoidance of doubt, may be exercised concurrently):

(i) exercise all of the rights, privileges and remedies provided under Article VIII of this Indenture;

(ii) institute proceedings for the collection of all amounts then payable on the Bonds or otherwise payable under this Indenture and the other Transaction Documents, whether by declaration or otherwise, enforce any judgment obtained, and collect from the Collateral any monies adjudged due;

(iii) institute proceedings from time to time for the complete or partial foreclosure (or similar realization) on the Collateral;

(iv) exercise any remedies of a secured party under the UCC and take any other appropriate action to protect and enforce the rights and remedies of the Trustee and the Bondholders hereunder;

(v) file a petition for a receiver of the Issuer or the Collateral or both;
and

(vi) exercise any other rights and remedies that may be available at law or in equity.

(b) Notwithstanding any other provision of this Indenture, the Trustee may not, prior to the date which is one year and one day, or, if longer, the applicable preference period then in effect after the payment in full of all Bonds, institute against, or join any other Person in instituting against, the Issuer any bankruptcy action or insolvency proceedings with respect to any failure of the Issuer to pay any fees or reimburse any expenses owing to the Trustee. Nothing in this Section 8.4 shall preclude, or be deemed to stop, the Trustee (i) from taking any action prior to the expiration of the aforementioned one year and one day (or, if longer, the applicable preference period then in effect) period in (A) any case or proceeding voluntarily filed or commenced by the Issuer or (B) any involuntary insolvency proceeding filed or commenced by a Person other than the Trustee, or (ii) from commencing against the Issuer or its respective Property any bankruptcy action or insolvency proceedings on account of claims other than those described in the preceding sentence.

(c) Notwithstanding anything under this Article VIII, no direction or objection from Holders may require the Trustee to (i) violate any provision of the Membership Pledge Agreement or the Transaction Documents, applicable law or this Indenture, (ii) materially expand the scope of the Trustee's responsibilities hereunder, or (iii) cause the Trustee to act, or fail to act, in a manner which in the reasonable judgment of the Trustee is not in the best interests of the Bondholders.

Section 8.5. Restoration of Rights and Remedies. If the Trustee (or any Bondholder, to the extent expressly permitted by this Indenture) has instituted any proceeding to enforce any right or remedy under this Indenture, the Membership Pledge Agreement or the other Transaction Documents, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee (or to such Bondholder, if applicable), then and in every such case the each of the parties to this Indenture and the Bondholders shall, subject to any determination in such proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of such parties shall continue as though no such proceeding had been instituted.

Section 8.6. Delay or Omission Not a Waiver. No delay or omission of the Trustee or of any Bondholder to exercise any right or remedy accruing upon any default or Event of Default shall impair any such right or remedy or constitute a waiver of any such default or Event of Default or an acquiescence therein or a waiver of a subsequent default or Event of Default. Every right and remedy given by this Indenture, by the Membership Pledge Agreement any Transaction Document, or by law to the Trustee or to the Bondholders, as applicable, may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Bondholders, as the case may be.

Section 8.7. Waiver of Past Defaults. Prior to the time a judgment or decree for payment of the Bonds has been obtained by the Trustee, as provided in this Article VIII, the Majority Holders may on behalf of the Holders waive any past default in respect of the Bonds and its consequences, except a default: (i) in the payment of principal of or interest on the Bonds (any such waiver shall be made by the affected Bondholder); (ii) with respect to a covenant or provision

hereof that cannot otherwise be modified or amended without the waiver or consent of the Holder of each Outstanding Bond adversely affected thereby; or (iii) with respect to any covenant or provision hereof for the individual protection or benefit of the Trustee (with the Trustee's express written consent thereto). In the case of any such waiver, the parties and the Bondholders shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other default or impair any right consequent thereto.

Section 8.8. Undertaking for Costs. All parties to this Indenture agree, and each Holder of any Bond by its acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, the Membership Pledge Agreement, under any Transaction Document, or in any suit against the Trustee for any action taken, or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Bondholder, or group of Bondholders, or to any suit instituted by any Bondholder for the enforcement of the payment of the principal of or interest on, as applicable, any Bond or any other amount payable hereunder.

Section 8.9. Waiver of Stay or Extension Laws. The Issuer covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants, the performance of or any remedies under this Indenture, the Membership Pledge Agreement and/or the Transaction Documents; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee and/or any Bondholder, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 8.10. Action on the Bonds. The right of the Trustee to seek and recover judgment on the Bonds or under this Indenture, the Membership Pledge Agreement or the Transaction Documents shall not be affected by the seeking or obtaining of or application for any other relief under or with respect to this Indenture, the Membership Pledge Agreement or any Transaction Document. Neither the lien of this Indenture, the Membership Pledge Agreement or of any Transaction Document, nor any rights or remedies of the Trustee or the Bondholders shall be impaired by the recovery of any judgment by the Trustee against the Issuer or by the levy of any execution under such judgment upon any portion of the Collateral or upon any of the assets of the Issuer.

Section 8.11. Surrender of Possession of Collateral; Rights and Duties of Trustee in Possession. If an Event of Default shall have occurred and be continuing, the Issuer, upon demand of the Trustee, shall forthwith surrender the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Collateral, together with the books, papers, and accounts of the Issuer pertaining thereto, and including the rights and position of the Issuer under the Deed of Trust, and to hold, operate, and manage the same, and from time to time make all needed repairs and improvements; the Trustee may lease the

Property or any part thereof, in the name for the account of the Issuer, and collect, receive, and sequester the rents, revenues, and receipts therefrom, and out of the same and any moneys received from any receiver of any part thereof, pay, and set up proper reserves for the payment of all proper costs and expenses of so taking, holding, and managing the same, including without limitation (a) reasonable compensation to the Trustee, its agents and counsel, (b) any reasonable charges of the Trustee hereunder, (c) any taxes and assessments and other charges prior to the lien of this Indenture, and (d) all expenses of such repairs and improvements, and the Trustee shall apply the remainder of the moneys so received in accordance with the provisions hereof. Upon the satisfaction of all amounts due on the Bonds and all defaults rectified, the Trustee shall surrender possession of the Collateral held hereunder to the Issuer, its successors or assigns, the same right of entry, however, to exist upon any subsequent Event of Default. When in possession of such Collateral, the Trustee shall render annually to the Issuer a summarized statement of receipts and expenditures in connection therewith.

Section 8.12. Application of Revenues and Other Monies After Default.

(a) All moneys, securities, funds and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of this Article VIII, together with all funds held by the Trustee hereunder, shall, after payment of the cost, liabilities, advances and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out this Indenture, be applied by the Trustee, on behalf of the Issuer, as follows:

FIRST, to the payment to the Holders entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full all installments, then to the payment ratably, according to the amounts due to the Holders entitled thereto, without any discrimination or privilege; and

SECOND, to the payment to the Bondholders entitled thereto of the unpaid principal of and premium, if any, on any of the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, then to the payment ratably, according to the amount of principal due on such date, to the Persons entitled thereto, without any discrimination or privilege, provided that, if the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys available after payment of all accrued but unpaid interest on the Bonds shall be applied to the payment of the principal then due and unpaid upon all of the Bonds, without preference or priority of any Bond over any other Bond, ratably, according to the amounts due to the Bondholders entitled thereto without any discrimination or privilege.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application under this Article VIII and the

likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix a special record date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

(b) The restoration of the Issuer to its prior position after any and all defaults have been cured, as provided herein, shall not extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

ARTICLE IX.

MISCELLANEOUS PROVISIONS

Section 9.1. Recordation of Indenture; Counterparts.

(a) This Indenture or an abstract hereof, if acceptable by the applicable recording office, is subject to recordation in all appropriate public offices for real property records in the counties in which the Property subject to the Deed of Trust is situated, and in any other appropriate public recording office or elsewhere, such recordation to be effected by the Trustee at the expense of the Issuer upon its receipt of an Opinion of Counsel to the effect that such recordation materially and beneficially affects the interests of the Bondholders.

(b) For the purpose of facilitating the recordation of this Indenture as herein provided and for other purposes, this Indenture may be executed simultaneously in any number of counterparts, each of which counterparts shall be deemed to be an original, and such counterparts shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page of this Indenture in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Indenture.

Section 9.2. Governing Law; Submission to Jurisdiction; Waiver of Jury Trial. THIS INDENTURE AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS INDENTURE, THE RELATIONSHIP OF THE PARTIES TO THIS INDENTURE, AND/OR THE INTERPRETATION AND ENFORCEMENT OF THE RIGHTS AND DUTIES OF THE PARTIES TO THIS INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS AND DECISIONS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE CHOICE OF LAW RULES THEREOF.

EACH OF THE PARTIES HERETO IRREVOCABLY (I) SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF TEXAS AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE NORTHERN DISTRICT OF TEXAS FOR THE PURPOSE OF ANY ACTION OR PROCEEDING RELATING TO THIS INDENTURE; (II) WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE DEFENSE OF AN INCONVENIENT FORUM IN ANY ACTION OR PROCEEDING IN ANY SUCH COURT; (III) CONSENTS TO SERVICE OF PROCESS UPON

IT BY MAILING A COPY THEREOF BY CERTIFIED MAIL ADDRESSED TO IT AS PROVIDED FOR NOTICES HEREUNDER; AND (IV) AGREES THAT NOTHING HEREIN SHALL AFFECT THE RIGHT TO EFFECT SERVICE OF PROCESS IN ANY MANNER PERMITTED BY LAW.

THE PARTIES HERETO HEREBY WAIVE AND THE HOLDERS SHALL BE DEEMED TO WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER IN CONTRACT, TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THIS INDENTURE OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 9.3. Notices. All demands, notices and communications hereunder shall be in writing and mailed, by certified mail, return receipt requested, hand delivered, sent by overnight courier service guaranteeing next day delivery or by facsimile or email, shall be deemed to have been given upon receipt (except that notices to Holders of any Bonds held in registered, definitive form shall be deemed to have been given upon being sent by first class mail, postage prepaid) as follows:

If to the Trustee, to:

Computershare Trust Company, National Association
1505 Energy Park Drive
St. Paul, Minnesota 55108
Attn: Sandra Adrian
Email: Sandra.Adrian@computershare.com

If to the Issuer:

I-20 Lancaster Fund, LLC
1717 Main Street, Suite 5630
Dallas, Texas, 75201
Attn: Mike Hoque
Email: mike@hoqueglobal.com

With a copy to:

Texas Real Estate Law
1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234
Attn: Travis Boghetich
Email: travis@txreallaw.com

If to the Initial Purchaser, to:

SAMCO Capital Markets, Inc.
1700 Pacific Ave # 2000
Dallas, TX 75201

Attn: Michael P. Libera
Email: mlibera@samcocapital.com

If to any Bondholder, to:
the address set forth in the Bond Register

or, in the case of the parties to this Indenture, to such other address as such party shall specify by written notice to the other parties hereto.

Section 9.4. Severability of Provisions. If any one or more of the covenants, agreements, provisions or terms of this Indenture shall be for any reason whatsoever held invalid, then, to the extent permitted by applicable law, such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this Indenture and shall in no way affect the validity or enforceability of the other provisions of this Indenture or of the Bonds or the rights of the Holders thereof.

Section 9.5. Limitation on Rights of Bondholders. No Bondholder solely by virtue of its status as a Bondholder shall have any right to vote (except as provided herein) or in any manner otherwise control the obligations of the parties hereto, nor shall anything herein set forth or contained in the terms of the Bonds be construed so as to constitute the Bondholders from time to time as partners or members of an association; nor shall any Bondholders be under any liability to any third party by reason of any action by the parties to this Indenture pursuant to any provision hereof.

No Bondholder solely by virtue of its status as a Bondholder shall have any right by virtue or by availing itself of any provisions of this Indenture to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Indenture, unless such Holder previously shall have given to the Trustee written notice, and of the continuance thereof, as herein before provided, and unless the Holders aggregating not less than 25% of the aggregate Outstanding Bond Amount shall also have made written request upon the Trustee to institute such action, suit or proceeding in its own name as Trustee hereunder and shall have offered to the Trustee such indemnity as it may require against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee, for sixty (60) days after its receipt of such notice, request and offer of indemnity, shall have neglected or refused to institute any such action, suit or proceeding; and such notification, request, and offer of indemnity are declared in every case at the option of the Trustee to be conditions precedent to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended, and being expressly covenanted by each Bondholder with every other Bondholder and the Trustee, that no one or more Holders shall have any right in any manner whatever by virtue or by availing itself or themselves of any provisions of this Indenture or the Bonds to affect, disturb or prejudice the rights of the Holders of any other of the Bonds, or to obtain or seek to obtain priority over or preference to any other such Holder except as provided herein with respect to entitlement to payments or to enforce any right under this Indenture or the Bonds, except in the manner herein provided and for the common benefit of all Bondholders. For the protection and enforcement of the provisions of this Section, each and every Bondholder and the Trustee shall be entitled to such relief as can be given either at law or in equity. Each Bondholder is a third party beneficiary of this Indenture.

Section 9.6. Reproduction of Documents. This Indenture and all documents relating thereto, including, without limitation, (i) consents, waivers and modifications which may hereafter be executed, (ii) documents received by any party at the closing, and (iii) financial statements, and other information previously or hereafter furnished, may be reproduced by any photographic, photostatic, microfilm, micro-card, miniature photographic or other similar process. The parties agree that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding, whether or not the original is in existence and whether or not such reproduction was made by a party in the regular course of business, and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

Section 9.7. No Partnership. Nothing herein contained shall be deemed or construed to create a partnership or joint venture between the parties hereto.

Section 9.8. Actions of Bondholders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Bondholders may be embodied in and evidenced by one or more instrument(s) of substantially similar tenor signed by such Bondholders in person or by their agents duly appointed in writing, and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Issuer. As used in this Section 9.8, “**Act**” means such instrument(s) (and the action embodied therein and evidenced thereby) of the Bondholders signing such instrument(s). Proof of execution of any such instrument or of a writing appointing any such agent, shall be sufficient for the purposes of this Indenture and conclusive in favor of the Trustee, if made in the manner provided in this Section 9.8.

(b) Any request, demand, authorization, direction, notice, consent, waiver, or other act by a Bondholder shall bind every Holder of every Bond issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done, or omitted to be done, by the Trustee in reliance thereon, whether or not notation of such action is made upon such Bond.

(c) Notwithstanding any provision of this Indenture to the contrary, with respect to Bondholder or Trustee, on behalf of Bondholders, consents or approvals, the Issuer acknowledges and agrees that the granting, approval, rejection or withholding of any requested consent, waiver or authorization is in the Bondholder’s or the Trustee’s, on behalf of Bondholder, sole and absolute discretion exercised in good faith.

(d) The Trustee may require additional proof of any matter referred to in this Section 9.8 as it shall deem reasonably necessary.

Section 9.9. Maintenance of Office or Agency; Inspection of Records. (a) The Issuer shall maintain an office or agency where notices and demands to or upon the Issuer in respect of the Bonds, this Indenture and the other Transaction Documents may be served, which shall initially be 1717 Main Street, Suite 5630 Dallas, Texas, 75201. The Issuer shall not change its legal name or, without providing thirty (30) days’ notice to the Trustee, its address.

(b) The Issuer agrees that the Trustee and its duly authorized agents, attorneys or consultants, may, but have no obligation to, at reasonable times as determined by the Trustee, enter upon any Project site and examine and inspect the Project and, upon the occurrence of an Event of Default, the books and records of the Issuer that relate to the Project wherever located.

Section 9.10. Statement as to Compliance. On or before January 15th of each calendar year, commencing in 2026 or immediately if there has been an Event of Default, the Issuer shall deliver to the Trustee, an Officer's Certificate given on behalf of the Issuer and without personal liability to such Officer stating, as to each signer thereof, that, since the date of the last certificate or, in the case of the first certificate, the Closing Date, to the best of the knowledge, information and belief of such Officer, the Issuer has fulfilled all of its obligations under this Indenture and each of the other Transaction Documents, or, if there has been an Event of Default in the fulfillment of any such obligation, specifying each such Event of Default known to them and the nature and status thereof.

Section 9.11. Rule 144A Information. At any time when the Issuer is not subject to Sections 13 or 15(d) of the Exchange Act and is not exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, upon the request of a Holder or beneficial owner of a Bond, the Issuer shall promptly furnish or cause to be furnished "Rule 144A Information" (as defined below) to such holder or beneficial owner, to a prospective purchaser of such Bond designated by such holder or beneficial owner or to the Trustee for delivery to such holder or beneficial owner or a prospective purchaser designated by such holder or beneficial owner, as the case may be, in order to permit compliance by such holder or beneficial owner with Rule 144A under the Securities Act in connection with the resale of such Bond by such holder or beneficial owner, such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act (or any successor provision thereto). The Trustee shall reasonably cooperate with the Issuer in mailing or otherwise distributing (at the Issuer's expense) or making available to such Bondholders or prospective purchasers, at and pursuant to the Issuer's written direction the foregoing materials prepared by or on behalf of the Issuer; provided, that the Trustee shall be entitled to prepare and affix thereto or enclose therewith reasonable disclaimers (without suggesting liability on the part of any other Person) to the effect that such Rule 144A Information was not assembled by the Trustee, that the Trustee has not reviewed or verified the accuracy thereof, and that it makes no representation as to such accuracy or as to the sufficiency of such information under the requirements of Rule 144A or for any other purpose. As of the Closing Date, the Issuer is not subject to Sections 13 or 15(d) of the Exchange Act.

Section 9.12. Anti-Money Laundering Laws and Economic Sanctions Laws. The Issuer shall not utilize any of the proceeds of the Bonds to facilitate any business, transactions or other activity with any prohibited Person, or in a manner that violates any applicable U.S. anti-money laundering laws and regulations or U.S. economic sanctions (collectively, the "Anti-Money Laundering and Economic Sanctions Laws"), and none of the funds used by the Issuer to repay any of the Bonds shall be derived in violation of any applicable Anti-Money Laundering and Economic Sanctions Laws. By acceptance of its Bond, each Holder agrees that it shall be subject to the Trustee's then-current Anti-Money Laundering and Economic Sanctions Laws screening procedures.

Section 9.13. Tax Status. Issuer shall maintain its status for U.S. federal income tax purposes as (x) an entity disregarded as separate from its owner as defined in U.S. Treasury Regulation Section 301.7701-3(b)(1)(ii) to the extent that it has a single owner for U.S. federal income tax purposes, or (y) a partnership that is not a publicly traded partnership taxable as a corporation to the extent that it has more than one owner for U.S. federal income tax purposes. No person shall take any action inconsistent with such classification unless otherwise required by a change in law after the date hereof, a closing agreement with an applicable tax authority or a final judgment of a court of competent jurisdiction. The Issuer shall maintain and file any and all tax filings on its behalf as may be required pursuant to the Code and no other party to this Indenture or any of the Transaction Documents (other than the owner of the Issuer, if it has a single owner) shall be obligated to file any such tax filings for the Issuer.

Section 9.14. OFAC. Issuer hereby represents and warrants that each Issuer Party that, to Issuer's knowledge, has an economic interest in any Issuer Party has not, and at all times throughout the term of the Bonds, including after giving effect to any transfers of interests permitted pursuant to the Transaction Documents, shall not: (i) itself be (or have been), be (or have been) owned or controlled by, or act for or on behalf of a Person or government that is the subject of, in each case, economic sanctions administered or enforced by the Office of Foreign Assets Control ("OFAC") of the Treasury, the Department of State, or other relevant sanctions authority ("Sanctions"); (ii) fail to be (or have been) in compliance with the requirements of the Patriot Act (as defined below) or other applicable anti-money laundering laws and regulations and all Sanctions; (iii) fail to operate under policies, procedures and practices, if any, that are in compliance with the Patriot Act, OFAC rules and regulations, anti-money laundering laws and regulations and all Sanctions; (iv) be (or have been) in receipt of any notice from OFAC, the Secretary of State or the Attorney General of the United States or any other department, agency or office of the United States claiming a violation or possible violation of applicable anti-money laundering laws and regulations and/or Sanctions; (v) be (or have been) the subject of Sanctions, including those listed as a Specially Designated National or as a "blocked" Person on any lists maintained by OFAC and those owned or controlled by or acting for or on behalf of such Specially Designated National or "blocked" Person; (vi) be (or have been) a Person who has been determined by competent authority to be subject to any of the prohibitions contained in the Patriot Act; or (vii) be (or have been) owned or controlled by or be (or have been) acting for or on behalf of, in each case, any Person who has been determined to be subject to the prohibitions contained in the Patriot Act. Issuer covenants and agrees that in the event Issuer receives any notice that any Issuer Party becomes the subject of Sanctions or is indicted, arraigned, or custodially detained on charges involving Sanctions, money laundering or predicate crimes to money laundering, Issuer shall immediately notify the Trustee in writing and the Trustee shall forward such notice to all Holders. All capitalized words and phrases and all defined terms used in the USA Patriot Act of 2001, 107 Public Law 56 (October 26, 2001), as amended, and in other statutes and all orders, rules and regulations of the United States government and its various executive departments, agencies and offices related to applicable anti-money laundering laws and regulations (collectively referred to in this Section only as the "**Patriot Act**") are incorporated into this Section.

Section 9.15. Successors and Assigns. Except as set forth in Section 5.6 hereof, the rights and obligations of any party hereto shall not be assigned by such party without the prior written consent of the other parties hereto and the written consent of the Majority Holders. This Indenture shall inure to the benefit of and be binding upon the Trustee and their respective

permitted successors and assigns. No Person other than a party to this Indenture, the Initial Purchaser, or any Bondholder shall have any rights with respect to the enforcement of any of the rights or obligations hereunder.

Section 9.16. Electronic Signature and Storage.

(a) Each of the parties hereto agrees that the transaction consisting of this Indenture may be conducted by electronic means, except that the Bonds shall be executed as provided for in Section 2.5 hereof. Each party agrees, and acknowledges that it is such party's intent, that if such party signs this Indenture using an electronic signature, it is signing, adopting, and accepting this Indenture and that signing this Indenture using an electronic signature is the legal equivalent of having placed its handwritten signature on this Indenture on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Indenture in a usable format.

(b) The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized as of the day and year first above written.

I-20 LANCASTER FUND, LLC,
a Texas limited liability company

By: **I-20 Lancaster Development, LLC,**
a Texas limited liability company
Its sole Member

By: **HG Development Concepts, LLC,**
a Texas limited liability company
Its Manager

By: _____
Name: Sardar M. Hoque
Its: Authorized Agent

**COMPUTERSHARE TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee**

By: _____
Name: _____
Title: _____

EXHIBIT A
FORM OF BONDS

I-20 LANCASTER FUND, LLC
DEVELOPMENT MORTGAGE BACKED AND LIMITED REVENUE BONDS (TAXABLE),
SERIES 2025

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION. THIS BOND AND INTERESTS HEREIN MAY ONLY BE ISSUED AND SOLD OR TRANSFERRED OR RESOLD TO PERSONS WHO ARE (I) “**QUALIFIED INSTITUTIONAL BUYERS**” WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT. NEITHER THIS BOND NOR ANY INTEREST HEREIN MAY BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM.

THIS SECURITY WAS ISSUED WITH ORIGINAL ISSUE DISCOUNT (“**OID**”) WITHIN THE MEANING OF SECTION 1273 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “**CODE**”), AND THIS LEGEND IS REQUIRED BY SECTION 1275(c) OF THE CODE. HOLDERS MAY OBTAIN INFORMATION REGARDING THE AMOUNT OF ANY OID, THE ISSUE PRICE, THE ISSUE DATE, AND THE YIELD TO MATURITY RELATING TO THE BONDS BY CONTACTING THE TRUSTEE.

Registered Number: R-1
Maturity Date: January 15, 2035
Original Issuance Date: May 5, 2025
CUSIP: 450952 AA4
Principal Amount: \$35,344,967.00
Interest Rate: 12.00%
Registered Owner: CEDE & CO.

I-20 Lancaster Fund, LLC (the “**Issuer**”) promises to pay to the registered owner identified above, or registered assigns, upon presentation and surrender of this Development Mortgage Backed and Limited Revenue Bonds (Taxable), Series 2025, at the corporate trust office of Computershare Trust Company, National Association, in St. Paul, Minnesota (the “**Trustee**”), the aggregate principal amount shown above, or the aggregate principal amount of Bonds Outstanding, if less, on the Maturity Date, and accrued interest hereon on the 15th day of January of each year (commencing January 15, 2026), or if any such date is not a Business Day, the next succeeding Business Day (each, an “**Interest Payment Date**”), at a rate *per annum* shown above, in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of debts due the United States of America. Interest shall be calculated on the basis of a

360-day year consisting of twelve 30-day months; provided that, during the occurrence and continuance of an Event of Default, the Bonds shall bear interest at the Post-Default Rate.

The Bonds are subject to redemption in accordance with the Indenture. If this Bond is called for redemption and payment is duly provided thereof as specified in the Indenture, interest shall cease to accrue hereon from and after the date of redemption.

THIS BOND is one of a duly authorized issue of Bonds of the Issuer designated as “Development Mortgage Backed and Limited Revenue Bonds (Taxable), Series 2025” (the “**Bonds**”), dated as of the Original Issuance Date shown above and issued pursuant to that certain Indenture of Trust, dated as of the May 5, 2025, by and between the Issuer and the Trustee (the “**Indenture**”). Reference is hereby made to the Indenture for a description of the terms and conditions upon which this Bond is issued, all of which terms and conditions are hereby incorporated herein. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture.

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the Corporate Trust Office of the Trustee, in St. Paul, Minnesota, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or its authorized representative, subject to the terms and conditions of the Indenture.

THIS BOND IS EXCHANGEABLE at the Corporate Trust Office of the Trustee, in St. Paul, Minnesota, for Bonds in denominations of \$1.00 and any integral multiples of \$1.00 thereof, subject to the terms and conditions of the Indenture.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Indenture, unless this Bond is authenticated by the Trustee by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Indenture.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be duly executed as of the date first set forth above.

I-20 LANCASTER FUND, LLC,
a Texas limited liability company

By: **I-20 Lancaster Development, LLC,**
a Texas limited liability company
Its sole Member

By: **HG Development Concepts, LLC,**
a Texas limited liability company
Its Manager

By: _____
Name: Sardar M. Hoque
Its: Authorized Agent

CERTIFICATE OF AUTHENTICATION

It is hereby certified that this Bond has been delivered pursuant to the Indenture described in the text of this Bond.

COMPUTERSHARE TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By:_____

Authorized Signature

Date of Authentication:_____

ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto

(Please print or type name, address, and zip code of Transferee)

(Please insert Social Security or Taxpayer Identification Number of Transferee)
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
attorney to transfer said Bond on the books kept for registration thereof, with full power of
substitution in the premises.

DATED: _____

Signature Guaranteed:

Registered Owner

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this Bond in every particular, without any alteration, enlargement or change whatsoever and must be guaranteed by an eligible guarantor institution meeting the requirements of the Trustee, which requirements include membership or participation in STAMP or such other signature guarantee program as may be determined by the Trustee, all in accordance with the Securities Exchange Act of 1934, as amended.

EXHIBIT B

LIST OF LOT SALE CONTRACTS AND ASSIGNMENTS

Contract of Sale dated effective October 24, 2023, executed by and between Hoque Global Properties, LLC, a Texas limited liability company (“Hoque”), as seller, and DRHI, Inc., a Delaware corporation (“DRHI”), as purchaser, as amended by that certain First Amendment to Contract of Sale dated November 15, 2023, and that certain Second Amendment to Contract of Sale dated May 1, 2025, and as assigned by DRHI to D.R. HORTON – TEXAS, LTD. by that certain Assignment of Contract dated May 2, 2025, and as assigned by Hoque to I-20 Lancaster Fund, LLC, by that certain Assignment and Assumption of Contracts dated April 7, 2025.

Purchase and Sale Agreement dated effective October 23, 2023, executed by and between Hoque Global Properties, LLC, a Texas limited liability company (“Hoque”), as seller, and Lennar Homes of Texas Land and Construction, Ltd., as purchaser, as amended by that certain First Amendment to Purchase and Sale Agreement dated April 24, 2024, as assigned by Hoque to I-20 Lancaster Fund, LLC, by that certain Assignment and Assumption of Contracts dated April 7, 2025, and as amended by that certain Second Amendment to Purchase and Sale Agreement dated April 7, 2025.

EXHIBIT C

FORM OF REQUEST FOR PARTIAL RELEASE OF LIEN

[Date]

The undersigned, _____, the _____, an Authorized Officer of I-20 Lancaster Fund, LLC, a Texas limited liability company (the “**Issuer**”), hereby delivers this Request for Partial Release of Lien (this “**Request**”) pursuant to Section 3.14 of the Indenture of Trust dated as of May 5, 2025 (the “**Closing Date**”) by and between Computershare Trust Company, National Association, as trustee (the “**Trustee**”) and the Issuer (as amended and supplemented from time to time, the “**Indenture**”) to request that the Trustee cause the Released Property (as defined below) be released from the lien of that certain Deed of Trust, Security Agreement – Financing Statement, dated as of the Closing Date, by the Issuer, as grantor, for the benefit of the Trustee (the “**Deed of Trust**”) by executing and recording a Partial Release of Lien in the form attached hereto as Appendix A. Capitalized terms used herein that are not otherwise defined herein shall have their respective meanings as set forth in the Indenture.

The undersigned hereby certifies on and as of the date hereof, that to the best of [his][her] knowledge:

1. The legal description of the property requested to be released from the lien of the Deed of Trust is attached hereto as Appendix B (the “**Released Property**”), which is part of the Project;
2. Release Price:
 - (a) ☐ Concurrently with the delivery of this Request, the Issuer has delivered to the Trustee Cash in the amount of the Release Price;
 - (b) ☐ The Property is Non-Economic Property and no Release Price applies;
3. The sale price of the Released Property complies with the requirements of Section 3.14 of the Indenture. The Issuer certifies that the proceeds of the sale of the Released Property (except as to Non-Economic Property) equals or exceeds the Release Price;
4. No Event of Default exists under the Indenture, and the delivery of the requested Partial Release of Lien will not cause an Event of Default to exist under the Indenture immediately following the release of the Released Property;
5. The covenants made by the Issuer set forth in the Indenture remain true and correct in all material respects; and
6. The Lot Sale Contract and Assignment relating to the Released Property has been performed thereunder and the applicable Sale Proceeds has been delivered to the Trustee.

IN WITNESS WHEREOF, the undersigned has executed this Request for Partial Release of Lien as of the date first set forth above.

I-20 LANCASTER FUND, LLC,
a Texas limited liability company

By: **I-20 Lancaster Development, LLC,**
a Texas limited liability company
Its sole Member

By: **HG Development Concepts, LLC,**
a Texas limited liability company
Its Manager

By: _____
Name: Sardar M. Hoque
Its: Authorized Agent

Appendix A

Form of Partial Release of Lien

PARTIAL RELEASE OF LIEN

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

Computershare Trust Company, National Association, as Trustee (“**Beneficiary**”), is the current holder of the indebtedness secured by that certain Deed of Trust, Security Agreement – Financing Statement executed by I-20 Lancaster Fund, LLC, a Texas limited liability company, dated [____], recorded at Clerk’s File No. [____] of the Real Property Records of Dallas County, Texas (as extended, modified and amended, the “**Deed of Trust**”) and is the beneficiary of the liens and security interests created by the Deed of Trust.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged and confessed, Beneficiary does hereby RELEASE and DISCHARGE only the real property located in Dallas County, Texas legally described on Schedule 1 attached hereto, which is subject to the Deed of Trust, from the liens and security interest created by the Deed of Trust.

[Signature page follows.]

EXECUTED this _____ day of _____, 20__.

COMPUTERSHARE TRUST COMPANY,
NATIONAL ASSOCIATION,
as trustee

By: _____
Name: _____
Title: _____

THE STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me on the ____ day of _____, 20__, by _____, _____ of _____, on behalf of said _____.

Notary Public in and for the State of _____

Schedule 1 to Partial Release of Lien

Legal Description

Appendix B

Description of Released Property

[Attached.]

EXHIBIT D

FORM OF INVESTOR LETTER OF REPRESENTATION

[Date]

I-20 Lancaster Fund, LLC
1717 Main Street, Suite 5630
Dallas, Texas, 75201
Attn: Mike Hoque
Email: mike@hoqueglobal.com

Computershare Trust Company, National Association,
as trustee
1505 Energy Park Drive
St. Paul, Minnesota 55108
Attn: Sandra Adrian
Email: Sandra.Adrian@computershare.com

Ladies and Gentlemen:

Section 1. This letter applies to the Development Mortgage Backed and Limited Revenue Bonds (Taxable), Series 2025 (the “**Bonds**”) issued by I-20 Lancaster Fund, LLC, which are described in the Limited Offering Memorandum, dated [_____] (the “**LOM**”). Capitalized terms not defined herein shall have the meaning assigned to them in the LOM.

Section 2. We represent and agree as follows:

A. We understand and expressly acknowledge that the Bonds have not been and will not be registered under the Securities Act of 1933, as amended (the “**1933 Act**”), and accordingly, that the Bonds may not be Transferred, pledged or hypothecated unless an applicable exemption from the registration requirements of the 1933 Act is available.

B. We hereby confirm that any purchase of Bonds made by us will be for our own account, and not with a view to any public resale or distribution thereof. We represent that we, or various funds or accounts for which we invest, will at all times prior to the transfer of the Bonds by us pursuant to the terms described in the Indenture remain the sole beneficial owner of such Bonds purchased by us. We understand the transfer restrictions imposed under the Indenture, and we will only transfer as permitted, but we reserve the right to transfer the Bonds at any time in accordance with the Indenture and applicable securities laws.

C. We are “qualified institutional buyers” within the meaning of Rule 144A under the 1933 Act. We have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Bonds and are able and prepared to bear the economic risk of investing in and holding such Bonds.

D. We have received a copy of the LOM related to the Bonds acquired by us, and to the extent we have requested additional documents or information concerning the Bonds or the Collateral securing the Bonds, we have obtained such other documents or information; provided, however, that this letter shall not constitute a waiver of any rights or remedies the undersigned may have with respect to (i) any information provided to it by the Issuer in connection with the issuance of the Bonds which is materially inaccurate or which contains a material omission or (ii) any material information or additional material documents withheld from our review. We understand that the LOM speaks as of its date and that neither the Issuer nor the Trustee has undertaken to update such LOM at any time subsequent to such date.

Section 3. This letter shall be for the benefit of the Issuer and the Trustee. We recognize that such parties will rely upon the truth and accuracy of the representations and agreements set forth in this letter.

Date: _____

(Name of Purchaser)

By: _____

Printed Name: _____

Title: _____

EXHIBIT E

FORM OF QUARTERLY DEVELOPMENT REPORTS ON THE PROJECT

FORM OF QUARTERLY REPORT

As used in this Quarterly Report, the following terms have the following definitions:

“Amenities” means the amenity center for the single-family development that is expected to include a splash pad, pavilion, picnic tables, umbrellas, benches, BBQ and fire pits, lawn games, restrooms, and a pool.

“District” shall mean University Hills Municipal Management District.

“Improvement Area #1” shall have the meaning assigned to it in the Service and Assessment Plan for the University Hills MMD Bonds.

“Improvement Area #1A Projects” shall have the meaning assigned to it in the Service and Assessment Plan for the University Hills MMD Bonds.

“Improvement Area #1B Projects” shall have the meaning assigned to it in the Service and Assessment Plan for the University Hills MMD Bonds.

“Improvement Area #1C Projects” shall have the meaning assigned to it in the Service and Assessment Plan for the University Hills MMD Bonds.

“Major Improvement Area” shall have the meaning assigned to it in the Service and Assessment Plan for the University Hills MMD Bonds.

“Major Improvement Area Projects” shall have the meaning assigned to it in the Service and Assessment Plan for the University Hills MMD Bonds.

“Private Improvements” means those certain improvements related to earthwork, dry utilities, landscape and soft costs benefitting all or a portion of the Property.

“Public Improvements” means those certain wastewater improvements and related improvements benefitting the Property which will be owned and maintained by the City of Dallas, Texas and will not be financed by the University Hills MMD Bonds.

“Service and Assessment Plan” means the Service and Assessment Plan adopted for the District, as amended from time to time.

“University Hills MMD Bonds” means the bonds issued by the City of Dallas, Texas, to finance certain public improvements in the University Hills Municipal Management District located in the Property.

I. Expenditures Paid for Public Improvements and Private Improvements financed with the Bonds and/or the Lot Sale Earnest Money Fund

	Budgeted Costs	Actual
Total Costs required to complete the Private Improvements financed with the Bonds:	\$ _____	\$ _____
Cumulative amount of Bond funds expended on Private Improvements financed with the Bonds	\$ _____	\$ _____
Total Costs required to complete the Public Improvements financed with the Bonds:	\$ _____	\$ _____
Cumulative amount of Bond funds expended on Public Improvements financed with the Bonds	\$ _____	\$ _____
Public Improvements paid from Lot Sale Earnest Money Fund	\$ _____	\$ _____
Private Improvements paid from Lot Sale Earnest Money Fund	\$ _____	\$ _____
Amenities paid from Lot Sale Earnest Money Fund	\$ _____	\$ _____

II. Expenditures Paid for Improvement Area #1 Projects

1. TOTAL BUDGETED COSTS REQUIRED TO COMPLETE IMPROVEMENT AREA #1 PROJECTS: \$ _____
2. Of the budgeted costs for Improvement Area #1 Projects:
 - a. Actual costs drawn from the Improvement Area #1A Projects Account under the Indenture for the MMD Bonds for the Improvement Area #1 Projects: \$ _____
 - b. Actual costs drawn from the Improvement Area #1B Projects Account under the Indenture for the MMD Bonds for the Improvement Area #1 Projects: \$ _____
 - c. Actual costs drawn from the Improvement Area #1C Projects Account under the Indenture for the MMD Bonds for the Improvement Area #1 Projects: \$ _____

3. TOTAL BUDGETED COSTS REQUIRED TO COMPLETE MAJOR IMPROVEMENT AREA PROJECTS: \$_____
4. Of the budgeted costs for Major Improvement Area Projects:
 - a. Actual costs drawn from the Major Improvement Area Projects Account under the Indenture for the MMD Bonds relating to the Major Improvement Area Projects:
\$_____

Projected/actual completion date of the Improvement Area #1 Projects and Major Improvement Area Projects:

- #### **IV. Unit Mix in Improvement Area #1**

¹ Developer Improvement Account means the account titled Developer Improvement Account held under the Project Fund in the Indenture for the MMD Bonds issued for Improvement Area #1.

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V. Single Family Lot Status in Improvement Area #1

Of the 573 lots in Improvement Area #1 of the District, what is the status:

1. Planned lots as of the date of issuance of the Bonds: 573
2. Planned lots as of the date of this Quarterly Report: _____
3. Lots developed: _____
4. Lots platted: _____
5. Expected completion date of all lots in Improvement Area #1 (if incomplete): _____

VI. Ownership of Single Family Lots in Improvement Area #1

PLANNED LOTS IN IMPROVEMENT AREA #1: 573

Of the [PLANNED LOTS] lots in Improvement Area #1:

1. Number of lots owned by the Developer: _____
2. Number of lots under contract but not closed to Homebuilder(s): _____
3. Number of lots owned by all Homebuilder(s): _____
 - a. a. Number of lots owned by *[insert name of Homebuilder]*: _____²
 - b. b. Number of lots owned by *[insert name of Homebuilder]*: _____
4. Number of units owned by homeowners: _____

VII. Home Sales Information in Improvement Area #1

PLANNED HOMES IN IMPROVEMENT AREA #1: 573

Of the 573 homes planned for Improvement Area #1:

1. How many total building permits were issued **during the current quarter?** _____
 - a. Number of building permits issued during the current quarter for *[insert name of Homebuilder]*: _____²
 - b. Number of building permits issued during the current quarter for *[insert name of Homebuilder]*: _____²
2. How many total homes have closed with homebuyers **during the current quarter?** _____
 - a. Number of homes closed with homebuyers during the current quarter for *[insert name of Homebuilder]*: _____²
 - b. Number of homes closed with homebuyers during the current quarter for *[insert name of Homebuilder]*: _____³

² Include a line item for each individual Homebuilder.

³ Include a line item for each individual Homebuilder.

3. How many total homes have closed with homebuyers **cumulatively**? _____
 - a. Number of homes closed with homebuyers cumulatively for [*insert name of Homebuilder*]: _____²
 - b. Number of homes closed with homebuyers cumulatively for [*insert name of Homebuilder*]: _____²

VIII. Square Footage/Unit Mix in the Major Improvement Area of the District

Use Type	Planned Sq. Ft./Units as of the Issuance of the Bonds	Planned Sq. Ft./Units of [Insert Prior Quarterly Ending	Explanation as to any change to the proposed total number of square feet or units from the Service and Assessment Plan for the MMD BONDS

IX. Amenities

TOTAL [EXPECTED/ACTUAL] COSTS OF AMENITIES: \$[_____]

Of the \$[_____] [expected/actual] costs of the Amenities:

1. Amount spent as of Quarterly Ending Date: \$[_____]
2. [Actual/Expected] completion date of Amenities: [_____]

X. Material Changes

Describe any material changes, if applicable:

1. **Permits and Approvals** - Since the issuance of the Bonds, have there been any material changes to permits or development approvals (including any zoning) impacting the development of the land subject to the Assessments securing the Bonds, which were not disclosed in a previously filed Quarterly Report? If so, describe the material changes.
2. **Builder Contracts** - Since the issuance of the Bonds, have there been any material changes to builder contracts (including but not limited to changes to price, substantial completion dates, number of lots, or other terms) with respect to the Property, which were not disclosed in a previously filed quarterly report? If so, describe the material changes.

EXHIBIT F

CERTIFICATE FOR PAYMENT

The undersigned is an Authorized Officer of I-20 Lancaster Fund, LLC, a Texas limited liability company (the “Issuer”) and requests that Computershare Trust Company, National Association (the “Trustee”) disburse funds from [the Project Fund in the amount of \$_____] [the Lot Sale Earnest Money Fund in the amount of \$_____] for labor, materials, fees, and/or other general costs related to the construction of certain Public Improvements, Private Improvements and/or Amenities as further described below:

[Insert specific description of Public Improvements, Private Improvements and/or Amenities that this request is for.]

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Indenture of Trust between the Issuer and the Trustee, dated as of May 5, 2025 (the “Indenture”).

In connection to the above referenced payment, the Issuer certifies, represents and warrants to the Trustee as follows:

1. The undersigned is an Authorized Officer of the Issuer, is qualified to execute this Certification for Payment on behalf of the Issuer and is knowledgeable as to the matters set forth herein.
2. The payment requested for the Improvements has not been the subject of any prior payment request submitted for the same work to the Trustee or, if previously requested, no disbursement was made with respect thereto.
3. The itemized amounts listed for the Improvements below is a true and accurate representation of the actual costs incurred by the Issuer for the construction of said Improvements.
4. The Issuer is in compliance with the terms and provisions of the Indenture and the other Transaction Documents.
5. All conditions set forth in the Indenture for the payment hereby requested have been satisfied.
6. The work with respect to the Improvements (or its completed segment, portion or segment) has been completed.
7. The Project Monitor has approved this Certificate for Payment as evidenced by the signature of an authorized representative of the Project Monitor hereto.

8. There exists no Event of Default nor shall there have occurred any event which with the giving of notice or the lapse of time, or both, could become an Event of Default.
9. The covenants of the Issuer made in the Indenture shall be true and correct in all material respects on and as of the date of this Certificate of Payment.
10. With respect to this disbursement, the Issuer (i) certifies it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate, (ii) agrees to indemnify and hold harmless the Trustee from and against any and all claim, demand, loss, liability, or expense sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested hereunder, and (iii) agrees it will not seek recourse from the Trustee as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

Payments requested are as follows:

Payee / Description of Improvements	Total Cost of Improvements	Budgeted Cost of Improvements	Amount to be paid from the Project Fund	Amount to be paid from the Lot Sale Earnest Money Fund

I certify that attached hereto, are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments.

I hereby declare that the above certifications, representations and warranties are true and correct.

I-20 Lancaster Fund, LLC

By: _____
Name: _____
Title: _____
Date: _____

Approval of Project Monitor:

MuniCap, Inc.

By: _____
Name: _____
Title: _____
Date: _____

APPENDIX B-1

FORM OF DEED OF TRUST

When Recorded, Return To:
Marcus Deitz
Orrick, Herrington & Sutcliffe LLP
609 Main Street, 40th Floor
Houston, Texas 77002

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

**DEED OF TRUST
SECURITY AGREEMENT - FINANCING STATEMENT**

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

That, as of the 5th day of May 2025, I-20 Lancaster Fund, LLC, a Texas limited liability company (hereinafter, whether one or more, jointly and severally called "Grantor"), whose mailing address is 1717 Main Street, Suite 5630 Dallas, Texas, in consideration of the debt and trust hereinafter mentioned, does hereby GRANT, BARGAIN, SELL, TRANSFER, ASSIGN and CONVEY unto Chuck Brown ("Trustee") whose mailing address is 4161 McKinney Avenue, Suite 401, Dallas, Texas 75204, the following described property (all of which is sometimes referred to collectively herein as the "Property"):

(i) the real estate situated in Dallas County, Texas, which is more particularly described in Exhibit A attached hereto and made a part hereof for all purposes the same as if set forth herein verbatim, together with all right, title and interest of Grantor in and to (a) all streets, roads, alleys, easements, rights-of-way, licenses, rights of ingress and egress, vehicle parking rights and public places, existing or proposed, abutting, adjacent, used in connection with or pertaining to the real property or the Improvements (as hereinafter defined); (b) any strips or gores between the real property and abutting or adjacent properties; and (c) all water and water rights, timber, crops and mineral interests pertaining to the real property (such real estate and other rights, titles and interests being hereinafter sometimes called the "Land");

(ii) all buildings, structures and other improvements (such buildings, structures and other improvements being hereinafter sometimes called the "Improvements") now or hereafter situated on the Land;

(iii) all installed fixtures, installed systems, building and construction materials, supplies, and articles of personal property, of every kind and character, now owned or hereafter acquired by Grantor, which are now or hereafter attached to the Land or the Improvements, or used in or necessary to the complete and proper planning, development, use, occupancy or operation thereof, or acquired (whether delivered to the Land or stored elsewhere) for use or installation in or on the Land or the Improvements, and all renewals

and replacements of, substitutions for and additions to the foregoing, including, but without limiting the foregoing, any and all fixtures, equipment, machinery, systems, facilities and apparatus for heating, ventilating, air conditioning, refrigerating, plumbing, sewer, lighting, generating, cleaning, storage, incinerating, waste disposal, sprinkler, fire extinguishing, installed communications, installed transportation (of people or things, including, but not limited to, stairways, elevators, escalators and conveyors), data processing, security and alarm, laundry, food or drink preparation, storage or serving, gas, electrical and electronic, water, and recreational uses or purposes; all tanks, pipes, wiring, conduits, ducts, doors, partitions, rugs and other floor coverings, wall coverings, windows, drapes, window screens and shades, awnings, fans, motors, and engines and boilers (all of which are herein sometimes referred to together, as the “Accessories”);

(iv) all (a) plans and specifications for the Improvements; (b) contracts relating to the Land, or the Improvements or the Accessories or any part thereof, including, for the avoidance of doubt, any fee development agreements relating to the Property; (c) deposits, (including, but not limited to, Grantor’s rights in tenants’ security deposits, deposits with respect to utility services to the Land, or the Improvements or the Accessories or any part thereof, and any deposits or reserves hereunder or under any other Bond Document (as hereinafter defined)) for taxes, insurance or otherwise, funds, accounts, contract rights, instruments, documents, commitments, general intangibles (including, but not limited to, trademarks, trade names and symbols), notes and chattel paper used in connection with or arising from or by virtue of any transactions related to the Land, or the Improvements or the Accessories or any part thereof; (d) permits, licenses, franchises, certificates and other rights and privileges obtained in connection with the Land, or the Improvements or the Accessories or any part thereof; (e) leases, rents, royalties, bonuses, issues, profits, revenues and other benefits of the Land, the Improvements and the Accessories; and (f) other properties, rights, titles and interests, if any, specified in any Section or any Article of this Deed of Trust as being part of the Property; and

(v) all (a) proceeds of or arising from the properties, rights, titles and interests referred to above in paragraphs (i), (ii), (iii) and (iv), including, but not limited to, proceeds of any sale, lease or other disposition thereof, proceeds of each policy of insurance relating thereto (including premium refunds), proceeds of the taking thereof or of any rights appurtenant thereto by eminent domain or sale in lieu thereof for public or quasi-public use under any law, and proceeds arising out of any damage thereto whether caused by such a taking (including change of grade of streets, curb cuts or other rights of access) or otherwise caused; and (b) other interests of every kind and character, and proceeds thereof, which Grantor now has or hereafter acquires in, to or for the benefit of the properties, rights, titles and interests referred to above in paragraphs (i), (ii), (iii) and (iv) and all property used or useful in connection therewith, including, but not limited to, remainders, reversions and reversionary rights or interests. In the event the estate of Grantor in and to any of the Property is a leasehold estate, this conveyance shall include, and the lien and security interest created hereby shall encumber and extend to, all other further or additional title, estates, interest or rights which may exist now or at any time be acquired by Grantor in or to the property demised under the lease creating such leasehold estate and including Grantor’s rights, if any, to the property demised under such lease and, if fee simple title to

any of such property shall ever become vested in Grantor such fee simple interest shall be encumbered by this Deed of Trust in the same manner as if Grantor had fee simple title to said property as of the date of execution hereof.

TO HAVE AND TO HOLD the Property, unto Trustee and Trustee's successors, substitutes or assigns, in trust and for the uses and purposes herein set forth, forever, together with all rights, privileges, hereditaments and appurtenances in anywise appertaining or belonging thereto, subject only to the Permitted Exceptions (herein so called) listed on Exhibit B attached hereto (to the extent that the same are valid, subsisting and affect the Property), and Grantor, for Grantor and Grantor's successors, hereby agrees to warrant and forever defend, all and singular, the Property unto Trustee and Trustee's successors or substitutes in this trust against the claim or claims of all persons claiming or to claim the same or any part thereof, subject, however, as aforesaid.

ARTICLE I

THE OBLIGATION

Section 1.1. Beneficiary

As used herein, the expression "this Deed of Trust" shall mean this Deed of Trust (with Security Agreement) for the benefit of Computershare Trust Company, National Association, as trustee ("Beneficiary") under that certain Indenture of Trust dated as of May 5, 2025, between Grantor and Beneficiary (as amended, supplemented, restated or replaced from time to time, the "Indenture"), for the benefit of the holders of the Bonds (as defined in the Indenture) issued under the Indenture from time to time, and all rights, title, interest, liens, security interests, powers and privileges created hereby or arising by virtue hereof, are given to secure payment and performance of the Obligation (as hereinafter defined).

Section 1.2. Obligation

The word "Obligation," as used herein, shall mean all of the indebtedness, obligations and liabilities described as follows:

(a) all obligations and indebtedness of Grantor to the Beneficiary or the Bondholders (as defined in the Indenture) now or hereafter created or incurred under the Indenture;

(b) all indebtedness, obligations and liabilities arising pursuant to the provisions of this Deed of Trust, any Transaction Document (as defined in the Indenture), any other security agreement, mortgage, deed of trust, collateral assignment, pledge agreement, loan agreement, contract or assignment of any kind, now or hereafter existing, as security for or in connection with payment of the Obligation or any part thereof and of any other document evidencing, securing or executed in connection with the Obligation (herein referred to individually as a "Bond Document" and collectively as the "Bond Documents");

(c) any and all renewals, modifications, rearrangements, amendments or extensions of all or any part of the indebtedness, obligations and liabilities described or referred to in Subsections 1.2(a) and 1.2(b) preceding.

Grantor, and each party at any time claiming an interest in or lien or encumbrance against the Property, agrees that all future proceeds from the sale of Bonds by Grantor from time to time under any of the Bond Documents, and all other portions of the Obligation herein referred to, shall be secured by this Deed of Trust with priority as if all of the same had been received on the date of this Deed of Trust. No reduction of the outstanding amounts owed under the Bonds shall extinguish, release or subordinate any rights, titles, interests, liens, security interests, powers or privileges intended, created or arising hereunder or under any other Bond Document, and this Deed of Trust shall remain in full force and effect as to any subsequently arising portions of the Obligation without loss of priority until the Obligation is fully paid, performed and satisfied and this Deed of Trust has been released of record by Beneficiary.

ARTICLE II

1

CERTAIN REPRESENTATIONS, WARRANTIES AND COVENANTS OF GRANTOR

Section 2.1. Warranties and Representations

Grantor represents, warrants and undertakes that:

- (a) Grantor has full right and authority to execute and deliver this Deed of Trust;
- (b) Grantor has, in Grantor's own right, good and indefeasible title in fee simple to the Property free from any encumbrance superior to the indebtedness hereby secured, subject only to the Permitted Exceptions;
- (c) no part of the Property is Grantor's homestead of any type or character and this Deed of Trust is and shall continue to be a valid and enforceable lien and security interest against the Property until the Obligation is fully discharged;
- (d) Grantor of the Obligation is solvent and no proceeding under any Debtor Relief Laws (as hereinafter defined) is pending or threatened by or against any of them, or any affiliate of any of them, as a debtor;
- (e) Grantor is and shall until the Obligation is fully discharged continue to be (i) a Delaware limited liability company, and in good standing under the laws of the state of Delaware and authorized to do business in the State of Texas, (ii) in compliance with all conditions prerequisite to Grantor's lawfully doing business in the State of Texas and (iii) possessed of all power and authority necessary to own and operate the Property;
- (f) all Bond Documents executed by Grantor have been duly authorized, executed and delivered by Grantor, and the obligations thereunder and the performance thereof by Grantor in

accordance with their terms are within Grantor's powers and are not in contravention of any law, agreement or restriction to which Grantor or the Property is subject;

(g) the proceeds of the Bonds are solely for the purpose of carrying on or acquiring a business of Grantor, and is not for personal, family, household or agricultural purposes;

(h) the statement above of Grantor's mailing address is true and correct;

(i) all reports, financial statements and other information heretofore furnished to Beneficiary by or on behalf or at the request of Grantor with respect to the Property, Grantor, any guarantor or other party liable for payment or performance of the Obligation or any part thereof are, and all of the same hereafter furnished to Beneficiary will when furnished be, true, correct and complete in all material respects and do not, or will not, omit any fact, the inclusion of which is necessary to prevent the facts contained therein from being materially misleading; and

(j) since the date of the financial statements of Grantor or of any guarantor or other party liable for payment or performance of the Obligation or any part thereof heretofore furnished to Beneficiary, no material adverse change has occurred in the financial condition of Grantor or any such other party, and, except as heretofore disclosed in writing to Beneficiary, Grantor or any such other party has not incurred any material liability, direct or indirect, fixed or contingent.

Section 2.2. Covenants

Grantor, for Grantor and Grantor's successors and permitted assigns, hereunder covenants, agrees and undertakes to

(a) pay and perform the Obligation in accordance with the terms thereof;

(b) pay or cause to be paid, before delinquent, all taxes and assessments of every kind or character in respect of the Property or any part thereof, except for any such taxes or assessments being contested in good faith by appropriate proceedings, and, from time to time upon request of Beneficiary, to furnish to Beneficiary evidence satisfactory to Beneficiary of the timely payment of such taxes and assessments and governmental charges (the word "assessments" as used herein includes not only assessments and charges by any governmental body, but also all other assessments and charges of any kind, including, but not limited to, assessments or charges for any utility or utility service, easement, license or agreement upon, for the benefit of, or affecting the Property, and assessments and charges arising under subdivision, condominium, planned unit development or other declarations, restrictions, regimes or agreements);

(c) purchase policies of insurance with respect to the Property with such insurers, in such amounts and covering such risks as shall be satisfactory to Beneficiary, including, but not limited to, (i) personal injury and death; (ii) loss or damage by fire, lightning, hail, windstorm, explosion and such other hazards, casualties and contingencies (including at least six (6) months rental insurance in an amount equal to the gross rentals for such period, and broad form boiler and machinery insurance) as are normally and usually covered by extended coverage policies in effect where the Property is located, and comprehensive general public liability insurance; provided that in the absence of written direction from Beneficiary, each fire and extended coverage policy shall

include a “standard mortgage clause” and shall provide by way of endorsement, rider or otherwise that no such insurance policy shall be canceled, endorsed, altered, or reissued to effect a change in coverage unless such insurer shall have first given Beneficiary ten (10) days prior written notice thereof, such policy shall be on a replacement cost basis in an amount not less than that necessary to comply with any coinsurance percentage stipulated in the policy, but not less than 100 percent of the insurable value (based upon replacement cost), and the deductible clause, if any, of the fire and extended coverage policy may not exceed the lesser of one percent of the face amount of the policy or \$1,000.00; (iii) loss or damage by flood, if the Property is located in an area that has been or is hereafter identified by the Director of the Federal Emergency Management Agency (“FEMA”) as a special flood hazard area using FEMA’s Flood Insurance Rate Map or the Flood Hazard Boundary Map for the community in which the Property is located, in amounts not less than the maximum limit of coverage then available or the aggregate amount of payments to be made from Grantor to Beneficiary or the Bondholders pursuant to the Indenture (including principal and interest), whichever is less; and (iv) such other insurance and endorsements, if any, as Beneficiary may require from time to time, or which is required by the Bond Documents;

(d) cause all insurance (except general public liability insurance) carried in accordance with Subsection 2.2(c) hereof to be payable to Beneficiary as a mortgagee and not as a co-insured, to deliver copies of such policies of insurance to Beneficiary, and, in the case of all policies of insurance carried by each lessee of all or any portion of the Property for the benefit of Grantor, to cause all such policies to be payable to Beneficiary as Beneficiary’s interest may appear;

(e) pay, or cause to be paid, all premiums due for insurance required hereunder at least ten (10) days before such premiums become due, furnish to Beneficiary satisfactory proof of the timeliness of such payments and deliver all renewal policies to Beneficiary at least ten (10) days before the expiration date of each expiring policy;

(f) comply with all federal, state, or municipal laws, rules, ordinances and regulations applicable to the Property and Grantor’s ownership, use and operation thereof, and comply with all, and not violate any, easements, restrictions, agreements, covenants and conditions with respect to or affecting the Property or any part thereof;

(g) at all times maintain, preserve and keep the Property in good repair and condition and presenting a first-class appearance, and from time to time, make all necessary and proper repairs, replacements and renewals, and not commit or permit any waste on or of the Property, and not to do anything to the Property that may impair its value;

(h) promptly pay all bills for labor and materials incurred in connection with the Property and never permit to be created or to exist in respect of the Property or any part thereof any lien or security interest, even though inferior to the liens and security interests hereof, for any such bill, and in any event never permit to be created or exist in respect of the Property or any part thereof any other or additional lien or security interest on a parity with or superior to any of the liens or security interests hereof, except for bills or liens being contested in good faith by appropriate proceedings;

(i) from time to time, at the request of Beneficiary, (i) promptly correct any defect, error or omission which may be discovered in the contents of this Deed of Trust or in any other

Bond Document or in the execution or acknowledgment thereof; (ii) execute, acknowledge, deliver and record and/or file such further instruments (including, without limitation, further deeds of trust, security agreements, financing statements, continuation statements and assignments of rents or leases) and perform such further acts and provide such further assurances as may be necessary, desirable or proper, in Beneficiary's opinion, to carry out more effectively the purposes of this Deed of Trust and such other instruments and to subject to the liens and security interests hereof and thereof any property intended by the terms hereof or thereof to be covered hereby or thereby, including specifically, but without limitation, any renewals, additions, substitutions, replacements, or appurtenances to the Property; and (iii) execute, acknowledge, deliver, procure, and file and/or record any document or instrument (including specifically, but without limitation, any financing statement) deemed advisable by Beneficiary to protect the liens and the security interests herein granted against the rights or interests of third persons, and Grantor will pay all costs connected with any of the foregoing;

(j) from time to time, upon the request of Beneficiary, promptly allow Beneficiary from time to time to inspect the Property and all records relating thereto or to the Obligation, and to make and take away copies of such records;

(k) continuously maintain Grantor's existence;

(l) at any time any law shall be enacted imposing or authorizing the imposition of any tax upon this Deed of Trust, or upon any rights, titles, liens or security interests created hereby, or upon the Obligation or any part thereof, immediately pay all such taxes; provided that, if such law as enacted makes it unlawful for Grantor to pay such tax, Grantor shall not pay nor be obligated to pay such tax, and in the alternative, Grantor may, in the event of the enactment of such a law, and must, if it is unlawful for Grantor to pay such taxes, prepay the Obligation in full within sixty (60) days after demand therefor by Beneficiary;

(m) at any time and from time to time, furnish promptly upon the request of Beneficiary, a written statement or affidavit, in form satisfactory to Beneficiary, stating the unpaid balance of the Obligation and that there are no offsets or defenses against full payment of the Obligation and the terms hereof, or, if there are any such offsets or defenses, specifying them;

(n) not cause or permit the Accessories or any part thereof, to be removed from the county and state where the Land is located, except items of the Accessories which have become obsolete or worn beyond practical use and which have been replaced by adequate substitutes having a value equal to or greater than the replaced items when new;

(o) not seek or acquiesce in a zoning reclassification of any portion of the Property or grant any easement, dedication, plat or restriction (or allow any easement to become enforceable by prescription) covering any portion of the Property, without Beneficiary's prior written consent;

(p) not, without the prior written consent of Beneficiary, permit any drilling or exploration for or extraction, removal or production of any mineral, natural element, compound or substance from the surface or subsurface of the Land regardless of the depth thereof or the method of mining or extraction thereof and agree to defend, indemnify, save and hold Beneficiary and its officers, agents, servants, employees, successors and assigns harmless from any and all claims,

liabilities, losses or expenses which may be incurred by such party, and any and all other expenses or losses, either direct or consequential, which are attributable, or alleged in any way to be attributable, to the development and exploitation of mineral rights in, on or around the Property by Grantor or any other party; and

(q) subject to the provisions of Section 7.7 hereof, pay on demand all reasonable and bona fide out-of-pocket costs, fees and expenses and other expenditures, including, but not limited to, reasonable attorneys' fees and expenses, paid or incurred by Beneficiary or Trustee to third parties incident to this Deed of Trust or any other Bond Document (including, but not limited to, reasonable attorneys' fees and expenses in connection with the negotiation, preparation and execution hereof and of any other Bond Document and any amendment hereto or thereto, any release hereof, any consent, approval or waiver hereunder or under any other Bond Document, and any suit to which Beneficiary or Trustee is a party involving this Deed of Trust or the Property) or incident to the enforcement of the Obligation or the exercise of any right or remedy of Beneficiary or the Bondholders under any Bond Document.

ARTICLE III

DEFAULTS AND REMEDIES OF BENEFICIARY

Section 3.1. Default

The term "Default", as used herein, shall mean the occurrence of any one or more of the following events:

(a) any Event of Default shall have occurred under the Indenture or any other Transaction Document; or

(b) the failure of Grantor to pay any sum of money in accordance with the Obligation or any part thereof, as it becomes due and payable, whether at the scheduled due date thereof or when accelerated pursuant to any power to accelerate, or otherwise; or

(c) the failure of Grantor to punctually and properly perform, observe or comply with any covenant, agreement, undertaking or condition contained herein, or in the Indenture or in any Bond Document or any renewal, modification, rearrangement, amendment or extension thereof (other than covenants to pay any sum of money in accordance with the Obligation); or

(d) an event of default under and pursuant to any other mortgage or security agreement which covers or affects any part of the Property; or

(e) the execution by Grantor of an assignment for the benefit of creditors or the admission in writing by Grantor of Grantor's inability to pay, or Grantor's failure to pay, debts generally as the debts become due; or

(f) the levy against the Property or any part thereof, of any execution, attachment, sequestration or other writ which is not vacated within sixty (60) days after the levy; or

(g) the appointment of a receiver, trustee or custodian of Grantor, or of the Property or any part thereof, which receiver, trustee or custodian is not discharged within sixty (60) days after the appointment; or

(h) the filing by Grantor as a debtor of a petition, case, proceeding or other action pursuant to, or the voluntary seeking of the benefit or benefits of, Title 11 of the United States Code, as now or hereafter in effect, or any other law, domestic or foreign, as now or hereafter in effect relating to bankruptcy, insolvency, liquidation, receivership, reorganization, arrangement, or composition or extension or adjustment of debts, or similar laws affecting the rights of creditors (Title 11 of the United States Code and such other laws being herein referred to as “Debtor Relief Laws”), or the taking of any action in furtherance thereof; or

(i) the filing by Grantor of either a petition, complaint, answer or other instrument which seeks to effect a suspension of, or which has the effect of suspending any of the rights or powers of Beneficiary or Trustee granted in the Indenture, herein or in any Bond Document; or

(j) the filing of a petition, case, proceeding or other action against Grantor as a debtor under any Debtor Relief Law or seeking appointment of a receiver, trustee, custodian or liquidator of Grantor or of the Property, or any part thereof, or of any significant portion of Grantor’s other property, and (i) Grantor admits, acquiesces in or fails to contest diligently the material allegations thereof, or (ii) the petition, case, proceeding or other action results in the entry of an order for relief or order granting the relief sought against Grantor, or (iii) the petition, case, proceeding or other action is not permanently dismissed or discharged on or before the earlier of trial thereon or thirty (30) days next following the date of filing; or

(k) the discovery by Beneficiary of information establishing that any representation or warranty made by Grantor herein or in any Bond Document is false, misleading, erroneous or breached in any material respect; or

(l) abandonment by Grantor of all or any portion of the Property; or

(m) dissolution or liquidation of Grantor or termination or forfeiture of Grantor’s right to do business, or, if Grantor is an individual, the death of Grantor; or

(n) the failure of Grantor to immediately pay any final money judgment against Grantor; or

(o) the occurrence of any event referred to in Subsections (d), (f), (g), (h), (i), (l) and (m) above with respect to any guarantor or other person or entity obligated in any manner to pay or perform the Obligation or any part thereof (as if such guarantor or other person or entity were “Grantor” in such Subsections).

Section 3.2. Beneficiary’s Remedies Upon Default

Upon a Default, after the giving of any required notice and expiration of any applicable cure period provided in the Indenture, Beneficiary may, at Beneficiary’s option, do any one or more of the following:

(a) If Grantor has failed to keep or perform any covenant whatsoever contained in this Deed of Trust, Beneficiary may, but shall not be obligated to any person to do so, perform or attempt to perform said covenant, and any payment made or expense incurred in the performance or attempted performance of any such covenant shall be and become a part of the Obligation, and Grantor promises, upon demand, to pay to Beneficiary all sums so advanced or paid by Beneficiary, with interest from the date when paid or incurred by Beneficiary at the rate applicable to the Bonds. No such payment by Beneficiary shall constitute a waiver of any Default. In addition to the liens and security interests hereof, Beneficiary shall be subrogated to all rights, titles, liens and security interests securing the payment of any debt, claim, tax or assessment for the payment of which Beneficiary may make an advance, or which Beneficiary may pay.

(b) Beneficiary may, without notice, demand, presentment, notice of nonpayment or nonperformance, protest, notice of protest, notice of intent to accelerate, notice of acceleration or any other notice or any other action, all of which are hereby waived by Grantor and all other parties obligated in any manner whatsoever on the Obligation, declare the entire unpaid balance of the Obligation immediately due and payable, and upon such declaration, the entire, unpaid balance of the Obligation shall be immediately due and payable.

(c) Beneficiary may request Trustee to proceed with foreclosure under the power of sale, which is hereby conferred, such foreclosure to be accomplished in accordance with the following provisions:

(i) Trustee is hereby authorized and empowered and it shall be Trustee's special duty, upon such request of Beneficiary, to sell the Property or any part thereof, with or without having taken possession of same. Any such sale (including notice thereof) shall comply with the applicable requirements, at the time of the sale, of Section 51.002 of the Texas Property Code or, if and to the extent such statute is not then in force, with the applicable requirements, at the time of the sale, of the successor statute or statutes, if any, governing sales of Texas real property under powers of sale conferred by deeds of trust. If there is no statute in force at the time of the sale governing sales of Texas real property under powers of sale conferred by deeds of trust, such sale shall comply with applicable law, at the time of the sale, governing sales of Texas real property under powers of sale conferred by deeds of trust.

(ii) In addition to the rights and powers of sale granted under the preceding provisions of this Subsection, if Default is made in the payment of any installment of the Obligation, Beneficiary may, at Beneficiary's option, at once or at any time thereafter while any matured installment remains unpaid, without declaring the entire Obligation to be due and payable, orally (promptly confirmed in writing) or in writing direct Trustee to enforce this trust and to sell the Property subject to such unmatured indebtedness and to the rights, powers, liens, security interests and assignments securing or providing recourse for payment of such unmatured indebtedness, in the same manner, all as provided in the preceding provisions of this Subsection. Sales made without maturing the Obligation may be made hereunder whenever there is a Default in the payment of any installment of the Obligation, without exhausting the power of sale granted hereby, and without affecting in any way the power of sale granted under this Subsection, the unmatured balance of the

Obligation or the rights, powers, liens, security interests and assignments securing or providing recourse for payment of the Obligation.

(iii) Sale of a part of the Property shall not exhaust the power of sale, but sales may be made from time to time until the Obligation is paid and performed in full. It is intended by each of the foregoing provisions of this Subsection that Trustee may, after any request or direction by Beneficiary, sell not only the Land and the Improvements, but also the Accessories and other interests constituting a part of the Property or any part thereof, along with the Land and the Improvements or any part thereof, as a unit and as a part of a single sale, or may sell any part of the Property separately from the remainder of the Property. It shall not be necessary to have present or to exhibit at any sale any of the Property.

(iv) After any sale under this Subsection, Trustee shall make good and sufficient deeds, assignments and other conveyances to the purchaser or purchasers thereunder in the name of Grantor, conveying the Property or any part thereof so sold to the purchaser or purchasers with general warranty of title by Grantor. It is agreed that, in any deeds, assignments or other conveyances given by Trustee, any and all statements of fact or other recitals therein made as to the identity of Beneficiary, or as to the occurrence or existence of any Default, or as to the acceleration of the maturity of the Obligation, or as to the request to sell, notice of sale, time, place, terms and manner of sale, and receipt, distribution and application of the money realized therefrom, or as to the due and proper appointment of a substitute Trustee, and, without being limited by the foregoing, as to any other act or thing having been duly done by or on behalf of Beneficiary or by or on behalf of Trustee, shall be taken by all courts of law and equity as prima facie evidence that the said statements or recitals state facts and are without further question to be so accepted, and Grantor does hereby ratify and confirm any and all acts that Trustee may lawfully do in the premises by virtue hereof.

(d) Beneficiary may, or Trustee may upon written request of Beneficiary, proceed by suit or suits, at law or in equity, to enforce the payment and performance of the Obligation in accordance with the terms hereof and of the Indenture or the Bond Documents, to foreclose the liens and security interests of this Deed of Trust as against all or any part of the Property, and to have all or any part of the Property sold under the judgment or decree of a court of competent jurisdiction.

(e) Beneficiary, as a matter of right and without regard to the sufficiency of the security, and without any showing of insolvency, fraud or mismanagement on the part of Grantor, and without the necessity of filing any judicial or other proceeding other than the proceeding for appointment of a receiver, shall be entitled to the appointment of a receiver or receivers of the Grantor, the Property or any part thereof, and of the income, rents, issues and profits thereof.

(f) Beneficiary may enter upon the Land, take possession of the Property and remove the Accessories or any part thereof, with or without judicial process, and, in connection therewith, without any responsibility or liability on the part of Beneficiary, take possession of any of Grantor's personal property located on or in the Property which is not a part of the Property and hold or store such property at Grantor's expense.

(g) Beneficiary may require Grantor to assemble the Accessories or any part thereof, and make them available to Beneficiary at a place to be designated by Beneficiary which is reasonably convenient to Grantor and Beneficiary.

(h) After notification, if any, hereafter provided in this Subsection, Beneficiary may sell, lease or otherwise dispose of, on the Land or elsewhere, as chosen by Beneficiary, all or any part of the Accessories, in their then condition, or following any commercially reasonable preparation or processing, and each Sale (as used in this Subsection, the term "Sale" means any sale, lease, or other disposition made pursuant to this Subsection) may be as a unit or in parcels, by public or private proceedings, and by way of one or more contracts, and, at any Sale it shall not be necessary to exhibit the Accessories or part thereof being sold. The Sale of any part of the Accessories shall not exhaust Beneficiary's power of sale, but Sales may be made from time to time until the Obligation is paid and performed in full. Reasonable notification of the time and place of any public Sale pursuant to this Subsection, or reasonable notification of the time after which any private Sale is to be made pursuant to this Subsection, shall be sent to Grantor and to any other person entitled under the Code (as hereinafter defined) to notice; provided that if the Accessories or part thereof being sold are perishable, or threaten to decline rapidly in value, or are of a type customarily sold on a recognized market, Beneficiary may sell, lease or otherwise dispose of the Accessories, or part thereof, without notification, advertisement or other notice of any kind. It is agreed that notice sent or given not less than ten (10) calendar days prior to the taking of the action to which the notice relates, is reasonable notification and notice for the purposes of this Subsection.

(i) Beneficiary may surrender the insurance policies maintained pursuant to Subsection 2.2(c) hereof or any part thereof, and receive and apply the unearned premiums as a credit on the Obligation and, in connection therewith, Grantor hereby appoints Beneficiary as agent and attorney-in-fact for Grantor to collect such premiums.

(j) Beneficiary may retain the Accessories in satisfaction of the Obligation whenever the circumstances are such that Beneficiary is entitled to do so under the Code.

(k) Beneficiary may buy the Property or any part thereof at any public sale or judicial sale.

(l) Beneficiary may buy the Accessories or any part thereof at any private sale, if the Accessories or part thereof being sold are a type customarily sold in a recognized market or a type subject to widely distributed standard price quotations.

(m) Beneficiary shall have and may exercise any and all other rights and remedies which Beneficiary may have at law or in equity, or by virtue of any Bond Document, or under the Code, or otherwise.

(n) Beneficiary may apply the reserves, if any, required by Section 6.3 hereof toward payment of the Obligation.

Section 3.3. Beneficiary as Purchaser

If Beneficiary is the purchaser of the Property or any part thereof, at any sale thereof, whether such sale be under the power of sale hereinabove vested in Trustee or upon any other foreclosure of the liens and security interests hereof, or otherwise, Beneficiary shall, upon any such purchase, acquire good title to the Property so purchased, free of the liens and security interests hereof, unless the sale was made subject to an unmatured portion of the Obligation and Beneficiary elects that no merger occur.

Section 3.4. Other Rights of Beneficiary

Should any part of the Property come into the possession of Beneficiary, whether before or after Default, Beneficiary may use or operate the Property for the purpose of preserving it or its value, pursuant to the order of a court of appropriate jurisdiction or in accordance with any other rights held by Beneficiary in respect of the Property. Grantor covenants promptly to reimburse and pay to Beneficiary on demand the amount of all reasonable expenses (including the cost of any insurance, taxes or other charges) incurred by Beneficiary in connection with Beneficiary's custody, preservation, use or operation of the Property, together with interest thereon from the date incurred by Beneficiary at the rate applicable to the Bonds, and all such expenses, costs, taxes, interest and other charges shall be and become a part of the Obligation. It is agreed, however, that the risk of loss or damage to the Property is on Grantor, and Beneficiary shall have no liability whatsoever for decline in value of the Property, for failure to obtain or maintain insurance, or for failure to determine whether insurance in force is adequate as to amount or as to the risks insured.

Section 3.5. Possession After Foreclosure

If the liens or security interests hereof shall be foreclosed by power of Trustee's sale, by judicial action or otherwise, the purchaser at any such sale shall receive, as an incident to Trustee's ownership, immediate possession of the property purchased, and if Grantor or Grantor's successors shall hold possession of said property or any part thereof, subsequent to foreclosure, Grantor and Grantor's successors shall be considered as tenants at sufferance of the purchaser at foreclosure sale (without limitation of other rights or remedies, at a reasonable rental per day, due and payable daily, based upon the value of the portion of the Property so occupied), and anyone occupying such portion of the Property after demand is made for possession thereof shall be guilty of forcible detainer and shall be subject to eviction and removal, forcible or otherwise, with or without process of law, and all damages by reason thereof are hereby expressly waived.

Section 3.6. Application of Proceeds

The proceeds from any sale, lease or other disposition made pursuant to this Article, or the proceeds from the surrender of any insurance policies pursuant to Subsection 3.2(i) hereof, or any rental collected by Beneficiary from the Property, or the reserves required by Section 6.3 hereof, or sums received pursuant to Section 6.1 hereof, or proceeds from insurance which Beneficiary elects to apply to the Obligation pursuant to Section 6.2 hereof, shall be applied by Trustee, or by Beneficiary, as the case may be, as follows: first, to the payment of all expenses of advertising, selling and conveying the Property or part thereof, including reasonable attorneys' fees; second, to accrued interest on the Obligation; third, to principal on the matured portion of the Obligation;

fourth, to prepayment of the unmatured portion, if any, of the Obligation applied to installments of principal in inverse order of maturity; and fifth, the balance, if any, remaining after the full and final payment and performance of the Obligation, to the person or persons legally entitled thereto.

Section 3.7. Abandonment of Sale

In the event a foreclosure hereunder is commenced by Trustee in accordance with Subsection 3.2(c) hereof, Beneficiary may, at any time before the sale, direct Trustee to abandon the sale, and may then institute suit for the collection of the amounts due under the Indenture and for the foreclosure of the liens and security interests hereof. If Beneficiary should institute a suit for the collection of such amounts and for a foreclosure of the liens and security interests hereof, Beneficiary may, at any time before the entry of a final judgment in said suit, dismiss the same and require Trustee to sell the Property or any part thereof in accordance with the provisions of this Deed of Trust.

Section 3.8. Indemnification of Trustee

Except for gross negligence or willful misconduct, Trustee shall not be liable for any act or omission or error of judgment. Trustee may rely on any document believed by Trustee in good faith to be genuine. All money received by Trustee shall, until used or applied as herein provided, be held in trust, but need not be segregated (except to the extent required by law), and Trustee shall not be liable for interest thereon. TO THE FULL EXTENT PERMITTED BY LAW, GRANTOR SHALL INDEMNIFY TRUSTEE AGAINST ALL LIABILITY AND EXPENSES WHICH TRUSTEE MAY INCUR IN THE PERFORMANCE OF TRUSTEE'S DUTIES HEREUNDER.

Section 3.9. Substitute Trustee

Beneficiary may appoint a substitute Trustee (a) if Trustee herein named or any substitute Trustee shall die, resign, or fail, refuse or be unable, for any reason, to make any such sale or to perform any of the trusts herein declared; or (b) at the option of Beneficiary from time to time as often and whenever Beneficiary prefers and with or without any reason or cause. Each appointment shall be in writing, but without the necessity of recordation, notice to Grantor, or any other action or formality. Each substitute Trustee so appointed shall thereupon by such appointment become Trustee and succeed to all the estates, titles, rights, powers, trusts and duties of predecessor Trustee. Any such appointment may be executed by Beneficiary or any authorized representative of Beneficiary, and such appointment shall be presumed conclusively to have been executed with due and proper authority. Without limiting the generality of the foregoing, if Beneficiary is a corporation, bank or association, of any type or character, such appointment may be executed in its behalf by any officer of Beneficiary and shall be presumed conclusively to have been executed with due and proper authority without necessity of proof of any action by the board of directors or any superior officer. Wherever herein the word "Trustee" is used, the same shall mean the duly appointed Trustee or substitute Trustee hereunder at the time in question. Trustee may resign by written notice to Beneficiary.

ARTICLE IV

SECURITY AGREEMENT

This Deed of Trust is also a security agreement between Grantor, as debtor, and Beneficiary, as secured party. Grantor hereby grants to Beneficiary and Beneficiary's successors and assigns, a security interest in those portions of the Property which constitute Accessories or which are described in paragraphs (iv) or (v) of this Deed of Trust and each and every part thereof, and in all proceeds from the sale, lease or other disposition thereof, and in all sums, proceeds, funds and reserves described or referred to in Sections 6.1, 6.2 and 6.3 hereof. However, the grant of a security interest in proceeds shall not be deemed to authorize any action otherwise prohibited herein. The security interest created hereby is specifically intended to cover and include all leases of the Property (in this Article IV, together with all amendments and supplements thereto made as provided therein, called the "Leases"), between Grantor (or parties acting on behalf of Grantor), as lessor or as successor to or assignee from the lessor, and tenants which occupy the Property under the Leases, including all extended terms and all extensions and renewals of the terms thereof, as well as any amendments to or replacements of said Leases, together with all the right, title and interest of Grantor, as lessor thereunder, including, without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and receipt for any and all of the rents, income, revenues, issues and profits and moneys payable as damages or in lieu of rent and moneys payable as the purchase price of the Property or any part thereof or of awards or claims for money and other sums of money payable or receivable thereunder howsoever payable, and to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which Grantor or any lessor is or may become entitled to do under the Leases, all as assigned to Beneficiary in accordance with Article V hereof; provided, that this provision and said Article V shall not impair or diminish any obligation of Grantor under the Leases, nor shall any obligation be imposed upon Beneficiary. In addition to Beneficiary's rights hereunder or otherwise, Beneficiary shall have all of the rights of a secured party under the Texas Business and Commerce Code, as amended (the "Code"). Grantor, from time to time, upon each request of Beneficiary, shall promptly (a) execute and deliver to Beneficiary all financing statements as required by Beneficiary in order to establish or maintain the validity, perfection or priority of the security interest with respect to the Accessories or fixtures; (b) pay to Beneficiary on demand all costs of preparation and filing of financing statements pursuant hereto and all costs of Code searches reasonably required by Beneficiary; and (c) give to Beneficiary a certificate in form satisfactory to Beneficiary listing all trade names of Grantor and under which Grantor operates or intends to operate the Property or any part thereof, and give to Beneficiary advance written notice of any proposed change of any such trade name and of any change of name (or trade name or assumed name), identity or structure of Grantor. A carbon, photographic or other reproduction of this Deed of Trust or of a financing statement executed pursuant hereto is sufficient as a financing statement. This Deed of Trust is, without limitation, intended to be a financing statement filed as a fixture filing with respect to the portions of the Property which are or are to become fixtures, and as mineral, crop and timber filing. The address of Grantor (debtor) is set forth on the first page hereof and the address of Beneficiary (secured party) from whom information concerning the security interest may be obtained, is set forth in Section 1.1 hereof. Grantor is the record owner of the Land, the Improvements and the Accessories.

ARTICLE V

ASSIGNMENT OF RENTS, LEASES, PROFITS, INCOME, CONTRACTS AND BONDS

Section 5.1. Assignment of Leases

Grantor hereby assigns to Beneficiary all existing and future leases, including, without limitation, all subleases thereof, and any and all extensions, renewals, modifications and replacements thereof, upon any part of the Property (collectively, the “Leases”). Grantor hereby further assigns to Beneficiary all guaranties of tenants’ performance under the Leases. Prior to a Default, Grantor shall have the right, without joinder of Beneficiary, to enforce the Leases, unless Beneficiary directs otherwise.

Section 5.2. Assignment of Rents

Pursuant to the terms of the Texas Assignment of Rents Act (Sections 64.001 *et. seq.* of the Texas Property Code) (“TARA”), Grantor does hereby assign, transfer and set over to Beneficiary all of Grantor’s right, title and interest in and to all rents, income, receipts, revenues, issues, profits and proceeds to be derived from the Property, including, without limitation, the immediate and continuing right to collect and receive all of the rents, income, receipts, revenues, issues, profits and other sums of money that may now or at any time hereafter become due and payable to Grantor under the terms of any leases now or hereafter covering the Property, or any part thereof, including, but not limited to, minimum rents, additional rents, percentage rents, deficiency rents and liquidated damages following Default, all proceeds payable under any policy of insurance covering the loss of rents resulting from untenability caused by destruction or damage to the Property, and all of Grantor’s rights to recover monetary amounts from any tenant in bankruptcy, including, without limitation, rights of recovery for use and occupancy and damage claims arising out of lease defaults, including rejections, under the United States Bankruptcy Code or any other present or future federal or state insolvency, bankruptcy or similar law, together with any sums of money that may now or at any time hereafter become due and payable to Grantor by virtue of any and all royalties, overriding royalties, bonuses, delay rentals and any other amount of any kind or character arising under any and all present and future oil, gas and mining leases covering the Property or any part thereof (collectively, the “Rents”); and all proceeds and other amounts paid or owing to Grantor under or pursuant to any and all contracts and bonds relating to the construction, erection or renovation of the Property. Without in any way limiting Grantor’s obligations under this Deed of Trust or the Indenture, at any time upon the occurrence and during the continuance of any Default, Beneficiary may deliver written notice as provided in TARA in accordance with Section 7.12 hereof to Grantor and within five (5) days after delivery of such notice, and without further notice and cure period (Grantor hereby waiving the 30-day notice requirement provided for in TARA and any right to withhold any amount permitted under Section 64.060(a) of TARA for expenses), Grantor will remit to Beneficiary payment of all prepaid Rents for future periods, accrued, unpaid Rents and Rents accruing thereafter to Beneficiary, without any deduction, setoff, or other reduction of any kind. Neither this assignment nor the receipt of Rents by Beneficiary shall effect a *pro tanto* payment of the Obligation and no credit shall be given to Grantor for any Rents until the money is actually received and is applied to the Obligation by Beneficiary. No such credit shall be given for any Rents collected or released after foreclosure or

other transfer of the Property to Beneficiary or any other third party. Beneficiary may apply all such sums or any part thereof it receives, after the payment of all of its expenses (including, without limitation, costs and attorneys' fees), to one or more of the following: (a) on the Obligation secured by this Deed of Trust in such manner as Beneficiary elects (without regard to Section 64.058 of the Texas Property Code) until paid in full, whether due or not, (b) as otherwise permitted under the terms of this Deed of Trust or any of the other Loan Documents, or (c) as specifically hereafter agreed to with Grantor in writing with respect to the payment received.

Grantor shall cause all Leases executed after the date hereof to be expressly made subject to the provisions of TARA and include the following covenants: (i) that upon the receipt by tenant of a Notice to Pay Rents to Person Other Than Landlord ("NPROL") provided by Beneficiary pursuant to Section 64.055 of TARA, whether prior to or after a Default, tenant shall (1) immediately turn over all Rents and proceeds Beneficiary is entitled to collect under Section 64.053 of TARA; (2) not deduct any portion of the Rents for any purpose, notwithstanding any other provision of TARA, this Deed of Trust or the Indenture; and (3) pay all Rents as they accrue to the Beneficiary; and (ii) that tenant waives any right to delay payment of rent contemplated by Section 64.055(d) of TARA or numbered paragraph 3 of the statutory form of NPROL set forth in Section 64.056 of TARA.

Section 5.3. Settlement for Termination

Grantor agrees that no settlement for damages for termination of any of the Leases under the Federal Bankruptcy Code, or under any other federal, state or local statute, shall be made without the prior written consent of Beneficiary, and any check in payment of such damages will be made payable to both Grantor and Beneficiary. Grantor hereby assigns any such payment to Beneficiary to be applied to the Obligation as Beneficiary may elect and agrees to endorse any check for such payment to the order of Beneficiary.

Section 5.4. Beneficiary in Possession

Beneficiary's acceptance of this assignment shall not, prior to entry upon and taking possession of the Property by Beneficiary, be deemed to constitute Beneficiary a "mortgagee in possession," nor obligate Beneficiary to appear in or defend any proceedings relating to any of the Leases or to the Property, take any action hereunder, expend any money, incur any expenses, or perform any obligation or liability under the Leases, or assume any obligation for any deposits delivered to Grantor by any tenant and not delivered to Beneficiary. Beneficiary shall not be liable for any injury or damage to any person or property in or about the Property.

Section 5.5. Indemnification. TO THE EXTENT AUTHORIZED BY LAW, EXCEPT FOR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF TRUSTEE OR BENEFICIARY, GRANTOR HEREBY INDEMNIFIES AND HOLDS TRUSTEE AND BENEFICIARY (WHICH SHALL INCLUDE THE DIRECTORS, OFFICERS, PARTNERS, EMPLOYEES, REPRESENTATIVES AND AGENTS OF BENEFICIARY AND ANY PERSONS OR ENTITIES OWNED OR CONTROLLED BY, OWNING OR CONTROLLING, OR UNDER COMMON CONTROL OR AFFILIATED WITH BENEFICIARY) HARMLESS FROM ALL LIABILITY, DAMAGE OR EXPENSE IMPOSED ON OR INCURRED BY BENEFICIARY FROM ANY CLAIMS UNDER THE LEASES, INCLUDING, WITHOUT

LIMITATION, ANY CLAIMS ARISING OUT OF OR RESULTING FROM THE SOLE OR CONTRIBUTORY NEGLIGENCE OF TRUSTEE OR BENEFICIARY AND ANY CLAIMS BY GRANTOR WITH RESPECT TO PAYMENTS OF RENTS MADE DIRECTLY TO BENEFICIARY AFTER DEFAULT AND CLAIMS BY ANY TENANT FOR SECURITY DEPOSITS OR FOR RENTAL PAYMENTS MORE THAN ONE (1) MONTH IN ADVANCE AND NOT DELIVERED TO BENEFICIARY. ALL AMOUNTS INDEMNIFIED AGAINST HEREUNDER, INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, IF PAID BY BENEFICIARY SHALL BEAR INTEREST AT THE MAXIMUM LAWFUL RATE AND SHALL BE PAYABLE BY GRANTOR IN ACCORDANCE WITH SECTION 1.1 HEREOF. THE FOREGOING INDEMNITIES SHALL NOT TERMINATE UPON THE FORECLOSURE, RELEASE OR OTHER TERMINATION OF THIS DEED OF TRUST BUT WILL SURVIVE FORECLOSURE OF THIS DEED OF TRUST OR CONVEYANCE IN LIEU OF FORECLOSURE AND THE REPAYMENT OF THE OBLIGATION AND THE DISCHARGE AND RELEASE OF THIS DEED OF TRUST AND THE OTHER BOND DOCUMENTS.

Section 5.6. Records

Upon request by Beneficiary, Grantor shall deliver to Beneficiary executed copies of any future Leases and copies of all records relating thereto.

Section 5.7. Merger

There shall be no merger of the leasehold estates, created by the Leases, with the fee estate of the Land without the prior written consent of Beneficiary.

Section 5.8. Right to Rely

Grantor hereby irrevocably authorizes and directs the tenants under the Leases to pay Rents to Beneficiary upon written demand by Beneficiary as provided in TARA, without further consent of Grantor, and the tenants may rely upon any written statement delivered by Beneficiary to the tenants. Any such payment to Beneficiary shall constitute payment to Grantor under the Leases. The provisions of this Section are intended solely for the benefit of the tenants and shall never inure to the benefit of Grantor or any person claiming through or under Grantor, other than a tenant who has not received such notice. The assignment of Rents set forth in Section 5.2 is not contingent upon any notice or demand by Beneficiary to the tenants.

ARTICLE VI

SPECIAL PROVISIONS

Section 6.1. Condemnation Proceeds

Beneficiary shall be entitled to receive any and all sums which may be awarded or become payable to Grantor for the condemnation of the Property or any part thereof, for public or quasi-public use, or by virtue of private sale in lieu thereof, and any sums which may be awarded or become payable to Grantor for damages caused by public works or construction on or near the Property. All such sums are hereby assigned to Beneficiary and Grantor shall, upon request of

Beneficiary, make, execute, acknowledge and deliver any and all additional assignments and documents as may be necessary from time to time to enable Beneficiary to collect and receipt for any such sums. Beneficiary shall not be, under any circumstances, liable or responsible for failure to collect, or exercise diligence in the collection of, any of such sums. Any sums received by Beneficiary as a result of condemnation shall be applied to installments on the Obligation in inverse order of maturity.

Section 6.2. Insurance Proceeds

The proceeds of any and all insurance upon the Property shall be collected by Beneficiary and Beneficiary shall have the option, in Beneficiary's sole discretion, to apply any proceeds so collected either to the restoration of the Property or to the liquidation of the Obligation.

Section 6.3. Reserve for Taxes, Assessments and Insurance Premiums

Upon Grantor's failure to perform the covenants of this Deed of Trust concerning the delivery to Beneficiary of evidence of the payment of taxes (if any are due and assessable) and insurance premiums on the Property and upon written request by Beneficiary, Grantor shall create a fund or reserve for the payment of all insurance premiums, taxes and assessments against or affecting the Property by paying to Beneficiary, on the first day of each calendar month prior to the maturity of the Note, a sum equal to the premiums that will next become due and payable on the hazard insurance policies covering the Property or any part thereof, plus taxes and assessments next due on the Property or any part thereof as estimated by Beneficiary, less all sums paid previously to Beneficiary therefor divided by the number of months to elapse before one (1) month prior to the date when such premiums, taxes and assessments will become due; such sums to be held by Beneficiary without interest, unless interest is required by applicable law, for the purposes of paying such premiums, taxes and assessments. Any excess reserve shall, at the discretion of Beneficiary, be credited by Beneficiary on subsequent reserve payments or subsequent payments to be made on the Note by the maker thereof, and any deficiency shall be paid by Grantor to Beneficiary on or before the date when such premiums, taxes and assessments shall become delinquent. In the event there exists deficiency in such fund or reserve at any time when taxes, assessments or insurance premiums are due and payable, Beneficiary may, but shall not be obligated to, advance the amount of such deficiency on behalf of Grantor and such amounts so advanced shall become a part of the Obligation, shall be immediately due and payable, and shall bear interest at the rate applicable to the Bonds from the date of such advance through and including the date of repayment. Transfer of legal title to the Property shall automatically transfer the interest of Grantor in all sums deposited with Beneficiary under the provisions hereof or otherwise.

Section 6.4. Right to Accelerate Upon Transfer

If Grantor shall sell, convey, assign or transfer all or any part of the Property or any interest therein, Beneficiary may, at Beneficiary's option, without demand, presentment, protest, notice of protest, notice of intent to accelerate, notice of acceleration or other notice, or any other action, all of which are hereby waived by Grantor and all other parties obligated in any manner on the Obligation, declare the Obligation to be immediately due and payable, which option may be exercised at any time following such sale, conveyance, assignment or transfer, and upon such

declaration the entire unpaid balance of the Obligation shall be immediately due and payable. Beneficiary may, in Beneficiary's sole discretion and at Grantor's request, decide not to exercise said option, in which event Beneficiary's forbearance may be predicated on such terms and conditions as Beneficiary may, in Beneficiary's sole discretion require, including, but not limited to, Beneficiary's approval of the transferee's creditworthiness and management ability, the execution and delivery to Beneficiary by transferee prior to the sale, transfer, assignment or conveyance of a written assumption agreement containing such terms as Beneficiary may require, including, but not limited to, a payment of a part of the principal amount of the Obligation, an increase in the rate of interest payable by the Obligation, the payment of an assumption fee, a modification of the term of the Obligation and such other terms as Beneficiary may require, or Beneficiary may require any of such modifications of the terms of the Obligation without requiring an assumption thereof by the transferee. Should the Property be sold, traded, transferred, assigned, exchanged or otherwise disposed of without the prior written consent of Beneficiary and should payment of any portion of the Obligation thereafter be accepted by Beneficiary, such acceptance shall not be deemed a waiver of the requirement of Beneficiary's consent in writing thereto or with respect to any other sale, trade, transfer, assignment, exchange or other disposition. Notwithstanding the foregoing, said option shall not apply in case of: sales or transfers of items of the Accessories which have become obsolete or worn beyond practical use and which have been replaced by adequate substitutes having a value equal to or greater than the replaced items when new.

Section 6.5. Subordinate Financing

If Grantor, without the prior written consent of Beneficiary, executes or delivers any pledge, security agreement, mortgage or deed of trust covering all or any portion of the Property (hereinafter called "Subordinate Mortgage"), Beneficiary may, at Beneficiary's option, which option may be exercised at any time following such pledge, security agreement, mortgage or deed of trust, without demand, presentment, protest, notice of protest, notice of intent to accelerate, notice of acceleration or other notice, or any other action, all of which are hereby waived by Grantor and all other parties obligated in any manner on the Obligation, declare the Obligation to be immediately due and payable. In the event of consent by Beneficiary to the granting of a Subordinate Mortgage, or in the event the above-described right of Beneficiary to declare the Obligation to be immediately due and payable upon the granting of a Subordinate Mortgage without the prior written consent of Beneficiary is determined by a court of competent jurisdiction to be unenforceable under the provisions of any applicable law, Grantor will not execute or deliver any Subordinate Mortgage unless (i) it shall contain express covenants to the effect: (a) that the Subordinate Mortgage is in all respects unconditionally subject and subordinate to the lien and security interest evidenced by this Deed of Trust and each term and provision hereof; (b) that if any action or proceeding shall be instituted to foreclose the Subordinate Mortgage (regardless of whether the same is a judicial proceeding or pursuant to a power of sale contained therein), no tenant of any portion of the Property will be named as a party defendant, nor will any action be taken with respect to the Property which would terminate any occupancy or tenancy of the Property without the prior written consent of Beneficiary; (c) that the rents and profits, if collected through a receiver or by the holder of the Subordinate Mortgage, shall be applied first to the obligations secured by this Deed of Trust, including principal and interest due and owing on or to become due and owing on the Bonds and the other indebtedness secured hereby, and then to the payment of

maintenance, operating charges, taxes, assessments, and disbursements incurred in connection with the ownership, operation and maintenance of the Property; and (d) that if any action or proceeding shall be brought to foreclose the Subordinate Mortgage (regardless of whether the same is a judicial proceeding or pursuant to a power of sale contained therein), written notice of the commencement thereof will be given to Beneficiary contemporaneously with the commencement of such action or proceeding; and (ii) a copy thereof shall have been delivered to Beneficiary not less than ten (10) days prior to the date of the execution of such Subordinate Mortgage.

Section 6.6. Environmental Matters; Compliance with Laws

Grantor warrants and represents to Beneficiary that (a) the occupancy, operation, and use of the Property shall not violate any applicable law, statute, ordinance, rule, regulation, order, or determination of any governmental authority or any board of fire underwriters (or other body exercising similar functions), or any restrictive covenant or deed restriction (of record or otherwise) affecting the Property, including, without limitation, applicable zoning ordinances and building codes, the Americans with Disabilities Act of 1990, flood disaster laws and health and environmental laws and regulations (hereinafter sometimes collectively called the “Applicable Regulations”); (b) Grantor and any lessee of space from Grantor in the Property shall obtain all permits, licenses, or similar authorizations required by reason of any Applicable Regulations pertaining to health or the environment (hereinafter sometimes collectively called “Applicable Environmental Laws”), including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (“CERCLA”) and the Resource Conservation and Recovery Act of 1976 (“RCRA”), as each is amended from time to time; and (c) the use that Grantor intends to make, or intends to allow, of the Property will not result in the disposal of or release of any hazardous substance or solid waste onto or into the Property, or any part thereof, in violation of any Applicable Environmental Law. The terms (as used in this Deed of Trust) “hazardous substance” and “release” have the meanings specified in CERCLA, and the terms “solid waste” and “disposal” (or “disposed”) have the meanings specified in RCRA. If either CERCLA or RCRA is amended to broaden the meaning of any term defined thereby, the broader meaning shall apply to this provision after the effective date of the amendment. Moreover, to the extent that Texas law establishes a meaning for “hazardous substance”, “release”, “solid waste”, or “disposal” that is broader than that specified in either CERCLA or RCRA, the broader meaning shall apply.

Beneficiary (through its officers, employees and agents) at any reasonable time and from time to time, either prior to or after Default in this Deed of Trust or under the Indenture, may employ persons (the “Site Reviewers”) to conduct environmental site assessments (“Site Assessments”) on the Property to determine whether or not there exists on the Property any environmental condition which might result in any liability, cost or expense to the owner, occupier or operator of the Property arising under the Applicable Environmental Laws. Grantor is required to reimburse Beneficiary for only one Site Assessment in any calendar year. The Site Assessments may be performed at any time or times, upon reasonable notice, and under reasonable conditions established by Beneficiary (so as not to unreasonably interfere with the operation of the Property). The Site Reviewers are authorized at their own risk to enter upon the Property and to perform above and below-the-ground testing (including, without limitation, taking of core samples) to

determine environmental damage or presence of any hazardous substance or solid waste in, on or under the Property and such other tests as may be necessary or desirable, in the opinion of the Site Reviewers, to conduct Site Assessments. Grantor will supply to the Site Reviewers such historical and operational information available to Grantor regarding the Property as may be requested by the Site Reviewers to facilitate the Site Assessments and will make available for meetings with the Site Reviewers appropriate personnel having knowledge of such matters.

Grantor shall indemnify, defend (with counsel selected by Beneficiary) and hold Beneficiary harmless from and against, and reimburse Beneficiary with respect to, any and all claims, demands, causes of action, loss, damage, liabilities, costs and expenses (including attorney's fees and court costs) of every kind or character, known, fixed, and asserted against or incurred by Beneficiary at any time and from time to time by reason of or arising out of any violation of an Applicable Environmental Law and all matters arising out of acts, omissions, events, or circumstances relating to the Property (including, without limitation, the presence on the Property or release from or to the Property of hazardous substances or solid wastes disposed of or otherwise released and Grantor's breach of any of its covenants, representations or indemnities under this provision), regardless of whether the act, omission, event, or circumstance constituted a violation of any Applicable Environmental Law at the time of the existence or occurrence.

Section 6.7. Waiver of Deficiency Statute. (a) In the event an interest in any of the Property is foreclosed upon pursuant to a judicial or nonjudicial foreclosure sale, Grantor agrees as follows. Notwithstanding the provisions of Section 51.003, 51.004 and 51.005 of the Texas Property Code (as the same may be amended from time to time), and to the extent permitted by law, Grantor agrees that Beneficiary shall be entitled to seek a deficiency judgment from Grantor and any other party obligated on the Note equal to the difference between the amount owing on the Note and the amount for which the Property was sold pursuant to judicial or nonjudicial foreclosure sale. Grantor expressly recognizes that this section constitutes a waiver of the above-cited provisions of the Texas Property Code which would otherwise permit Grantor and other persons against whom recovery of deficiencies is sought or any guarantor independently (even absent the initiation of deficiency proceedings against them) to present competent evidence of the fair market value of the Property as of the date of the foreclosure sale and offset against any deficiency the amount by which the foreclosure sale price is determined to be less than such fair market value. Grantor further recognizes and agrees that this waiver creates an irrebuttable presumption that the foreclosure sale price is equal to the fair market value of the Property for purposes of calculating deficiencies owed by Grantor, any guarantor, and others against whom recovery of a deficiency is sought.

(b) Alternatively, in the event the waiver provided for in subsection (a) above is determined by a court of competent jurisdiction to be unenforceable, the following shall be the basis for the finder of fact's determination of the fair market value of the Property as of the date of the foreclosure sale in proceedings governed by Sections 51.003, 51.004 and 51.005 of the Texas Property Code (as amended from time to time): (i) the Property shall be valued in an "as is" condition as of the date of the foreclosure sale, without any assumption or expectation that the Property will be repaired or improved in any manner before a resale of the Property after foreclosure; (ii) the valuation shall be based upon an assumption that the foreclosure purchaser desires a resale of the Property for cash promptly (but no later than twelve (12) months) following the foreclosure sale; (iii) all reasonable closing costs customarily borne by the seller in commercial real estate transactions should be deducted

from the gross fair market value of the Property, including, without limitation, brokerage commissions, title insurance, a survey of the Property, tax prorations, attorneys' fees, and marketing costs; (iv) the gross fair market value of the Property shall be further discounted to account for any estimated holding costs associated with maintaining the Property pending sale, including, without limitation, utilities expenses, property management fees, taxes and assessments (to the extent not accounted for in (iii) above), and other maintenance, operational and ownership expenses; and (v) any expert opinion testimony given or considered in connection with a determination of the fair market value of the Property must be given by persons having at least five (5) years' experience in appraising property similar to the Property and who have conducted and prepared a complete written appraisal of the Property taking into consideration the factors set forth above.

Section 6.8. Collateral Protection Notice

In case of Grantor's failure to keep the Property properly insured as required herein, Beneficiary, after notice to Grantor, at its option may (but shall not be required to) acquire such insurance as required herein at Grantor's sole expense. **TEXAS FINANCE CODE SECTION 307.052 COLLATERAL PROTECTION INSURANCE NOTICE: (A) GRANTOR IS REQUIRED TO (i) KEEP THE MORTGAGED PROPERTY INSURED AGAINST DAMAGE IN THE AMOUNT SPECIFIED HEREIN; (ii) PURCHASE THE INSURANCE FROM AN INSURER THAT IS AUTHORIZED TO DO BUSINESS IN THE STATE OF TEXAS OR AN ELIGIBLE SURPLUS LINES INSURER OR OTHERWISE AS PROVIDED HEREIN; AND (iii) NAME BENEFICIARY AS THE PERSON TO BE PAID UNDER THE POLICY IN THE EVENT OF A LOSS AS PROVIDED HEREIN; (B) SUBJECT TO THE PROVISIONS HEREOF, GRANTOR MUST, IF REQUIRED BY BENEFICIARY, DELIVER TO BENEFICIARY A COPY OF THE POLICY AND PROOF OF THE PAYMENT OF PREMIUMS; AND (C) SUBJECT TO THE PROVISIONS HEREOF, IF GRANTOR FAILS TO MEET ANY REQUIREMENT LISTED IN THE FOREGOING SUBPARTS (A) OR (B), BENEFICIARY MAY OBTAIN COLLATERAL PROTECTION INSURANCE ON BEHALF OF GRANTOR AT GRANTOR'S EXPENSE.**

ARTICLE VII

MISCELLANEOUS

Section 7.1. Release

If the Obligation is paid in full in accordance with the terms of this Deed of Trust, the Indenture and the Bond Documents, and if Grantor shall well and truly perform all of Grantor's covenants contained herein, then this conveyance shall become null and void and be released at Grantor's request. The Grantor shall be entitled to partial releases of this Deed of Trust as provided for in the Indenture.

Section 7.2. Rights Cumulative

Beneficiary shall have all rights, remedies and recourses granted in the Bond Documents and available at law or in equity (including, without limitation, those granted by the Code and applicable to the Property or any portion thereof), and the same (a) shall be cumulative and

concurrent, (b) may be pursued separately, successively or concurrently against Grantor or others obligated for the Obligation or any part thereof, or against any one or more of them, or against the Property, at the sole discretion of Beneficiary, (c) may be exercised as often as occasion therefor shall arise, it being agreed by Grantor that the exercise, discontinuance of the exercise of or failure to exercise any of the same shall in no event be construed as a waiver or release thereof or of any other right, remedy or recourse, and (d) are intended to be, and shall be, nonexclusive. All rights and remedies of Beneficiary hereunder and under the other Bond Documents shall extend to any period after the initiation of foreclosure proceedings, judicial or otherwise, with respect to the Property.

Section 7.3. Waiver

Any and all covenants in this Deed of Trust may, from time to time, by instrument in writing signed by Beneficiary and delivered to Grantor, be waived to such extent and in such manner as Beneficiary may desire, but no such waiver shall ever affect or impair Beneficiary's rights, remedies, powers, privileges, liens, titles and security interests hereunder except to the extent so specifically stated in such written instrument. No waiver of any Default on the part of Grantor or a breach of any of the provisions of this Deed of Trust or of any Bond Document shall be considered a waiver of any other or subsequent default or breach, and no delay or omission in exercising or enforcing the rights and powers herein granted shall be construed as a waiver of such rights and powers, and likewise no exercise or enforcement of any rights or powers hereunder shall be held to exhaust such rights and powers, and every such right and power may be exercised from time to time. No notice to or demand on Grantor in any case shall of itself entitle Grantor to any other or further notice or demand in similar or other circumstances. The granting of any consent or approval by Beneficiary shall be limited to the specific instance and shall not waive or exhaust the requirement of consent or approval in any other instance. Except as otherwise specified herein, in any instance hereunder where Beneficiary's approval or consent is required or the exercise of Beneficiary's judgment is required, the granting or denial of such approval or consent and the exercise of such judgment shall be within the sole discretion of Beneficiary, and Beneficiary shall not, for any reason or to any extent, be required to grant such approval or consent or exercise such judgment in any particular manner regardless of the reasonableness of the request or of Beneficiary's judgment.

Section 7.4. Payments

Remittances in payment of any part of the Obligation other than in the required amount in funds immediately available in accordance with the terms of the Indenture shall not, regardless of any receipt or credit issued therefor, constitute payment until the required amount is actually received by Beneficiary or the Bondholders (as applicable) in funds immediately available and shall be made and accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Beneficiary of any payment in an amount less than the amount then due shall be deemed an acceptance on account only, and the failure to pay the entire amount then due shall be and continue to be a default.

Section 7.5. Exceptions to Covenants

Grantor shall not be deemed to be permitted to take any action or to fail to take any action, notwithstanding (a) that the action or omission may be permitted as an exception to any of the covenants or conditions contained herein, or (b) that obligations of Grantor or rights of Beneficiary are provided herein with respect to the action or omission (or the result thereof), if the action or omission would result in the breach of any other covenant or condition contained herein or in any of the Bond Documents, nor shall Beneficiary be deemed to have consented to any such act or omission if the same would provide cause for acceleration of the Obligation.

Section 7.6. Change of Security

Any part of the Property may be released, regardless of consideration, by Beneficiary from time to time without impairing, subordinating or affecting in any way the lien, security interest and other rights hereof against the remainder. The lien, security interest and other rights granted hereby shall not be affected by any other security taken for the Obligation or any part thereof. The taking of additional security, or the extension, renewal or rearrangement of the Obligation or any part thereof, shall not release or impair the lien, security interest and other rights granted hereby, or affect the liability of any endorser or guarantor or improve the right of any junior lienholder; and this Deed of Trust, as well as any instrument given to secure any renewal, extension or rearrangement of the Obligation or any part thereof, shall be and remain a first and prior lien, except as otherwise provided herein, on all of the Property not expressly released until the Obligation is fully paid and performed.

Section 7.7. Controlling Agreement

The parties hereto intend to conform strictly to the applicable usury laws. All agreements between Grantor (and any other party liable for any part of the Obligation) and Beneficiary, whether now existing or hereafter arising and whether written or oral, are expressly limited so that in no event whatsoever, whether by reason of acceleration of the maturity of the Obligation or otherwise, shall the interest contracted for, charged or received by Beneficiary hereunder or otherwise exceed the maximum amount permissible under applicable law. If from any circumstances whatsoever interest would otherwise be payable to Beneficiary in excess of the maximum lawful amount, the interest payable to Beneficiary shall be reduced automatically to the maximum amount permitted under applicable law. If Beneficiary shall ever receive anything of value deemed interest under applicable law which would apart from this provision be in excess of the maximum lawful amount, the amount which would have been excessive interest shall be applied to the reduction of the principal amount owing on the Obligation in inverse order of maturity and not to the payment of interest, or if such amount which would have been excessive interest exceeds the unpaid principal balance of the Obligation, such excess shall be refunded to Grantor. All interest paid or agreed to be paid to Beneficiary shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full stated term, including any renewal or extension, of such indebtedness so that the amount of interest on account of such indebtedness does not exceed the maximum permitted by applicable law.

Section 7.8. Effect of Transfer on Grantor's Liability

If the ownership (legal or beneficial) of the Property or any part thereof becomes vested in a person other than Grantor, or in the event of a change in ownership (legal or beneficial) of any Grantor other than an individual, Beneficiary may, without notice to or consent of Grantor or Grantor's successors, deal with such successor or successors in interest with reference to this Deed of Trust and the Obligation either by way of forbearance on the part of Beneficiary, or extension of time of payment of the Obligation, or release of all or any part of the property or any other property securing payment of the Obligation, or otherwise, without in any way modifying or affecting Beneficiary's rights and liens hereunder or the liability of Grantor or any other party liable for payment of the Obligation, in whole or in part.

Section 7.9. Waiver of Right to Marshal

Grantor hereby waives all rights of marshaling in the event of any foreclosure of the liens and security interests hereby created.

Section 7.10. Subrogation

To the extent that proceeds of the Obligation are used to renew, extend or pay any outstanding debt or to perform any obligation, such proceeds have been advanced by Beneficiary at Grantor's request, and Beneficiary shall be subrogated to all liens, security interests, rights, priorities, powers, titles, equities and interests owned or held by any owner or holder of such outstanding debt or obligation, however remote, irrespective of whether the same are released of record, and all of the same are recognized as valid and subsisting and are renewed, continued and preserved in force to secure the Obligation; provided, however, that if and to the extent Beneficiary desires in each case, the terms and provisions hereof and of the Indenture shall govern the rights and remedies of Beneficiary and shall supersede the terms, provisions, rights, and remedies under any lien, security interest, charge or other encumbrance to which Beneficiary is subrogated hereunder.

Section 7.11. Covenant to Perform

Grantor and each subsequent owner of the Property or any part thereof, covenants and agrees that Grantor or any subsequent owner will perform or cause to be performed, each and every condition, term, provision and covenant of this Deed of Trust, except that Grantor shall have no duty to pay the indebtedness under the Indenture except in accordance with the terms of the Indenture and all renewals and extensions thereof, and this Deed of Trust or in accordance with the terms of the transfer to Grantor or any subsequent owner.

Section 7.12. Notice

Except as otherwise provided herein, all notices, demands, requests and other communications required or permitted hereunder shall be in writing, and shall be deemed to be given and delivered when received, or if earlier and regardless of whether or not actually received (except where actual receipt is specified herein), upon deposit in a regularly maintained receptacle for the United States mail, registered or certified, postage fully prepaid, return receipt requested, addressed to the addressee at such addressee's address set forth herein or at such other address as

such party may have specified theretofore by notice delivered in accordance with this Section and actually received by the addressee. To the extent actual receipt is required herein, rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was received shall be deemed to be receipt of the notice, demand, request or other communication sent.

Section 7.13. Enforceability

If any provision of this Deed of Trust or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Deed of Trust nor the application of such provision to any other person or circumstances shall be affected thereby, but rather the same shall be enforced to the greatest extent permitted by law. If the rights and liens created by this Deed of Trust shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the Obligation, the portion of the Obligation which as the result of such invalidity or unenforceability is no longer secured by the liens and security interests herein granted shall be completely paid prior to the payment of the portion, if any, of the Obligation which shall continue to be secured hereunder, and all payments made on the Obligation shall be considered to have been paid on and applied first to the complete payment of the unsecured portion of the Obligation.

Section 7.14. Binding Effect

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective successors and assigns of the parties hereto and shall be covenants running with the Land. The term "Grantor" shall include in their individual capacities and jointly all parties hereinabove named a Grantor. The duties, covenants, conditions, obligations, and warranties of Grantor in this Deed of Trust shall be joint and several obligations of Grantor and, if more than one, of each party named a Grantor hereinabove, and each such party's successors and assigns. Each party who executes this Deed of Trust and each subsequent owner of the Property or any part thereof (other than Beneficiary), covenants and agrees that it will perform, or cause to be performed, each term, provision, covenant and condition of this Deed of Trust.

Section 7.15. Headings; Construction

The headings which have been used throughout this Deed of Trust have been inserted for convenience of reference only and do not constitute matter to be construed in interpreting this Deed of Trust. Words of any gender used in this Deed of Trust shall be held and construed to include any other gender and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise. The words "herein," "hereof," "hereunder" and other similar compounds of the words "here" when used in this Deed of Trust shall refer to the entire Deed of Trust and not to any particular provision or section.

Section 7.16. Counterparts

This Deed of Trust has simultaneously been executed in a number of identical counterparts, each of which, for all purposes, shall be deemed an original. This instrument is executed, acknowledged and delivered by Grantor's officers hereunto duly authorized.

Section 7.17. Controlling Law

This Deed of Trust shall be governed by and construed in accordance with Texas law and applicable United States federal law.

[Signature page follows.]

EXECUTED as of the date first above written.

GRANTOR:

I-20 LANCASTER FUND, LLC,
a Texas limited liability company

By: **I-20 Lancaster Development, LLC,**
a Texas limited liability company
Its sole Member

By: **HG Development Concepts, LLC,**
a Texas limited liability company
Its Manager

By: _____
Name: Sardar M. Hoque
Its: Authorized Agent

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____ 2025, by _____, _____ of I-20 Lancaster Fund, LLC, a Texas limited liability company, on behalf of said limited liability company.

(SEAL)

Notary Public, State of Texas

EXHIBIT A

Legal Description

TRACT I:

BEING all of that tract of land situated in the H. Casey Survey, Abstract No. 307, City of Dallas, Dallas County, Texas, and being all of a called 1.045 acre tract of land described as Tract III: University Hills Parcel A in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 3/8-inch iron rod found in the westerly right-of-way line of S. Lancaster Road for the southeast corner of said Parcel A, common to the easternmost northeast corner of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, said Official Public Records;

THENCE South 77°23'57" West, with the southerly line of said Parcel A and a northerly line of said 22.0197 acre tract, a distance of 323.43 feet to a 1/2-inch iron rod found for the southwest corner of said Parcel A, common to a re-entrant corner of said 22.0197 acre tract;

THENCE North 07°22'56" West, with the westerly line of said Parcel A and an easterly line of said 22.0197 acre tract, a distance of 86.77 feet to a 5/8-inch iron rod with a cap stamped "BGE" found in the southeasterly right-of-way line of Wheatland Road for the northwest corner of said Parcel A, common to the southeast corner of a right-of-way dedication to the City of Dallas, recorded in Instrument No. 20170007568, said Official Public Records;

THENCE North 58°43'37" East, with the southeasterly right-of-way line of said Wheatland Road and the northerly line of said Parcel A, a distance of 315.89 feet to a 5/8-inch iron rod with a cap stamped "KFM" set (hereinafter referred to as capped iron rod set) for the northerly end of a corner clip at the intersection of the southeasterly right-of-way line of said Wheatland Road and the westerly right-of-way line of said S. Lancaster Road;

THENCE South 62°59'26" East, with said corner clip and the northeasterly line of said Parcel A, a distance of 40.00 feet to a capped iron rod set for the southerly end of said corner clip;

THENCE South 07°25'36" East, with the westerly right-of-way line of said S. Lancaster Road and the easterly line of said Parcel A, a distance of 102.62 feet to a calculated point of a curvature;

THENCE continuing with the westerly right-of-way line of said S. Lancaster Road and the easterly line of said Parcel A, and a tangential curve to the left having a radius of 8,654.00 feet, a delta angle of 00°23'51", an arc length of 60.07 feet, a chord bearing of South 07°33'07" East and chord distance of 60.07 feet to the POINT OF BEGINNING and enclosing 1.045 acres (45,532 square feet) of land, more or less.

TRACT II:

BEING all of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, City of

Dallas, Dallas County, Texas, and being all of a called 2.756 acre tract of land described as Tract III: University Hills Parcel B in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a ½-inch iron rod found in the northerly right-of-way line of Wheatland Road and the southwesterly line of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, Deed Records of Dallas County, Texas, for the southeast corner of said Parcel B;

THENCE North 89°59'51" West, with the northerly right-of-way line of said Wheatland Road and the southerly line of said 2.756 acre tract, a distance of 675.76 feet to a 5/8-inch iron rod with a cap stamped "BGE" found at the beginning of a tangential curve to the left;

THENCE continuing with the northerly right-of-way line of said Wheatland Road and the southerly line of said 2.756 acre tract and with said curve to the left having a radius of 740.00 feet, a delta angle of 07°10'00", an arc length of 92.56 feet, a chord bearing of South 86°25'09" West and chord distance of 92.50 feet to a 5/8-inch iron rod with a cap stamped "BGE" found for the end of said curve for the westerly corner of said 2.756 acre tract, same being at the intersection of the northerly right-of-way line of said Wheatland Road and the southerly right-of-way line of E. Wheatland Road;

THENCE North 58°49'38" East, with the southeasterly right-of-way line of said E. Wheatland Road and the northwesterly line of said 2.756 acre tract, a distance of 619.15 feet to a ½-inch iron rod found for the northerly corner of said 2.756 acre tract, common to the westerly corner of said 22.0197 acre tract;

THENCE South 37°08'06" East, with the northeasterly line of said 2.756 acre tract and the southwesterly line of said 22.0197 acre tract, a distance of 394.79 feet to the POINT OF BEGINNING and enclosing 2.744 acres (119,513 square feet) of land, more or less.

TRACT III:

BEING all of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, City of Dallas, Dallas County, Texas, and being all of a called 4.832 acre tract of land described as Tract III: University Hills Parcel C in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod found in the northwesterly right-of-way line of Wheatland Road and the easterly line of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, said Official Public Records, for the southwest corner of said Parcel C, common to the northeast corner of a right-of-way dedication to the City of Dallas, recorded in Instrument No. 201700075687, said Official Public Records;

THENCE North 07°22'56" West, with the westerly line of said Parcel C and an easterly line of said 22.0197 acre tract, a distance of 691.05 feet to a 1/2-inch iron rod found in the southeasterly right-of-way line of E. Wheatland Road for the northwest corner of said Parcel C, common to the

northeast corner of said 22.0197 acre tract;

THENCE North 59°19'46" East, with the southeasterly right-of-way line of said E. Wheatland Road and the northwesterly line of said Parcel C, a distance of 122.87 feet to a 5/8-inch iron rod found for an angle point;

THENCE North 58°56'49" East, continuing with the southeasterly right-of-way line of said E. Wheatland Road and the northwesterly line of said Parcel C, a distance of 178.10 feet to a 5/8-inch iron rod with a cap stamped "KFM" set (hereinafter referred to as capped iron rod set) for the northerly end of a corner clip at the intersection of the southeasterly right-of-way line of said E. Wheatland Road and the westerly right-of-way line of S. Lancaster Road;

THENCE South 63°36'43" East, with said corner clip and the northeasterly line of said Parcel C, a distance of 54.45 feet to a capped iron rod set for the southerly end of said corner clip;

THENCE South 07°27'07" East, with the westerly right-of-way line of said S. Lancaster Road and the easterly line of said Parcel C, a distance of 546.15 feet to a capped iron rod set for a salient corner of said Parcel C, common to the northeast corner of a tract of land described in the deed to Yvonne Simmons, recorded in Volume 2005151, Page 3183, said Official Public Records;

THENCE with the common line of said Parcel C and said Simmons tract, the following courses:

1. South 82°35'24" West, a distance of 150.24 feet to a 1/2-inch iron rod found for corner;
2. South 07°25'36" East, a distance of 68.00 feet to a capped iron rod set for corner;
3. North 82°35'24" East, a distance of 150.00 feet to a capped iron rod set in the westerly right-of-way line of said S. Lancaster Road for a salient corner of said Parcel C, common to the southeast corner of said Simmons tract;

THENCE South 07°25'36" East, continuing with the westerly right-of-way line of said S. Lancaster Road and the easterly line of said Parcel C, a distance of 8.65 feet to a capped iron rod set at the northerly end of a corner clip at the intersection of the westerly right-of-way line of said S. Lancaster Road and the northwesterly right-of-way line of Wheatland Road;

THENCE South 25°32'42" West, with said corner clip and the easterly line of said Parcel C, a distance of 26.00 feet to a capped iron rod set for the southerly end of said corner clip;

THENCE South 58°43'37" West, with the northwesterly right-of-way line of said Wheatland Road and the southeasterly line of said Parcel C, a distance of 336.41 feet to the POINT OF BEGINNING and enclosing 4.828 acres (4,493,253 square feet) of land, more or less.

TRACT IV:

BEING all of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, the H. Casey Survey, Abstract No. 307, City of Dallas, Dallas County, Texas, and being all of a called 157.221 acre tract of land described as Tract III: University Hills Parcel D in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found in the northwesterly right-of-way line of Interstate Highway 20 for the southernmost southeast corner of said Parcel D, common to the southwest

corner of Pilot Travel Center No. 1, Lot 1, Block A/7609, an addition to the City of Dallas, Texas, according to the plat thereof recorded in Volume 93177, Page 5593, Plat Records of Dallas County, Texas;

THENCE South 69°51'35" West with the northerly right-of-way line of said Interstate Highway 20 and a southerly line of said Parcel D, a distance of 313.15 feet to a 5/8-inch iron rod with a cap stamped 'KFM" set (hereinafter referred to as capped iron rod set) found for an angle point;

THENCE South 71°38'49" West, with the northerly right-of-way line of said Interstate Highway 20 and a southerly line of said Parcel D, a distance of 1,339.96 feet to a concrete monument (TxDoT) found for an angle point;

THENCE South 55°10'58" West, continuing with the northerly right-of-way line of said Interstate Highway 20 and a southerly line of said Parcel D, a distance of 59.68 feet to a point for the southwest corner of said Parcel D;

THENCE North 29°43'17" West, with the westerly line of said Parcel D, a distance of 2,093.93 feet to a 5/8-inch iron rod set in the southeasterly right-of-way line of Wheatland Road for the northwest corner of said Parcel D;

THENCE with the southeasterly and southerly right-of-way line of said Wheatland Road and the northerly line of said Parcel D, the following courses:

1. North 58°47'44" East, a distance of 878.43 feet to the beginning of a tangential curve to the right;
2. With said curve to the right having a radius of 660.00 feet, a delta angle of 31°12'26", an arc length of 359.48 feet, chord bearing of North 74° 3'56" East and chord distance of 355.05 feet to the end of said curve;
3. South 89°59'51" East, a distance of 736.35 feet to a 5/8-inch iron rod with a cap stamped "BGE" found in the southwesterly line of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, said Official Public Records, common to the southwest corner of a right-of-way dedication to the City of Dallas, recorded in Instrument No. 201700075687, said Official Public Records;
4. South 37°08'06" East, with the southwesterly line of said 22.0197 acre tract, a distance of 687.65 feet to a 1/2-inch iron rod found for a re-entrant corner of said Parcel D, common to the southerly corner of said 22.0197 acre tract;
5. North 52°53'52" East, with a southerly line of said 22.0197 acre tract, a distance of 492.99 feet to a 1/2-inch iron rod found for a re-entrant corner of said Parcel D, common to the southernmost southeast corner of said 22.0197 acre tract;
6. North 07°22'56" West, with an easterly line of said 22.0197 acre tract, a distance of 235.90 feet to a 1/2-inch iron rod found for a salient corner of said Parcel D, common to a re-entrant corner of said 22.0197 acre tract;
7. North 77°23'57" East, with a southerly line of said 22.197 acre tract, a distance of 325.26 feet to a 3/8-inch iron rod found in the westerly right-of-way line of S. Lancaster Road for the northeast corner of said Parcel D at the beginning of a non-tangential curve to the left;

THENCE with an easterly line of said Parcel D and with said curve to the left having a radius of 8,654.00 feet, a delta angle of 05°26'02", an arc length of 820.73 feet, a chord bearing of South 11°19'50" East and chord distance of 820.42 feet to a 1/2-inch iron rod

found with a cap stamped "RPLS 5439" found for the easternmost southeast corner of said Parcel D, common to the northeast corner of said Lot 1, Block A/7609;

THENCE South 75°53'20" West, with a southerly line of said Parcel D and a northerly line of said Lot 1, Block A/7609, a distance of 225.27 feet to a 1/2-inch iron rod found for a re-entrant corner of said Parcel D, common to the northernmost northwest corner of said Lot 1, Block A/7609;

THENCE South 15°39'15" East, with an easterly line of said Parcel D and a westerly line of said Lot 1, Block A/7609, a distance of 384.89 feet to a 1/2-inch iron rod found with a cap stamped "HALO 5984" found for a salient corner of said Parcel D, common to the northeast corner of a called 0.763 acre tract of land described in the deed to DFW Oil Inc, recorded in Instrument No. 201600335847, said Official Public Records;

THENCE South 69°56'51" West, with a southerly line of said Parcel D and the northerly line of said 0.763 acre tract, passing at a distance of 295.66 feet a 1/2-inch iron rod with a cap stamped "HALO 5984" found for the northwest corner of said 0.763 acre tract, common to the northeast corner of a called 0.212 acre tract of land described in the deed to DFW Oil Inc, recorded in Instrument No. 201700323387, said Official Public Records, continuing on said course a total distance of 335.55 feet to a 1/2-inch iron rod (bent) found for a re-entrant corner of said Parcel D, common to the northwest corner of said 0.212 acre tract;

THENCE South 20°26'45" East, with an easterly line of said Parcel D and the westerly line of said 0.212 acre tract, a distance of 231.36 feet to a 1/2-inch iron rod found with a cap stamped "HALO 5984" found in a northerly line of said Lot 1, Block A/7609 for a salient corner of said Parcel D, common to the southwest corner of said 0.212 acre tract;

THENCE South 69°48'39" West, with a southerly line of said Parcel D and the northerly line of said Lot 1, Block A/7609, a distance of 181.83 feet to a 1/2-inch iron rod with a cap stamped "AB&A" found for a re-entrant corner of said Parcel D, common to the westernmost northwest corner of said Lot 1, Block A/7609;

THENCE South 20°11'21" East, with an easterly line of said Parcel D and a westerly line of said Lot 1, Block A/7609, a distance of 250.11 feet to the POINT OF BEGINNING and enclosing 109.338 acres (4,762,746 square feet) of land, more or less.

TRACT V:

BEING all of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, the H. Casey Survey, Abstract No. 307, City of Dallas, Dallas County, Texas, and being all of a called 157.219 acre tract of land described as Tract III: University Hills Parcel E in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod found in the northerly right-of-way line of Wheatland Road for the southerly corner of said Parcel E, common to the easterly corner of a called 89.346 acre tract of land described in the deed to R.K.C.J., LLC, recorded in Volume 96066, Page 7234, Deed

Records of Dallas County, Texas;

THENCE North 30°25'52" West, with the southwesterly line of said Parcel E and the northeasterly line of said 89.346 acre tract, a distance of 432.68 feet to a railroad spike found for corner;

THENCE North 62°55'26" East, continuing with the southwesterly line of said Parcel E and the northeasterly line of said 89.346 acre tract, a distance of 17.96 feet to a railroad spike found for corner;

THENCE North 31°11'58" West, continuing with the southwesterly line of said Parcel E and the northeasterly line of said 89.346 acre tract and the northeasterly line of a called 23.875 acre tract of land described in the deed to Hickory Pointe, LLC, recorded in Instrument No. 202200235268, said official Public Records, passing a 1/2-inch iron rod found for reference on the south side of Five Mile Creek at a distance of 1,153.27 feet, continuing on said course with the northeasterly line of said 23.875 acre tract, a total distance of 1,205.27 feet to a point in said creek for the westerly corner of said Parcel E, common to a southerly corner of a called 202.64 acre tract of land described in the deed to the State of Texas, recorded in Volume 2001230, Page 2058, said Deed Records;

THENCE in said Five Mile Creek with the northwesterly line of said Parcel E and the southeasterly line of said Parcel E and a southeasterly line of said 202.64 acre tract, the following courses:

1. North 18°55'32" East, a distance of 154.49 feet to a point;
2. North 53°45'32" East, a distance of 203.00 feet to a point;
3. South 68°23'28" East, a distance of 133.72 feet to a point;
4. North 86°01'32" East, a distance of 111.50 feet to a point;
5. North 10°47'32" East, a distance of 107.15 feet to a point;
6. North 35°38'32" East, a distance of 141.00 feet to a point;
7. North 78°19'32" East, a distance of 97.05 feet to a point;
8. North 28°28'28" West, a distance of 140.57 feet to a point;
9. North 47°07'32" East, a distance of 150.88 feet to a point;
10. North 31°11'32" East, a distance of 130.56 feet to a to a point;
11. North 63°34'02" East, a distance of 134.95 feet to a point;
12. North 87°41'02" East, a distance of 129.10 feet to a point;
13. North 3°13'02" East, a distance of 132.20 feet to a point;
14. North 34°51'02" East, a distance of 164.10 feet to a point;
15. North 11°51'02" East, a distance of 124.70 feet to a point;
16. North 23°47'58" West, a distance of 139.58 feet to a point in the southeasterly right-of-way line of Dallas Area Rapid Transit, for a northwesterly corner of said Parcel E, common to a

southeasterly corner of a called 11.4083 acre tract of land described as Parcel No. SOC3-14-1 in the deed to Dallas Area Rapid Transit, recorded in Instrument No. 201600067604, said Official Public Records, common to the southerly corner of a called 1.1784 acre tract of land described as Parcel No. SOC3-12 in the deed to Dallas Area Rapid Transit, recorded in Instrument No. 201300362049, said Official Public Records;

THENCE continuing with the northwesterly line of said Parcel E, the following courses:

1. North 54°24'09" East, with the southeasterly right-of-way line of said Dallas Area Rapid Transit and the southeasterly line of said Parcel No. SOC3-12, passing a 1/2-inch iron rod found for reference on the easterly side of said Five Mile Creek at a distance of 102.55 feet, continuing on said course, a total distance of 537.89 feet to a 1/2-inch iron rod with a cap stamped "TX REG NO 100189-00" found for corner;
2. North 32°44'33" West, continuing with the southeasterly right-of-way line of said Dallas Area Rapid Transit and the southeasterly line of said Parcel No. SOC3-12, a distance of 1.62 feet to a 1/2-inch iron rod with a cap stamped "TX REG NO 100189-00" found for corner;
3. North 58°51'17" East, continuing with the southeasterly right-of-way line of said Dallas Area Rapid Transit and the southeasterly line of said Parcel No. SOC3-12, passing a 1/2-inch iron rod with a cap stamped "TX REG NO 100189-00" found for the easterly corner of said Parcel No. SOC3-12, common to the southerly corner of a called 0.2797 acre tract of land described as Parcel SOC3-13 in the deed to Dallas Area Rapid Transit, recorded in Instrument No. 201600064231, said official Public Records, at a distance of 10.30 feet, continuing on said course, with the southeasterly line of said Parcel No. SOC3-13 part of the way of a total distance of 471.29 feet to a 1/2-inch iron rod found for the northerly corner of said Parcel E;

THENCE South 31°06'31" East, with a northeasterly line of said Parcel E, a distance of 633.96 feet to a 5/8-inch iron rod with a cap stamped "KFM" set (hereinafter referred to as capped iron rod set) for a re-entrant corner of said Parcel E, common to the southerly corner of a called 14.39 acre tract of land described in the deed to Proton Properties LLC, recorded in Instrument No. 201200086020, said Official Public Records;

THENCE North 58°58'11" East, with a northwesterly line of said Parcel E and the southeasterly line of said 14.39 acre tract, a distance of 894.60 feet to a 1/2-inch iron rod found with a cap stamped "TIPTON ENG" found for a northeasterly corner of said Parcel E, common to the northwest corner of a called 3.733 acre tract of land described in the deed to the City of Dallas, recorded in Instrument No. 201700163600, said Official Public Records;

THENCE South 07°25'35" East, with an easterly line of said Parcel E and the westerly line of said 3.733 acre tract, a distance of 276.87 feet to a 1/2-inch iron rod with a cap stamped "TXHS" found for a re-entrant corner of said Parcel E, common to the southwest corner of said 3.733 acre tract;

THENCE North 82°34'23" East, with a northerly line of said Parcel E and the southerly line of said 3.733 acre tract, a distance of 438.99 feet to a 1/2-inch iron rod with a cap stamped "TXHS" found in the westerly right-of-way line of S. Lancaster Road for the easternmost northeast corner of said Parcel E, common to the southeast corner of said called 3.733 acre tract;

THENCE South 07°25'36" East, with the westerly right-of-way line of said S. Lancaster Road and an easterly line of said Parcel E, a distance of 1,318.09 feet to a 5/8-inch iron rod with a cap

stamped "BGE" found for the north end of a corner clip at the intersection of the westerly right-of-way line of said S. Lancaster Road and the northerly right-of-way line of E. Wheatland Road;

THENCE South $25^{\circ}45'54''$ West, with said corner clip and a southeasterly line of said Parcel E, a distance of 83.74 feet to a 1/2-inch iron rod found for the south end of said corner clip;

THENCE with the northerly right-of-way line of said E. Wheatland Road and the southeasterly line of said Parcel E, the following courses:

1. South $58^{\circ}55'21''$ West, a distance of 599.61 feet to a 1-inch iron pipe found for corner;
2. South $30^{\circ}42'27''$ East, a distance of 1.35 feet to a 5/8-inch iron rod with a cap stamped "BGE" found for corner;
3. South $58^{\circ}47'44''$ West, a distance of 1,605.25 feet to a 5/8-inch iron rod with a cap stamped "BGE" found at intersection of the northerly right-of-way line of E. Wheatland Road and Wheatland Road and at the beginning of a non-tangential curve to the left;
4. With said curve having a radius of 740.00 feet, a delta angle of $11^{\circ}33'21''$, an arc length of 149.25 feet, a chord bearing of South $64^{\circ}34'24''$ West and chord distance of 149.00 feet to a capped iron rod set at the end of said curve;
5. South $58^{\circ}47'44''$ West, a distance of 899.34 feet to the POINT OF BEGINNING and enclosing 157.219 acres (6,848,446 square feet) of land, more or less.

EXHIBIT B

Permitted Exceptions

1. Easement to Texas Power & Light Company, dated July 26, 1940, recorded in Volume 2225, Page 546, Deed Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.
2. Easement to Texas Power & Light Company, dated August 29, 1940, recorded in Volume 2225, Page 548, Deed Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.
3. Easement to Texas Power & Light Company, dated February 21, 1945, recorded in Volume 2577, Page 586, Deed Records, Dallas County, Texas; as affected by Assignment to Dallas Power & Light Company, dated February 1, 1956, recorded in Volume 4431, Page 527, Deed Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.
4. Easement to Texas Power & Light Company, dated November 23, 1945, recorded in Volume 2707, Page 342, Deed Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.
5. Easement to Texas Power & Light Company, dated March 30, 1951, recorded in Volume 3508, Page 364, Deed Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.
6. Easement to the City of Dallas, dated February 16, 1960, recorded in Volume 5294, Page 475, Deed Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028. (Tract V)
7. Easement to Southwestern Bell Telephone Company, dated August 24, 1962, recorded in Volume 5880, Page 424, Deed Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028. (Tract III)
8. Easement to Southwestern Bell Telephone Company, dated August 21, 1962, recorded in Volume 5880, Page 428, Deed Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028. (Tract I)
9. Easement to the City of Dallas, dated July 21, 2017, recorded in County Clerk's File No. 201700221551, Official Public Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028. (Tracts II & IV)
10. Easement to the City of Dallas, dated July 21, 2017, recorded in County Clerk's File No. 201700221552, Official Public Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028. (Tract IV)

11. Easement to the City of Dallas, dated July 21, 2017, recorded in County Clerk's File No. 201700221554, Official Public Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028. (Tract IV)
12. Easement to the City of Dallas, dated July 21, 2017, recorded in County Clerk's File No. 201700221555, Official Public Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028. (Tract IV)
13. Easement to the City of Dallas, dated July 21, 2017, recorded in County Clerk's File No. 201700221831, Official Public Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028. (Tract III)
14. Easement to the City of Dallas, dated July 21, 2017, recorded in County Clerk's File No. 201700221833, Official Public Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028. (Tract V)
15. Easement to the City of Dallas, dated July 21, 2017, recorded in County Clerk's File No. 201700221834, Official Public Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028. (Tract V)
16. Easement to the City of Dallas, dated November 8, 2017, recorded in County Clerk's File No. 201700328705, Official Public Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.
17. Easement to the City of Dallas, dated September 21, 2017, recorded in County Clerk's File No. 201800046515, Official Public Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028. (Tract I)
18. Terms, conditions, provisions, covenants, reservations and easements as set out in Deed Without Warranty dated July 6, 1995, filed July 19, 1995, executed by The United States of America to Metroport Realty Corporation, recorded in Volume 95139, Page 3638, Deed Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.
19. Boundary Agreement executed by and between Charles B. Kay and First National Bank in Dallas, Independent Executor of the Estate of Mamie Henry White dated January 24, 1973, recorded in Volume 73039, Page 758, Deed Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028. (Tract 4)
20. Unrecorded Billboard Lease # 921, Lease Agreement effective September 1, 2002, between Sun NLF limited partnership and Clear Channel Outdoor and Letter of Amendment dated January 16, 2009; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.
21. Unrecorded Billboard Lease # 987, Lease Agreement effective September 1, 2002, between Sun NLF limited partnership and Clear Channel Outdoor and Letter of Amendment dated

January 16, 2009; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.

22. Unrecorded Billboard Lease #1676, Lease Agreement effective September 1, 2002, between Sun NLF limited partnership and Clear Channel Outdoor and Letter of Amendment dated January 16, 2009; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.

23. Mineral and/or royalty interest, as described in instrument recorded in County Clerk's File No. 20070346827, Official Public Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.

24. Mineral and/or royalty interest, as described in instrument recorded in County Clerk's File No. 201400314231, Official Public Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.

25. Petition for Exclusion of Lands from University Hills Municipal Management District, dated August 12, 2024, filed October 22, 2024, recorded under Instrument No. 202400212239, Official Public Records, Dallas County, Texas; as noted on survey dated April 18, 2025, prepared by Robert G. Maloy, RPLS No. 6028.

APPENDIX B-2

FORMS OF SUBORDINATE DEEDS OF TRUST

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SUBORDINATE DEED OF TRUST

Effective Date: _____, 2025

Grantor: I-20 Lancaster Fund, LLC,
a Texas limited liability company

Grantor's Mailing Address (including county):

1717 Main Street, Ste. 5630
Dallas, Texas 75201
Attn: Mike Hogue
(Dallas County)

Trustee: Herman Randow

Trustee's Mailing Address (including county):

c/o Lennar Homes of Texas Land and Construction, Ltd.
1707 Market Place Blvd., Suite 100
Irving, Texas 75063
(Dallas County)

Beneficiary: LENNAR HOMES OF TEXAS LAND AND CONSTRUCTION, LTD., a
Texas limited partnership

Beneficiary's Mailing Address (including county):

1707 Market Place Blvd., Suite 100
Irving, Texas 75063
Attn: Greg Urech
(Dallas County)

Obligation:

1. Grantor's obligation to return or credit earnest money ("Earnest Money") (or such portion thereof to which Grantor may be entitled) deposited with Grantor by Beneficiary under that certain Purchase and Sale Agreement dated effective October 23, 2023, executed by and between Grantor, as Seller, and Beneficiary, as Purchaser, (as such contract may be amended from time to time, the "Contract") as and when Beneficiary will be entitled to have the Earnest Money returned or credited upon and subject to the terms and conditions of the Contract; the Earnest Money deposited by

Beneficiary with Grantor consists of the total sum of ONE MILLION NINE HUNDRED NINETY THOUSAND AND NO/100 DOLLARS (\$1,990,000.00), deposited pursuant to the Contract;

2. Grantor's obligation to pay any interest accruing on the Earnest Money as and when Beneficiary will be entitled to have such interest paid upon and subject to the terms and conditions of the Contract;
3. The performance by Grantor of all of Grantor's obligations under this Deed of Trust and payment by Grantor of all costs and expenses incurred by Beneficiary in connection with enforcement of this Deed of Trust; and
4. The performance by Grantor of all its obligations under any Tri-Party Agreement (as defined in the Contract) now or hereafter executed by Grantor, Beneficiary and any lender (or trustee therefor) providing financing for the acquisition and/or development of all or any part of the Property, including, without limitation, Grantor's obligation to pay any and all sums advanced by Beneficiary under the terms of any Tri-Party Agreement to cure or attempt to cure a default of Grantor under the note or any of the other loan documents referenced in any Tri-Party Agreement.

Property:

Being the real property in Dallas County, Texas more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, together with all improvements thereon and (without warranty) all and singular the rights and appurtenances pertaining thereto, including, but not limited to, all right, title, and interest of Grantor in and to adjacent streets, alleys, easements, and rights-of-way, any strips or gores of real property between such real property and abutting or adjacent properties, all water and water rights, timber and crops pertaining to such real estate, and all reversions and remainders in or to such real property; together with all of the following personal property: (i) all fixtures, supplies, building materials, and other goods of every nature now or hereafter located, used, or intended to be located or used on the Property; (ii) all of the Development Rights (as defined below); (iii) all contracts and subcontracts relating to the construction of improvements on the Property; (iv) all accounts, contract rights, instruments, documents, general intangibles, and chattel paper arising from or by virtue of any transactions relating to the Property; (v) all permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Property; (vi) all proceeds payable or to be payable under each policy of insurance relating to the Property; and (vii) all products and proceeds of the foregoing. Notwithstanding any other provision in this Deed of Trust, the term "Property" does not include personal effects used primarily for personal, family, or household purposes or any other real or personal property owned by Grantor.

As used herein, the term "Development Rights" means and includes any and all rights, powers, privileges, options, or other benefits associated with, that pertain to, are attributable to, are appurtenant to, apply to, or which otherwise benefit the Property including, without limitation, any and all development rights, applications, permits, approvals, and licenses; deposits, and other fiscal security; utility service commitments, rights, capacity, allocations, taps, and connections

(and the right to acquire any of same under any contract or agreement with any utility provider); all plans and specifications for development of or construction of improvements on the Property; agreements with municipal or other public utilities; detention rights; rights to credits, refunds, and reimbursements (including without limitation any credits against, or right to pay reduced, impact fees, application fees, permit fees, or inspection fees) from any municipality, municipal utility district or other governmental (or quasi-governmental) district, entity, political subdivision or authority, or any utility company or provider; rights under any plats, plat applications and other development applications and approvals; rights under any development agreements, reimbursement agreements or similar agreements or contracts with any municipality, municipal utility district or other governmental (or quasi-governmental) district, entity, political subdivision or authority; rights to receive or install water, wastewater, electricity, gas, telephone, telecommunications, drainage, or other utilities or services; rights to build, construct, or install streets, driveways, or other access to the land; rights under any declaration of covenants, conditions, and restrictions, including rights as declarant.

For value received and to secure the Obligation, Grantor conveys the Property to Trustee in trust. Grantor warrants and agrees to defend the title to the Property subject only to the exceptions described on Exhibit "B" attached hereto and made a part hereof (the "Permitted Exceptions"). If Grantor performs the entire Obligation according to its terms, this Deed of Trust will have no further effect, and Beneficiary will release it at Grantor's expense. It is expressly stipulated and agreed by the parties that the grant and conveyance of the Property to Trustee hereunder is made wholly subordinate to that certain Deed of Trust, Security Agreement – Financing Statement, dated _____, executed by Grantor for the benefit of _____, (the "Bond Trustee") covering the Property, filed _____, and recorded under Instrument No. _____ of the Official Public Records of Dallas County, Texas (as the same may be amended or modified from time to time, the "Bond Deed of Trust"), subject to the terms and conditions of that certain Tri-Party Agreement, dated _____, entered into by and among Grantor, Beneficiary and the Bond Trustee. It is acknowledged and agreed that the grant of any Development Rights is made subordinate to the Bond Deed of Trust and that Beneficiary and Trustee's rights to any Development Rights are subordinate to the rights of the Bond Trustee under the Bond Deed of Trust whether or not such subordination is specifically set forth in the Tri-Party Agreement.

A. Grantor's Obligations

Grantor agrees to:

1. timely perform the Obligation and each and every part thereof;
2. not commit or permit any waste on the Property; neither do nor permit to be done anything to the Property that may materially impair the value thereof; and correct any violations of governmental codes within the time allocated by the applicable governmental agencies;
3. pay all taxes and assessments on the Property when due; the word "assessments" as used in this Deed of Trust, whether in this paragraph or elsewhere, will include not only assessments by political subdivisions, but also maintenance charges, regular assessments and special assessments assessed by subdivision restrictions, homeowner's declaration for planned unit developments, and assessments by condominium agreements, if any;

4. preserve the lien's priority as a second lien (except as may otherwise be expressly provided in any Tri-Party Agreement and except that Seller may grant a lien on the Property in accordance with the Tax Increment Development and Chapter 380 Grant Agreement with I-20 Lancaster Development, LLC and the City of Dallas, Texas), and will not, without prior written consent of Beneficiary, grant any contractual or non-contractual lien on or security interest in the Property other than to secure the Development Loan (as defined in the Contract) as a first lien or permit any junior encumbrance to be recorded or any claim to otherwise become an encumbrance against the Property. If an involuntary encumbrance is filed against the Property, Grantor agrees, within 30 days to either remove the involuntary encumbrance or provide a bond acceptable to Beneficiary against the involuntary encumbrance. To the extent applicable law allows the creation of liens against the Property, Grantor will advise Beneficiary in writing within 10 days after the creation of any such lien against the Property, and will cause any such lien to at all times be subordinate to the lien of this Deed of Trust; and

6. not cause or permit the presence, use, disposal, storage or release of any Hazardous Substance (as defined in the Contract) on or in the Property.

B. Beneficiary's Rights

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of Trustee.

2. It will constitute a default hereunder if (a) Grantor fails to return or credit the Earnest Money (or so much thereof as Beneficiary is entitled to under the terms of the Contract) when the same is due to Beneficiary pursuant to the terms of the Contract and the Guarantor fails to repay the Earnest Money to Beneficiary as and when required, (b) a default occurs under any prior or subordinate lien or any promissory note or other document relating thereto or executed in connection therewith, (c) Grantor defaults under any Tri-Party Agreement, (d) Grantor defaults under any Development Loan (as defined in the Contract), or (e) Grantor otherwise fails in the performance of its obligations under this Deed of Trust or if Grantor breaches any representation or warranty of Grantor made in this Deed of Trust. Notwithstanding anything herein to the contrary, Grantor will be in default hereunder only if Grantor has failed to perform or comply with any term, covenant or condition hereunder and such failure continues for a period of thirty (30) days following delivery to Grantor of written notice of such failure (except as to payments on the Note, or Grantor's failure to pay any monetary amounts due to Beneficiary under this Deed of Trust, which failures or defaults will require only five days written notice to Grantor).

3. Upon any default specified in subparagraph 2 immediately above, Beneficiary may, in addition to, but subject to the terms and conditions of the Tri-Party Agreement, and cumulative of any other right or remedy permitted to Beneficiary by law or at equity:

a. request Trustee to foreclose this lien, in which case Beneficiary or Beneficiary's agent will give notice of the foreclosure sale as provided by the Texas Property Code as then amended; and

b. bid at any foreclosure sale an amount equal to the amount hereby secured plus Beneficiary's expenses in enforcing this Deed of Trust, and purchase the Property at foreclosure sale by offering the highest bid and have the bid credited against the amount hereby secured.

4. If Grantor fails to return or credit the Earnest Money as and when due, the Earnest Money or such portion thereof which is not returned or credited, as applicable, will bear interest from the date upon which the Earnest Money was required to be refunded to Beneficiary until paid at the maximum rate of interest permitted under applicable law or if no such maximum amount is specified then at the rate of 18% per annum.

5. A default under this Deed of Trust will also constitute a default under the Contract and any Tri-Party Agreement.

6. In addition to creating a deed-of-trust lien on all the real and other property described above, Grantor also grants to Beneficiary a security interest in all of the above-described personal property pursuant to and to the extent permitted by the Texas Uniform Commercial Code. In the event of a foreclosure sale under this deed of trust, Grantor agrees that all the Property may be sold as a whole at Beneficiary's option and that the Property need not be present at the place of sale.

C. Trustee's Duties

If requested by Beneficiary to foreclose this lien, Trustee will:

1. either personally or by agent give notice of foreclosure sale as required by the Texas Property Code as then amended;

2. sell and convey all or part of the Property to the highest bidder for cash with a general warranty binding Grantor; and

3. from the proceeds of the sale, pay, in this order:

a. expenses of foreclosure;

b. to Beneficiary, the amount, if any, due and owing in respect of the Obligation;

c. any amounts required by law to be paid before payment to Grantor; and

d. to Grantor, any balance.

D. Partial Releases

Beneficiary agrees that it will release, at Grantor's cost, individual lots in the subdivision developed on the Property, if applicable, from this Deed of Trust as such lots are taken down by Beneficiary as Purchaser under the Contract, upon application of the agreed upon amount of Earnest Money to the closing of such lots as set forth in the Contract, as applicable under the terms of the Contract.

E. General Provisions

1. If any of the Property is sold under this Deed of Trust, Grantor will immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor will become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.
2. Recitals in any Trustee's deed conveying the Property will be presumed to be true.
3. Proceeding under this Deed of Trust, filing for foreclosure, or pursuing any other remedy will not constitute an election of remedies.
4. This lien will remain superior to liens later created even if the time of payment of all or part of the Obligation is extended or part of the Property is released.
5. If any portion of the Obligation hereby secured cannot be lawfully secured by this Deed of Trust, payments will be applied first to discharge that portion.
6. Subject to Bond Trustee's rights to receive such funds under the Bond Deed of Trust, Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the Property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the Property. Beneficiary will not be liable for failure to collect or to exercise diligence in collecting any such sums.
7. Subject to Bond trustee's rights to receive such funds under the Bond Deed of Trust, Grantor assigns to Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the Property. Grantor warrants the validity and enforceability of the assignment. Notwithstanding the foregoing, Grantor agrees that is cannot lease or grant any interest in the Property to any party without Beneficiary's consent, which consent may be given or denied in Beneficiary's sole discretion. Leases are not assigned. Grantor may as Beneficiary's licensee collect rent and other income and receipts as long as Grantor is not in default under this Deed of Trust. Grantor will apply all rent and other income and receipts in the manner elected by Beneficiary, but if the rent and other income and receipts exceed the amount due under Obligation, Grantor may retain the excess. If Grantor defaults in the performance of the Obligation or this Deed of Trust, Beneficiary may terminate Grantor's license to collect rent and other income and then as Grantor's agent may rent the Property and collect all rent and other income and receipts. Beneficiary neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the Property. Beneficiary may exercise Beneficiary's rights and remedies under this paragraph without taking possession of the Property. Beneficiary will apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Beneficiary's rights and remedies and then to the Obligation in the order determined by Beneficiary. Beneficiary is not required to act under this paragraph, and acting under this paragraph does not waive any of Beneficiary's other rights or remedies. If Grantor becomes a voluntary or involuntary debtor in bankruptcy, Beneficiary's filing a proof of claim in bankruptcy will be deemed equivalent to the appointment of a receiver under Texas law.
8. Interest on any debt secured by this Deed of Trust will not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount will be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess will be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.

9. When the context requires, singular nouns and pronouns include the plural.
10. This Deed of Trust will bind, inure to the benefit of, and be exercised by successors in interest of all parties. The term *Grantor* means at any time the owner of the Property and the term *Beneficiary* means the party named above as Beneficiary, its successors and assigns.
11. Notice required or permitted in this Deed of Trust will be in writing and deemed delivered upon actual receipt by hand delivery or facsimile, or three days following deposit in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to Grantor or Beneficiary, as the case may be, at the mailing address of the party as set forth in this Deed of Trust. Either party may change its address for notice purposes by giving written notice of change of address to the other party in the manner specified in this paragraph.
12. Beneficiary will upon request by Grantor deliver to Grantor or any party designated by Grantor a written statement certifying that Beneficiary is the legal and equitable owner and holder hereof, and that no defaults have occurred which have not been cured or waived under this Deed of Trust (or specifying such defaults and stating that there are no other defaults).
13. Grantor agrees to pay reasonable attorney's fees, trustee's fees, and court and other costs of enforcing Beneficiary's rights under this Deed of Trust if this Deed of Trust is placed in the hands of an attorney for enforcement.
14. If any provision of this Deed of Trust is determined to be invalid or unenforceable, the validity or enforceability of any other provision will not be affected.
15. Grantor represents to Beneficiary that no part of the Property is either the residential or business homestead of Grantor, and that Grantor neither resides nor intends to reside in nor conducts nor intends to conduct business on the Property.
16. If the Contract is terminated by Grantor or Beneficiary pursuant to any right to terminate set forth therein, Beneficiary agrees to execute and deliver to Grantor within five (5) business days following receipt of a request therefor from Grantor such documents and instruments as Grantor may reasonably request in connection with any such release of this deed of trust; provided, however, return of the unapplied Earnest Money, if Beneficiary is so entitled, shall be a condition to Beneficiary's obligation deliver such release. Notwithstanding any provision contained in the Contract to the contrary, it shall be a condition precedent to Beneficiary's right to receive a refund of the Earnest Money pursuant to the Contract that simultaneously with the return of the Earnest Money, Beneficiary execute and deliver a release of this deed of trust.

[Signature Contained on Following Page]

EXECUTED this ____ day of _____, 2025, to be effective as of the Effective Date.

GRANTOR:

I-20 LANCASTER FUND, LLC,
a Texas limited liability company

By; I-20 Lancaster Development, LLC,
a Texas limited liability company
Its sole Member

By: HG Development Concepts, LLC,
a Texas limited liability company
Its Manager

By: _____
Sardar M. Hoque, Manager

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2025, by Sardar M. Hoque, Manager of HG Development Concepts, LLC, Manager of I-20 Lancaster Development, LLC, the sole Member of I-20 Lancaster Fund, LLC, a Texas limited liability company, on behalf of said limited liability company.

Notary Public, State of Texas

[Official Notary Stamp]

After Recording, Please Return To:
Herman Randow
Lennar Homes of Texas Land and Construction, Ltd.
1707 Market Place Blvd., Suite 100
Irving, Texas 75063

EXHIBIT "A"
The Property

Situated in the County of Dallas, State of Texas, being a part of the, R. Simonton Survey, Abstract No. 1277, and being a portion of Tract III: University Hills Parcel E, a called 157.221 acre tract of land described in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being particularly described by metes and bounds as follows:

Beginning at a found 1/2 -inch iron rod for the northeast corner of the herein described tract, same being the northeast corner of said 157.221 acre tract and the northwest corner of a called 2.5 acre tract of land described in deed to CAMPLANC Investments, recorded in Instrument No. 201100097436, Official Public Records of Dallas County, Texas, from which a found 1/2 -inch iron rod at the southwest corner of said 2.5 acre tract bears, S 31°30'38"E a distance of 342.00 feet, for the southwest corner of ;

THENCE S 31°06'31" E, along the east line of said 157.221 acre tract, a distance of 483.52 feet to a point, from which a found 1/2 -inch iron rod for the southwest corner of a called 14.39 acre tract of land described in deed to Proton Properties, LLC, Recorded in Instrument No. 201200089020, Official Public Records of Dallas County, Texas bears, S 31°06'31"E a distance of 150.43 feet;

THENCE over and across said 157.221 acre tract of land, also being the south line of the herein described tract the following courses and distances:

S 82°24'44" W, a distance of 175.40 feet to a point;
S 79°52'32" W, a distance of 53.33 feet to a point;
S 77°25'24" W, a distance of 217.07 feet to a point;
S 5°05'55" E, a distance of 928.65 feet to a point;
S 58°52'53" W, a distance of 495.94 feet to a point;
S 43°19'27" W, a distance of 58.11 feet to a point;
S 58°47'44" W, a distance of 674.00 feet to a point;
S 54°38'10" W, a distance of 56.15 feet to a point;
S 58°55'38" W, a distance of 227.45 feet to a point;
S 31°01'49" E, a distance of 428.18 feet to a point;
S 58°47'44" W, a distance of 310.39 feet to a point for the southwest corner of the herein described tract in the west line of said 157.221 acre tract, same being the east line of a called 89.346 acre tract of described in deed to R.K.C.J, LLC, recorded in Volume 96066, Page 7234, Official Public Records of Dallas County, Texas; from which a found 1/2 -in. iron rod Bears S 31°11'58"E, a distance of 267.42 feet.

THENCE N 31°11'58" W, with the west line of the the 157.221 acre tract a distance of 937.85 feet to a point in the center of Five Mile Creek;

THENCE crossing through said 157.221 acre tract, with the Center of Five Mile Creek, also being the north line of the herein described tract the following courses and distances:

N 18°55'32" E, a distance of 154.49 feet to a point;
N 53°45'32" E, a distance of 203.00 feet to a point;
S 68°23'28" E, a distance of 133.72 feet to a point;
N 86°01'32" E, a distance of 111.50 feet to a point;
N 10°47'32" E, a distance of 107.15 feet to a point;
N 35°38'32" E, a distance of 141.00 feet to a point;
N 78°19'32" E, a distance of 97.05 feet to a point;
N 28°28'28" W, a distance of 140.57 feet to a point;
N 47°07'32" E, a distance of 150.88 feet to a point;
N 31°11'32" E, a distance of 130.56 feet to a point;
N 63°34'02" E, a distance of 134.95 feet to a point;
N 87°41'02" E, a distance of 129.10 feet to a point;
N 3°13'02" E, a distance of 132.20 feet to a point;
N 34°51'02" E, a distance of 164.10 feet to a point;
N 11°51'02" E, a distance of 124.70 feet to a point;
N 23°47'58" W, a distance of 139.58 feet to a point in the north line of said 157.221 acre tract, same being the south Right-of-Way line for the Dallas Area Rapid Transit;

THENCE along the north line of said 157.221 acre tract, same being the south right-of-way line of Dallas Area Rapid Transit, the following courses and distances:

N 54°24'09" E, passing a found 1/2 -inch iron rod for reference at a distance of 102.55 feet, and continuing in all a distance of 537.89 feet to a found 1/2-inch capped iron rod stamped "TX REG NO 100189-00";

N 32°44'33" W, a distance of 1.62 feet to a found 1/2-in. Capped Iron Rod stamped "TX REG NO 100189-00"

THENCE N 58°51'17" E, a distance of 471.29 feet to the POINT OF BEGINNING and containing 44.264 acres of land.

EXHIBIT "B"
Permitted Exceptions

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SUBORDINATE DEED OF TRUST

Effective Date: _____, 2025

Grantor: I-20 Lancaster Fund, LLC,
a Texas limited liability company

Grantor's Mailing Address (including county):

1717 Main Street, Ste. 5630
Dallas, Texas 75201
Attn: Mike Hoque
(Dallas County)

Trustee: Tiffany Sanford

Trustee's Mailing Address (including county):

c/o Koons Real Estate Law
1410 Robinson Road, Unit 100
Corinth, Texas 76210
(Denton County)

Beneficiary: D.R. HORTON – TEXAS, LTD., a Texas limited partnership

Beneficiary's Mailing Address (including county):

2600 North Central Expressway, Suite 250
Richardson, Texas 75082
Attn: Michael Smith
(Collin County)

Obligation:

1. Grantor's obligation to return or credit earnest money ("Earnest Money") (or such portion thereof to which Grantor may be entitled) deposited with Grantor by Beneficiary under that certain Contract of Sale dated effective October 24, 2023, executed by and between Hoque Global Properties, LLC, a Texas limited liability company ("Hoque"), as seller, and DRHI, Inc., a Delaware corporation ("DRHI"), as purchaser, as amended by that certain First Amendment to Contract of Sale dated November 15, 2023, and that certain Second Amendment to Contract of Sale dated May 1, 2025, and as assigned by DRHI to Beneficiary by that certain Assignment of Contract

dated _____, 2025, and as assigned by Hoque to Grantor by that certain Assignment and Assumption of Contracts dated April 7, 2025 (as such contract may be amended and assigned from time to time, the "Contract") as and when Beneficiary will be entitled to have the Earnest Money returned or credited upon and subject to the terms and conditions of the Contract; the Earnest Money deposited by Beneficiary with Grantor consists of the total sum of TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00), deposited pursuant to the Contract;

2. Grantor's obligation to pay any interest accruing on the Earnest Money as and when Beneficiary will be entitled to have such interest paid upon and subject to the terms and conditions of the Contract;
3. The performance by Grantor, as "Maker", of all of Grantor's obligations under that certain Promissory Note dated _____, 2025 (the "Promissory Note"), which is secured by this Deed of Trust, subject to the terms and conditions of the Promissory Note;
4. The performance by Grantor of all of Grantor's obligations under this Deed of Trust and payment by Grantor of all costs and expenses incurred by Beneficiary in connection with enforcement of this Deed of Trust; and
4. The performance by Grantor of all its obligations under any Tri-Party Agreement (as defined in the Contract) now or hereafter executed by Grantor, Beneficiary and any lender (or trustee therefor) providing financing for the acquisition and/or development of all or any part of the Property, including, without limitation, Grantor's obligation to pay any and all sums advanced by Beneficiary under the terms of any Tri-Party Agreement to cure or attempt to cure a default of Grantor under the note or any of the other loan documents referenced in any Tri-Party Agreement.

Property:

Being the real property in Dallas County, Texas more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, together with all improvements thereon and (without warranty) all and singular the rights and appurtenances pertaining thereto, including, but not limited to, all right, title, and interest of Grantor in and to adjacent streets, alleys, easements, and rights-of-way, any strips or gores of real property between such real property and abutting or adjacent properties, all water and water rights, timber and crops pertaining to such real estate, and all reversions and remainders in or to such real property; together with all of the following personal property: (i) all fixtures, supplies, building materials, and other goods of every nature now or hereafter located, used, or intended to be located or used on the Property; (ii) all of the Development Rights (as defined below); (iii) all contracts and subcontracts relating to the construction of improvements on the Property; (iv) all accounts, contract rights, instruments, documents, general intangibles, and chattel paper arising from or by virtue of any transactions relating to the Property; (v) all permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Property; (vi) all proceeds payable or to be payable under each policy of insurance relating to the Property; and (vii) all products and proceeds of the foregoing.

Notwithstanding any other provision in this Deed of Trust, the term "Property" does not include personal effects used primarily for personal, family, or household purposes or any other real or personal property owned by Grantor.

As used herein, the term "Development Rights" means and includes any and all rights, powers, privileges, options, or other benefits associated with, that pertain to, are attributable to, are appurtenant to, apply to, or which otherwise benefit the Property including, without limitation, any and all development rights, applications, permits, approvals, and licenses; deposits, and other fiscal security; utility service commitments, rights, capacity, allocations, taps, and connections (and the right to acquire any of same under any contract or agreement with any utility provider); all plans and specifications for development of or construction of improvements on the Property; agreements with municipal or other public utilities; detention rights; rights to credits, refunds, and reimbursements (including without limitation any credits against, or right to pay reduced, impact fees, application fees, permit fees, or inspection fees) from any municipality, municipal utility district or other governmental (or quasi-governmental) district, entity, political subdivision or authority, or any utility company or provider; rights under any plats, plat applications and other development applications and approvals; rights under any development agreements, reimbursement agreements or similar agreements or contracts with any municipality, municipal utility district or other governmental (or quasi-governmental) district, entity, political subdivision or authority; rights to receive or install water, wastewater, electricity, gas, telephone, telecommunications, drainage, or other utilities or services; rights to build, construct, or install streets, driveways, or other access to the land; rights under any declaration of covenants, conditions, and restrictions, including rights as declarant.

For value received and to secure the Obligation, Grantor conveys the Property to Trustee in trust. Grantor warrants and agrees to defend the title to the Property subject only to the exceptions described on Exhibit "B" attached hereto and made a part hereof (the "Permitted Exceptions"). If Grantor performs the entire Obligation according to its terms, this Deed of Trust will have no further effect, and Beneficiary will release it at Grantor's expense. It is expressly stipulated and agreed by the parties that the grant and conveyance of the Property to Trustee hereunder is made wholly subordinate to that certain Deed of Trust, Security Agreement – Financing Statement, dated _____, 2025, executed by Grantor for the benefit of COMPUTERSHARE TRUST COMPANY, NATIONAL ASSOCIATION (the "Bond Trustee") covering the Property and additional property, filed _____, and recorded under Instrument No. _____ of the Official Public Records of Dallas County, Texas (as the same may be amended or modified from time to time, the "Bond Deed of Trust"), in accordance with the terms and conditions of that certain Tri-Party Agreement (herein so called) dated _____, 2025, entered into by and among Grantor, Beneficiary and the Bond Trustee. It is acknowledged and agreed that the grant of any Development Rights is made subordinate to the Bond Deed of Trust and that Beneficiary and Trustee's rights to any Development Rights are subordinate to the rights of the Bond Trustee under the Bond Deed of Trust whether or not such subordination is specifically set forth in the Tri-Party Agreement.

A. Grantor's Obligations

Grantor agrees to:

1. timely perform the Obligation and each and every part thereof;

2. not commit or permit any waste on the Property; neither do nor permit to be done anything to the Property that may materially impair the value thereof; and correct any violations of governmental codes within the time allocated by the applicable governmental agencies;

3. pay all taxes and assessments on the Property when due; the word "assessments" as used in this Deed of Trust, whether in this paragraph or elsewhere, will include not only assessments by political subdivisions, but also maintenance charges, regular assessments and special assessments assessed by subdivision restrictions, homeowner's declaration for planned unit developments, and assessments by condominium agreements, if any;

4. preserve the lien's priority as a second lien (except as may otherwise be expressly provided in any Tri-Party Agreement and except that Seller may grant a lien on the Property in accordance with the Tax Increment Development And Chapter 380 Grant Agreement with 1-20 Lancaster Development, LLC and the City of Dallas, Texas), and will not, without prior written consent of Beneficiary, grant any contractual or non-contractual lien on or security interest in the Property other than to secure the Development Loan (as defined in the Contract) as a first lien or permit any junior encumbrance to be recorded or any claim to otherwise become an encumbrance against the Property. If an involuntary encumbrance is filed against the Property, Grantor agrees, within 30 days to either remove the involuntary encumbrance or provide a bond acceptable to Beneficiary against the involuntary encumbrance. To the extent applicable law allows the creation of liens against the Property, Grantor will advise Beneficiary in writing within 10 days after the creation of any such lien against the Property, and will cause any such lien to at all times be subordinate to the lien of this Deed of Trust; and

6. not cause or permit the presence, use, disposal, storage or release of any Hazardous Substance (as defined in the Contract) on or in the Property.

B. Beneficiary's Rights

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of Trustee.

2. It will constitute a default hereunder if (a) Grantor fails to return or credit the Earnest Money (or so much thereof as Beneficiary is entitled to under the terms of the Contract) when the same is due to Beneficiary pursuant to the terms of the Contract and the Guarantor (as defined in the Promissory Note) fails to repay the Earnest Money to Beneficiary as and when required, (b) a default occurs under any prior or subordinate lien or any promissory note or other document relating thereto or executed in connection therewith, (c) Grantor defaults under any Tri-Party Agreement, (d) Grantor defaults under any Development Loan (as defined in the Contract), or (e) Grantor otherwise fails in the performance of its obligations under this Deed of Trust or if Grantor breaches any representation or warranty of Grantor made in this Deed of Trust. Notwithstanding anything herein to the contrary, Grantor will be in default hereunder only if Grantor has failed to perform or comply with any term, covenant or condition hereunder and such failure continues for a period of thirty (30) days following delivery to Grantor of written notice of such failure (except as to payments on the Note, or Grantor's failure to pay any monetary amounts due to Beneficiary under this Deed of Trust, which failures or defaults will require only five days written notice to Grantor).

3. Upon any default specified in subparagraph 2 immediately above, Beneficiary may, in addition to, but subject to the terms and conditions of the Tri-Party Agreement, and cumulative of any other right or remedy permitted to Beneficiary by law or at equity:

a. request Trustee to foreclose this lien, in which case Beneficiary or Beneficiary's agent will give notice of the foreclosure sale as provided by the Texas Property Code as then amended; and

b. bid at any foreclosure sale an amount equal to the amount hereby secured plus Beneficiary's expenses in enforcing this Deed of Trust, and purchase the Property at foreclosure sale by offering the highest bid and have the bid credited against the amount hereby secured.

4. If Grantor fails to return or credit the Earnest Money as and when due, the Earnest Money or such portion thereof which is not returned or credited, as applicable, will bear interest from the date upon which the Earnest Money was required to be refunded to Beneficiary until paid at the maximum rate of interest permitted under applicable law or if no such maximum amount is specified then at the rate of 18% per annum.

5. A default under this Deed of Trust will also constitute a default under the Contract and any Tri-Party Agreement.

6. In addition to creating a deed-of-trust lien on all the real and other property described above, Grantor also grants to Beneficiary a security interest in all of the above-described personal property pursuant to and to the extent permitted by the Texas Uniform Commercial Code. In the event of a foreclosure sale under this deed of trust, Grantor agrees that all the Property may be sold as a whole at Beneficiary's option and that the Property need not be present at the place of sale.

C. Trustee's Duties

If requested by Beneficiary to foreclose this lien, Trustee will:

1. either personally or by agent give notice of foreclosure sale as required by the Texas Property Code as then amended;

2. sell and convey all or part of the Property to the highest bidder for cash with a general warranty binding Grantor; and

3. from the proceeds of the sale, pay, in this order:

a. expenses of foreclosure;

b. to Beneficiary, the amount, if any, due and owing in respect of the Obligation;

c. any amounts required by law to be paid before payment to Grantor; and

- d. to Grantor, any balance.

D. Partial Releases

Beneficiary agrees that it will release, at Grantor's cost, individual lots in the subdivision developed on the Property, if applicable, from this Deed of Trust as such lots are taken down by Beneficiary as Purchaser under the Contract, upon application of the agreed upon amount of Earnest Money to the closing of such lots as set forth in the Contract, as applicable under the terms of the Contract.

E. General Provisions

1. If any of the Property is sold under this Deed of Trust, Grantor will immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor will become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.

2. Recitals in any Trustee's deed conveying the Property will be presumed to be true.

3. Proceeding under this Deed of Trust, filing for foreclosure, or pursuing any other remedy will not constitute an election of remedies.

4. This lien will remain superior to liens later created even if the time of payment of all or part of the Obligation is extended or part of the Property is released.

5. If any portion of the Obligation hereby secured cannot be lawfully secured by this Deed of Trust, payments will be applied first to discharge that portion.

6. Subject to Bond Trustee's rights to receive such funds under the Bond Deed of Trust, Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the Property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the Property. Beneficiary will not be liable for failure to collect or to exercise diligence in collecting any such sums.

7. Subject to Bond Trustee's rights to receive such funds under the Bond Deed of Trust, Grantor assigns to Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the Property. Grantor warrants the validity and enforceability of the assignment. Notwithstanding the foregoing, Grantor agrees that it cannot lease or grant any interest in the Property to any party without Beneficiary's consent, which consent may be given or denied in Beneficiary's sole discretion. Leases are not assigned. Grantor may as Beneficiary's licensee collect rent and other income and receipts as long as Grantor is not in default under this Deed of Trust. Grantor will apply all rent and other income and receipts in the manner elected by Beneficiary, but if the rent and other income and receipts exceed the amount due under Obligation, Grantor may retain the excess. If Grantor defaults in the performance of the Obligation or this Deed of Trust, Beneficiary may terminate Grantor's license to collect rent and other income and then as Grantor's agent may rent the Property and collect all rent and other income and receipts. Beneficiary neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the Property. Beneficiary may exercise Beneficiary's rights and remedies under this paragraph without taking possession of the Property. Beneficiary will apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Beneficiary's rights and remedies and then to the Obligation in the order determined by

Beneficiary. Beneficiary is not required to act under this paragraph, and acting under this paragraph does not waive any of Beneficiary's other rights or remedies. If Grantor becomes a voluntary or involuntary debtor in bankruptcy, Beneficiary's filing a proof of claim in bankruptcy will be deemed equivalent to the appointment of a receiver under Texas law.

8. Interest on any debt secured by this Deed of Trust will not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount will be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess will be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.

9. When the context requires, singular nouns and pronouns include the plural.

10. This Deed of Trust will bind, inure to the benefit of, and be exercised by successors in interest of all parties. The term *Grantor* means at any time the owner of the Property and the term *Beneficiary* means the party named above as Beneficiary, its successors and assigns.

11. Notice required or permitted in this Deed of Trust will be in writing and deemed delivered upon actual receipt by hand delivery or facsimile, or three days following deposit in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to Grantor or Beneficiary, as the case may be, at the mailing address of the party as set forth in this Deed of Trust. Either party may change its address for notice purposes by giving written notice of change of address to the other party in the manner specified in this paragraph.

12. Beneficiary will upon request by Grantor deliver to Grantor or any party designated by Grantor a written statement certifying that Beneficiary is the legal and equitable owner and holder hereof, and that no defaults have occurred which have not been cured or waived under this Deed of Trust (or specifying such defaults and stating that there are no other defaults).

13. Grantor agrees to pay reasonable attorney's fees, trustee's fees, and court and other costs of enforcing Beneficiary's rights under this Deed of Trust if this Deed of Trust is placed in the hands of an attorney for enforcement.

14. If any provision of this Deed of Trust is determined to be invalid or unenforceable, the validity or enforceability of any other provision will not be affected.

15. Grantor represents to Beneficiary that no part of the Property is either the residential or business homestead of Grantor, and that Grantor neither resides nor intends to reside in nor conducts nor intends to conduct business on the Property.

16. If the Contract is terminated by Grantor or Beneficiary pursuant to any right to terminate set forth therein, Beneficiary agrees to execute and deliver to Grantor within five (5) business days following receipt of a request therefor from Grantor such documents and instruments as Grantor may reasonably request in connection with any such release of this deed of trust; provided, however, return of the unapplied Earnest Money, if Beneficiary is so entitled, shall be a condition to Beneficiary's obligation deliver such release. Notwithstanding any provision contained in the Contract to the contrary, it shall be a condition precedent to Beneficiary's right to

receive a refund of the Earnest Money pursuant to the Contract that simultaneously with the return of the Earnest Money, Beneficiary execute and deliver a release of this deed of trust.

[Signature Contained on Following Page]

EXECUTED this ____ day of _____, 2025, to be effective as of the Effective Date.

GRANTOR:

I-20 LANCASTER FUND, LLC,
a Texas limited liability company

By; I-20 Lancaster Development, LLC,
a Texas limited liability company
Its sole Member

By: HG Development Concepts, LLC,
a Texas limited liability company
Its Manager

By: _____
Sardar M. Hoque, Manager

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2025, by Sardar M. Hoque, Manager of HG Development Concepts, LLC, Manager of I-20 Lancaster Development, LLC, the sole Member of I-20 Lancaster Fund, LLC, a Texas limited liability company, on behalf of said limited liability company.

Notary Public, State of Texas

[Official Notary Stamp]

After Recording, Please Return To:
Tiffany Sanford
Koons Real Estate Law
1410 Robinson Road, Unit 100
Corinth, Texas 76210-2847

EXHIBIT "A"
The Property

LEGAL DESCRIPTION-73.761 Acres

Situated in the County of Dallas, State of Texas, being a part of the, R. Simonton Survey, Abstract No. 1277, the H. Casey Survey, Abstract No. 307, the S. C. Atterbury Survey, Abstract No. 14, the M.L. Swing Survey, Abstract No. 1422, and being a portion of Tract III: University Hills Parcel E, called 157.221 acre tract of land described in the deed to VM Fund I, LLC, Recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being particularly described by metes and bounds as follows:

Beginning at a found 1/2 -inch iron rod in the east line of said 157.221 acre tract, same being the southwest corner of a 14.39 acre tract of land described in deed to Proton Properties LLC, recorded in Instrument No. 201200086020, Official Public Records of Dallas County, Texas,

THENCE North 58°58'11" East, with the south line of said 14.39 acre tract, a distance of 310.28 feet to a point, from which a found 1/2 inch capped iron rod stamped "TIPTON ENG", at the northwest corner of a 3.733 acre tract of land described in the deed to city of Dallas, recorded in instrument No. 201700163600, Official Public Records of Dallas County, Texas, bears, North 58°56'44" East a distance of 584.39 feet,

THENCE crossing through said 157.221 acre tract of land the following courses and distances:

South 31°01'49" East, , a distance of 94.71 feet to a point;

South 07°25'36" East, , a distance of 125.37 feet to a point of curvature;

Along a tangential curve to the left, having a radius of 40.00 feet, a central angle of 90° 00' 00", an arc length of 62.83 feet, a chord that bears South 52° 25' 36" East, a distance of 56.57 feet to a point at the end of said curve;

North 82°34'24" East, a distance of 9.50 feet to a point;

South 07°25'36" East, a distance of 430.00 feet to a point;

South 52°25'36" East, a distance of 4.24 feet to a point;

North 82°34'24" East, a distance of 48.50 feet to a point;

South 07°25'36" East, a distance of 56.00 feet to a point;

South 82°34'24" West, a distance of 48.50 feet to a point;

South 37°34'24" West, a distance of 4.24 feet to a point;

South 07°25'36" East, a distance of 465.66 feet to a point;

South 82°34'24" West, a distance of 103.50 feet to a point;

South 37°34'24" West, a distance of 4.24 feet to a point;

South 05°58'32" East, a distance of 67.55 feet to a point of curvature

Along a non-tangential curve to the right, having a radius of 66.00 feet, a central angle of 156° 18' 19", an arc length of 180.05 feet, a chord that bears South 42° 48' 31" West, a distance of 129.19 feet to a point at the end of said curve;

South 89°00'30" West, a distance of 57.07 feet to a point;

South 44°52'10" West, a distance of 4.31 feet to a point of curvature;

Along a non-tangential curve to the right, having a radius of 985.62 feet, a central angle of 31° 06' 19", an arc length of 535.09 feet, a chord that bears South 16° 22' 13" West, a distance of 528.54 feet to a point at the end of said curve;

THENCE South 28°07'17" West, a distance of 306.30 feet to a point for the southeast corner of herein described tract, same being the north right-of-way line of Wheatland Road;

THENCE with the south line of said 157.221 acre tract, South 58°47'44" West, with said north right-of-way, a distance of 565.58 feet to a found 1/2 inch capped iron rod stamped "BGE" for a point of curvature;

Along a non-tangential curve to the left, having a radius of 740.00 feet, a central angle of 11° 33' 21", an arc length of 149.25 feet, a chord that bears South 64° 34' 24" West, a distance of 149.00 feet to a point at the end of said curve;

THENCE South 58°47'44" West, a distance of 899.34 feet to a found 5/8-inch iron rod at the southwest corner of said 157.221 acre tract;

THENCE with the west line of said 157.221 acre tract the following courses and distances:

THENCE North 30°25'52" West, a distance of 432.68 feet to a found railroad spike;

THENCE North 62°55'26" East, a distance of 17.96 feet to a found railroad spike;

THENCE North 31°11'58" West, a distance of 267.42 feet to a point, from which a found 1/2-inch iron rod bears, North 31°11'00" West, a distance of 885.84 feet;

THENCE crossing through said 157.221 acre tract of land the following courses and distances:

North 58°47'44" East, a distance of 310.39 feet to a point;

North 31°01'49" West, a distance of 428.18 feet to a point;

North 58°55'38" East, a distance of 227.45 feet to a point;

North 54°38'10" East, a distance of 56.15 feet to a point;

North 58°47'44" East, a distance of 674.00 feet to a point;

North 43°19'27" East, a distance of 58.11 feet to a point;

North 58°52'53" East, a distance of 495.94 feet to a point;

North 5°05'55" West, a distance of 928.65 feet to a point;

North 77°25'24" East, a distance of 217.07 feet to a point;

North 79°52'32" East, a distance of 53.33 feet to a point;

North 82°24'44" East, a distance of 175.40 feet to a point, from which a found 1/2-inch iron rod bears, North 30°08'15" West, a distance of 141.51 feet;

THENCE North 31°06'31" E, with the west line of said 14.39 acre tract, a distance of 150.43 feet to the POINT OF BEGINNING and containing 73.761 acres of land (Approximately 3,213,042 Square Feet) more or less.

EXHIBIT "B"
Permitted Exceptions

APPENDIX B-3

FORMS OF TRI-PARTY AGREEMENTS

TRI-PARTY AGREEMENT

This TRI-PARTY AGREEMENT (this "Agreement") is entered as of the ____ day of _____, 2025 (the "Effective Date"), by and among **COMPUTERSHARE TRUST COMPANY, NATIONAL ASSOCIATION** ("Trustee"), **LENNAR HOMES OF TEXAS LAND AND CONSTRUCTION, LTD.**, a Texas limited partnership ("Lennar"), and **I-20 LANCASTER FUND, LLC**, a Texas limited liability company ("Issuer").

RECITALS:

A. Trustee and Issuer have entered that certain Indenture of Trust (the "Indenture") dated as of _____, 2025 (the "Bond Closing Date"), providing for the issuance of Development Mortgage Back and Limited Revenue Bonds (the "Bonds") for the purposes of providing funds to: (i) acquire that certain tract of land described on Exhibit A attached hereto and incorporated herein (the "Land") and payoff and release the existing lien related thereto encumbering a portion of the Land, (ii) fund the Reserve Fund (as defined in the Indenture) in the amount of the Reserve Fund Amount (as defined in the Indenture), (iii) fund capitalized interest on the Bonds, (iv) fund the construction of certain Public Improvements (as defined in the Indenture), Private Improvements (as defined in the Indenture) and Amenities (as defined in the Indenture) to be constructed to benefit the University Hills project located in Dallas, Texas (the "Project"), and (v) pay the cost of issuance of the Bonds, which Bonds are intended to equal a par amount of \$_____. The Issuer will use proceeds generated from the Bonds to develop single-family lots (each, a "Lot" and collectively, the "Lots") in University Hills (the "Subdivision"), a proposed subdivision in the City of Dallas, Dallas County, Texas. The Bonds are further secured by a Deed of Trust, Security Agreement – Financing Statement, dated _____, executed by Issuer for the benefit of Trustee covering the Land, filed _____, and recorded under Instrument No. _____ of the Official Public Records of Dallas County, Texas (as the same may be amended or modified from time to time, the "Deed of Trust").

B. Issuer, as seller, and Lennar, as purchaser, are parties to that certain Purchase and Sale Agreement October 23, 2023 (as amended and assigned from time to time, the "Lot Contract") wherein Lennar has agreed to purchase approximately 156 of the Lots. The remaining Lots have been contracted to be sold by Issuer to D.R. HORTON – TEXAS, LTD., a Texas limited partnership (the "Other Builder") pursuant to a certain Contract of Sale between Issuer and the Other Builder (as may be modified from time to time, the "Other Builder Contract").

C. Pursuant to the Lot Contract, Lennar has delivered into escrow the sum of \$1,990,000.00 as the Earnest Money, released in accordance with the terms and conditions stated in the Lot Contract and to be deposited with the Trustee in accordance with the terms and conditions of the Indenture. As used herein, the term "Earnest Money" means and refers to Earnest Money pursuant to the Lot Contract (which has not been refunded or credited in accordance with the Lot Contract), plus any increases or additions thereto pursuant to the terms of the Lot Contract, and any unpaid interest accruing thereon pursuant to the terms of the Lot Contract.

D. Issuer's obligations under the Lot Contract with respect to the Earnest Money are evidenced by a Promissory Note (the "Purchaser Note") dated of even date with the Lennar Deed of Trust, in the original principal amount of \$1,990,000.00 executed by Issuer and payable to the order of Lennar, and Issuer's obligations under this Agreement are secured by an Earnest Money Deed of Trust (as the same may be amended or modified from time to time, the "Lennar Deed of Trust") covering a portion of the Land as more particularly described on Exhibit B attached hereto and incorporated herein (the "Earnest Money Lien Tract") executed by Issuer and recorded or to be recorded in the Official Public Records of Dallas County, Texas. The Lot Contract, Purchaser Note and Lennar Deed of Trust may be collectively referred to in this Agreement as the "Purchaser Documents." Trustee has requested that Lennar, and Lennar has agreed to, notify Trustee in the event of an Issuer default under the Purchaser Documents (a "Purchaser Document Default"), and to give Trustee the opportunity to cause the cure of such default.

E. Issuer has also executed a deed of trust in favor of the Other Builder against that portion of the Land described on Exhibit C attached hereto and incorporated herein (the "Other Builder Lien Tract") in order to secure Issuer's obligations to the Other Builder under the Other Builders Contract. Trustee, Issuer and the Other Builder have entered into a separate Tri-Party Agreement dated on or about the date hereof ("Other Builder Tri-Party Agreement").

F. As a condition precedent to the subordination of the Lennar Deed of Trust to the Deed of Trust securing payment of the Note, Trustee has agreed to enter into this Agreement to consent to the Lennar Deed of Trust and the terms of the Lot Contract and to set forth the agreements of Trustee with respect to the rights of Lennar, as the holder of the Lennar Deed of Trust. Lennar has requested that Trustee, and Trustee has agreed to, notify Lennar in the event of a default under the Indenture or any other document executed in connection with the Bonds (the "Issuing Documents"), which is not cured by Issuer within any applicable notice and cure period set forth in the Issuing Documents (an "Issuer Default") and to give Lennar the opportunity to cure such default or purchase the indebtedness and the liens and security interests securing the same.

AGREEMENT:

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Trustee and Lennar, and where applicable Issuer, agree as follows:

1. Opportunity to Cure; Non-Disturbance; Release Price. In the event of a Issuer Default, Trustee agrees to give Lennar written notice of such Issuer Default and ten (10) days within which to cure such Issuer Default (the "Cure Period"). If Lennar cures such default or causes such default to be cured within the Cure Period, Trustee agrees to accept such cure for all purposes. Trustee acknowledges that Lennar has no obligation to cure any Issuer Default. If Lennar cures any Issuer Default, such cure will not constitute cure of any default of Issuer under the Purchaser Documents. In the event of a Purchaser Document Default, Lennar agrees to give Trustee written notice of such Purchaser Document Default and ten (10) days within which to cure such Purchaser Document Default. If such Purchaser Document Default is cured within such ten (10)-day cure period, Lennar agrees to accept such cure for all purposes. Lennar acknowledges that Trustee has no obligation to cure any Purchaser Document Default. If Trustee cures any

Purchaser Document Default, such cure will not constitute cure of any default of Issuer under the Issuing Documents or this Agreement. Prior to the occurrence of a Issuer Default, Lennar's rights under the Lot Contract will not be disturbed, Lennar will be permitted to close the purchase of Lots in accordance with the terms of the Lot Contract and, upon payment of the Release Price (as defined in the Indenture) to Trustee, Trustee will execute and record a release of all liens held by Trustee against the Lots purchased by Lennar at each Closing.

3. Bond Purchase.

(a) In the event of a Issuer Default or a Purchaser Document Default, Lennar will also have the right, but not the obligation, to pay to Trustee the full amount of the redemption price (as evidenced by the Indenture) for the Bonds and all other amounts outstanding pursuant to Section 6.1 of the Indenture (the "Redemption Purchase Price"), by so notifying Trustee in writing within fifteen (15) days after the expiration of the Cure Period (the "Redemption Price Purchase Election"). Not later than five (5) Business Days after Lennar's Redemption Price Purchase Election, Trustee will provide to Lennar a payoff statement for the full amount of the Redemption Price in accordance with the Indenture. The closing and payment of the Redemption Price to Trustee by Lennar will occur at the offices of Trustee in Dallas, Texas at a time designated by Trustee not sooner than the tenth (10th) Business Day after Trustee's receipt of the Redemption Price Purchase Election. At such closing, (a) Lennar will deliver to Trustee cash or immediately available funds in an amount equal to the then-outstanding Redemption Price and (b) Trustee will deliver to Lennar a full release of the Deed of Trust and all other documents evidencing that the Indenture is fully and completely discharged in all respects.

(b) It is agreed that Lennar may submit a Redemption Price Purchase Election to Trustee pursuant to this Section 3 jointly with the Other Builder in such proportions as Lennar and the Other Builder may agree between themselves; provided, however, (i) Lennar or the Other Builder as designated in writing to Trustee shall act on behalf of and shall bind all purchasers electing to pay the Redemption Price; and (ii) such joint purchase shall in no way increase Trustee's obligations or lessen Trustee's rights under this Section 3. In the event that Lennar and the Other Builder notify Trustee of an election to jointly exercise their Redemption Price Purchase Election, Trustee shall allow payment of the Redemption Price by Lennar and the Other Builder based upon the proportions agreed upon pursuant to the preceding sentence; provided, however, if Lennar and the Other Builder are unable to reach agreement between themselves as to the proportions, then Trustee agrees that neither Lennar nor the Other Builder shall have a right to exercise their respective Redemption Price Purchase Election, neither builder shall have the opportunity to exercise a Redemption Price Purchase Election.

4. Subordinate Deed of Trust.

(a) Trustee's Consent. The Lennar Deed of Trust will be subordinate and inferior in all respects to the Deed of Trust and the other liens and security interests securing the Indenture. Trustee consents to the Lennar Deed of Trust. Trustee acknowledges and

agrees that Lennar may foreclose under the Lennar Deed of Trust if the conditions set forth in Section 5(b) below are met.

(b) Foreclosure of Lennar Deed of Trust. Lennar will be entitled to foreclose under the Lennar Deed of Trust if (i) it has failed to receive a refund of its Earnest Money pursuant to the guarantee contained in the Purchaser Note and (ii) any one or more of the following conditions are satisfied:

(i) A Issuer Default has occurred.

(ii) Intentionally Deleted.

(iii) A Purchaser Document Default has occurred and the Purchaser Document Default has not been cured by the Trustee, as contemplated by this Agreement.

(iv) Issuer defaults under the Lennar Deed of Trust and Issuer fails to cure such default within any applicable cure period after written notice thereof, to the extent expressly required by the Lennar Deed of Trust.

(v) Issuer or Trustee defaults under this Agreement and fails to cure such default within any applicable cure period set forth herein.

(vi) Lennar shall have given Trustee forty-five (45) days prior written notice of Lennar's intent to commence foreclosure of the Lennar Deed of Trust (provided, however, that notice given pursuant to Section 2 shall be sufficient to commence such forty-five (45) day period).

(c) Foreclosure Notice of Default. A copy of the foreclosure notice, notice of trustee's sale, or any written notice to Issuer of a Purchaser Document Default that forms the basis for Lennar's foreclosure will be contemporaneously given to Trustee.

5. Issuer's Covenants. Issuer covenants and agrees as follows:

(a) A Issuer Default by Issuer will constitute an event of default under the Purchaser Documents and this Agreement entitling Lennar to exercise its rights and remedies thereunder and hereunder, at its sole option, without any requirement of notice or opportunity to cure, except as provided herein, notwithstanding anything to the contrary contained herein or in the Lot Contract, the Purchaser Note or the Lennar Deed of Trust.

(b) A default by Issuer under this Agreement will constitute an event of default under the Lennar Deed of Trust, the Purchaser Note and the Lot Contract entitling Lennar to exercise its rights and remedies hereunder and thereunder, at its sole option, without any requirement of notice or opportunity to cure, notwithstanding anything to the contrary contained in the Lot Contract.

(c) A default by Issuer under this Agreement will constitute a default under the Issuing Documents entitling Trustee to exercise its rights and remedies hereunder and thereunder, at its sole option, without any requirement of notice or opportunity to cure, except as provided herein, notwithstanding anything to the contrary contained in the Issuing Documents.

(d) Any amounts paid by Lennar to cure or attempt to cure a Issuer Default (including without limitation any payments made to Trustee) and any reasonable out-of-pocket expenses incurred by Lennar to cure or attempt to cure any Issuer Default will be due and payable by Issuer upon demand therefor by Lennar and will constitute additional indebtedness secured by the Lennar Deed of Trust. If the Lot Contract remains in effect following any such cure or attempted cure by Lennar, such amount shall be paid by Issuer to Lennar prior to the next closing to occur under the Lot Contract. Any amounts so paid by Lennar will bear interest at the lesser of 18% per annum or the maximum rate permitted by applicable law until reimbursement is made to Lennar. Issuer's failure to timely pay such amounts to Lennar will constitute a default by Issuer under this Agreement.

6. Agreements of Trustee, Issuer and Lennar. Issuer, Trustee and Lennar hereby agree as follows:

(a) If, following Substantial Completion, Trustee acquires title to the Land or a portion thereof (whether through foreclosure of the Deed of Trust or by deed in lieu of foreclosure), then Trustee agrees that Trustee will not disturb Lennar's rights under the Lot Contract as long as Lennar is not in default thereunder following the expiration of any applicable notice and cure periods provided for in the Lot Contract, and Lennar will be permitted to close the purchase of the remaining Lots in accordance with the terms of the Lot Contract. At each such Closing, Trustee will execute and deliver or cause to be executed and delivered to Lennar all closing documents required by and in accordance with the Lot Contract, upon payment by Lennar of the applicable Purchase Price to be paid by Lennar as set forth in the Lot Contract or as otherwise agreed to by Trustee and Lennar, subject to prorations, adjustments and credits to which Lennar may be entitled under the Lot Contract (including, without limitation, a credit for any Earnest Money not previously credited to the Purchase Price paid by Lennar for any previously acquired Lots). Trustee acknowledges that the Earnest Money described in the Lot Contract has been released to Issuer, and that the Earnest Money is applicable against the Purchase Price due and payable for the Lot(s) as set forth in the Lot Contract. At each such Closing, Trustee will execute and deliver to Lennar a release of the Deed of Trust and any other liens and security interests held by Trustee or any related parties encumbering the Lot(s) purchased at such Closing. Lennar will be fully protected in dealing with Trustee as the sole and exclusive holder of Issuer's rights and obligations under the Lot Contract pursuant to this paragraph, and Issuer releases Lennar and Trustee from any and all claims and liabilities relating to any dealings of Lennar and Trustee.

(b) Until such time as Lennar actually receives written notice from Trustee stating that Trustee has acquired title to the Land and has elected to perform the obligations of Issuer under the Lot Contract as provided herein, Lennar may deal with Issuer under the

terms of the Lot Contract as if neither this Agreement nor the Issuing Documents had been executed except as expressly provided herein. Without limiting the foregoing, until Lennar's actual receipt of such written notice, (i) any sums which may be payable by Lennar under the Lot Contract will be paid directly to Issuer and not to Trustee, (ii) any consents or approvals required from Issuer under the Lot Contract will be given by Issuer and not by Trustee, and (iii) any agreements or other documents required to be signed by Issuer under the Lot Contract, including any deeds and other closing documents required thereunder, will be executed by Issuer and not by Trustee. Upon Lennar's actual receipt of such notice, Lennar will be fully protected in dealing with Trustee as the sole and exclusive holder of Issuer's rights and obligations under the Lot Contract, and Issuer releases Lennar from any and all claims and liabilities relating to any dealings of Lennar and Trustee.

(c) Issuer and Trustee agree to cooperate with Lennar in connection with any proposed cure by Lennar of a Issuer Default, including providing copies of the Issuing Documents to Lennar.

(d) Issuer agrees to cooperate with Trustee in connection with any proposed cure by Trustee of a Purchaser Document Default, including providing copies of any documents related to the Lot Contract.

(e) Issuer hereby authorizes Trustee and Lennar to deal directly with each other and releases each of them from any and all claims and liabilities for so doing.

(f) The provisions of this Section 6 will survive any foreclosure of the Deed of Trust or any conveyance of the Land by deed in lieu thereof.

7. Miscellaneous.

(a) Any notice required or permitted hereunder will be given in writing and sent by certified mail, return receipt requested, to the parties hereto at the following addresses:

If to Trustee: Computershare Trust Company, National Association
1505 Energy Park Drive
St. Paul, Minnesota 55108
Attn:

With copy to: _____

Attn:

If to Lennar: Lennar Homes of Texas Land and Construction, Ltd.
1707 Market Place Blvd., Suite 100
Irving, Texas 75063
Attn: Greg Urech

With Copy to: Lennar Homes of Texas Land and Construction, Ltd.
1707 Market Place Blvd., Suite 100
Irving, Texas 75063
Attn: Herman Randow

If to Issuer: I-20 Lancaster Fund, LLC
1717 Main Street, Suite 5630
Dallas, Texas 75201
Attn: Arthur Santa Maria

With Copy to: Texas Real Estate Law
1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234
Attn: Travis Boghetich

(b) Trustee agrees to send to Lennar copies of all notices and correspondence relating to a default or event of default under the Indenture or related to the Bond, which Trustee sends to Issuer at the same time such notices and correspondence are sent by Trustee to Issuer.

(c) Lennar agrees to send Trustee copies of all notices and correspondence relating to a default or event of default under the Lot Contract which Lennar sends to Issuer at the same time such notices and correspondence are sent by Lennar to Issuer.

(d) Trustee may assign or otherwise transfer its rights under this Agreement, but only in conjunction with an assignment or transfer of the Indenture; any transfer or assignment of the Indenture (or the grant of any participation rights thereunder) will be made subject to this Agreement, and any transferee, assignee, or participant must expressly acknowledge this Agreement, assume all of Trustee's duties and obligations under this Agreement, and agree in writing to be bound by this Agreement. Upon such assumption by Trustee's transferee, assignee or participant of this Agreement, such transferee, assignee or participant will be entitled to all rights and benefits granted to Trustee under this Agreement. Lennar may assign or otherwise transfer its rights under this Agreement, but only in conjunction with an assignment or transfer of Lennar's rights under the Lot Contract (to the extent permitted thereby), and any such transfer or assignment will be made subject to this Agreement. Any transferee or assignee of Lennar must expressly acknowledge this Agreement, assume all of Lennar's duties and obligations under this Agreement, and agree in writing to be bound by this Agreement. Upon such assumption by Lennar's transferee or assignee of this Agreement, such transferee or assignee will be entitled to all rights and benefits granted to Lennar under this Agreement. Issuer may not assign or transfer its rights, duties and obligations under this Agreement without the prior written consent of Trustee and Lennar.

(e) This Agreement and the rights and obligations to the parties hereunder will be constructed and determined in accordance with the laws of the State of Texas. Venue

in any dispute arising due to the alleged breach of this Agreement will lie in the federal or state courts of Dallas County, Texas.

(f) This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof.

(g) This Agreement will be filed of record against the Land in the county in which the Land is situated to give notice of the agreements and obligations of the parties set forth herein. Any agreements or obligations herein which are performable following a foreclosure or deed in lieu thereof will continue and survive thereafter notwithstanding anything to the contrary contained elsewhere herein or in the Deed of Trust or in any document evidencing, securing or pertaining to the Indenture or the Bonds. Any person or entity acquiring title to the Land at foreclosure sale or by deed will take title subject to such continuing obligations herein notwithstanding any such foreclosure sale or deed. This Agreement will cease and terminate only by written agreement of Trustee and Lennar, or their respective successors and assigns, or upon release of record of both the Deed of Trust and the Lennar Deed of Trust.

(h) Whenever used herein, the singular number will include the plural and the plural the singular, and the use of any gender will be applicable to all genders. The captions, headings and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify or modify the terms and provisions hereof.

(i) If any provision of this Agreement will for any reason be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability will not affect any other provision hereof, and this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

(j) This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

EXECUTED in duplicate counterparts, each of which will be deemed an original.

TRUSTEE:

**COMPUTERSHARE TRUST COMPANY,
NATIONAL ASSOCIATION,**

By: _____
_____, _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

 This instrument was acknowledged before me this ____ day of _____, 20____,
by _____, _____ of Computershare Trust Company, National
Association, on behalf of said company.

Notary Public, State of Texas

[Official Notary Stamp]

LENNAR:

**LENNAR HOMES OF TEXAS LAND
AND CONSTRUCTION, LTD.**

a Texas limited partnership

By: U.S. Homes, LLC
a Delaware limited liability company
its General Partner

By: _____

Name: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me this ____ day of _____, 20__, by _____, the _____ of U.S. Homes, LLC, a Delaware limited liability company, the General Partner of LENNAR HOMES OF TEXAS LAND AND CONSTRUCTION LTD., a Texas limited partnership, on behalf of said entities.

Notary Public, State of Texas

[Official Notary Stamp]

ISSUER:

I-20 LANCASTER FUND, LLC,
a Texas limited liability company

By: I-20 Lancaster Development, LLC,
a Texas limited liability company
Its sole Member

By: HG Development Concepts, LLC,
a Texas limited liability company
Its Manager

By: _____
Sardar M. Hoque, Manager

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2025, by Sardar M. Hoque, Manager of HG Development Concepts, LLC, Manager of I-20 Lancaster Development, LLC, the sole Member of I-20 Lancaster Fund, LLC, a Texas limited liability company, on behalf of said limited liability company.

Notary Public, State of Texas

[Official Notary Stamp]

After Recording, Please Return To:
Herman Randow
Lennar Homes of Texas Land and Construction, Ltd.
1707 Market Place Blvd., Suite 100
Irving, Texas 75063

Exhibit A
Description of the Land

TRACT I:

BEING all of that tract of land situated in the H. Casey Survey, Abstract No. 307, City of Dallas, Dallas County, Texas, and being all of a called 1.045 acre tract of land described as Tract III: University Hills Parcel A in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 3/8-inch iron rod found in the westerly right-of-way line of S. Lancaster Road for the southeast corner of said Parcel A, common to the easternmost northeast corner of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, said Official Public Records;

THENCE South 77°23'57" West, with the southerly line of said Parcel A and a northerly line of said 22.0197 acre tract, a distance of 323.43 feet to a 1/2-inch iron rod found for the southwest corner of said Parcel A, common to a re-entrant corner of said 22.0197 acre tract;

THENCE North 07°22'56" West, with the westerly line of said Parcel A and an easterly line of said 22.0197 acre tract, a distance of 86.77 feet to a 5/8-inch iron rod with a cap stamped "BGE" found in the southeasterly right-of-way line of Wheatland Road for the northwest corner of said Parcel A, common to the southeast corner of a right-of-way dedication to the City of Dallas, recorded in Instrument No. 20170007568, said Official Public Records;

THENCE North 58°43'37" East, with the southeasterly right-of-way line of said Wheatland Road and the northerly line of said Parcel A, a distance of 315.89 feet to a 5/8-inch iron rod with a cap stamped "KFM" set (hereinafter referred to as capped iron rod set) for the northerly end of a corner clip at the intersection of the southeasterly right-of-way line of said Wheatland Road and the westerly right-of-way line of said S. Lancaster Road;

THENCE South 62°59'26" East, with said corner clip and the northeasterly line of said Parcel A, a distance of 40.00 feet to a capped iron rod set for the southerly end of said corner clip;

THENCE South 07°25'36" East, with the westerly right-of-way line of said S. Lancaster Road and the easterly line of said Parcel A, a distance of 102.62 feet to a calculated point of a curvature;

THENCE continuing with the westerly right-of-way line of said S. Lancaster Road and the easterly line of said Parcel A, and a tangential curve to the left having a radius of 8,654.00 feet, a delta angle of 00°23'51", an arc length of 60.07 feet, a chord bearing of South 07°33'07" East and chord distance of 60.07 feet to the POINT OF BEGINNING and enclosing 1.045 acres (45,532 square feet) of land, more or less.

TRACT II:

BEING all of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, City of Dallas, Dallas County, Texas, and being all of a called 2.756 acre tract of land described as Tract III: University Hills Parcel B in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found in the northerly right-of-way line of Wheatland Road and the southwesterly line of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, Deed Records of Dallas County, Texas, for the southeast corner of said Parcel B;

THENCE North 89°59'51" West, with the northerly right-of-way line of said Wheatland Road and the southerly line of said 2.756 acre tract, a distance of 675.76 feet to a 5/8-inch iron rod with a cap stamped "BGE" found at the beginning of a tangential curve to the left;

THENCE continuing with the northerly right-of-way line of said Wheatland Road and the southerly line of said 2.756 acre tract and with said curve to the left having a radius of 740.00 feet, a delta angle of 07°10'00", an arc length of 92.56 feet, a chord bearing of South 86°25'09" West and chord distance of 92.50 feet to a 5/8-inch iron rod with a cap stamped "BGE" found for the end of said curve for the westerly corner of said 2.756 acre tract, same being at the intersection of the northerly right-of-way line of said Wheatland Road and the southerly right-of-way line of E. Wheatland Road;

THENCE North 58°49'38" East, with the southeasterly right-of-way line of said E. Wheatland Road and the northwesterly line of said 2.756 acre tract, a distance of 619.15 feet to a 1/2-inch iron rod found for the northerly corner of said 2.756 acre tract, common to the westerly corner of said 22.0197 acre tract;

THENCE South 37°08'06" East, with the northeasterly line of said 2.756 acre tract and the southwesterly line of said 22.0197 acre tract, a distance of 394.79 feet to the POINT OF BEGINNING and enclosing 2.744 acres (119,513 square feet) of land, more or less.

TRACT III:

BEING all of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, City of Dallas, Dallas County, Texas, and being all of a called 4.832 acre tract of land described as Tract III: University Hills Parcel C in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod found in the northwesterly right-of-way line of Wheatland Road and the easterly line of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, said Official Public Records, for the southwest corner of said Parcel C, common to the northeast corner of a right-of-way dedication to the City of Dallas, recorded in Instrument No. 201700075687, said Official Public Records;

THENCE North 07°22'56" West, with the westerly line of said Parcel C and an easterly line of said 22.0197 acre tract, a distance of 691.05 feet to a 1/2-inch iron rod found in the southeasterly right-of-way line of E. Wheatland Road for the northwest corner of said Parcel C, common to the northeast corner of said 22.0197 acre tract;

THENCE North 59°19'46" East, with the southeasterly right-of-way line of said E. Wheatland Road and the northwesterly line of said Parcel C, a distance of 122.87 feet to a 5/8-inch iron rod found for an angle point;

THENCE North 58°56'49" East, continuing with the southeasterly right-of-way line of said E. Wheatland Road and the northwesterly line of said Parcel C, a distance of 178.10 feet to a 5/8-inch iron rod with a cap stamped "KFM" set (hereinafter referred to as capped iron rod set) for the northerly end of a corner clip at the intersection of the southeasterly right-of-way line of said E. Wheatland Road and the westerly right-of-way line of S. Lancaster Road;

THENCE South 63°36'43" East, with said corner clip and the northeasterly line of said Parcel C, a distance of 54.45 feet to a capped iron rod set for the southerly end of said corner clip;

THENCE South 07°27'07" East, with the westerly right-of-way line of said S. Lancaster Road and the easterly line of said Parcel C, a distance of 546.15 feet to a capped iron rod set for a salient corner of said Parcel C, common to the northeast corner of a tract of land described in the deed to Yvonne Simmons, recorded in Volume 2005151, Page 3183, said Official Public Records;

THENCE with the common line of said Parcel C and said Simmons tract, the following courses:

1. South 82°35'24" West, a distance of 150.24 feet to a 1/2-inch iron rod found for corner;
2. South 07°25'36" East, a distance of 68.00 feet to a capped iron rod set for corner;
3. North 82°35'24" East, a distance of 150.00 feet to a capped iron rod set in the westerly right-of-way line of said S. Lancaster Road for a salient corner of said Parcel C, common to the southeast corner of said Simmons tract;

THENCE South 07°25'36" East, continuing with the westerly right-of-way line of said S. Lancaster Road and the easterly line of said Parcel C, a distance of 8.65 feet to a capped iron rod set at the northerly end of a corner clip at the intersection of the westerly right-of-way line of said S. Lancaster Road and the northwesterly right-of-way line of Wheatland Road;

THENCE South 25°32'42" West, with said corner clip and the easterly line of said Parcel C, a distance of 26.00 feet to a capped iron rod set for the southerly end of said corner clip;

THENCE South 58°43'37" West, with the northwesterly right-of-way line of said Wheatland Road and the southeasterly line of said Parcel C, a distance of 336.41 feet to the POINT OF BEGINNING and enclosing 4.828 acres (4,493,253 square feet) of land, more or less.

TRACT IV:

BEING all of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, the H. Casey Survey, Abstract No. 307, City of Dallas, Dallas County, Texas, and being all of a called 157.221 acre tract of land described as Tract III: University Hills Parcel D in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found in the northwesterly right-of-way line of Interstate Highway 20 for the southernmost southeast corner of said Parcel D, common to the southwest corner of Pilot Travel Center No. 1, Lot 1, Block A/7609, an addition to the City of Dallas, Texas, according to the plat thereof recorded in Volume 93177, Page 5593, Plat Records of Dallas County, Texas;

THENCE South 69°51'35" West with the northerly right-of-way line of said Interstate Highway 20 and a southerly line of said Parcel D, a distance of 313.15 feet to a 5/8-inch iron rod with a cap stamped 'KFM" set (hereinafter referred to as capped iron rod set) found for an angle point;

THENCE South 71°38'49" West, with the northerly right-of-way line of said Interstate Highway 20 and a southerly line of said Parcel D, a distance of 1,339.96 feet to a concrete monument (TxDoT) found for an angle point;

THENCE South 55°10'58" West, continuing with the northerly right-of-way line of said Interstate Highway 20 and a southerly line of said Parcel D, a distance of 59.68 feet to a point for the southwest corner of said Parcel D;

THENCE North 29°43'17" West, with the westerly line of said Parcel D, a distance of 2,093.93 feet to a 5/8-inch iron rod set in the southeasterly right-of-way line of Wheatland Road for the northwest corner of said Parcel D;

THENCE with the southeasterly and southerly right-of-way line of said Wheatland Road and the northerly line of said Parcel D, the following courses:

1. North 58°47'44" East, a distance of 878.43 feet to the beginning of a tangential curve to the right;
2. With said curve to the right having a radius of 660.00 feet, a delta angle of 31°12'26", an arc length of 359.48 feet, chord bearing of North 74° 3'56" East and chord distance of 355.05 feet to the end of said curve;
3. South 89°59'51" East, a distance of 736.35 feet to a 5/8-inch iron rod with a cap stamped "BGE" found in the southwesterly line of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, said Official Public Records, common to the southwest corner of a right-of-way dedication to the City of Dallas, recorded in Instrument No. 201700075687, said Official Public Records;
4. South 37°08'06" East, with the southwesterly line of said 22.0197 acre tract, a distance of 687.65 feet to a 1/2-inch iron rod found for a re-entrant corner of said Parcel D, common to the southerly corner of said 22.0197 acre tract;

5. North 52°53'52" East, with a southerly line of said 22.0197 acre tract, a distance of 492.99 feet to a 1/2-inch iron rod found for a re-entrant corner of said Parcel D, common to the southernmost southeast corner of said 22.0197 acre tract;
6. North 07°22'56" West, with an easterly line of said 22.0197 acre tract, a distance of 235.90 feet to a 1/2-inch iron rod found for a salient corner of said Parcel D, common to a re-entrant corner of said 22.0197 acre tract;
7. North 77°23'57" East, with a southerly line of said 22.197 acre tract, a distance of 325.26 feet to a 3/8-inch iron rod found in the westerly right-of-way line of S. Lancaster Road for the northeast corner of said Parcel D at the beginning of a non-tangential curve to the left;

THENCE with an easterly line of said Parcel D and with said curve to the left having a radius of 8,654.00 feet, a delta angle of 05°26'02", an arc length of 820.73 feet, a chord bearing of South 11°19'50" East and chord distance of 820.42 feet to a 1/2-inch iron rod found with a cap stamped "RPLS 5439" found for the easternmost southeast corner of said Parcel D, common to the northeast corner of said Lot 1, Block A/7609;

THENCE South 75°53'20" West, with a southerly line of said Parcel D and a northerly line of said Lot 1, Block A/7609, a distance of 225.27 feet to a 1/2-inch iron rod found for a re-entrant corner of said Parcel D, common to the northernmost northwest corner of said Lot 1, Block A/7609;

THENCE South 15°39'15" East, with an easterly line of said Parcel D and a westerly line of said Lot 1, Block A/7609, a distance of 384.89 feet to a 1/2-inch iron rod found with a cap stamped "HALO 5984" found for a salient corner of said Parcel D, common to the northeast corner of a called 0.763 acre tract of land described in the deed to DFW Oil Inc, recorded in Instrument No. 201600335847, said Official Public Records;

THENCE South 69°56'51" West, with a southerly line of said Parcel D and the northerly line of said 0.763 acre tract, passing at a distance of 295.66 feet a 1/2-inch iron rod with a cap stamped "HALO 5984" found for the northwest corner of said 0.763 acre tract, common to the northeast corner of a called 0.212 acre tract of land described in the deed to DFW Oil Inc, recorded in Instrument No. 201700323387, said Official Public Records, continuing on said course a total distance of 335.55 feet to a 1/2-inch iron rod (bent) found for a re-entrant corner of said Parcel D, common to the northwest corner of said 0.212 acre tract;

THENCE South 20°26'45" East, with an easterly line of said Parcel D and the westerly line of said 0.212 acre tract, a distance of 231.36 feet to a 1/2-inch iron rod found with a cap stamped "HALO 5984" found in a northerly line of said Lot 1, Block A/7609 for a salient corner of said Parcel D, common to the southwest corner of said 0.212 acre tract;

THENCE South 69°48'39" West, with a southerly line of said Parcel D and the northerly line of said Lot 1, Block A/7609, a distance of 181.83 feet to a 1/2-inch iron rod with a cap stamped "AB&A" found for a re-entrant corner of said Parcel D, common to the westernmost northwest corner of said Lot 1, Block A/7609;

THENCE South 20°11'21" East, with an easterly line of said Parcel D and a westerly line of said Lot 1, Block A/7609, a distance of 250.11 feet to the POINT OF BEGINNING and enclosing 109.338 acres (4,762,746 square feet) of land, more or less.

TRACT V:

BEING all of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, the H. Casey Survey, Abstract No. 307, City of Dallas, Dallas County, Texas, and being all of a called 157.219 acre tract of land described as Tract III: University Hills Parcel E in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod found in the northerly right-of-way line of Wheatland Road for the southerly corner of said Parcel E, common to the easterly corner of a called 89.346 acre tract of land described in the deed to R.K.C.J., LLC, recorded in Volume 96066, Page 7234, Deed Records of Dallas County, Texas;

THENCE North 30°25'52" West, with the southwesterly line of said Parcel E and the northeasterly line of said 89.346 acre tract, a distance of 432.68 feet to a railroad spike found for corner;

THENCE North 62°55'26" East, continuing with the southwesterly line of said Parcel E and the northeasterly line of said 89.346 acre tract, a distance of 17.96 feet to a railroad spike found for corner;

THENCE North 31°11'58" West, continuing with the southwesterly line of said Parcel E and the northeasterly line of said 89.346 acre tract and the northeasterly line of a called 23.875 acre tract of land described in the deed to Hickory Pointe, LLC, recorded in Instrument No. 202200235268, said official Public Records, passing a 1/2-inch iron rod found for reference on the south side of Five Mile Creek at a distance of 1,153.27 feet, continuing on said course with the northeasterly line of said 23.875 acre tract, a total distance of 1,205.27 feet to a point in said creek for the westerly corner of said Parcel E, common to a southerly corner of a called 202.64 acre tract of land described in the deed to the State of Texas, recorded in Volume 2001230, Page 2058, said Deed Records;

THENCE in said Five Mile Creek with the northwesterly line of said Parcel E and the southeasterly line of said Parcel E and a southeasterly line of said 202.64 acre tract, the following courses:

1. North 18°55'32" East, a distance of 154.49 feet to a point;
2. North 53°45'32" East, a distance of 203.00 feet to a point;
3. South 68°23'28" East, a distance of 133.72 feet to a point;
4. North 86°01'32" East, a distance of 111.50 feet to a point;
5. North 10°47'32" East, a distance of 107.15 feet to a point;
6. North 35°38'32" East, a distance of 141.00 feet to a point;
7. North 78°19'32" East, a distance of 97.05 feet to a point;
8. North 28°28'28" West, a distance of 140.57 feet to a point;
9. North 47°07'32" East, a distance of 150.88 feet to a point;
10. North 31°11'32" East, a distance of 130.56 feet to a to a point;

11. North 63°34'02" East, a distance of 134.95 feet to a point;
12. North 87°41'02" East, a distance of 129.10 feet to a point;
13. North 3°13'02" East, a distance of 132.20 feet to a point;
14. North 34°51'02" East, a distance of 164.10 feet to a point;
15. North 11°51'02" East, a distance of 124.70 feet to a point;
16. North 23°47'58" West, a distance of 139.58 feet to a point in the southeasterly right-of-way line of Dallas Area Rapid Transit, for a northwesterly corner of said Parcel E, common to a southeasterly corner of a called 11.4083 acre tract of land described as Parcel No. SOC3-14-1 in the deed to Dallas Area Rapid Transit, recorded in Instrument No. 201600067604, said Official Public Records, common to the southerly corner of a called 1.1784 acre tract of land described as Parcel No. SOC3-12 in the deed to Dallas Area Rapid Transit, recorded in Instrument No. 201300362049, said Official Public Records;

THENCE continuing with the northwesterly line of said Parcel E, the following courses:

1. North 54°24'09" East, with the southeasterly right-of-way line of said Dallas Area Rapid Transit and the southeasterly line of said Parcel No. SOC3-12, passing a 1/2-inch iron rod found for reference on the easterly side of said Five Mile Creek at a distance of 102.55 feet, continuing on said course, a total distance of 537.89 feet to a 1/2-inch iron rod with a cap stamped "TX REG NO 100189-00" found for corner;
2. North 32°44'33" West, continuing with the southeasterly right-of-way line of said Dallas Area Rapid Transit and the southeasterly line of said Parcel No. SOC3-12, a distance of 1.62 feet to a 1/2-inch iron rod with a cap stamped "TX REG NO 100189-00" found for corner;
3. North 58°51'17" East, continuing with the southeasterly right-of-way line of said Dallas Area Rapid Transit and the southeasterly line of said Parcel No. SOC3-12, passing a 1/2-inch iron rod with a cap stamped "TX REG NO 100189-00" found for the easterly corner of said Parcel No. SOC3-12, common to the southerly corner of a called 0.2797 acre tract of land described as Parcel SOC3-13 in the deed to Dallas Area Rapid Transit, recorded in Instrument No. 201600064231, said official Public Records, at a distance of 10.30 feet, continuing on said course, with the southeasterly line of said Parcel No. SOC3-13 part of the way of a total distance of 471.29 feet to a 1/2-inch iron rod found for the northerly corner of said Parcel E;

THENCE South 31°06'31" East, with a northeasterly line of said Parcel E, a distance of 633.96 feet to a 5/8-inch iron rod with a cap stamped 'KFM" set (hereinafter referred to as capped iron rod set) for a re-entrant corner of said Parcel E, common to the southerly corner of a called 14.39 acre tract of land described in the deed to Proton Properties LLC, recorded in Instrument No. 201200086020, said Official Public Records;

THENCE North 58°58'11" East, with a northwesterly line of said Parcel E and the southeasterly line of said 14.39 acre tract, a distance of 894.60 feet to a 1/2-inch iron rod found with a cap stamped "TIPTON ENG" found for a northeasterly corner of said Parcel E, common to the northwest corner of a called 3.733 acre tract of land described in the deed to the City of Dallas, recorded in Instrument No. 201700163600, said Official Public Records;

THENCE South 07°25'35" East, with an easterly line of said Parcel E and the westerly line of said 3.733 acre tract, a distance of 276.87 feet to a 1/2-inch iron rod with a cap stamped "TXHS" found for a re-entrant corner of said Parcel E, common to the southwest corner of said 3.733 acre tract;

THENCE North 82°34'23" East, with a northerly line of said Parcel E and the southerly line of said 3.733 acre tract, a distance of 438.99 feet to a 1/2-inch iron rod with a cap stamped "TXHS" found in the westerly right-of-way line of S. Lancaster Road for the easternmost northeast corner of said Parcel E, common to the southeast corner of said called 3.733 acre tract;

THENCE South 07°25'36" East, with the westerly right-of-way line of said S. Lancaster Road and an easterly line of said Parcel E, a distance of 1,318.09 feet to a 5/8-inch iron rod with a cap stamped "BGE" found for the north end of a corner clip at the intersection of the westerly right-of-way line of said S. Lancaster Road and the northerly right-of-way line of E. Wheatland Road;

THENCE South 25°45'54" West, with said corner clip and a southeasterly line of said Parcel E, a distance of 83.74 feet to a 1/2-inch iron rod found for the south end of said corner clip;

THENCE with the northerly right-of-way line of said E. Wheatland Road and the southeasterly line of said Parcel E, the following courses:

1. South 58°55'21" West, a distance of 599.61 feet to a 1-inch iron pipe found for corner;
2. South 30°42'27" East, a distance of 1.35 feet to a 5/8-inch iron rod with a cap stamped "BGE" found for corner;
3. South 58°47'44" West, a distance of 1,605.25 feet to a 5/8-inch iron rod with a cap stamped "BGE" found at intersection of the northerly right-of-way line of E. Wheatland Road and Wheatland Road and at the beginning of a non-tangential curve to the left;
4. With said curve having a radius of 740.00 feet, a delta angle of 11°33'21", an arc length of 149.25 feet, a chord bearing of South 64°34'24" West and chord distance of 149.00 feet to a capped iron rod set at the end of said curve;
5. South 58°47'44" West, a distance of 899.34 feet to the POINT OF BEGINNING and enclosing 157.219 acres (6,848,446 square feet) of land, more or less.

Exhibit B
Description of the Earnest Money Lien Tract

Situated in the County of Dallas, State of Texas, being a part of the, R. Simonton Survey, Abstract No. 1277, and being a portion of Tract III: University Hills Parcel E, a called 157.221 acre tract of land described in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being particularly described by metes and bounds as follows:

Beginning at a found 1/2 -inch iron rod for the northeast corner of the herein described tract, same being the northeast corner of said 157.221 acre tract and the northwest corner of a called 2.5 acre tract of land described in deed to CAMPLANC Investments, recorded in Instrument No. 201100097436, Official Public Records of Dallas County, Texas, from which a found 1/2 -inch iron rod at the southwest corner of said 2.5 acre tract bears, S 31°30'38"E a distance of 342.00 feet, for the southwest corner of ;

THENCE S 31°06'31" E, along the east line of said 157.221 acre tract, a distance of 483.52 feet to a point, from which a found 1/2 -inch iron rod for the southwest corner of a called 14.39 acre tract of land described in deed to Proton Properties, LLC, Recorded in Instrument No. 201200089020, Official Public Records of Dallas County, Texas bears, S 31°06'31"E a distance of 150.43 feet;

THENCE over and across said 157.221 acre tract of land, also being the south line of the herein described tract the following courses and distances:

S 82°24'44" W, a distance of 175.40 feet to a point;
S 79°52'32" W, a distance of 53.33 feet to a point;
S 77°25'24" W, a distance of 217.07 feet to a point;
S 5°05'55" E, a distance of 928.65 feet to a point;
S 58°52'53" W, a distance of 495.94 feet to a point;
S 43°19'27" W, a distance of 58.11 feet to a point;
S 58°47'44" W, a distance of 674.00 feet to a point;
S 54°38'10" W, a distance of 56.15 feet to a point;
S 58°55'38" W, a distance of 227.45 feet to a point;
S 31°01'49" E, a distance of 428.18 feet to a point;
S 58°47'44" W, a distance of 310.39 feet to a point for the southwest corner of the herein described tract in the west line of said 157.221 acre tract, same being the east line of a called 89.346 acre tract of described in deed to R.K.C.J, LLC, recorded in Volume 96066, Page 7234, Official Public Records of Dallas County, Texas; from which a found 1/2 -in. iron rod Bears S 31°11'58"E, a distance of 267.42 feet.

THENCE N 31°11'58" W, with the west line of the the 157.221 acre tract a distance of 937.85 feet to a point in the center of Five Mile Creek;

THENCE crossing through said 157.221 acre tract, with the Center of Five Mile Creek, also being the north line of the herein described tract the following courses and distances:

N 18°55'32" E, a distance of 154.49 feet to a point;
N 53°45'32" E, a distance of 203.00 feet to a point;

S 68°23'28" E, a distance of 133.72 feet to a point;
N 86°01'32" E, a distance of 111.50 feet to a point;
N 10°47'32" E, a distance of 107.15 feet to a point;
N 35°38'32" E, a distance of 141.00 feet to a point;
N 78°19'32" E, a distance of 97.05 feet to a point;
N 28°28'28" W, a distance of 140.57 feet to a point;
N 47°07'32" E, a distance of 150.88 feet to a point;
N 31°11'32" E, a distance of 130.56 feet to a point;
N 63°34'02" E, a distance of 134.95 feet to a point;
N 87°41'02" E, a distance of 129.10 feet to a point;
N 3°13'02" E, a distance of 132.20 feet to a point;
N 34°51'02" E, a distance of 164.10 feet to a point;
N 11°51'02" E, a distance of 124.70 feet to a point;
N 23°47'58" W, a distance of 139.58 feet to a point in the north line of said 157.221 acre tract,
same being the south Right-of-Way line for the Dallas Area Rapid Transit;

THENCE along the north line of said 157.221 acre tract, same being the south right-of-way line
of Dallas Area Rapid Transit, the following courses and distances:

N 54°24'09" E, passing a found 1/2 -inch iron rod for reference at a distance of 102.55 feet, and
continuing in all a distance of 537.89 feet to a found 1/2-inch capped iron rod stamped "TX REG
NO 100189-00";

N 32°44'33" W, a distance of 1.62 feet to a found 1/2-in. Capped Iron Rod stamped "TX REG NO
100189-00"

THENCE N 58°51'17" E, a distance of 471.29 feet to the POINT OF BEGINNING and containing
44.264 acres of land.

Exhibit C
Description of Other Builder's Lien Tract

LEGAL DESCRIPTION-73.761 Acres

Situated in the County of Dallas, State of Texas, being a part of the, R. Simonton Survey, Abstract No. 1277, the H. Casey Survey, Abstract No. 307, the S. C. Atterbury Survey, Abstract No. 14, the M.L. Swing Survey, Abstract No.1422, and being a portion of Tract III: University Hills Parcel E, called 157.221 acre tract of land described in the deed to VM Fund I, LLC, Recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being particularly described by metes and bounds as follows:

Beginning at a found 1/2 -inch iron rod in the east line of said 157.221 acre tract, same being the southwest corner of a 14.39 acre tract of land described in deed to Proton Properties LLC, recorded in Instrument No. 201200086020, Official Public Records of Dallas County, Texas,

THENCE North 58°58'11" East, with the south line of said 14.39 acre tract, a distance of 310.28 feet to a point, from which a found 1/2 inch capped iron rod stamped "TIPTON ENG", at the northwest corner of a 3.733 acre tract of land described in the deed to city of Dallas, recorded in instrument No. 201700163600, Official Public Records of Dallas County, Texas, bears, North 58°56'44" East a distance of 584.39 feet,

THENCE crossing through said 157.221 acre tract of land the following courses and distances:

South 31°01'49" East, , a distance of 94.71 feet to a point;

South 07°25'36" East, , a distance of 125.37 feet to a point of curvature;

Along a tangential curve to the left, having a radius of 40.00 feet, a central angle of 90° 00' 00", an arc length of 62.83 feet, a chord that bears South 52° 25' 36" East, a distance of 56.57 feet to a point at the end of said curve;

North 82°34'24" East, a distance of 9.50 feet to a point;

South 07°25'36" East, a distance of 430.00 feet to a point;

South 52°25'36" East, a distance of 4.24 feet to a point;

North 82°34'24" East, a distance of 48.50 feet to a point;

South 07°25'36" East, a distance of 56.00 feet to a point;

South 82°34'24" West, a distance of 48.50 feet to a point;

South 37°34'24" West, a distance of 4.24 feet to a point;

South 07°25'36" East, a distance of 465.66 feet to a point;

South 82°34'24" West, a distance of 103.50 feet to a point;

South 37°34'24" West, a distance of 4.24 feet to a point;

South 05°58'32" East, a distance of 67.55 feet to a point of curvature

Along a non-tangential curve to the right, having a radius of 66.00 feet, a central angle of 156° 18' 19", an arc length of 180.05 feet, a chord that bears South 42° 48' 31" West, a distance of 129.19 feet to a point at the end of said curve;

South 89°00'30" West, a distance of 57.07 feet to a point;

South 44°52'10" West, a distance of 4.31 feet to a point of curvature;

Along a non-tangential curve to the right, having a radius of 985.62 feet, a central angle of 31° 06' 19", an arc length of 535.09 feet, a chord that bears South 16° 22' 13" West, a distance of 528.54 feet to a point at the end of said curve;

THENCE South 28°07'17" West, a distance of 306.30 feet to a point for the southeast corner of herein described tract, same being the north right-of-way line of Wheatland Road;

THENCE with the south line of said 157.221 acre tract, South 58°47'44" West, with said north right-of-way, a distance of 565.58 feet to a found 1/2 inch capped iron rod stamped "BGE" for a point of curvature;

Along a non-tangential curve to the left, having a radius of 740.00 feet, a central angle of 11° 33' 21", an arc length of 149.25 feet, a chord that bears South 64° 34' 24" West, a distance of 149.00 feet to a point at the end of said curve;

THENCE South 58°47'44" West, a distance of 899.34 feet to a found 5/8-inch iron rod at the southwest corner of said 157.221 acre tract;

THENCE with the west line of said 157.221 acre tract the following courses and distances:

THENCE North 30°25'52" West, a distance of 432.68 feet to a found railroad spike;

THENCE North 62°55'26" East, a distance of 17.96 feet to a found railroad spike;

THENCE North 31°11'58" West, a distance of 267.42 feet to a point, from which a found 1/2-inch iron rod bears, North 31°11'00" West, a distance of 885.84 feet;

THENCE crossing through said 157.221 acre tract of land the following courses and distances:

North 58°47'44" East, a distance of 310.39 feet to a point;

North 31°01'49" West, a distance of 428.18 feet to a point;

North 58°55'38" East, a distance of 227.45 feet to a point;

North 54°38'10" East, a distance of 56.15 feet to a point;

North 58°47'44" East, a distance of 674.00 feet to a point;

North 43°19'27" East, a distance of 58.11 feet to a point;

North 58°52'53" East, a distance of 495.94 feet to a point;

North 5°05'55" West, a distance of 928.65 feet to a point;

North 77°25'24" East, a distance of 217.07 feet to a point;

North 79°52'32" East, a distance of 53.33 feet to a point;

North 82°24'44" East, a distance of 175.40 feet to a point, from which a found 1/2-inch iron rod bears, North 30°08'15" West, a distance of 141.51 feet;

THENCE North 31°06'31" E, with the west line of said 14.39 acre tract, a distance of 150.43 feet to the POINT OF BEGINNING and containing 73.761 acres of land (Approximately 3,213,042 Square Feet) more or less.

TRI-PARTY AGREEMENT

This TRI-PARTY AGREEMENT (this "Agreement") is entered as of the ____ day of _____, 2025 (the "Effective Date"), by and among **COMPUTERSHARE TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee** ("Trustee"), **D.R. HORTON – TEXAS, LTD.**, a Texas limited partnership ("Horton"), and **I-20 LANCASTER FUND, LLC**, a Texas limited liability company ("Issuer").

RECITALS:

A. Trustee and Issuer have entered that certain Indenture of Trust (the "Indenture") dated as of _____, 2025 (the "Bond Closing Date"), providing for the issuance of Development Mortgage Backed and Limited Revenue Bonds (Taxable) (the "Bonds") for the purposes of providing funds to: (i) acquire that certain tract of land described on Exhibit A attached hereto and incorporated herein (the "Land") and payoff and release the existing lien related thereto encumbering a portion of the Land, (ii) fund the Reserve Fund (as defined in the Indenture) in the amount of the Reserve Fund Amount (as defined in the Indenture), (iii) fund capitalized interest on the Bonds, (iv) fund the construction of certain Public Improvements (as defined in the Indenture), Private Improvements (as defined in the Indenture) and Amenities (as defined in the Indenture) to be constructed to benefit the University Hills project located in Dallas, Texas (the "Project"), and (v) pay the cost of issuance of the Bonds, which Bonds are intended to equal a par amount of \$_____. The Issuer will use a portion of the proceeds generated from the Bonds to develop single-family lots (each, a "Lot" and collectively, the "Lots") in University Hills (the "Subdivision"), a proposed subdivision in the City of Dallas, Dallas County, Texas. The Bonds are further secured by a Deed of Trust, Security Agreement – Financing Statement, dated _____, executed by Issuer for the benefit of Trustee covering the Land, filed _____, and recorded under Instrument No. _____ of the Official Public Records of Dallas County, Texas (as the same may be amended or modified from time to time, the "Deed of Trust").

B. Issuer, as seller, and Horton, as purchaser, are parties to that certain Contract of Sale dated October 24, 2023, as amended by that certain First Amendment to Contract of Sale dated November 15, 2023, and that certain Second Amendment to Contract of Sale dated _____, 2025, and as assigned by the original purchaser, DRHI, Inc., a Delaware corporation ("DRHI"), to Horton by that certain Assignment of Contract dated _____, 2025, and as assigned by the original seller, Hoque Global Properties, LLC, a Texas limited liability company ("Hoque"), to Issuer by that certain Assignment and Assumption of Contracts dated April 7, 2025 (as amended and assigned from time to time, the "Lot Contract") wherein Horton has agreed to purchase approximately 399 of the Lots, which is approximately one-half of the Lots. The remaining approximately one-half of the Lots have been contracted to be sold by Issuer to Lennar Homes of Texas Land and Construction, Ltd., a Texas limited partnership (the "Other Builder") pursuant to a certain Purchase and Sale Agreement between Issuer and the Other Builder (as may be modified from time to time, the "Other Builder Contract").

C. Pursuant to the Lot Contract, Horton has delivered into escrow the sum of \$2,000,000.00 as the Earnest Money, released in accordance with the terms and conditions stated

in the Lot Contract and to be deposited with the Trustee in accordance with the terms and conditions of the Indenture. As used herein, the term "Earnest Money" means and refers to Earnest Money pursuant to the Lot Contract (which has not been refunded or credited in accordance with the Lot Contract), plus any increases or additions thereto pursuant to the terms of the Lot Contract, and any unpaid interest accruing thereon pursuant to the terms of the Lot Contract.

D. Issuer's obligations under the Lot Contract with respect to the Earnest Money are evidenced by a Promissory Note (the "Purchaser Note") dated of even date with the Horton Deed of Trust, in the original principal amount of \$2,000,000.00 executed by Issuer and payable to the order of Horton, and Issuer's obligations under this Agreement are secured by a Subordinate Deed of Trust (as the same may be amended or modified from time to time, the "Horton Deed of Trust") covering a portion of the Land as more particularly described on Exhibit B attached hereto and incorporated herein (the "Earnest Money Lien Tract") executed by Issuer and recorded or to be recorded in the Official Public Records of Dallas County, Texas. The Lot Contract, Purchaser Note and Horton Deed of Trust may be collectively referred to in this Agreement as the "Purchaser Documents." Trustee has requested that Horton, and Horton has agreed to, notify Trustee in the event of an Issuer default under the Purchaser Documents (a "Purchaser Document Default"), and to give Trustee the opportunity to cause the cure of such default.

E. Issuer has also executed a deed of trust in favor of the Other Builder against that portion of the Land described on Exhibit C attached hereto and incorporated herein (the "Other Builder Lien Tract") in order to secure Issuer's obligations to the Other Builder under the Other Builders Contract. Trustee, Issuer and the Other Builder have entered into a separate Tri-Party Agreement dated on or about the date hereof ("Other Builder Tri-Party Agreement").

F. As a condition precedent to the subordination of the Horton Deed of Trust to the Deed of Trust securing payment of the Note, Trustee has agreed to enter into this Agreement to set forth the agreements of Trustee with respect to the rights of Horton, as the holder of the Horton Deed of Trust. Horton has requested that Trustee, and Trustee has agreed to, notify Horton in the event of a default of which a responsible officer of the Trustee has actual knowledge or is deemed by the terms thereof to have knowledge under the Indenture or any other document executed in connection with the Bonds to which the Trustee is a party or which has been assigned to it (the "Issuing Documents"), which is not cured by Issuer within any applicable notice and cure period set forth in the Issuing Documents (an "Issuer Default") and to give Horton the opportunity to cure such default or purchase the indebtedness and the liens and security interests securing the same.

AGREEMENT:

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Trustee and Horton, and where applicable Issuer, agree as follows:

1. Opportunity to Cure; Non-Disturbance; Release Price. In the event of an Issuer Default, Trustee agrees to give Horton written notice of such Issuer Default and ten (10) days within which to cure such Issuer Default (the "Cure Period"). If Horton cures such default or causes such default to be cured within the Cure Period, Trustee agrees to accept such cure for all

purposes. Trustee acknowledges that Horton has no obligation to cure any Issuer Default. If Horton cures any Issuer Default, such cure will not constitute cure of any default of Issuer under the Purchaser Documents. In the event of a Purchaser Document Default, Horton agrees to give Trustee written notice of such Purchaser Document Default and ten (10) days within which to cure such Purchaser Document Default. If such Purchaser Document Default is cured within such ten (10)-day cure period, Horton agrees to accept such cure for all purposes. Horton acknowledges that Trustee has no obligation to cure any Purchaser Document Default. If Trustee cures any Purchaser Document Default, such cure will not constitute cure of any default of Issuer under the Issuing Documents or this Agreement. Prior to the occurrence of an Issuer Default, Horton's rights under the Lot Contract will not be disturbed, Horton will be permitted to close the purchase of Lots in accordance with the terms of the Lot Contract and, upon payment of the Release Price (as defined in the Indenture) to Trustee, Trustee will execute and deliver for recording a release of all liens held by Trustee against the Lots purchased by Horton at each Closing.

3. Bond Purchase.

(a) In the event of an Issuer Default or a Purchaser Document Default, Horton will also have the right, but not the obligation, to pay to Trustee the full amount of the redemption price or amount necessary to defease the Bonds to the applicable redemption date (as evidenced by the Indenture) for the Bonds and all other amounts outstanding pursuant to Section 6.1 of the Indenture (the "Redemption Price"), by so notifying Trustee in writing within fifteen (15) days after the expiration of the Cure Period (the "Redemption Price Purchase Election"). Not later than five (5) Business Days (as defined below) after Horton's Redemption Price Purchase Election, Trustee will provide to Horton a payoff statement for the full amount of the Redemption Price in accordance with the Indenture. The closing and payment of the Redemption Price to Trustee by Horton will occur at the offices of Trustee in Dallas, Texas at a time designated by Trustee not sooner than the tenth (10th) Business Day after Trustee's receipt of the Redemption Price Purchase Election. At such closing, (a) Horton will deliver to Trustee cash or immediately available funds in an amount equal to the then-outstanding Redemption Price and (b) Trustee will deliver to Horton a full release of the Deed of Trust and all other documents evidencing that the Indenture is fully and completely discharged in all respects. The term "Business Day" means a day of the year on which national banking associations are not required or authorized to close in Dallas, Texas and on which the Dallas County Clerk's Office is open.

(b) It is agreed that Horton may submit a Redemption Price Purchase Election to Trustee pursuant to this Section 3 jointly with the Other Builder in such proportions as Horton and the Other Builder may agree between themselves; provided, however, (i) Horton or the Other Builder as designated in writing to Trustee shall act on behalf of and shall bind all purchasers electing to pay the Redemption Price; and (ii) such joint purchase shall in no way increase Trustee's obligations or lessen Trustee's rights under this Section 3. In the event that Horton and the Other Builder notify Trustee of an election to jointly exercise their Redemption Price Purchase Election, Trustee shall allow payment of the Redemption Price by Horton and the Other Builder based upon the proportions agreed upon pursuant to the preceding sentence; provided, however, if Horton and the Other Builder are unable to reach agreement between themselves as to the proportions, then Trustee agrees

that neither Horton nor the Other Builder shall have a right to exercise their respective Redemption Price Purchase Election, neither builder shall have the opportunity to exercise a Redemption Price Purchase Election.

4. Subordinate Deed of Trust.

(a) Trustee's Consent. The Horton Deed of Trust will be subordinate and inferior in all respects to the Deed of Trust and the other liens and security interests securing the Indenture. Trustee acknowledges and agrees that Horton may foreclose under the Horton Deed of Trust if the conditions set forth in Section 5(b) below are met.

(b) Foreclosure of Horton Deed of Trust. Horton will be entitled to foreclose under the Horton Deed of Trust if (i) it has failed to receive a refund of its Earnest Money pursuant to the guarantee contained in the Purchaser Note and (ii) any one or more of the following conditions are satisfied:

(i) An Issuer Default has occurred.

(ii) A Purchaser Document Default has occurred and the Purchaser Document Default has not been cured by the Trustee, as contemplated by this Agreement.

(iii) Issuer defaults under the Horton Deed of Trust and Issuer fails to cure such default within any applicable cure period after written notice thereof, to the extent expressly required by the Horton Deed of Trust.

(iv) Issuer or Trustee defaults under this Agreement and fails to cure such default within any applicable cure period set forth herein.

(v) Horton shall have given Trustee forty-five (45) days prior written notice of Horton's intent to commence foreclosure of the Horton Deed of Trust (provided, however, that notice given pursuant to Section 2 shall be sufficient to commence such forty-five (45) day period).

(c) Foreclosure Notice of Default. A copy of the foreclosure notice, notice of trustee's sale, or any written notice to Issuer of a Purchaser Document Default that forms the basis for Horton's foreclosure will be contemporaneously given to Trustee.

5. Issuer's Covenants. Issuer covenants and agrees as follows:

(a) An Issuer Default will constitute an event of default under the Purchaser Documents and this Agreement entitling Horton to exercise its rights and remedies thereunder and hereunder, at its sole option, without any requirement of notice or opportunity to cure, except as provided herein, notwithstanding anything to the contrary contained herein or in the Purchaser Documents.

(b) A default by Issuer under this Agreement will constitute an event of default under Purchaser Documents entitling Horton to exercise its rights and remedies hereunder and thereunder, at its sole option, without any requirement of notice or opportunity to cure, notwithstanding anything to the contrary contained in the Purchaser Documents.

(c) A default by Issuer under this Agreement will constitute a default under the Issuing Documents entitling Trustee to exercise its rights and remedies hereunder and thereunder, at its sole option, without any requirement of notice or opportunity to cure, except as provided herein, notwithstanding anything to the contrary contained in the Issuing Documents.

(d) Any amounts paid by Horton to cure or attempt to cure an Issuer Default (including without limitation any payments made to Trustee) and any reasonable out-of-pocket expenses incurred by Horton to cure or attempt to cure any Issuer Default will be due and payable by Issuer upon demand therefor by Horton and will constitute additional indebtedness secured by the Horton Deed of Trust. If the Lot Contract remains in effect following any such cure or attempted cure by Horton, such amount shall be paid by Issuer to Horton prior to the next closing to occur under the Lot Contract. Any amounts so paid by Horton will bear interest at the lesser of 18% per annum or the maximum rate permitted by applicable law until reimbursement is made to Horton. Issuer's failure to timely pay such amounts to Horton will constitute a default by Issuer under this Agreement.

6. Agreements of Trustee, Issuer and Horton. Issuer, Trustee and Horton hereby agree as follows:

(a) If, following Substantial Completion, Trustee acquires title to the Land or a portion thereof (whether through foreclosure of the Deed of Trust or by deed in lieu of foreclosure), then Trustee agrees that Trustee will not disturb Horton's rights under the Lot Contract as long as Horton is not in default thereunder following the expiration of any applicable notice and cure periods provided for in the Lot Contract, and Horton will be permitted to close the purchase of the remaining Lots in accordance with the terms of the Lot Contract. At each such Closing, Trustee will execute and deliver to Horton all closing documents required by and in accordance with the Lot Contract, upon payment by Horton of the applicable Purchase Price to be paid by Horton as set forth in the Lot Contract, subject to prorations, adjustments and credits to which Horton may be entitled under the Lot Contract (including, without limitation, a credit for any Earnest Money not previously credited to the Purchase Price paid by Horton for any previously acquired Lots). Trustee acknowledges that the Earnest Money described in the Lot Contract has been released to Issuer, and that the Earnest Money is applicable against the Purchase Price due and payable for the Lot(s) as set forth in the Lot Contract. At each such Closing, Trustee will execute and deliver to Horton a release of the Deed of Trust and any other liens and security interests held by Trustee encumbering the Lot(s) purchased at such Closing. Horton will be fully protected in dealing with Trustee as the sole and exclusive holder of Issuer's rights and obligations under the Lot Contract pursuant to this paragraph, and Issuer releases Horton and Trustee from any and all claims and liabilities relating to any dealings of Horton and Trustee.

(b) Until such time as Horton actually receives written notice from Trustee stating that Trustee has acquired title to the Land and has elected to perform the obligations of Issuer under the Lot Contract as provided herein, Horton may deal with Issuer under the terms of the Lot Contract as if neither this Agreement nor the Issuing Documents had been executed except as expressly provided herein. Without limiting the foregoing, until Horton's actual receipt of such written notice, (i) any sums which may be payable by Horton under the Lot Contract will be paid directly to Issuer and not to Trustee, (ii) any consents or approvals required from Issuer under the Lot Contract will be given by Issuer and not by Trustee, and (iii) any agreements or other documents required to be signed by Issuer under the Lot Contract, including any deeds and other closing documents required thereunder, will be executed by Issuer and not by Trustee. Upon Horton's actual receipt of such notice, Horton will be fully protected in dealing with Trustee as the sole and exclusive holder of Issuer's rights and obligations under the Lot Contract, and Issuer releases Horton from any and all claims and liabilities relating to any dealings of Horton and Trustee.

(c) Issuer and Trustee agree to cooperate with Horton in connection with any proposed cure by Horton of an Issuer Default, including providing copies of the Issuing Documents to Horton.

(d) Issuer agrees to cooperate with Trustee in connection with any proposed cure by Trustee of a Purchaser Document Default, including providing copies of any documents related to the Lot Contract.

(e) Issuer hereby authorizes Trustee and Horton to deal directly with each other and releases each of them from any and all claims and liabilities for so doing.

(f) The provisions of this Section 6 will survive any foreclosure of the Deed of Trust or any conveyance of the Land by deed in lieu thereof.

7. Miscellaneous.

(a) Any notice required or permitted hereunder will be given in writing and sent by certified mail, return receipt requested, to the parties hereto at the following addresses:

If to Trustee: Computershare Trust Company, National Association
1505 Energy Park Drive
St. Paul, Minnesota 55108

Attn: _____, Corporate Trust Department

If to Horton: D.R. HORTON – TEXAS, LTD.
2600 North Central Expressway, Suite 250
Richardson, Texas 75082
Attn: Michael Smith

With Copy to: D.R. HORTON, INC.
4306 Miller Road
Rowlett, Texas 75088
Attn: Tim McKnight, Regional Counsel

With Copy to: Koons Real Estate Law
1410 Robinson Road, Unit 100
Corinth, Texas 76210-2847
Attn: Tiffany Sanford

If to Issuer: I-20 Lancaster Fund, LLC
1717 Main Street, Suite 5630
Dallas, Texas 75201
Attn: Arthur Santa Maria

With Copy to: Texas Real Estate Law
1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234
Attn: Travis Boghetich

(b) Trustee agrees to send to Horton copies of all notices and correspondence relating to a default or event of default under the Indenture or related to the Bonds, which Trustee sends to Issuer at the same time such notices and correspondence are sent by Trustee to Issuer.

(c) Horton agrees to send Trustee copies of all notices and correspondence relating to a default or event of default under the Purchaser Documents which Horton sends to Issuer at the same time such notices and correspondence are sent by Horton to Issuer.

(d) Trustee may assign or otherwise transfer its rights under this Agreement, but only in conjunction with an assignment or transfer of the Indenture; any transfer or assignment of the Indenture (or the grant of any participation rights thereunder) will be made subject to this Agreement, and any transferee, assignee, or participant must expressly acknowledge this Agreement, assume all of Trustee's duties and obligations under this Agreement, and agree in writing to be bound by this Agreement. Upon such assumption by Trustee's transferee, assignee or participant of this Agreement, such transferee, assignee or participant will be entitled to all rights and benefits granted to Trustee under this Agreement. Horton may assign or otherwise transfer its rights under this Agreement, but only in conjunction with an assignment or transfer of Horton's rights under the Lot Contract (to the extent permitted thereby), and any such transfer or assignment will be made subject to this Agreement. Any transferee or assignee of Horton must expressly acknowledge this Agreement, assume all of Horton's duties and obligations under this Agreement, and agree in writing to be bound by this Agreement. Upon such assumption by Horton's transferee or assignee of this Agreement, such transferee or assignee will be entitled to all rights and benefits granted to Horton under this Agreement. Issuer may not assign or transfer its

rights, duties and obligations under this Agreement without the prior written consent of Trustee and Horton.

(e) This Agreement and the rights and obligations to the parties hereunder will be constructed and determined in accordance with the laws of the State of Texas. Venue in any dispute arising due to the alleged breach of this Agreement will lie in the federal or state courts of Dallas County, Texas.

(f) This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof.

(g) This Agreement will be filed of record against the Land in the county in which the Land is situated to give notice of the agreements and obligations of the parties set forth herein. Any agreements or obligations herein which are performable following a foreclosure or deed in lieu thereof will continue and survive thereafter notwithstanding anything to the contrary contained elsewhere herein or in the Deed of Trust or in any document evidencing, securing or pertaining to the Indenture or the Bonds. Any person or entity acquiring title to the Land at foreclosure sale or by deed will take title subject to such continuing obligations herein notwithstanding any such foreclosure sale or deed. This Agreement will cease and terminate only by written agreement of Trustee and Horton, or their respective successors and assigns, or upon release of record of both the Deed of Trust and the Horton Deed of Trust.

(h) Whenever used herein, the singular number will include the plural and the plural the singular, and the use of any gender will be applicable to all genders. The captions, headings and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify or modify the terms and provisions hereof.

(i) If any provision of this Agreement will for any reason be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability will not affect any other provision hereof, and this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

(j) This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

(k) NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, NEITHER THIS AGREEMENT NOR ANY AMENDMENT OF THIS AGREEMENT WILL BE A VALID AND ENFORCEABLE OBLIGATION OF HORTON UNLESS THIS AGREEMENT OR SUCH AMENDMENT IS EXECUTED BY ONE OF DAVID V. AULD, MICHAEL J. MURRAY, BILL WHEAT, PAUL ROMANOWSKI, OR RICK L. HORTON, EACH AN OFFICER OF HORTON, IN HIS REPRESENTATIVE CAPACITY.

EXECUTED in duplicate counterparts, each of which will be deemed an original.

TRUSTEE:

**COMPUTERSHARE TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee**

By: _____
_____, _____

STATE OF MINNESOTA §
 §
COUNTY OF RAMSEY §

 This instrument was acknowledged before me this ____ day of _____, 2025,
by _____, _____ of Computershare Trust Company, National
Association, on behalf of said company.

Notary Public, State of Minnesota

[Official Notary Stamp]

HORTON:

D.R. HORTON – TEXAS, LTD.,
a Texas limited partnership

By: D.R. Horton, Inc.,
a Delaware corporation,
its authorized agent

By: _____

Name: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me this ____ day of _____, 2025, by _____, the _____ of D.R. Horton, Inc., a Delaware corporation, the authorized agent of D.R. HORTON – TEXAS, LTD., a Texas limited partnership, on behalf of said entities.

Notary Public, State of Texas

[Official Notary Stamp]

ISSUER:

I-20 LANCASTER FUND, LLC,
a Texas limited liability company

By; I-20 Lancaster Development, LLC,
a Texas limited liability company
Its sole Member

By: HG Development Concepts, LLC,
a Texas limited liability company
Its Manager

By: _____
Sardar M. Hoque, Manager

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2025, by Sardar M. Hoque, Manager of HG Development Concepts, LLC, Manager of I-20 Lancaster Development, LLC, the sole Member of I-20 Lancaster Fund, LLC, a Texas limited liability company, on behalf of said limited liability company.

Notary Public, State of Texas

[Official Notary Stamp]

After Recording, Please Return To:
Tiffany Sanford
Koons Real Estate Law
1410 Robinson Road, Unit 100
Corinth, Texas 76210-2847

Exhibit A
Description of the Land

TRACT I:

BEING all of that tract of land situated in the H. Casey Survey, Abstract No. 307, City of Dallas, Dallas County, Texas, and being all of a called 1.045 acre tract of land described as Tract III: University Hills Parcel A in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 3/8-inch iron rod found in the westerly right-of-way line of S. Lancaster Road for the southeast corner of said Parcel A, common to the easternmost northeast corner of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, said Official Public Records;

THENCE South 77°23'57" West, with the southerly line of said Parcel A and a northerly line of said 22.0197 acre tract, a distance of 323.43 feet to a 1/2-inch iron rod found for the southwest corner of said Parcel A, common to a re-entrant corner of said 22.0197 acre tract;

THENCE North 07°22'56" West, with the westerly line of said Parcel A and an easterly line of said 22.0197 acre tract, a distance of 86.77 feet to a 5/8-inch iron rod with a cap stamped "BGE" found in the southeasterly right-of-way line of Wheatland Road for the northwest corner of said Parcel A, common to the southeast corner of a right-of-way dedication to the City of Dallas, recorded in Instrument No. 20170007568, said Official Public Records;

THENCE North 58°43'37" East, with the southeasterly right-of-way line of said Wheatland Road and the northerly line of said Parcel A, a distance of 315.89 feet to a 5/8-inch iron rod with a cap stamped "KFM" set (hereinafter referred to as capped iron rod set) for the northerly end of a corner clip at the intersection of the southeasterly right-of-way line of said Wheatland Road and the westerly right-of-way line of said S. Lancaster Road;

THENCE South 62°59'26" East, with said corner clip and the northeasterly line of said Parcel A, a distance of 40.00 feet to a capped iron rod set for the southerly end of said corner clip;

THENCE South 07°25'36" East, with the westerly right-of-way line of said S. Lancaster Road and the easterly line of said Parcel A, a distance of 102.62 feet to a calculated point of a curvature;

THENCE continuing with the westerly right-of-way line of said S. Lancaster Road and the easterly line of said Parcel A, and a tangential curve to the left having a radius of 8,654.00 feet, a delta angle of 00°23'51", an arc length of 60.07 feet, a chord bearing of South 07°33'07" East and chord distance of 60.07 feet to the POINT OF BEGINNING and enclosing 1.045 acres (45,532 square feet) of land, more or less.

TRACT II:

BEING all of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, City of Dallas, Dallas County, Texas, and being all of a called 2.756 acre tract of land described as Tract III: University Hills Parcel B in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found in the northerly right-of-way line of Wheatland Road and the southwesterly line of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, Deed Records of Dallas County, Texas, for the southeast corner of said Parcel B;

THENCE North 89°59'51" West, with the northerly right-of-way line of said Wheatland Road and the southerly line of said 2.756 acre tract, a distance of 675.76 feet to a 5/8-inch iron rod with a cap stamped "BGE" found at the beginning of a tangential curve to the left;

THENCE continuing with the northerly right-of-way line of said Wheatland Road and the southerly line of said 2.756 acre tract and with said curve to the left having a radius of 740.00 feet, a delta angle of 07°10'00", an arc length of 92.56 feet, a chord bearing of South 86°25'09" West and chord distance of 92.50 feet to a 5/8-inch iron rod with a cap stamped "BGE" found for the end of said curve for the westerly corner of said 2.756 acre tract, same being at the intersection of the northerly right-of-way line of said Wheatland Road and the southerly right-of-way line of E. Wheatland Road;

THENCE North 58°49'38" East, with the southeasterly right-of-way line of said E. Wheatland Road and the northwesterly line of said 2.756 acre tract, a distance of 619.15 feet to a 1/2-inch iron rod found for the northerly corner of said 2.756 acre tract, common to the westerly corner of said 22.0197 acre tract;

THENCE South 37°08'06" East, with the northeasterly line of said 2.756 acre tract and the southwesterly line of said 22.0197 acre tract, a distance of 394.79 feet to the POINT OF BEGINNING and enclosing 2.744 acres (119,513 square feet) of land, more or less.

TRACT III:

BEING all of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, City of Dallas, Dallas County, Texas, and being all of a called 4.832 acre tract of land described as Tract III: University Hills Parcel C in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod found in the northwesterly right-of-way line of Wheatland Road and the easterly line of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, said Official Public Records, for the southwest corner of said Parcel C, common to the northeast corner of a right-of-way dedication to the City of Dallas, recorded in Instrument No. 201700075687, said Official Public Records;

THENCE North 07°22'56" West, with the westerly line of said Parcel C and an easterly line of said 22.0197 acre tract, a distance of 691.05 feet to a 1/2-inch iron rod found in the southeasterly right-of-way line of E. Wheatland Road for the northwest corner of said Parcel C, common to the northeast corner of said 22.0197 acre tract;

THENCE North 59°19'46" East, with the southeasterly right-of-way line of said E. Wheatland Road and the northwesterly line of said Parcel C, a distance of 122.87 feet to a 5/8-inch iron rod found for an angle point;

THENCE North 58°56'49" East, continuing with the southeasterly right-of-way line of said E. Wheatland Road and the northwesterly line of said Parcel C, a distance of 178.10 feet to a 5/8-inch iron rod with a cap stamped "KFM" set (hereinafter referred to as capped iron rod set) for the northerly end of a corner clip at the intersection of the southeasterly right-of-way line of said E. Wheatland Road and the westerly right-of-way line of S. Lancaster Road;

THENCE South 63°36'43" East, with said corner clip and the northeasterly line of said Parcel C, a distance of 54.45 feet to a capped iron rod set for the southerly end of said corner clip;

THENCE South 07°27'07" East, with the westerly right-of-way line of said S. Lancaster Road and the easterly line of said Parcel C, a distance of 546.15 feet to a capped iron rod set for a salient corner of said Parcel C, common to the northeast corner of a tract of land described in the deed to Yvonne Simmons, recorded in Volume 2005151, Page 3183, said Official Public Records;

THENCE with the common line of said Parcel C and said Simmons tract, the following courses:

1. South 82°35'24" West, a distance of 150.24 feet to a 1/2-inch iron rod found for corner;
2. South 07°25'36" East, a distance of 68.00 feet to a capped iron rod set for corner;
3. North 82°35'24" East, a distance of 150.00 feet to a capped iron rod set in the westerly right-of-way line of said S. Lancaster Road for a salient corner of said Parcel C, common to the southeast corner of said Simmons tract;

THENCE South 07°25'36" East, continuing with the westerly right-of-way line of said S. Lancaster Road and the easterly line of said Parcel C, a distance of 8.65 feet to a capped iron rod set at the northerly end of a corner clip at the intersection of the westerly right-of-way line of said S. Lancaster Road and the northwesterly right-of-way line of Wheatland Road;

THENCE South 25°32'42" West, with said corner clip and the easterly line of said Parcel C, a distance of 26.00 feet to a capped iron rod set for the southerly end of said corner clip;

THENCE South 58°43'37" West, with the northwesterly right-of-way line of said Wheatland Road and the southeasterly line of said Parcel C, a distance of 336.41 feet to the POINT OF BEGINNING and enclosing 4.828 acres (4,493,253 square feet) of land, more or less.

TRACT IV:

BEING all of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, the H. Casey Survey, Abstract No. 307, City of Dallas, Dallas County, Texas, and being all of a called 157.221 acre tract of land described as Tract III: University Hills Parcel D in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found in the northwesterly right-of-way line of Interstate Highway 20 for the southernmost southeast corner of said Parcel D, common to the southwest corner of Pilot Travel Center No. 1, Lot 1, Block A/7609, an addition to the City of Dallas, Texas, according to the plat thereof recorded in Volume 93177, Page 5593, Plat Records of Dallas County, Texas;

THENCE South 69°51'35" West with the northerly right-of-way line of said Interstate Highway 20 and a southerly line of said Parcel D, a distance of 313.15 feet to a 5/8-inch iron rod with a cap stamped 'KFM" set (hereinafter referred to as capped iron rod set) found for an angle point;

THENCE South 71°38'49" West, with the northerly right-of-way line of said Interstate Highway 20 and a southerly line of said Parcel D, a distance of 1,339.96 feet to a concrete monument (TxDoT) found for an angle point;

THENCE South 55°10'58" West, continuing with the northerly right-of-way line of said Interstate Highway 20 and a southerly line of said Parcel D, a distance of 59.68 feet to a point for the southwest corner of said Parcel D;

THENCE North 29°43'17" West, with the westerly line of said Parcel D, a distance of 2,093.93 feet to a 5/8-inch iron rod set in the southeasterly right-of-way line of Wheatland Road for the northwest corner of said Parcel D;

THENCE with the southeasterly and southerly right-of-way line of said Wheatland Road and the northerly line of said Parcel D, the following courses:

1. North 58°47'44" East, a distance of 878.43 feet to the beginning of a tangential curve to the right;
2. With said curve to the right having a radius of 660.00 feet, a delta angle of 31°12'26", an arc length of 359.48 feet, chord bearing of North 74° 3'56" East and chord distance of 355.05 feet to the end of said curve;
3. South 89°59'51" East, a distance of 736.35 feet to a 5/8-inch iron rod with a cap stamped "BGE" found in the southwesterly line of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, said Official Public Records, common to the southwest corner of a right-of-way dedication to the City of Dallas, recorded in Instrument No. 201700075687, said Official Public Records;
4. South 37°08'06" East, with the southwesterly line of said 22.0197 acre tract, a distance of 687.65 feet to a 1/2-inch iron rod found for a re-entrant corner of said Parcel D, common to the southerly corner of said 22.0197 acre tract;

5. North 52°53'52" East, with a southerly line of said 22.0197 acre tract, a distance of 492.99 feet to a 1/2-inch iron rod found for a re-entrant corner of said Parcel D, common to the southernmost southeast corner of said 22.0197 acre tract;
6. North 07°22'56" West, with an easterly line of said 22.0197 acre tract, a distance of 235.90 feet to a 1/2-inch iron rod found for a salient corner of said Parcel D, common to a re-entrant corner of said 22.0197 acre tract;
7. North 77°23'57" East, with a southerly line of said 22.197 acre tract, a distance of 325.26 feet to a 3/8-inch iron rod found in the westerly right-of-way line of S. Lancaster Road for the northeast corner of said Parcel D at the beginning of a non-tangential curve to the left;

THENCE with an easterly line of said Parcel D and with said curve to the left having a radius of 8,654.00 feet, a delta angle of 05°26'02", an arc length of 820.73 feet, a chord bearing of South 11°19'50" East and chord distance of 820.42 feet to a 1/2-inch iron rod found with a cap stamped "RPLS 5439" found for the easternmost southeast corner of said Parcel D, common to the northeast corner of said Lot 1, Block A/7609;

THENCE South 75°53'20" West, with a southerly line of said Parcel D and a northerly line of said Lot 1, Block A/7609, a distance of 225.27 feet to a 1/2-inch iron rod found for a re-entrant corner of said Parcel D, common to the northernmost northwest corner of said Lot 1, Block A/7609;

THENCE South 15°39'15" East, with an easterly line of said Parcel D and a westerly line of said Lot 1, Block A/7609, a distance of 384.89 feet to a 1/2-inch iron rod found with a cap stamped "HALO 5984" found for a salient corner of said Parcel D, common to the northeast corner of a called 0.763 acre tract of land described in the deed to DFW Oil Inc, recorded in Instrument No. 201600335847, said Official Public Records;

THENCE South 69°56'51" West, with a southerly line of said Parcel D and the northerly line of said 0.763 acre tract, passing at a distance of 295.66 feet a 1/2-inch iron rod with a cap stamped "HALO 5984" found for the northwest corner of said 0.763 acre tract, common to the northeast corner of a called 0.212 acre tract of land described in the deed to DFW Oil Inc, recorded in Instrument No. 201700323387, said Official Public Records, continuing on said course a total distance of 335.55 feet to a 1/2-inch iron rod (bent) found for a re-entrant corner of said Parcel D, common to the northwest corner of said 0.212 acre tract;

THENCE South 20°26'45" East, with an easterly line of said Parcel D and the westerly line of said 0.212 acre tract, a distance of 231.36 feet to a 1/2-inch iron rod found with a cap stamped "HALO 5984" found in a northerly line of said Lot 1, Block A/7609 for a salient corner of said Parcel D, common to the southwest corner of said 0.212 acre tract;

THENCE South 69°48'39" West, with a southerly line of said Parcel D and the northerly line of said Lot 1, Block A/7609, a distance of 181.83 feet to a 1/2-inch iron rod with a cap stamped "AB&A" found for a re-entrant corner of said Parcel D, common to the westernmost northwest corner of said Lot 1, Block A/7609;

THENCE South 20°11'21" East, with an easterly line of said Parcel D and a westerly line of said Lot 1, Block A/7609, a distance of 250.11 feet to the POINT OF BEGINNING and enclosing 109.338 acres (4,762,746 square feet) of land, more or less.

TRACT V:

BEING all of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, the H. Casey Survey, Abstract No. 307, City of Dallas, Dallas County, Texas, and being all of a called 157.219 acre tract of land described as Tract III: University Hills Parcel E in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod found in the northerly right-of-way line of Wheatland Road for the southerly corner of said Parcel E, common to the easterly corner of a called 89.346 acre tract of land described in the deed to R.K.C.J., LLC, recorded in Volume 96066, Page 7234, Deed Records of Dallas County, Texas;

THENCE North 30°25'52" West, with the southwesterly line of said Parcel E and the northeasterly line of said 89.346 acre tract, a distance of 432.68 feet to a railroad spike found for corner;

THENCE North 62°55'26" East, continuing with the southwesterly line of said Parcel E and the northeasterly line of said 89.346 acre tract, a distance of 17.96 feet to a railroad spike found for corner;

THENCE North 31°11'58" West, continuing with the southwesterly line of said Parcel E and the northeasterly line of said 89.346 acre tract and the northeasterly line of a called 23.875 acre tract of land described in the deed to Hickory Pointe, LLC, recorded in Instrument No. 202200235268, said official Public Records, passing a 1/2-inch iron rod found for reference on the south side of Five Mile Creek at a distance of 1,153.27 feet, continuing on said course with the northeasterly line of said 23.875 acre tract, a total distance of 1,205.27 feet to a point in said creek for the westerly corner of said Parcel E, common to a southerly corner of a called 202.64 acre tract of land described in the deed to the State of Texas, recorded in Volume 2001230, Page 2058, said Deed Records;

THENCE in said Five Mile Creek with the northwesterly line of said Parcel E and the southeasterly line of said Parcel E and a southeasterly line of said 202.64 acre tract, the following courses:

1. North 18°55'32" East, a distance of 154.49 feet to a point;
2. North 53°45'32" East, a distance of 203.00 feet to a point;
3. South 68°23'28" East, a distance of 133.72 feet to a point;
4. North 86°01'32" East, a distance of 111.50 feet to a point;
5. North 10°47'32" East, a distance of 107.15 feet to a point;
6. North 35°38'32" East, a distance of 141.00 feet to a point;
7. North 78°19'32" East, a distance of 97.05 feet to a point;
8. North 28°28'28" West, a distance of 140.57 feet to a point;
9. North 47°07'32" East, a distance of 150.88 feet to a point;
10. North 31°11'32" East, a distance of 130.56 feet to a to a point;

11. North 63°34'02" East, a distance of 134.95 feet to a point;
12. North 87°41'02" East, a distance of 129.10 feet to a point;
13. North 3°13'02" East, a distance of 132.20 feet to a point;
14. North 34°51'02" East, a distance of 164.10 feet to a point;
15. North 11°51'02" East, a distance of 124.70 feet to a point;
16. North 23°47'58" West, a distance of 139.58 feet to a point in the southeasterly right-of-way line of Dallas Area Rapid Transit, for a northwesterly corner of said Parcel E, common to a southeasterly corner of a called 11.4083 acre tract of land described as Parcel No. SOC3-14-1 in the deed to Dallas Area Rapid Transit, recorded in Instrument No. 201600067604, said Official Public Records, common to the southerly corner of a called 1.1784 acre tract of land described as Parcel No. SOC3-12 in the deed to Dallas Area Rapid Transit, recorded in Instrument No. 201300362049, said Official Public Records;

THENCE continuing with the northwesterly line of said Parcel E, the following courses:

1. North 54°24'09" East, with the southeasterly right-of-way line of said Dallas Area Rapid Transit and the southeasterly line of said Parcel No. SOC3-12, passing a 1/2-inch iron rod found for reference on the easterly side of said Five Mile Creek at a distance of 102.55 feet, continuing on said course, a total distance of 537.89 feet to a 1/2-inch iron rod with a cap stamped "TX REG NO 100189-00" found for corner;
2. North 32°44'33" West, continuing with the southeasterly right-of-way line of said Dallas Area Rapid Transit and the southeasterly line of said Parcel No. SOC3-12, a distance of 1.62 feet to a 1/2-inch iron rod with a cap stamped "TX REG NO 100189-00" found for corner;
3. North 58°51'17" East, continuing with the southeasterly right-of-way line of said Dallas Area Rapid Transit and the southeasterly line of said Parcel No. SOC3-12, passing a 1/2-inch iron rod with a cap stamped "TX REG NO 100189-00" found for the easterly corner of said Parcel No. SOC3-12, common to the southerly corner of a called 0.2797 acre tract of land described as Parcel SOC3-13 in the deed to Dallas Area Rapid Transit, recorded in Instrument No. 201600064231, said official Public Records, at a distance of 10.30 feet, continuing on said course, with the southeasterly line of said Parcel No. SOC3-13 part of the way of a total distance of 471.29 feet to a 1/2-inch iron rod found for the northerly corner of said Parcel E;

THENCE South 31°06'31" East, with a northeasterly line of said Parcel E, a distance of 633.96 feet to a 5/8-inch iron rod with a cap stamped 'KFM" set (hereinafter referred to as capped iron rod set) for a re-entrant corner of said Parcel E, common to the southerly corner of a called 14.39 acre tract of land described in the deed to Proton Properties LLC, recorded in Instrument No. 201200086020, said Official Public Records;

THENCE North 58°58'11" East, with a northwesterly line of said Parcel E and the southeasterly line of said 14.39 acre tract, a distance of 894.60 feet to a 1/2-inch iron rod found with a cap stamped "TIPTON ENG" found for a northeasterly corner of said Parcel E, common to the northwest corner of a called 3.733 acre tract of land described in the deed to the City of Dallas, recorded in Instrument No. 201700163600, said Official Public Records;

THENCE South 07°25'35" East, with an easterly line of said Parcel E and the westerly line of said 3.733 acre tract, a distance of 276.87 feet to a 1/2-inch iron rod with a cap stamped "TXHS" found for a re-entrant corner of said Parcel E, common to the southwest corner of said 3.733 acre tract;

THENCE North 82°34'23" East, with a northerly line of said Parcel E and the southerly line of said 3.733 acre tract, a distance of 438.99 feet to a 1/2-inch iron rod with a cap stamped "TXHS" found in the westerly right-of-way line of S. Lancaster Road for the easternmost northeast corner of said Parcel E, common to the southeast corner of said called 3.733 acre tract;

THENCE South 07°25'36" East, with the westerly right-of-way line of said S. Lancaster Road and an easterly line of said Parcel E, a distance of 1,318.09 feet to a 5/8-inch iron rod with a cap stamped "BGE" found for the north end of a corner clip at the intersection of the westerly right-of-way line of said S. Lancaster Road and the northerly right-of-way line of E. Wheatland Road;

THENCE South 25°45'54" West, with said corner clip and a southeasterly line of said Parcel E, a distance of 83.74 feet to a 1/2-inch iron rod found for the south end of said corner clip;

THENCE with the northerly right-of-way line of said E. Wheatland Road and the southeasterly line of said Parcel E, the following courses:

1. South 58°55'21" West, a distance of 599.61 feet to a 1-inch iron pipe found for corner;
2. South 30°42'27" East, a distance of 1.35 feet to a 5/8-inch iron rod with a cap stamped "BGE" found for corner;
3. South 58°47'44" West, a distance of 1,605.25 feet to a 5/8-inch iron rod with a cap stamped "BGE" found at intersection of the northerly right-of-way line of E. Wheatland Road and Wheatland Road and at the beginning of a non-tangential curve to the left;
4. With said curve having a radius of 740.00 feet, a delta angle of 11°33'21", an arc length of 149.25 feet, a chord bearing of South 64°34'24" West and chord distance of 149.00 feet to a capped iron rod set at the end of said curve;
5. South 58°47'44" West, a distance of 899.34 feet to the POINT OF BEGINNING and enclosing 157.219 acres (6,848,446 square feet) of land, more or less.

Exhibit B
Description of the Earnest Money Lien Tract

LEGAL DESCRIPTION-73.761 Acres

Situated in the County of Dallas, State of Texas, being a part of the, R. Simonton Survey, Abstract No. 1277, the H. Casey Survey, Abstract No. 307, the S. C. Atterbury Survey, Abstract No. 14, the M.L. Swing Survey, Abstract No.1422, and being a portion of Tract III: University Hills Parcel E, called 157.221 acre tract of land described in the deed to VM Fund I, LLC, Recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being particularly described by metes and bounds as follows:

Beginning at a found 1/2 -inch iron rod in the east line of said 157.221 acre tract, same being the southwest corner of a 14.39 acre tract of land described in deed to Proton Properties LLC, recorded in Instrument No. 201200086020, Official Public Records of Dallas County, Texas,

THENCE North 58°58'11" East, with the south line of said 14.39 acre tract, a distance of 310.28 feet to a point, from which a found 1/2 inch capped iron rod stamped "TIPTON ENG", at the northwest corner of a 3.733 acre tract of land described in the deed to city of Dallas, recorded in instrument No. 201700163600, Official Public Records of Dallas County, Texas, bears, North 58°56'44" East a distance of 584.39 feet,

THENCE crossing through said 157.221 acre tract of land the following courses and distances:

South 31°01'49" East, , a distance of 94.71 feet to a point;

South 07°25'36" East, , a distance of 125.37 feet to a point of curvature;

Along a tangential curve to the left, having a radius of 40.00 feet, a central angle of 90° 00' 00", an arc length of 62.83 feet, a chord that bears South 52° 25' 36" East, a distance of 56.57 feet to a point at the end of said curve;

North 82°34'24" East, a distance of 9.50 feet to a point;

South 07°25'36" East, a distance of 430.00 feet to a point;

South 52°25'36" East, a distance of 4.24 feet to a point;

North 82°34'24" East, a distance of 48.50 feet to a point;

South 07°25'36" East, a distance of 56.00 feet to a point;

South 82°34'24" West, a distance of 48.50 feet to a point;

South 37°34'24" West, a distance of 4.24 feet to a point;

South 07°25'36" East, a distance of 465.66 feet to a point;

South 82°34'24" West, a distance of 103.50 feet to a point;

South 37°34'24" West, a distance of 4.24 feet to a point;

South 05°58'32" East, a distance of 67.55 feet to a point of curvature

Along a non-tangential curve to the right, having a radius of 66.00 feet, a central angle of 156° 18' 19", an arc length of 180.05 feet, a chord that bears South 42° 48' 31" West, a distance of 129.19 feet to a point at the end of said curve;

South 89°00'30" West, a distance of 57.07 feet to a point;

South 44°52'10" West, a distance of 4.31 feet to a point of curvature;

Along a non-tangential curve to the right, having a radius of 985.62 feet, a central angle of 31° 06' 19", an arc length of 535.09 feet, a chord that bears South 16° 22' 13" West, a distance of 528.54 feet to a point at the end of said curve;

THENCE South 28°07'17" West, a distance of 306.30 feet to a point for the southeast corner of herein described tract, same being the north right-of-way line of Wheatland Road;

THENCE with the south line of said 157.221 acre tract, South 58°47'44" West, with said north right-of-way, a distance of 565.58 feet to a found 1/2 inch capped iron rod stamped "BGE" for a point of curvature;

Along a non-tangential curve to the left, having a radius of 740.00 feet, a central angle of 11° 33' 21", an arc length of 149.25 feet, a chord that bears South 64° 34' 24" West, a distance of 149.00 feet to a point at the end of said curve;

THENCE South 58°47'44" West, a distance of 899.34 feet to a found 5/8-inch iron rod at the southwest corner of said 157.221 acre tract;

THENCE with the west line of said 157.221 acre tract the following courses and distances:

THENCE North 30°25'52" West, a distance of 432.68 feet to a found railroad spike;

THENCE North 62°55'26" East, a distance of 17.96 feet to a found railroad spike;

THENCE North 31°11'58" West, a distance of 267.42 feet to a point, from which a found 1/2-inch iron rod bears, North 31°11'00" West, a distance of 885.84 feet;

THENCE crossing through said 157.221 acre tract of land the following courses and distances:

North 58°47'44" East, a distance of 310.39 feet to a point;

North 31°01'49" West, a distance of 428.18 feet to a point;

North 58°55'38" East, a distance of 227.45 feet to a point;

North 54°38'10" East, a distance of 56.15 feet to a point;

North 58°47'44" East, a distance of 674.00 feet to a point;

North 43°19'27" East, a distance of 58.11 feet to a point;

North 58°52'53" East, a distance of 495.94 feet to a point;

North 5°05'55" West, a distance of 928.65 feet to a point;

North 77°25'24" East, a distance of 217.07 feet to a point;

North 79°52'32" East, a distance of 53.33 feet to a point;

North 82°24'44" East, a distance of 175.40 feet to a point, from which a found 1/2-inch iron rod bears, North 30°08'15" West, a distance of 141.51 feet;

THENCE North 31°06'31" E, with the west line of said 14.39 acre tract, a distance of 150.43 feet to the POINT OF BEGINNING and containing 73.761 acres of land (Approximately 3,213,042 Square Feet) more or less.

Exhibit C
Description of Other Builder's Lien Tract

Situated in the County of Dallas, State of Texas, being a part of the, R. Simonton Survey, Abstract No. 1277, and being a portion of Tract III: University Hills Parcel E, a called 157.221 acre tract of land described in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being particularly described by metes and bounds as follows:

Beginning at a found 1/2 -inch iron rod for the northeast corner of the herein described tract, same being the northeast corner of said 157.221 acre tract and the northwest corner of a called 2.5 acre tract of land described in deed to CAMPLANC Investments, recorded in Instrument No. 201100097436, Official Public Records of Dallas County, Texas, from which a found 1/2 -inch iron rod at the southwest corner of said 2.5 acre tract bears, S 31°30'38"E a distance of 342.00 feet, for the southwest corner of ;

THENCE S 31°06'31" E, along the east line of said 157.221 acre tract, a distance of 483.52 feet to a point, from which a found 1/2 -inch iron rod for the southwest corner of a called 14.39 acre tract of land described in deed to Proton Properties, LLC, Recorded in Instrument No. 201200089020, Official Public Records of Dallas County, Texas bears, S 31°06'31"E a distance of 150.43 feet;

THENCE over and across said 157.221 acre tract of land, also being the south line of the herein described tract the following courses and distances:

S 82°24'44" W, a distance of 175.40 feet to a point;
S 79°52'32" W, a distance of 53.33 feet to a point;
S 77°25'24" W, a distance of 217.07 feet to a point;
S 5°05'55" E, a distance of 928.65 feet to a point;
S 58°52'53" W, a distance of 495.94 feet to a point;
S 43°19'27" W, a distance of 58.11 feet to a point;
S 58°47'44" W, a distance of 674.00 feet to a point;
S 54°38'10" W, a distance of 56.15 feet to a point;
S 58°55'38" W, a distance of 227.45 feet to a point;
S 31°01'49" E, a distance of 428.18 feet to a point;
S 58°47'44" W, a distance of 310.39 feet to a point for the southwest corner of the herein described tract in the west line of said 157.221 acre tract, same being the east line of a called 89.346 acre tract of described in deed to R.K.C.J, LLC, recorded in Volume 96066, Page 7234, Official Public Records of Dallas County, Texas; from which a found 1/2 -in. iron rod Bears S 31°11'58"E, a distance of 267.42 feet.

THENCE N 31°11'58" W, with the west line of the the 157.221 acre tract a distance of 937.85 feet to a point in the center of Five Mile Creek;

THENCE crossing through said 157.221 acre tract, with the Center of Five Mile Creek, also being the north line of the herein described tract the following courses and distances:

N 18°55'32" E, a distance of 154.49 feet to a point;
N 53°45'32" E, a distance of 203.00 feet to a point;

S 68°23'28" E, a distance of 133.72 feet to a point;
N 86°01'32" E, a distance of 111.50 feet to a point;
N 10°47'32" E, a distance of 107.15 feet to a point;
N 35°38'32" E, a distance of 141.00 feet to a point;
N 78°19'32" E, a distance of 97.05 feet to a point;
N 28°28'28" W, a distance of 140.57 feet to a point;
N 47°07'32" E, a distance of 150.88 feet to a point;
N 31°11'32" E, a distance of 130.56 feet to a point;
N 63°34'02" E, a distance of 134.95 feet to a point;
N 87°41'02" E, a distance of 129.10 feet to a point;
N 3°13'02" E, a distance of 132.20 feet to a point;
N 34°51'02" E, a distance of 164.10 feet to a point;
N 11°51'02" E, a distance of 124.70 feet to a point;
N 23°47'58" W, a distance of 139.58 feet to a point in the north line of said 157.221 acre tract,
same being the south Right-of-Way line for the Dallas Area Rapid Transit;

THENCE along the north line of said 157.221 acre tract, same being the south right-of-way line
of Dallas Area Rapid Transit, the following courses and distances:

N 54°24'09" E, passing a found 1/2 -inch iron rod for reference at a distance of 102.55 feet, and
continuing in all a distance of 537.89 feet to a found 1/2-inch capped iron rod stamped "TX REG
NO 100189-00";

N 32°44'33" W, a distance of 1.62 feet to a found 1/2-in. Capped Iron Rod stamped "TX REG NO
100189-00"

THENCE N 58°51'17" E, a distance of 471.29 feet to the POINT OF BEGINNING and containing
44.264 acres of land.

APPENDIX C

FORM OF INVESTOR REPRESENTATION LETTER AGREEMENT

[Date]

I-20 Lancaster Fund, LLC
1717 Main Street, Suite 5630
Dallas, Texas 75201

Computershare Trust Company, National Association, as trustee
1505 Energy Park Drive
Saint Paul, Minnesota 55108

Ladies and Gentlemen:

This letter applies to the Development Mortgage Backed and Limited Revenue Bonds (Taxable), Series 2025 (the “**Bonds**”) issued by I-20 Lancaster Fund, LLC. which are described in the Limited Offering Memorandum, dated April 24, 2025 (the “**LOM**”). Capitalized terms not defined herein shall have the meaning assigned to them in the LOM.

We represent and agree as follows:

- a) We understand and expressly acknowledge that the Bonds have not been and will not be registered under the Securities Act of 1933, as amended (the “**1933 Act**”), and accordingly, that the Bonds may not be Transferred, pledged or hypothecated unless an applicable exemption from the registration requirements of the 1933 Act is available.
- b) We hereby confirm that any purchase of Bonds made by us will be for our own account, and not with a view to any public resale or distribution thereof. We represent that we, or various funds or accounts for which we invest, will at all times prior to the transfer of the Bonds by us pursuant to the terms described in the Indenture remain the sole beneficial owner of such Bonds purchased by us. We understand that the transfer restrictions imposed under the Indenture, and we will only transfer as permitted, but we reserve the right to transfer the Bonds at any time in accordance with the Indenture and applicable securities laws.
- c) We are “qualified institutional buyers” within the meaning of Rule 144A under the 1933 Act. We have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Bonds, and are able and prepared to bear the economic risk of investing in and holding such Bonds.
- d) We have received a copy of the LOM related to the Bonds acquired by us, and to the extent we have requested additional documents or information concerning the Bonds or the Collateral securing the Bonds, we have obtained such other documents or information; provided, however, that this letter shall not constitute a waiver of any rights or remedies the undersigned may have with respect to (i) any information provided to it by the Issuer in connection with the issuance of the Bonds which is materially inaccurate or which contains a material omission or (ii) any material information or additional material documents withheld from our review. We understand that the LOM speaks as of its date and that neither the Issuer nor the Trustee has undertaken to update such LOM at any time subsequent to such date.

This letter shall be for the benefit of the Issuer and the Trustee. We recognize that such parties will rely upon the truth and accuracy of the representations and agreements set forth in this letter.

Date: _____

(Name of Purchaser)

By: _____

Printed Name: _____

Title: _____

APPENDIX D

DEVELOPMENT AGREEMENT

THE OBLIGATIONS CREATED HEREIN ARE NOT GENERAL OBLIGATIONS OF THE CITY OF DALLAS AND ARE CONTINGENCIES DEPENDENT UPON DEVELOPER MEETING THE REQUIREMENTS OF THIS AGREEMENT AND THE AVAILABILITY OF TAX INCREMENT REVENUES IN THE UNIVERSITY TAX INCREMENT FINANCE DISTRICT.

Resolution No. 22-1008, as amended by Resolution No. 24-1812
Approved on June 22, 2022 and December 11, 2024
Contract ID No. CX-ECO-2022-00019601

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

**TAX INCREMENT DEVELOPMENT AND CHAPTER 380 GRANT AGREEMENT
WITH I-20 LANCASTER DEVELOPMENT, LLC**

THIS TAX INCREMENT DEVELOPMENT AND CHAPTER 380 GRANT AGREEMENT WITH I-20 LANCASTER DEVELOPMENT, LLC ("**Agreement**") is entered into by and between the City of Dallas, a Texas municipal corporation of Dallas County, Texas ("**City**"), acting by and through its authorized officers, and with I-20 Lancaster Development, LLC, a Texas limited liability company and/or its affiliates ("**Developer**"), acting by and through its authorized members, with a principal place of business at 1717 Main Street, Suite 5630, Dallas, Texas 75201. City and Developer may be referred to individually as a "**Party**" and jointly as the "**Parties.**"

W I T N E S S E T H

WHEREAS, the City recognizes the importance of its role in local economic development; and

WHEREAS, investment decisions made by businesses and developers are often influenced by a municipality's ability to provide economic development incentives; and

WHEREAS, the City established Tax Increment Financing Reinvestment Zone Number Twenty-One ("**University TIF District**" or "**District**") and established a Board of Directors ("**Board**") for the District to promote development or redevelopment in the District pursuant to Resolution No. 17-1941 and Ordinance No. 30733, authorized by City Council on December 13, 2017, as authorized by the TIF Act ("**TIF Act**"), Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on December 9, 2020, City Council authorized the Project Plan and Reinvestment Zone Financing Plan ("**Plan**"), which is attached as **Attachment 1**, for this District by Resolution No. 20-1894 and Ordinance No. 31713; and

WHEREAS, on May 26, 2021, the City Council adopted an Economic Development Policy 2022-2032 ("**Policy**") by Resolution No. 21-0927, as amended; and

WHEREAS, on June 9, 2021, pursuant to Resolution No. 21-1052 approved by City Council, the City: (1) elected to continue its participation in economic development incentives and approved an extension of its Public/Private Partnership (“**PPP**”) Program - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects, (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code (“**Economic Development Act**”), and (3) established appropriate guidelines and criteria governing tax abatement agreements to be entered into by City as required by the Property Redevelopment and Tax Abatement Act, as amended, (Texas Tax Code, Chapter 312) (“**Tax Abatement Act**”); and

WHEREAS, on June 14, 2022, the Board reviewed the proposed Project and recommended City Council authorization of the City Manager to execute this Agreement and all other necessary documents with Developer for a total subsidy in an amount not to exceed \$34,210,966.00 (the “**City Subsidy**”) comprised of (1) an amount not to exceed \$2,800,000.00 in the form of an economic development grant payable from the City’s Public/Private Partnership Fund (“**PPP Grant**”) and (2) an amount not to exceed \$31,410,966.00 plus an additional grant in lieu of interest payable from current and future University TIF District funds (“**TIF Subsidy**”); and

WHEREAS, on June 22, 2022, City Council approved the Project and authorized the City Manager to execute an agreement and all other necessary documents, upon approval as to form by the City Attorney, with Developer for a total City Subsidy in an amount not to exceed \$34,210,966.00 comprised of (1) a PPP Grant in an amount not to exceed \$2,800,000.00 and (2) a TIF Subsidy in an amount not to exceed \$31,410,966.00 plus an additional grant in lieu of interest payable from future University TIF District funds in consideration of the University Hills Phase I catalyst project on property generally bounded by Interstate Highway 20 (“**Lyndon B. Johnson Freeway**”), Lancaster Road, and the DART rail line in the University TIF District by Resolution No. 22-1008, as amended, attached hereto as **Attachment 2**; and

WHEREAS, on January 25, 2023, in furtherance of the new Policy goals, the City Council authorized the Economic Development Incentive Policy (“**Incentive Policy**”) effective for the period January 1, 2023 through December 31, 2024, by Resolution No. 23-0220, which was later amended on March 27, 2024, by Resolution No. 24-0435; and

WHEREAS, the Incentive Policy establishes certain guidelines and criteria for the use of City incentive programs for private development projects and establishes programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Texas Local Government Code, Chapter 380, among other statutes; and

WHEREAS, pursuant to the City’s Incentive Policy, this Project is located in a Target Area and in a non-Target area; and

WHEREAS, on December 11, 2024, the City Council authorized amendments to Resolution No.

22-1008 to (1) increase the City Subsidy by \$1,750,000.00 to an amount not to exceed \$35,960,966.00 by increasing the PPP Grant to an amount not to exceed \$4,550,000.00 and include the specific requirement for Developer to design, construct, and achieve City acceptance of the specific wastewater infrastructure improvement originally planned to be delivered by Dallas Water Utilities (Project Area 75-4-C in the 2020 Unserved Areas Program); (2) extend various material dates and deadlines; and, in consideration of the increased City Subsidy, (3) require Developer to (a) provide an additional \$2,000,000.00 required minimum investment, (b) prepare and sell an additional 50 residential sites to third-party builders for the construction of single-family homes and (c) construct a community amenity center with a pool by Resolution No. 24-1812, attached hereto as **Attachment 3**; and

WHEREAS, in furtherance of the Plan, as amended, and to promote within the University TIF District: (1) development and diversification of the economy, (2) elimination of unemployment and underemployment, and (3) development and expansion of commerce, the City desires to provide economic incentives to Developer to support the Project; and

WHEREAS, the TIF Subsidy supporting this Project is consistent with promoting development and redevelopment of the University TIF District in accordance with the purposes for its creation, the ordinance adopted by City Council approving the Plan, and is for the purpose of making public investment expenditures consistent with and described in the Plan for the University TIF District; and

WHEREAS, improvements in the District will significantly enhance the value of all the taxable real property in the District and will be of general benefit to the City; and

WHEREAS, the Project will not occur within the city of Dallas without an offer of economic development incentives from the City and complies with the Plan, the City's Incentive Policy, and all applicable local, state, and federal laws; and

WHEREAS, the City Council finds that the City is: (i) acting in its governmental capacity and its performance hereunder is pursuant to authority granted by the State of Texas, its sovereign or for the benefit of the sovereign; (ii) authorizing this Agreement to primarily benefit the public at large; or (iii) performing functions closely related to or essential to the performance of governmental activities.

NOW THEREFORE, in consideration of the mutual covenants and obligations herein, the Parties agree as follows:

SECTION 1. RECITALS INCORPORATED

The recitals are incorporated into this Agreement as if fully set forth herein.

SECTION 2. AGREEMENT ADMINISTRATION

This Agreement shall be administered by the Director of the Office of Economic Development (“OED”) or his or her designee (“**Director**”).

SECTION 3. PROJECT IMPROVEMENTS; DEVELOPER COMMITMENTS

In addition to other conditions set forth in this Agreement, Developer shall complete the following requirements.

- A. Project – Minimum Requirements. In accordance with the Milestone Dates set forth in Section 3.H, Developer shall: (1) purchase an approximately 279-acre parcel of real property generally bounded by Lancaster Road, Interstate Highway 20 (Lyndon B. Johnson Freeway), and the DART rail line in the City of Dallas, Dallas County, Texas in the University Hills Sub-District of the University TIF District as further described by the metes and bounds Property Legal Description in **Exhibit A** and depicted in the Project Map and Conceptual Master Plan attached as **Exhibit B** (“**Property**”) from VM Fund I, LLC or the current owner; and (2) design, fund, and/or construct Phase I of the master plan including the related wastewater and stormwater system infrastructure specifically depicted in **Exhibit C-1** and **Exhibit C-2** on the Property pursuant to Section 3.D and in substantial conformance with **Exhibit B** and **Exhibit E**.
- B. Developer intends to develop the Property as “University Hills” in phases (Phase I – IV) as high-quality master-planned, mixed use community, which will include open space, single family residential areas, multi-family residential areas, and commercial areas, private and public infrastructure (stormwater, water, wastewater, street/road improvements, etc.), for the present and future benefit of the City pursuant to the City’s development regulations. Developer may change the phasing of development from time to time in response to market conditions or other factors. Developer may develop phases concurrently. City acknowledges that the portions of the Property not under active development may remain in use for agricultural or ranching purposes and/or wildlife management.
- C. In accordance with the Milestone Dates set forth in Section 3.H., Developer shall secure and provide satisfactory evidence to the Director of construction funds or financing for the horizontal development of the Project (“**Project Financing**”).
- D. Development of Phase I of the University Hills master plan for the Property and related infrastructure on the Property shall include a minimum of the following (collectively, the “**Project**”):
 - (1) Developer shall, in accordance with the Milestone Dates set forth in Section 3.H, perform all legally required environmental remediation and demolition necessary to construct the Project;
 - (2) Developer has, in accordance with the Milestone Dates set forth in Section 3.H, submitted traditional neighborhood design guidelines and/or a pattern book for the

Project for review and approval by the City's Planning and Development Department (PDD) staff. PDD has approved these specific guidelines (“**Design Guidelines**”) as special conditions for the Project, and the Design Guidelines shall be included in the Project Covenants;

- (3) Developer shall perform, in accordance with the approval requirement and Milestone Dates set forth in Section 3.H, all necessary site preparation work (e.g., excavation, placement of fill, grading) to prepare the site for the infrastructure improvements (e.g., new roads and utilities) necessary to support the planned vertical improvements included with the Project (as described in Section 3.D(8) and **Exhibit B** of this Agreement) (“**Project Site Preparation Work**”);
- (4) Developer shall establish, before the first sale of lots within the Property and in accordance with the Milestone Dates set forth in Section 3.H, one or more homeowners’ associations, property owners’ associations, public improvement district, or other property management entities acceptable to Director to ensure upkeep of common areas, including the green spaces and amenity center, to provide additional security, and provide for other neighborhood services (“**POA Requirement**”);
- (5) Developer shall ensure that construction of the Minimum Vertical Related Items (defined herein) are completed in conformance with the Design Guidelines (**Exhibit E**), Project Covenants, affordable housing restrictions, and other requirements of this Agreement (as described herein);
- (6) Developer shall construct, in accordance with the acceptance requirement and Milestone Dates set forth in Section 3.H, the specific wastewater and stormwater infrastructure improvements (**Exhibit C-1** and **Exhibit C-2**) and other infrastructure improvements (e.g., new roads, utilities, and streetscape) necessary to support the planned vertical improvements included with the Project (as described in Section 3.D (8) and **Exhibit B** of this Agreement) (“**Project Infrastructure Work**”);
- (7) Developer shall establish restrictive covenants for all future vertical development on the Property for the Project. A draft set of restrictive covenants was provided, in accordance with the Milestone Dates set forth in Section 3.H., for Director's review. Once approved by Director and City Attorney, Developer shall file the approved restrictive covenants in the Real Property Records of Dallas County with Developer's filing of the final plat for the Project (“**Project Covenants**”). Developer shall ensure that the Project Covenants address each of the following:
 - (a) *Design Guidelines*. A requirement that future vertical construction in the Project conforms with the Design Guidelines (attached hereto as **Exhibit E**);
 - (b) *Affordable Housing (Rental Multi-Family Residential)*. Deed restrictions ensuring that multi-family residential developments built on the Project site will comply with the TIF District program mixed-income housing requirements (i.e. twenty

percent (20%) of units set aside for households earning no more than 80% area median family income for 15 years); that such units will be marketed pursuant to an Affirmative Fair Housing Marketing Plan approved by Director; and that multi-family residential developers building on the Project site will comply with the City's voucher related Ordinance 30246; as amended by City Council on May 11, 2022; and

(c) *Homebuyer Assistance Program (For-Sale Single-Family Residential)*. A requirement that for-sale home builders constructing single-family homes on the Project site shall partner with the City to market and encourage homebuyers to participate in the City's to-be-developed homebuyer assistance program for the University Hills Sub-district, which would offer closing cost assistance, down payment assistance, and/or other financial assistance to certain income qualified households, as outlined in the homebuyer assistance program statement to be approved by the Board.

- (8) Developer shall (i) prepare and sell lots to third-party builders for the construction of a minimum of 500 single-family homes and 30,000 square feet of non-residential space; (ii) construct or cause the construction of a minimum of 200 units of multi-family housing; and (iii) construct a community center with a swimming pool (“**Minimum Vertical Related Items**”). Developer shall contract for the sale of (1) all residential lots to one or more of the builders listed on **Exhibit I** (which builders have been deemed approved by the Director) (the “**Approved Builders**”), or such other builders acceptable to the Director in his or her reasonable discretion, such approval not to be unreasonably withheld and (2) the multi-family/commercial pad sites to developers acceptable to the Director in his or her reasonable discretion, such approval not to be unreasonably withheld (“**Lot Sale Requirement**”), in accordance with the Milestone Dates set forth in Section 3.H.

- E. Developer’s Minimum Private Investment Requirement. Developer shall, on or before the Project Deadline (defined herein), Invest (as defined herein) or cause to be invested a minimum of **SIXTY-TWO MILLION DOLLARS (\$62,000,000.00)** (“**Minimum Investment**”) in private expenditures relating to the horizontal development (e.g., environmental remediation; demolition; site preparation work; infrastructure development) of the Project pursuant to the project budget (“**Project Budget**”) as provided in **Exhibit D**. The term “Invest” or “Investment” means the sum of all development costs for land acquisition, environmental remediation costs (if any); demolition costs (if any); site preparation costs (excavation; placement of fill; grading), and construction costs (hard and soft) for horizontal infrastructure improvements paid, payable, or actually incurred by or on behalf of the Developer, with respect to the Project and the improvements thereon. Construction soft costs specifically include the following items: architecture, landscape architecture, engineering, interior design (only if related to a building structure), and construction management fees.

Construction management is solely intended to cover fees paid to an outside consultant or third party who confirms the quality of the work. Construction management fees must be invoiced with a detailed description of work performed. Developer fees, legal fees, marketing

fees, leasing commissions, furniture/fixture/equipment costs, construction material testing costs, permit inspection fees, builder's risk insurance, property insurance during construction, consultant fees, construction financing fees, construction loan interest, construction loan closing costs, carrying costs (e.g., interest costs on land; maintenance costs on land; ad valorem taxes, etc.), operating deficits through stabilization and other similar costs shall not be considered toward this definition of Investment. The Developer must provide documentation of all such expenditures in a form satisfactory to the Director in his or her sole discretion. Expenditures made towards the Minimum Investment requirement shall include only those eligible costs incurred on or after June 3, 2022, the execution date of the Letter of Intent between the City and the Developer.

- F. Project Improvements - Conceptual Urban Design. The Urban Design Peer Review Panel (“UDPRP”) is an independent group of professional designers selected by the City Manager with expertise in architecture, landscape architecture, engineering, and urban planning. The Project was reviewed by UDPRP on July 28, 2023, and the Developer responded to comments to the satisfaction of the City's Planning and Development Department (“PDD”) (formerly the Planning and Urban Design Department) staff on October 23, 2024. Conformance with the approved design plans shall be a material condition of TIF Subsidy. The Director may authorize minor modifications to the conceptual plans which may arise during the development process due to local, state, or federal regulatory requirements so long as the minor modifications are in substantial conformance with the spirit and intent of the UDPRP advice. The Director shall review and approve such changes within 30 days of submission. Modifications to the conceptual plans, should the Director determine they are material, shall require review by the UDPRP. As the final step in the urban design process and prior to permit approval and commencement of construction, Developer shall provide a set of permit drawings for the Project to PDD for internal review and approval to ensure compliance with UDPRP recommendations and responses. The PDD shall complete the review of the permit drawings within ten (10) business days of Developer's submission. All future phases of development as illustrated in the conceptual master plan shall be required to undergo the UDPRP process to review conformance with the approved conceptual master plan.
- G. Infrastructure Improvements. The Project shall include all related private and public infrastructure improvements on and adjacent to the Property, which is located in the District, in substantial conformance with the map (**Exhibit B**), specifically including the wastewater infrastructure improvement as described in **Exhibit C-1** and the stormwater infrastructure improvement as described in **Exhibit C-2**, Designs Guidelines (**Exhibit E**), and Project Budget (**Exhibit D**).
- H. Material Milestone Dates and Project Deadline. Unless extended by action of the City Council or as expressly provided in this Agreement, and subject to the provisions of Section 11, the Developer shall meet all of the following Milestone Dates set forth in subsections (1)

through (10) (each, a Milestone Date, and collectively, the “**Milestone Dates**”) and the Project Deadline set forth in subsection (11):

- (1) Developer shall execute this Agreement on or before: (a) 30 calendar days after December 11, 2024 (the date of City Council approval of Resolution No. 24-1812); or (b) 30 calendar days after City delivery of the City-signed Agreement to Developer incorporating the amendments contained in Resolution No. 24-1812, whichever is later.
- (2) Developer shall purchase the approximately 279-acre Property from VM Fund I, LLC or the current owner within 90 calendar days of Developer’s execution of this Agreement.
- (3) Developer submitted a draft proposed neighborhood design guidelines and/or pattern book (“**Design Guidelines**”) to PDD staff by **September 30, 2023**. PDD has approved these specific guidelines as special conditions for the Project. The Design Guidelines are attached as **Exhibit E** and shall be included in the covenants described in Section 3.D.(7) of this Agreement.
- (4) Developer submitted a set of draft proposed Project Covenants for Director's review by **September 30, 2023**. Once approved by Director and City Attorney, Developer shall file the approved Project Covenants in the Real Property Records of Dallas County with Developer’s filing of the final plat for the Project.
- (5) Developer shall secure the Project Financing and provide satisfactory evidence of the Project Financing to the Director on or before (i) **June 30, 2025** or (ii) 180 calendar days after Developer’s execution of this Agreement, whichever is later.
- (6) Developer shall perform all legally required environmental remediation and any demolition necessary to construct the Project by **June 30, 2027**.
- (7) Developer shall perform the Project Site Preparation Work and obtain the City’s written final acceptance (if necessary) of the Project Site Preparation Work by **June 30, 2027**.
- (8) Developer shall meet the POA Requirement on or before **June 30, 2028**.
- (9) Developer shall complete the Project Infrastructure Work and obtain the City's written final acceptance of the Project Infrastructure Work by **June 30, 2028**.
- (10) Developer shall meet the Lot Sale Requirement by **December 31, 2029**.
- (11) Developer must meet and document that it has met the Minimum Investment on or before **June 30, 2028** (“**Project Deadline**”).

- I. Homebuyer Assistance Program. Homebuyer assistance funds will be funded from the first \$5,300,000.00 of District increment (less administrative costs), inclusive of the current cash balance. Staff estimates that the homebuyer assistance program will be fully funded in this amount by 2023, after which any additional funds for the homebuyer assistance program would come only from the ten percent (10%) affordable housing line item in the Plan. The TIF Subsidy will be funded from increment accrued after the homebuyer assistance program is fully funded.
- J. Time of the Essence. Developer agrees and understands that adherence to the Milestone Dates and Project Deadline detailed in this Agreement is a material term of this Agreement, and that time is of the essence.
- K. Quarterly Project Status Reports. Until the Developer has received full forgiveness of the Repayment Obligation pursuant to Section 5.K of this Agreement, the Developer shall submit to the Director quarterly status reports for ongoing work on the Project in a form attached hereto as **Exhibit G** within thirty (30) calendar days following the end of each calendar quarter after execution of the Agreement; provided that, notwithstanding the foregoing, any quarterly status report delivered to OED prior to commencement of construction on the Project may be delivered to OED via e-mail to the Director or his/her designee and shall contain a narrative summary of the status of the Project.
- L. Semi-Annual Compliance Reports. After the Developer's completion of the Minimum Vertical Related Items (specifically the minimum 200 units of multi-family housing required in Section 3) and throughout the 15-year affordability period, Developer shall submit or shall cause the subsequent owner of the multi-family units to submit written certification and documentation of compliance on the form attached as **Exhibit H**. If deemed necessary, the Director may request additional documentation from the Developer.
- M. Affirmative Fair Housing Marketing Plan. Specifically for the minimum of 200 units of multi-family housing to be delivered as part of the Minimum Vertical Related Items, Developer further agrees to complete or cause the subsequent owner of the multi-family units to complete an Affirmative Fair Housing Marketing Plan ("**AFHMP**") in the same form as **Exhibit J** and submit it to the City's Office of Equity and Inclusion for approval. Developer further agrees to market or cause the subsequent owner of the multi-family units to market the minimum of 200 units of multi-family housing to be delivered as part of the Minimum Vertical Related Items units pursuant to the approved AFHMP. Should the City, from time to time, request amendments to the AFHMP or modify the reporting frequency, the Developer shall cooperate in good faith to reach mutual agreement on reasonable modifications to the AFHMP and to the program.
- N. Operating and Maintenance Agreement. For Non-Standard Public Improvements (defined herein), Developer shall execute an Operating and Maintenance Agreement (defined below) approved as to form by the City Attorney prior to the Project Deadline ("**Operating and Maintenance Agreement**"), and if necessary, obtain a license from City for the purpose of

maintaining any improvements in the public right-of-way. For purposes of this Agreement, “**Non-Standard Public Improvements**” shall be defined as those public infrastructure improvements which exceed the City’s standard design requirements, as determined by the City, and shall include, but is not limited to, specially designed street/pedestrian lighting, brick pavers, bollards, sidewalks, public art, fountains, landscaping, and irrigation. With the exception of specially designed street/pedestrian lighting, public artwork and fountains, City shall retain ownership of such public improvements and may at its sole discretion, if Developer fails to maintain such public improvements after notice from City under this Agreement, perform such maintenance and invoice Developer for the costs, which costs Developer shall pay within thirty (30) days of notice. Developer shall submit documentation evidencing that an executed memorandum of operating and maintenance agreement specifying the existence of an executed Operating and Maintenance Agreement for the Non-Standard Public Improvements was recorded with the Dallas County Clerk’s Office. The term for the Operating and Maintenance Agreement shall begin on the date of execution of the Operating and Maintenance Agreement and continue for twenty (20 years). Developer shall so remain responsible for the maintenance of the Non-Standard Public Improvements for twenty (20) years even if Developer chooses to forgo the TIF Subsidy or does not earn the TIF Subsidy as a result of default. Any assignment of Developer’s maintenance obligations under this Agreement (and the Operation and Maintenance Agreement) to another entity shall be subject to the assignment provisions herein and subject to the terms of the Operating and Maintenance Agreement, including compliance for the term of the Operating and Maintenance Agreement. The terms and conditions of the Operating and Maintenance Agreement are binding upon the successors and assigns of all parties hereto and may be assignable, subject to Director approval, in whole or in part, to a new owner of all or a portion of the Project. If an existing, executed, and filed Operating and Maintenance Agreement is found to apply to the Property, execution of a new or amended Operating and Maintenance Agreement conforming to the requirements of this subsection shall nevertheless be required and shall supersede any such existing Operating and Maintenance Agreement to the extent that such existing Operating and Maintenance Agreement applies to the Property.

- O. Minor Modifications; Extensions of Deadlines. The Director, after approval and recommendation of the Board, may authorize minor modifications to the Project so long as they are consistent with the Plan’s goals and the Design Guidelines. The Director may, after approval and recommendation of the TIF Board, authorize extension of certain Project Deadlines by up to twenty-four (24) months. Notwithstanding the foregoing, the Director is not authorized to extend deadlines to execute the Agreement (as specified in Section 3.H(1), purchase the Property (as specified in Section 3.H(2), and secure construction funding (as specified in Section 3.H(5).
- P. Parkland Dedication. Developer shall comply with the City's Parkland Dedication

Ordinance (Section 51A-4.1000 of the City's Code of Ordinances, as amended).

- Q. Security for Performance. To secure performance of the Repayment Obligation and prior to any payment of the TIF Subsidy, Developer shall either (i) execute a deed of trust in favor of the City encumbering the Property (the “**Performance DOT**”), (ii) provide a Developer guaranty in a form acceptable to the City, or (iii) provide both items (i) and (ii); provided that such documents must collectively demonstrate an asset valuation sufficient to secure the Repayment Obligation, as determined by the City Attorney. If executed, the Performance DOT shall be recorded in the Real Property Records of Dallas County against Developer’s interests in the Property. Such documents shall be released upon expiration of and satisfaction of or release of the Repayment Obligation in accordance with this Agreement, or upon Developer's sale of any portion of the Property to an unaffiliated developer for completion of vertical construction. Any such Performance DOT shall be subordinated to construction/permanent lenders during the term of this Agreement. Developer shall provide a title policy for the Property prior to any payment of the TIF Subsidy.
- R. University Hills Municipal Management District. Developer shall not allow a public facility corporation (“**PFC**”) sponsored or owned (fully or in part) by the University Hills Municipal Management District to be created for this Project; however, projects owned by the City’s PFC may be permitted.

SECTION 4. PPP GRANT

In consideration of development-related fees (e.g. plan review, permitting, inspection, etc.) and actual costs for design, construction, and City acceptance of that specific wastewater infrastructure improvement described in Section 3.D(6) incurred by Developer on or before December 31, 2027 in support of the Project, the City agrees to pay Developer a grant in a total amount not to exceed **FOUR MILLION FIVE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$4,550,000.00)** payable from the City’s Public/Private Partnership Fund (“**PPP Grant**”). Developer shall submit a payment request to the Director for the PPP Grant no later than June 1, 2028 with sufficient supporting documentation evidencing the development-related fees and specific wastewater infrastructure improvement costs incurred by Developer. Payment checklists summarizing the documentation the Developer is required to submit is attached hereto as **Exhibit K-1** (Payment Checklist for PPP Grant: Development Fees) and **Exhibit K-2** (Payment Checklist for PPP Grant: Wastewater Infrastructure Improvement). **Exhibit K-1** and **Exhibit K-2** are for informational reference only; the terms and conditions of this Agreement shall control. Any development-related fees exceeding the PPP Grant shall be at Developer’s sole expense. Any costs for design, construction, and City acceptance of that specific wastewater infrastructure improvement described in Section 3.D(6) exceeding the PPP Grant shall be at Developer’s sole expense.

SECTION 5. TIF SUBSIDY

- A. TIF Subsidy. In consideration of Developer’s Minimum Investment in the Project and pursuant to the University TIF District Grant Program (“**Grant Program**”), the City agrees,

subject to the conditions and limitations contained in this Agreement, to pay Developer a total amount not to exceed **THIRTY-ONE MILLION FOUR HUNDRED TEN THOUSAND NINE HUNDRED SIXTY-SIX AND NO/100 DOLLARS (\$31,410,966.00)** plus an additional grant in lieu of interest, as described in Section 5.B. payable from current and future University TIF District funds, as described herein (“**TIF Subsidy**”) in consideration of the Project. Developer may only receive the TIF Subsidy from the City in accordance with the TIF Subsidy Budget Allocation (**Exhibit F**) upon Developer’s completion of the Project and adherence to all Project requirements, except that Developer may begin receiving payment of a relatively small portion of the TIF Subsidy only for the actual costs incurred to deliver the specific stormwater infrastructure improvements depicted in **Exhibit C-2** pursuant to Section 3.D.(6). Other than a portion of the TIF Subsidy payable on a reimbursement basis for the actual costs incurred by Developer to construct the stormwater infrastructure improvements depicted in **Exhibit C-2**, Developer shall not receive any portion of the TIF Subsidy in advance of Project completion. Disbursement shall be based on actual Project expenditures, in accordance with the infrastructure budget and the Project Budget (**Exhibit C-1, Exhibit C-2, and Exhibit D**), and detailed documentation shall be required for verification of such expenditures. Any Project costs exceeding the TIF Subsidy shall be at Developer’s sole expense.

- B. Grant In Lieu of Interest. The grant in lieu of interest in accordance with the University TIF District Grant Program Guidelines (**Exhibit M**) shall be calculated based on conditions specified in Section 5.F and shall be set at a fixed rate equal to six percent (6%) interest rate per annum compounded semi-annually. The interest shall accrue beginning when all terms and conditions of the TIF Subsidy are met, including completion of a post-construction audit by the City of Developer’s documentation supporting the request to begin TIF Subsidy payments. Such interest shall be compounded semi-annually based on the existing unpaid TIF Subsidy and shall cease to accrue under the Agreement when the unpaid balance, plus any previously accrued interest, is fully disbursed, or upon expiration of the term of the District as provided in the ordinance creating same, as may be amended.
- C. Increment Allocation Policy - Administration of current and future available TIF revenues. Developer understands and agrees that available current and future tax increment revenues accruing to the Tax Increment Fund will be shared among approved and completed projects that have met all of the project contingencies and are eligible to receive TIF subsidies and that current and future tax increment revenues may be committed to future approved projects in the District as such projects are completed. The Developer further understands and agrees that the commitment of current and future available tax increment revenues to additional projects in the District are necessary to implement the Plan, even if such current and future commitments reduce the availability of current and future TIF revenues for this Project or increase the time needed to repay the TIF Subsidy pursuant to this Agreement. The Tax Increment Fund shall be administered by the Director in accordance with the Plan and University TIF District Increment Allocation Policy (“**Increment Allocation Policy**”) for the sharing of current and future tax increment revenues deposited in the Tax Increment Fund among approved projects within the District, attached as **Exhibit N**. The Director’s determination in applying current and future available revenues in the Tax Increment Fund

among this Project and current and future approved and completed projects in accordance with the District Plan and Increment Allocation Policy shall control.

- D. Availability of TIF Subsidy. Payment of the TIF Subsidy is subject to the availability of tax increment revenues from the District and annual appropriations by City Council. If the appraised value of property in the District remains constant or decreases in value from the base year value, then the TIF Subsidy for that year may be reduced or unpaid due to lack of available increment. City agrees, subject to the conditions and limitations contained in this Agreement, to pay Developer from the Tax Increment Fund from tax increments received and deposited therein during the life of the District (including collection of the 2047 tax year increments in calendar year 2048), subject to the limitations on repayment provided in this Agreement. Developer agrees to look solely to the Tax Increment Fund, and not City's general fund or other source of funds, or to City bond funds other than tax increment bonds, if any, for payment of the TIF Subsidy, which payments shall be made to the extent monies in the Tax Increment Fund are available and appropriated, after the performance and observance of all of the requirements and conditions outlined in this Agreement have been satisfied and after prior District obligations have been paid.

Additionally, it is understood and expressly agreed by the Developer that the City does not warrant or guarantee that the payment of the TIF Subsidy as provided for in this Agreement will be upheld as valid, lawful, enforceable or constitutional in the event the statutory authority for same or the City's use thereof is challenged by court action. In the event such court action related to the Agreement and the providing of the TIF Subsidy hereunder is instituted, Developer shall be responsible for defending the parties hereto, this Agreement, and the use of the TIF Subsidy hereunder, at Developer's sole cost and expense, including reasonable attorney's fees. The City, however, agrees to cooperate with the Developer in such defense. Should such litigation result in the loss of the TIF Subsidy as provided herein, the Developer shall be solely responsible for the repayment of the TIF Subsidy up to the amount actually received, without recourse to the City, and without any obligation by the City to reimburse same back to Developer and without any right of reduction of Developer's obligations hereunder.

- E. TIF Subsidy Expires with the Term of the District. Nothing in this Agreement shall be construed to require City to approve TIF Subsidy payments pursuant to this Agreement from any source of City funds other than from the Tax Increment Fund or to require City to issue TIF bonds in order to pay Developer for the TIF Subsidy. City's obligation to pay Developer the TIF Subsidy shall automatically expire upon the final allocation of any funds remaining in the Tax Increment Fund after the expiration of the term of the District as provided in the ordinance creating same. Any funds expended under the Agreement that remain unpaid upon termination of the District, due to lack or unavailability of funds in the Tax Increment Fund, shall no longer be considered project costs of the District or the City, and the obligation to pay Developer shall automatically expire.
- F. Additional Conditions for Payment of the TIF Subsidy. Upon Director's verification that all TIF Subsidy payment conditions have been met, which TIF Subsidy payment conditions are

summarized in **Exhibit L-2** (Payment Checklist for TIF Subsidy: Balance after all Agreement Obligations), the City will administer the payment of the TIF Subsidy to the Developer for the Project annually, subject to the Director's annual verification of the TIF Subsidy payment conditions, pursuant to the Increment Allocation Policy attached hereto as **Exhibit N**. City's payment of the TIF Subsidy to Developer is further subject to:

- (1) The availability of monies on deposit in the Tax Increment Fund;
- (2) The satisfaction of all of the prior obligations of the Tax Increment Fund;
- (3) Developer's submission to City of all documentation for the Project evidencing that all contractors have been paid by Developer and that all liens have been released;
- (4) The satisfactory completion of a post-construction audit conducted by the City at the completion of construction of the Project in order to verify Developer's compliance with the terms of this Agreement, including but not limited to, compliance with the Project's material dates. The City agrees to complete such audit within a reasonable time after the City's receipt of all necessary supporting documents, which shall depend upon the completeness of the documentation submitted by Developer. Payment checklists summarizing the documentation that Developer is required to submit is attached hereto as **Exhibit L-1** (Payment Checklist for TIF Subsidy: Specific Stormwater Infrastructure Improvement) and **Exhibit L-2** (Payment Checklist for TIF Subsidy: Balance after all Agreement Obligations). Exhibit L-1 and Exhibit L-2 are for informational reference only; the terms and conditions of this Agreement shall control.

- G. Priority of Payments. The City shall pay the TIF Subsidy solely from the Tax Increment Fund if and when tax increment revenues are received and available for such purpose, during the life of the District, subject to the limitations on repayment provided in this Agreement and according to the Increment Allocation Policy attached hereto as **Exhibit N**. Assuming all of the payment conditions of the TIF Subsidy have been met, the City shall administer payments of the TIF Subsidy according to any outstanding development agreements relating to the District, pursuant to such policy, which details the District projects that have been approved for payment from the District.
- H. Administration of Payments. Once Developer is eligible for payment based on the Project's completion and pursuant to the requirements of this Agreement, City shall administer payment of the TIF Subsidy annually pursuant to the Increment Allocation Policy.
- I. Public Necessity. The City hereby declares that the payment of the TIF Subsidy outlined above is necessary to implement the Plan (**Attachment 1**) and that the TIF Subsidy constitutes a project cost as defined in the Act, and/or other payment made at the discretion of the City Council that the City Council and the Board finds necessary or convenient to the implementation of the Plan.

- J. Reallocation of TIF Subsidy. Developer agrees and understands that, in the event the Developer fails to meet all of the payment conditions of the TIF Subsidy, subject to any applicable Cure Periods and Force Majeure Events and any extensions of deadlines provided for hereinto such later date(s) recommended by the Board and approved by the Director or City Council, the TIF Subsidy shall no longer be payable and any obligation of the City to pay the Developer the TIF Subsidy shall automatically expire. Further, in the event of such expiration, the TIF Subsidy may be reallocated to other projects upon approval by the Board.
- K. Forgiveness of Repayment Obligation. The TIF Subsidy shall be repayable to the City (“**Repayment Obligation**”). The Repayment Obligation will be forgiven in the following tranches so long as Developer is otherwise in compliance with the Agreement:
- (1) Twenty-five percent (25%) upon the sale of 200 residential lots to third-party builders for construction of single-family homes, which sale must be completed no later than June 30, 2034.
 - (2) Twenty-five percent (25%) upon the sale of 300 residential lots to third-party builders sufficient for construction of single-family homes, which sale must be completed no later than June 30, 2034, and completion of construction of a community amenity center with a pool.
 - (3) Twenty-five percent (25%) upon the completion of construction of 200 units of multi-family residential evidenced by a certificate of occupancy or equivalent documentation received on or before June 30, 2034.
 - (4) Twenty-five percent (25%) upon the sale of land to a third-party builder sufficient for construction of at least 30,000 square feet of non-residential office or retail space, which sale must be completed no later than June 30, 2034.

SECTION 6. CONSTRUCTION AWARD AND MANAGEMENT OBLIGATIONS

- A. Project to be Privately Bid. Developer agrees to privately bid and construct the Project improvements described in this Agreement. The public bidding requirements in Chapter 252 of the Texas Local Government Code do not apply to a dedication, pledge, or other use of revenue in the Tax Increment Fund because the Board finds that the funds are necessary or convenient to the implementation of the Plan and finds that the use of revenue in the Tax Increment Fund pursuant to this Agreement benefits the District.

Required Instruments. At no cost to the City, Developer shall provide the City with public access easements, deed restrictions, or other instruments required by the Director, in a form acceptable to the City Attorney, if any street and utility infrastructure improvements that are a part of the Project must remain privately owned in order to be considered for TIF Subsidy funding.

- B. M/WBE Participation Requirements. Developer shall make good faith efforts to comply with the City's Business Inclusion and Development ("**BID**") Plan (forms and guiding documents attached as **Exhibit O**) for construction expenditures. Specifically, Developer's goal shall be 32% participation by certified Minority/Women Business Enterprises ("**M/WBE**") for all hard construction expenditures related to the horizontal development component of the Project (i.e. the Project Site Preparation Work and the Project Infrastructure Work), and Developer shall meet all reporting requirements for each. Forms may be modified by the BID staff within the City's Office of Procurement Services ("**OPS**"). For purposes of this Agreement, a "**Good Faith Effort**" means that, prior to Developer's commencement of construction on any portion of the horizontal development component of the Project (i.e. the Project Site Preparation Work and the Project Infrastructure Work), Developer shall: (a) meet with OPS and OED staff to review forms, understand goals, and receive other appropriate guidance from OPS on documentation required to comply with the requirements of this section of the Agreement, (b) obtain a list of certified M/WBEs and associated contact information from OPS, (c) prepare a letter or script inviting M/WBEs to submit a bid to participate in the horizontal development component of the Project (i.e. the Project Site Preparation Work and the Project Infrastructure Work) and instructing prospective M/WBEs how to reach out regarding bidding. The Developer's communication (i.e. draft letter or script) shall be approved in writing by OPS, and OPS shall provide guidance on how and when the communication should be sent and documented, and (d) establish written timelines for returning other required documentation to OPS. This documentation shall be maintained by OPS with a copy to OED. Additionally, within the deadlines as established by the initial meeting timeline, the Developer shall: (a) return all required forms to OPS and (b) sufficiently document payment to M/WBEs participating in the horizontal development component of the Project (i.e. the Project Site Preparation Work and the Project Infrastructure Work). Upon completion of the horizontal development component of the Project (i.e. the Project Site Preparation Work and the Project Infrastructure Work), Developer shall: (a) request a final written determination from OPS of Developer's compliance with the requirements of this section of the Agreement, and (b) provide OPS's final written documentation to OED.
- C. Developer as Construction Manager. Developer shall be responsible for the construction of the Project, including inspection, supervision, testing, quality control, approval of shop drawings, utility coordination, obtaining utility clearances from all utility companies, staging and coordinating all utility-related work with the construction contractor, general coordination, and completion of all construction work all in compliance with applicable state law, federal law, and City of Dallas regulations. Developer in its capacity as construction manager shall use its diligent good faith efforts to ensure that the Project is completed in a timely manner and in accordance with the contract documents, including all plans and specifications approved by City. All payments for work performed shall be made by Developer. Developer shall not make any payment under a monthly or final estimate unless contractor has certified, by affidavit sworn to by the corporate official or employee duly authorized to submit same, that the estimate of work completed for the period in question is true and correct to the best of his information and belief, has been measured and verified in accordance with the contract documents, and that all contract preconditions to payment have

been met. City reserves the right to perform inspections, measurements or verifications of the estimates or work quantities as are necessary. Final payment to the contractor shall not be made until all preconditions to final payment set forth in the construction contract have been performed (as verified by Developer) and lien releases have been obtained in accordance with the approved contract documents, including the plans and specifications.

- D. Developer Responsible for Contractors. Developer shall use its diligent good faith efforts to inspect the work of all contractors to guard the City against defects and deficiencies in the Project Infrastructure Work, without assuming responsibilities for means and methods used by the assigned contractor. In addition, Developer shall use its diligent good faith efforts to fully and completely settle, by litigation or otherwise, any claims (including utility damage and delay claims as a result of utility work) of the assigned contractor or any other person or entity arising out of performance of the construction contract without involving the City, and without any payment or from the City or the Tax Increment Fund except as set forth in Section 5, unless such claims result from a wrongful action or failure to act by the City in the performance of this Agreement. The City reserves the right upon reasonable notice, at the City's election, to make a reasonable audit of all books, records, accounts and other data of the contractors and Developer relating to the Project Infrastructure Work and the performance of any construction contractors or Developer. The provisions of this subsection shall not be applicable with respect to work performed by franchise utility companies.

SECTION 7. OPERATING AND MAINTENANCE OBLIGATION

- A. Operating and Maintenance Obligation. Developer's obligation to maintain items constituting Non-Standard Public Improvements as defined in Section 3 shall be limited to maintenance necessitated by normal wear and tear as further described in the Operating and Maintenance Agreement required in Section 3 of this Agreement.
- B. Maintenance of Artwork, Fountains, and other Structures. Developer shall be wholly responsible for the construction and future maintenance of any and all artwork and fountains placed or installed on the Property by Developer its employees, agents, contractors and subcontractors. Developer, its successors or assigns, shall not transfer maintenance to the City. If the transfer of maintenance is not done in accordance with this provision, the transfer shall be void.
- C. Transfer and Assumption of Maintenance Obligation. The terms and conditions of the Operating and Maintenance Agreement are binding upon the successors and assigns of all parties hereto and may, unless otherwise stated herein, be assignable, in whole or in part, with the approval of the City. With the exception of operating and maintenance of mass transportation facilities, no operating and maintenance obligations may be assigned to a public improvement district. Certain other operating and maintenance obligations, however, may be legally assignable to a public improvement district, a property developer's association, or other non-City entity with written consent of Director. Developer and any

other assignor may assign (subject to the terms and conditions described herein) their operating and maintenance obligations upon the express assumption of such obligations by such new owner, owner's association, or other non-City entity of all of the obligations of Developer under the Operating and Maintenance Agreement for the term of such Operating and Maintenance Agreement. Upon dissolution or termination of the assignee, however, the terms and conditions of the operating and maintenance requirements shall revert back to the Developer.

SECTION 8. TERM

Unless earlier terminated in accordance with the applicable provisions of this Agreement, the term of this Agreement ("**Term**") shall begin on the date of execution, and end upon the earlier of: (a) the complete performance of all obligations of the Parties to this Agreement or (b) the expiration of the term of the District; provided however, that the obligation of Developer to maintain the Non-Standard Public Improvements or to ensure such operating and maintenance obligations are transferred to, or assumed by, a special district, subsequent owners upon sale of the Property, an owners' association or other non-City entity, as provided in the Operating and Maintenance Agreement, shall survive. Section 9 "Events of Default, Termination, and Recapture," Section 12 "Indemnification and Release", and any provisions of this Agreement related to repayment or recapture of TIF Subsidy or interest thereon shall survive the termination or expiration of this Agreement.

SECTION 9. EVENTS OF DEFAULT, TERMINATION, AND RECAPTURE

A. Developer Default. A default shall exist if any one or more of the following occurs:

- (1) Developer fails to comply with the Milestone Dates or the Project Deadline, subject to the expiration of the Cure Period and, if applicable, any Force Majeure Event (defined herein).
- (2) Developer fails to timely perform or observe or otherwise breaches any term, condition, obligation or covenant contained herein;
- (3) Developer fails to pay when due all ad valorem and business personal property taxes for all property owned by Developer within the City of Dallas during the Term (provided that Developer retains its right to timely and properly follow the legal procedures for protest and/or contest of any such ad valorem or tangible personal property taxes);
- (4) Developer is convicted of a violation under 8 U.S.C. Section 1324a; and/or
- (5) any statement, warranty or representation of Developer contained herein is determined by City to be false (each, a "**Default**").

- B. Notice of Default and Cure Period. For an event of Default other than one that poses an imminent hazard or threat to health and safety, the City shall provide written notice to the Developer of such Default and shall provide up to 365 days as a corrective action period (“**Cure Period**”) (or if not reasonably susceptible of cure within such 365-day period, within a reasonable time for the curing of such Default; such reasonable time shall be determined in the Director's sole discretion). During the Cure Period, the Developer will have the opportunity to show that either the Developer or the Property was never in Default or that the event of Default has been corrected. Sufficient documentation of correction must be received by the City during the Cure Period for an event to be considered corrected during the Cure Period. A Default that remains uncured after the applicable Cure Period is an “**Uncured Default.**”
- C. Notice by Developer. The Developer shall immediately notify the City in writing upon becoming aware of any event or condition constituting a Default, or that would, with the giving of notice or passage of time, or both, constitute a Default under this Agreement. Such notice shall specify the nature of the event or condition, the period of existence thereof, and the action Developer is taking or proposes to take with respect thereto.
- D. Remedies of City. In the event of an Uncured Default, City shall have the right to elect any or all of the following actions in its sole discretion:
- (1) Terminate this Agreement effective immediately upon written notice of such intent to Developer and demand immediate repayment by Developer of any portion of the TIF Subsidy and PPP Grant paid pursuant to this Agreement (excluding any portion of the TIF Subsidy forgiven pursuant to Section 5.K), and said portion of the TIF Subsidy and PPP Grant shall be immediately due and payable by Developer without further or additional notice, and any amount due and owing to the City after the demand date by the City shall accrue interest at the maximum rate of interest allowed by law. In the event of termination of this Agreement under this clause, any TIF Subsidy or PPP Grant funds available but unpaid to Developer pursuant to this Agreement shall be immediately rescinded and Developer shall have no further right to such TIF Subsidy or PPP Grant Funds; and/or
 - (2) Pursue any other legal remedies available at law or equity, including but not limited to specific performance.
- E. Right to Seek Relief. Developer does hereby grant to City the right to prosecute or take appropriate action, at law or in equity, against Developer to recover any TIF Subsidy amount or to enforce any other covenant or obligation contained in this Agreement. If the City prevails in a legal proceeding against Developer, the City is further entitled to recover damages, reasonable attorney’s fees, and court costs from Developer.

- F. No Funds Disbursed While in Breach. Developer understands and agrees that no funds will be paid or disbursed to or on behalf of the Developer until all Defaults are cured to the satisfaction of the City.
- G. No Extensions for Specific Deadlines. Notwithstanding anything in Resolution No. 22-1008, as amended by Resolution No. 24-1812 (“**Authorizing Resolutions**”) to the contrary, if Developer fails to comply with the deadlines set forth in Section 3.H(1), Section 3.H(2), or Section 3.H(5) of this Agreement, the Developer shall have no extension and no cure period, and the Parties understand and agree that all authorizations and funding commitments provided by the Authorizing Resolutions are rescinded and null and void, and the City this Agreement is terminated.

SECTION 10. CERTIFICATION REGARDING UNDOCUMENTED WORKERS

Developer has signed the statement, attached as **Exhibit P**, stating that Developer’s business, or a branch, division, or department of Developer’s business, does not or will not knowingly employ an undocumented worker and has agreed to abide by the requirements of Texas Government Code, Chapter 2264.

SECTION 11. FORCE MAJEURE

It is expressly understood and agreed by the Parties to this Agreement that Developer shall complete the milestones by the Milestone Dates and the Project by the Project Deadline specified in Section 3.H.; provided, however, that Developer may have additional time equal to the period of delay due to a Force Majeure Event to meet the Milestones Dates or the Project Deadline due to the Force Majeure Event (defined herein) if Developer provides written notice (as detailed herein) to the City not later than fifteen (15) calendar days after occurrence or commencement of the Force Majeure Event. In the event of a Force Majeure Event, subject to the Director’s written approval (as determined in the Director’s sole discretion), and if the Director determines Developer is using commercially reasonable efforts to remedy any inability to perform, minimize the impact of any delay, and pursuing completion of the Milestone Dates and/or Project, as applicable, the Director may excuse the Developer from doing or performing the same for a period of delay due to such Force Majeure Event. Extension of the Project Deadline or any Milestone Date as a result of a Force Majeure Event shall not require City Council approval.

For this purpose, a “**Force Majeure Event**” shall mean any contingency or cause beyond the reasonable control of Developer including, without limitation, acts of nature or the public enemy, war, riot, civil commotion, insurrection, state, federal or municipal government or de facto governmental action or inaction, including failure to act or delay of action on permit applications, plan approvals or similar administrative approvals (unless caused by acts or omissions of Developer), fires, casualty, explosions, floods, pandemics, epidemics, or viral outbreaks (other than the COVID-19 pandemic), shortages in labor or materials, and strikes (each, a “**Force Majeure Event**”).

The Developer shall provide the Director written notice, in reasonable detail, of the existence, extent, and nature of the Force Majeure Event, when and how the Developer obtained knowledge of the Force Majeure Event, the date the Force Majeure Event occurred or commenced, and of the actual or anticipated delay caused thereby, after Developer obtains actual knowledge of such Force Majeure Event and reasonably anticipates that it will not be able to meet a Milestone Date or the Project Deadline specified in Section 3.H. due to such Force Majeure Event. Notwithstanding anything contained herein, all deadlines set forth in this Agreement shall be subject to extension for a Force Majeure Event pursuant to the provisions of this Section 11.

SECTION 12. INDEMNIFICATION AND RELEASE

DEVELOPER COVENANTS AND AGREES TO INDEMNIFY, HOLD HARMLESS AND DEFEND, AT ITS OWN EXPENSE, CITY AND ITS OFFICERS, AGENTS, SERVANTS, AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS OR SUITS FOR PROPERTY LOSS OR DAMAGE AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, OF WHATSOEVER KIND OR CHARACTER, WHETHER REAL OR ASSERTED, ARISING OUT OF OR IN CONNECTION WITH THE EXECUTION, PERFORMANCE, ATTEMPTED PERFORMANCE, OR NONPERFORMANCE OF THIS AGREEMENT AND/OR THE OPERATIONS, ACTIVITIES, AND SERVICES OF THE PROJECT DESCRIBED HEREIN; AND DEVELOPER HEREBY ASSUMES ALL LIABILITY AND RESPONSIBILITY OF CITY AND ITS OFFICERS, AGENTS, SERVANTS, AND EMPLOYEES FOR ANY AND ALL CLAIMS OR SUITS FOR PROPERTY LOSS OR DAMAGE AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, OF WHATSOEVER KINDS OR CHARACTER, WHETHER REAL OR ASSERTED, ARISING OUT OF OR IN CONNECTION WITH THE EXECUTION, PERFORMANCE, ATTEMPTED PERFORMANCE, OR NONPERFORMANCE OF THIS AGREEMENT AND AGREEMENT AND/OR THE OPERATIONS, ACTIVITIES, AND SERVICES OF THE PROJECT DESCRIBED HEREIN.

DEVELOPER LIKEWISE COVENANTS AND AGREES TO AND DOES HEREBY INDEMNIFY AND HOLD HARMLESS CITY FROM AND AGAINST ANY AND ALL INJURY, DAMAGE, OR DESTRUCTION OF PROPERTY OF CITY, ARISING OUT OF OR IN CONNECTION WITH ALL ACTS OR OMISSIONS OF DEVELOPER, ITS OFFICERS, MEMBERS, AGENTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, INVITEES, LICENSEES, OR PROJECT PARTICIPANTS IN THE PERFORMANCE OF THIS AGREEMENT.

DEVELOPER AGREES TO AND SHALL RELEASE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT.

DEVELOPER SHALL REQUIRE ALL OF ITS CONTRACTORS AND SUBCONTRACTORS TO INCLUDE IN THEIR AGREEMENTS AND SUBAGREEMENTS A RELEASE AND INDEMNITY IN FAVOR OF CITY IN SUBSTANTIALLY THE SAME FORM AS ABOVE.

THE INDEMNITY PROVIDED FOR ABOVE SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OR FAULT OF CITY, ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRING NEGLIGENCE OR FAULT OF CITY AND DEVELOPER, RESPONSIBILITY AND INDEMNITY, IF ANY, SHALL BE APPORTIONED IN ACCORDANCE WITH THE LAW OF THE STATE OF TEXAS, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

THE PROVISIONS OF THIS SECTION SHALL SURVIVE TERMINATION OR THE EXPIRATION OF THIS AGREEMENT.

SECTION 13. CONFIDENTIALITY

The City acknowledges that Developer possesses certain sensitive, private information gathered from its clients, employees, business partners, and other entities ("**Private Information**"). Except as necessary to comply with the requirements contained herein, Developer shall take reasonable precautions to eliminate the providing of Private Information to the City. To the extent any Private Information must be provided pursuant to this Agreement, Developer shall make every reasonable effort to minimize the Private Information provided. Where employee names must be provided, Developer shall use first name and first initial of the employee's last name to identify the employee. These confidentiality provisions are not intended to limit Developer's ability to perform pursuant to the Agreement. If any Private Information must be provided, the City agrees, represents and warrants that it will take appropriate precautions not to disclose Private Information except as provided in this Agreement. Developer understands that the City is required to comply with the Texas Public Information Act ("**TPIA**") when responding to records requests made under TPIA. If the City receives a request for information related to this Agreement, the City shall make a good faith attempt to notify Developer of its receipt of the request by the 10th business day, and Developer may seek a decision from the Texas Attorney General's Office identifying the exception or exceptions to disclosure believed to apply. The Parties acknowledge that TPIA requires a brief to be submitted to the Attorney General's Office explaining why the claimed exceptions apply to the information at issue. The City shall not be obligated to submit the brief supporting those

claimed exceptions; instead, Developer shall be solely responsible for submitting the brief and the documents at issue to the Attorney General's Office. The City shall only be responsible for providing such additional supporting information as the Attorney General's Office may need, if such information is in the sole possession of the City. Should the Texas Attorney General render a decision indicating that all or part of the information must be disclosed, the City shall be required to disclose the information unless Developer successfully challenges the Attorney General in accordance with the requirements of TPIA. Nothing in this Agreement shall require the City to institute or to participate in any litigation relating to a TPIA request for information that Developer considers to be confidential.

SECTION 14. NOTICES

Any notice required by this Agreement shall be deemed to be properly served if hand-delivered, or deposited in the U.S. mail by certified letter, return receipt requested, addressed to the recipient at recipient's address listed herein, subject to the right of either party to designate a different address by notice given in the manner just described. Mailed notices shall be deemed communicated as of three (3) business days after mailing.

If intended for the City, to:

City of Dallas
Office of Economic Development
Attn: Director
1500 Marilla Street, Room 6DN
Dallas, Texas 75201

Copy to:

City of Dallas
City Attorney's Office
Attn: Community & Economic
Development Section
1500 Marilla Street, Room 7DN
Dallas, Texas 75201

If intended for Developer, to:

I-20 Lancaster Development, LLC
Attn: Arthur Santa-Maria, Vice President
Hoque Global
1717 Main Street, Suite 5630
Dallas, TX 75201

SECTION 15. RIGHT OF OFFSET

The City may, at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to the City from Developer, regardless of whether the amount due arises pursuant to the terms of this Agreement or otherwise and regardless of whether or not the debt due to the City has been reduced to judgment by a court. If the City chooses to offset any

debts as provided herein, all debts that are fully offset will be deemed satisfied and no longer a debt of Developer thereafter.

SECTION 16. VENUE

The obligations of the Parties to this Agreement shall be performable in Dallas County, Texas, and if legal action is necessary in connection with or to enforce rights under this Agreement, exclusive venue shall lie in Dallas County, Texas.

SECTION 17. CONFLICT OF INTEREST

- A. Developer and its employees, agents or associates are required to make regular, timely, continual and full disclosures to the Director of all significant outside interests and responsibilities that may give rise to a direct or indirect conflict of interest, including, but not limited to, any and all significant outside interests and responsibilities that could reasonably be expected to impair independence of judgment in Developer's performance of all of the commitments under this Agreement. Such disclosures must be made no later than ten (10) days following the event giving rise to the potential or actual conflict of interest for the duration of this Agreement. A potential or actual conflict of interest exists when commitments and obligations to the City or widely recognized professional norms are likely to be compromised in Developer's performance of its duties under this Agreement by the existence of Developer's other professional relationships, contracts, obligations, or commitments. Failure to disclose such a conflict of interest may result in the City's immediate termination of this Agreement by the City Manager.
- B. The following section of the Charter of City of Dallas shall be one of the conditions, and a part of, the consideration of this Contract, to wit:

"CHAPTER XXII. Sec. 11. FINANCIAL INTEREST OF EMPLOYEE OR OFFICER PROHIBITED --

- (a) No city official or employee shall have any financial interest, direct or indirect, in any contract with the city, or be financially interested, directly or indirectly, in the sale to the city of any land, materials, supplies or services, except on behalf of the city as a city official or employee. Any violation of this section shall constitute malfeasance in office, and any city official or employee guilty thereof shall, thereby, forfeit the city official's or employee's office or position with the city. Any violation of this section, with knowledge, express or implied, of the person or corporation contracting with the city shall render the contract involved voidable by the city manager or the city council.

- (b) The alleged violations of this section shall be matters to be determined either by the trial board in the case of employees who have the right to appeal to the trial board, and by the city council in the case of other employees.
- (c) The prohibitions of this section shall not apply to the participation by city employees in federally funded housing programs, to the extent permitted by applicable federal or state law.
- (d) This section does not apply to an ownership interest in a mutual or common investment fund that holds securities or other assets unless the person owns more than 10 percent of the value of the fund.
- (e) This section does not apply to non-negotiated, form contracts for general city services or benefits if the city services or benefits are made available to the city official or employee on the same terms that they are made available to the general public.
- (f) This section does not apply to a nominee or member of a city board or commission, including a city appointee to the Dallas Area Rapid Transit Board. A nominee or member of a city board or commission, including a city appointee to the Dallas Area Rapid Transit Board, must comply with any applicable conflict of interest or ethics provisions in the state law and the Dallas City Code. (Amend. of 8-12-89, Prop. No. 1; Amend. of 8-12-89, Prop. No. 15; Amend. of 11-4-14, Prop. Nos. 2 and 9)”

SECTION 18. GIFT TO PUBLIC SERVANT

The City may terminate this Agreement immediately if Developer has offered, conferred, or agreed to confer any benefit upon a City employee or official that the City employee or official is prohibited by law from accepting.

For purposes of this section, “benefit” means anything reasonably regarded as economic advantage, including benefit to any other person in whose welfare the beneficiary is interested, but does not include a contribution or expenditure made and reported in accordance with law.

Notwithstanding any other legal remedies, the City may require Developer to remove any employee of Developer from the Project who has violated the restrictions of this section or any similar state or federal law and obtain reimbursement for any expenditures made to Developer as a result of the improper offer, agreement to confer, or conferring of a benefit to a City employee or official.

SECTION 19. EQUAL EMPLOYMENT OPPORTUNITY/NONDISCRIMINATION

- A. Developer shall not discriminate against any employee or applicant for employment because of race, age, color, ancestry, national origin, place of birth, religion, sex, sexual orientation, gender identity and expression, military or veteran status, genetic characteristics, or disability unrelated to job performance. Developer shall take affirmative action to ensure that applicants are employed and that employees are treated during their employment without regard to their race, age, color, ancestry, national origin, place of birth, religion, sex, sexual orientation, gender identity and expression, military or veteran status, genetic characteristics, or disability unrelated to job performance. This action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection of training, including apprenticeship. Developer shall also comply with all applicable requirements of the Americans with Disabilities Act, 42 U.S.C.A. §§12101-12213, as amended. Developer agrees to post in conspicuous places a notice, available to employees and applicants, setting forth the provisions of this non-discrimination clause.
- B. Developer shall, in all solicitations or advertisements for employees placed by or on behalf of Developer, state that all qualified applicants will receive consideration for employment without regard to race, age, color, ancestry, national origin, place of birth, religion, sex, sexual orientation, gender identity and expression, military or veteran status, genetic characteristics, or disability unrelated to job performance.
- C. Developer shall furnish all information and reports required by the City Manager or his designee and shall permit the City Manager or his designee to investigate its payrolls and personnel records which pertain to current service contracts with City for purposes of ascertaining compliance with this equal employment opportunity clause.
- D. Developer shall file compliance reports with City as may be required by the City Manager or his designee. Compliance reports must be filed within the time, must contain information as to the employment practices, policies, programs, and statistics of Developer, and must be in the form that the City Manager or his designee prescribes.
- E. If Developer fails to comply with the equal employment opportunity provisions of this Agreement, it is agreed that City at its option may do either or both of the following:
 - (1) Cancel, terminate or suspend this Agreement in whole or in part if (a) the City provides written notice to Developer of Developer's failure to comply with the equal employment opportunity provisions of this Section, and (b) Developer fails to come into compliance with the provisions of this Section within thirty (30) days of receiving such written notice from the City;

- (2) Declare Developer ineligible for further City contracts until it is determined to be in compliance.

SECTION 20. GOVERNING LAW

This Agreement is made subject to the provisions of the Charter and ordinances of the City, as amended, and all applicable State and federal laws. This Agreement shall be governed by, and construed in accordance with, the laws and court decisions of the State of Texas.

SECTION 21. LEGAL CONSTRUCTION

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and in lieu of each provision that is found to be illegal, invalid or unenforceable, a provision shall be added which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

SECTION 22. NOTICE OF CONTRACT CLAIM

This Agreement is subject to the provisions of Section 2-86 of the Dallas City Code, as amended, relating to requirements for filing a notice of breach of contract claim against the City. Section 2-86 of the Dallas City Code, as amended, is expressly incorporated by reference and made a part of this Agreement as if written word for word in this Agreement. Developer shall fully comply with the requirements of this ordinance as a condition precedent to any claim relating to this Agreement, in addition to all other requirements in this Agreement related to claims and notice of claims.

SECTION 23. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument. If this Agreement is executed in counterparts, then it shall become fully executed only as of the execution of the last such counterpart called for by the terms of this Agreement to be executed.

SECTION 24. CAPTIONS

The captions to the various clauses of this Agreement are for informational purposes only and shall not alter the substance of the terms and conditions of this Agreement.

SECTION 25. PROPERTY TRANSFER RESTRICTIONS

Subject to the provisions of Section 3.D(8) relating to Approved Builders, Developer shall not enter into a contract to sell, lease, encumber, or otherwise transfer any portion of the property in

the Project to a non-affiliated entity without the Director's prior written consent, which consent shall not be unreasonably withheld. Transfer without such consent shall be a Default of the Agreement. If any of the property in the Project is planned to be transferred to non-affiliated entities (not related to Developer), at least 30 calendar days before the Developer enters into a contract with a non-affiliated entity for any portion of the Project, Developer shall submit financial and management background information for review by the Director to consider written consent. All terms, conditions and obligations of this Agreement shall be binding upon Developer's successors and assigns of any such transfer in connection with such property.

SECTION 26. ASSIGNMENT; SUCCESSORS AND ASSIGNS

- A. Assignment of Obligations. Developer shall not assign its obligations under to any party other than an affiliate of the Developer this Agreement without the prior written consent of Director, which consent shall not be unreasonably withheld.
- B. Collateral Assignment of Receivables. Developer and any assignee have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, or interest under this agreement for the benefit of their respective lenders without the consent of, but with prior written notice to the Director. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate the lender to perform any obligations or incur any liability under this Agreement unless the lender agrees in writing to perform such obligations or incur such liability.
- C. Assignment or Transfer of Receivables. Any receivables due under this Agreement may be assigned by Developer or assignee upon providing the Director with written notice within thirty (30) calendar days of such assignment. Developer and assignee have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, interest under this Agreement for the benefit of their respective lenders without the consent of, but with written notice to, the Director. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate the lender to perform any obligations or incur any liability under this Agreement. The City may also, at the request of the Developer, enter into contracts with the University Hills Municipal Management District ("UHMMD") to provide for payment of the TIF Subsidy directly to UHMMD to secure any bonds or obligations secured by or otherwise expected to be paid, in whole or in part from the TIF Subsidy.

SECTION 27. CERTIFICATION OF EXECUTION

The person or persons signing and executing this Agreement on behalf of Developer or representing themselves as signing and executing this Agreement on behalf of Developer, do hereby warrant and certify that he, she or they have been duly authorized by Developer to execute

this Agreement on behalf of Developer and to validly and legally bind Developer to all terms, performances and provisions herein set forth.

SECTION 28. AMENDMENTS; ENTIRE AGREEMENT

- A. Amendments. This Agreement may be modified or amended only by written agreement of the Parties, to be attached to and made a part of this Agreement.
- B. Entire Agreement. This Agreement (with all referenced recitals, exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement of both Parties, superseding all oral or written previous and contemporary agreements between the Parties relating to matters set forth in this Agreement. Except as otherwise provided elsewhere in this Agreement, this Agreement cannot be modified without written supplemental agreement executed by both Parties.

[SIGNATURE PAGE TO FOLLOW]

EXECUTED and effective as of the 22nd day of June 2022 by City, signing by and through its City Manager, duly authorized to execute same by Resolution No. 22-1008, as amended, approved by the City Council on June 22, 2022 and Resolution No. 24-1812, approved by the City Council on December 11, 2024, and by Developer, acting through its duly authorized officials.

APPROVED AS TO FORM:

TAMMY L. PALOMINO

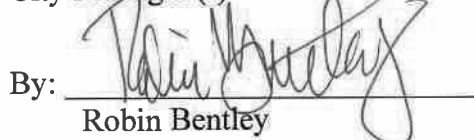
City Attorney

By: 
Assistant City Attorney LM

CITY OF DALLAS

KIMBERLY BIZOR TOLBERT

City Manager (I)

By: 
Robin Bentley
Assistant City Manager (I)

RECOMMENDED BY DIRECTOR:



Kevin Spath, Office of Economic Development (I)

DEVELOPER:

I-20 LANCASTER DEVELOPMENT, LLC

a Texas limited liability company

By: 
Arthur Santa-Maria

Date: February 11, 2025

ATTACHMENT(S):

- Attachment 1** University TIF District Project Plan and Reinvestment Zone Financing Plan
Attachment 2 Resolution No. 22-1008, approved on June 22, 2022
Attachment 3 Resolution No. 24-1812, approved on December 11, 2024

EXHIBIT(S):

- Exhibit A** Legal Description of Property
Exhibit B Project Map (Phase I) and Conceptual Master Plan (Phases I-IV)
Exhibit C-1 Specific Wastewater Infrastructure Improvement
Exhibit C-2 Specific Stormwater Infrastructure Improvement
Exhibit D Project Budget
Exhibit E Design Guidelines Book (including UDPRP review)
Exhibit F TIF Subsidy Budget Allocation
Exhibit G Form: Quarterly Status Report
Exhibit H Form: Semi Annual Compliance Report
Exhibit I Approved Builders
Exhibit J Form: Affirmative Fair Housing Marketing Plan
Exhibit K-1 Payment Checklist for PPP Grant: Development Fees
Exhibit K-2 Payment Checklist for PPP Grant: Specific Wastewater Infrastructure Improvement
Exhibit L-1 Payment Checklist for TIF Subsidy: Specific Stormwater Infrastructure Improvement
Exhibit L-2 Payment Checklist for TIF Subsidy: Balance after all Agreement Obligations
Exhibit M University TIF District Grant Program Guidelines
Exhibit N University TIF District Increment Allocation Policy
Exhibit O City of Dallas Business Inclusion and Development Program
Exhibit P Certification Regarding the Employment of Undocumented Workers

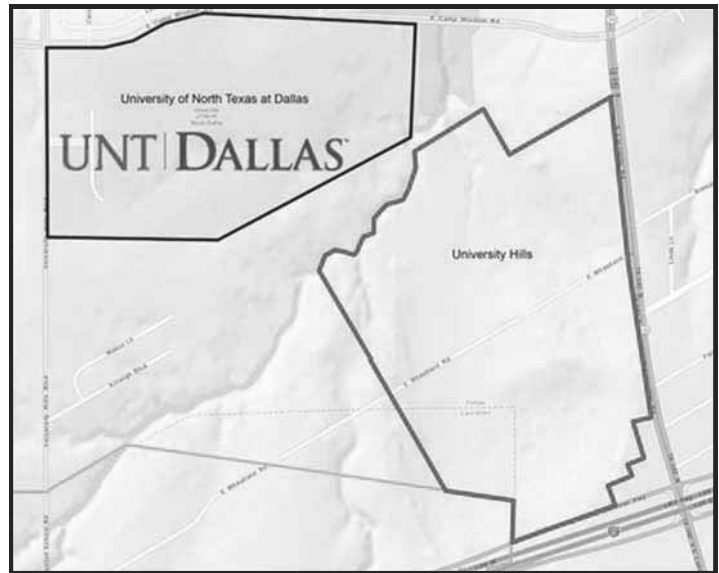
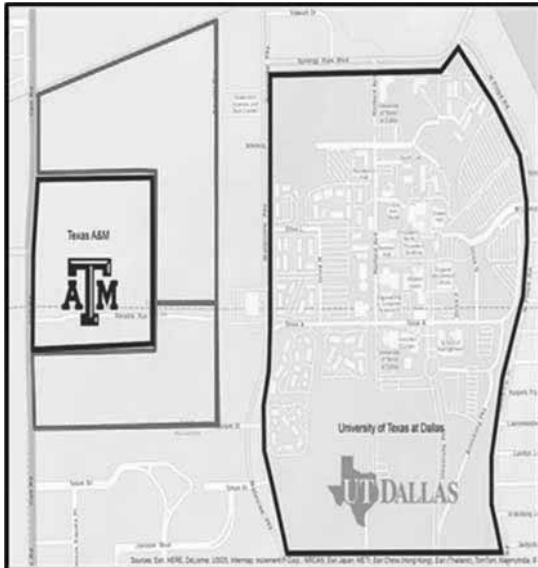
Attachment 1

UNIVERSITY

TAX INCREMENT FINANCING DISTRICT

(Tax Increment Reinvestment Zone No. 21)

**COMPRISING TWO SUB-DISTRICTS: UNIVERSITY CENTER IN NORTHERN DALLAS
AND UNIVERSITY HILLS IN SOUTHERN DALLAS**



PROJECT PLAN

&

REINVESTMENT ZONE FINANCING PLAN

December 9, 2020



City of Dallas

Acknowledgements

The University TIF District Project Plan and Reinvestment Zone Financing Plan was prepared by the City of Dallas, Office of Economic Development based on an initial document prepared by David Pettit Economic Development, LLC. The Office of Economic Development wishes to acknowledge the efforts of everyone who contributed to the development of this plan, including the following individuals:

City of Dallas

T.C. Broadnax	City Manager
Dr. Eric A. Johnson	Chief of Economic Development & Neighborhood Services
Courtney D. Pogue	Director, Office of Economic Development, OED
Kevin Spath	Area Redevelopment Assistant Director, OED
Sue Hounsel	Economic Development District Manager, OED
Barbara Martinez	Assistant City Attorney, City Attorney's Office
Andrea Storer	Assistant City Attorney, City Attorney's Office

Dallas City Council

Mayor Eric Johnson
District 1 - Chad West
District 2 – Mayor Pro Tem Adam Medrano
District 3 – Casey Thomas, II
District 4 – Carolyn King Arnold
District 5 - Jaime Resendez
District 6 – Omar Narvaez
District 7 – Adam Bazaldua
District 8 - Tennell Atkins
District 9 – Paula Blackmon
District 10 – Deputy Mayor Pro Tem Adam McGough
District 11 - Lee M. Kleinman
District 12 - Cara Mendelsohn
District 13 - Jennifer Staubach Gates
District 14 - David Blewett

University TIF District Board of Directors

City of Dallas	Adam Brenner
City of Dallas	Ronald J. Corcoran
City of Dallas	Trevor Kollinger
City of Dallas	Karla Beth Saucedo
City of Dallas	Christopher M. Zielke

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Section 1: Project Plan

Background

The University Tax Increment Financing (“TIF”) District (“University TIF District” or “District”) represents the City of Dallas’ effort to encourage the sustainable development of properties in close proximity to three major North Texas Universities while taking advantage of each area’s strategic regional location at the crossroads of key transportation corridors. The District is comprised of two noncontiguous sub-districts - the University Center Sub-District in northern Dallas and the University Hills Sub-District in southern Dallas. Both sub-districts are located within the corporate limits of the City of Dallas.

The University TIF District was designated a reinvestment zone in December 2017 pursuant to a petition submitted to the City by owners of property constituting at least 50% of the appraised value of the property in the District in accordance with Chapter 311.005(a)(4) of the Texas Tax Increment Financing Act (the “Act”). Centurion American Development Group (“CADG”) represents the owners in the District.

The objective in creating a noncontiguous District linking northern and southern Dallas is to allow increment sharing that will provide subsidies for the public infrastructure in the underserved University Hills area that would not otherwise occur. With the assistance of the University TIF District, quality development such as, public open space and transit connections, will be greater than without the District. Further, by overseeing the development in the University Hills area, the City can best protect City resources and ensure that public subsidies are used appropriately.

Pursuant to the Act, the Dallas City Council (the “City Council”) designated the District by Ordinance No. 30733 on December 13, 2017:

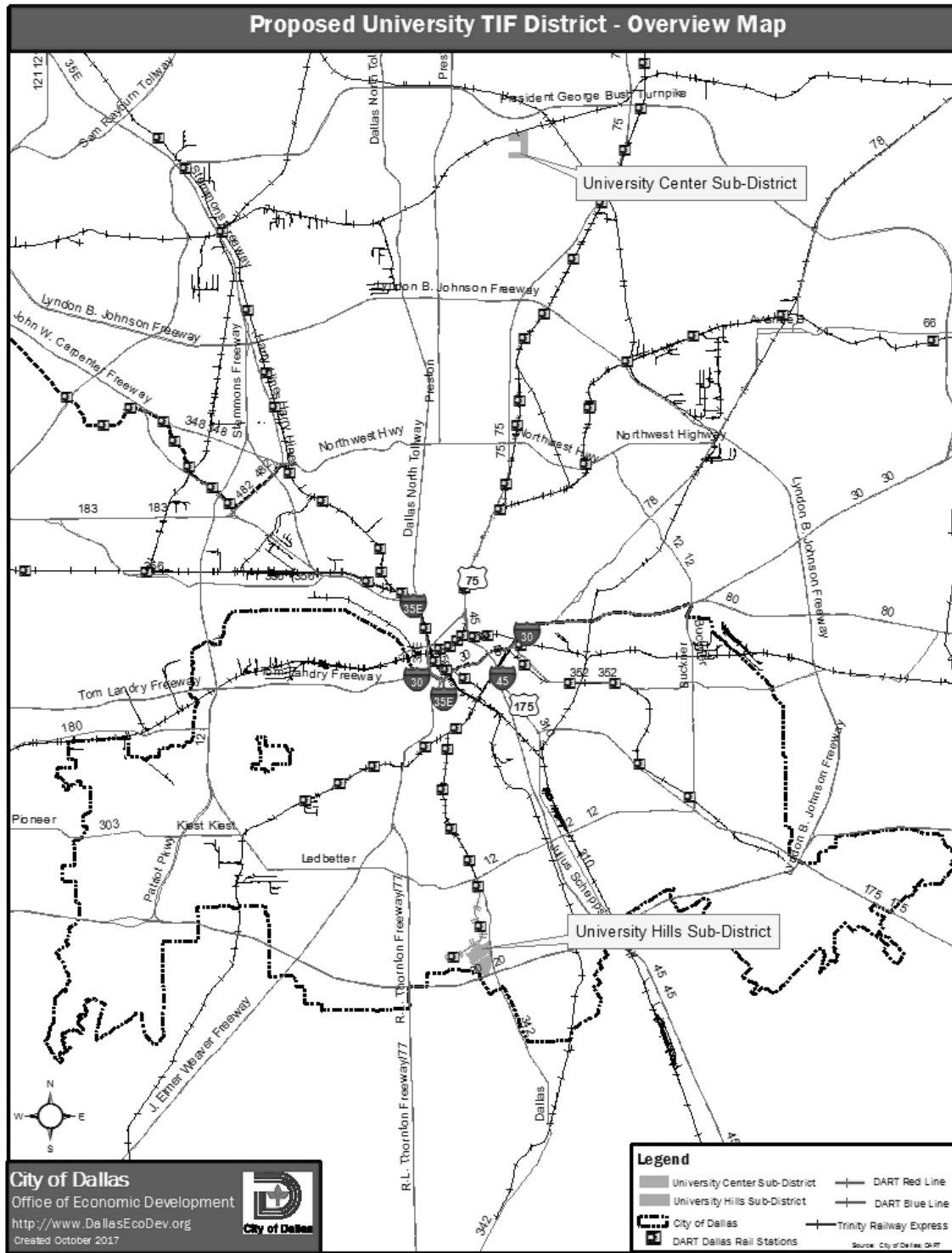
- Designating Tax Increment Financing Reinvestment Zone Number Twenty-One (the University TIF District);
- Establishing the original boundaries for the University TIF District;
- Adopting a preliminary project and financing plan; and
- Establishing a Board of Directors for the University TIF District.

The total 2017 taxable appraised value of real property within the University TIF District was \$49,774,442. This amount is the tax increment base value for the District as may be adjusted in the future to reflect tax roll corrections, that affect the 2017 valuation of properties within the District.

The duration of the University TIF District is 30 years. The District’s base year is 2017. Year 1 of the District began on January 1, 2018, and the District is scheduled to terminate December 31, 2047 (including collection of the 2047 tax year increment in calendar year 2048 and any related matters to be concluded in 2048). TIF collections will terminate once the TIF budget has been collected or December 31, 2047, whichever occurs first. The City’s participation is proposed to be 90% from 2018 through 2047. A potential scenario for Dallas County participation for the University Hills Sub-District only has been presented in

this Plan that forecasts participation at 65% for 20-years in tax years 2025-2044. Due to the economic uncertainty resulting from the pandemic that began in early 2020, formal discussions with Dallas County are likely to be postponed for at least a year.

Exhibit A



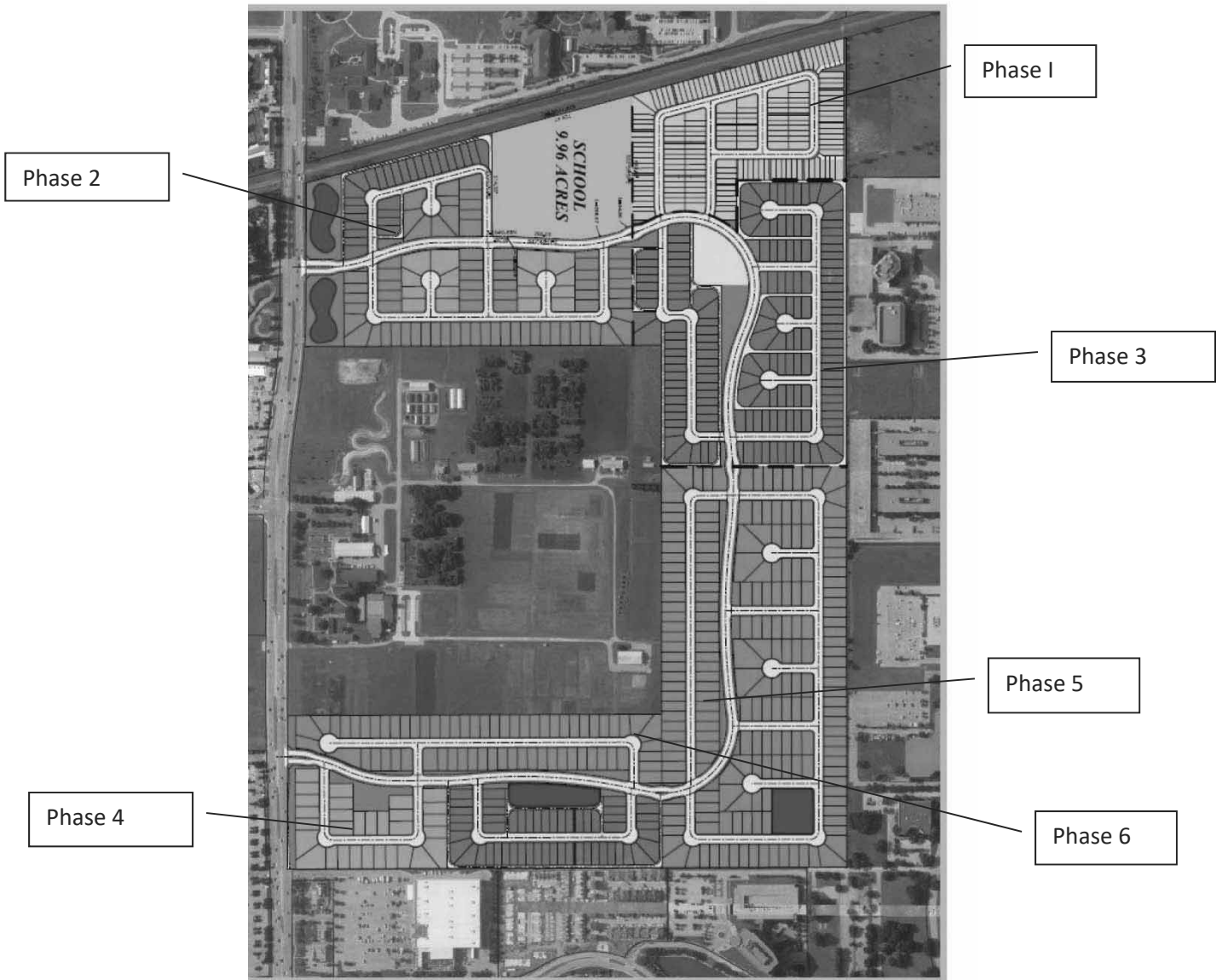
University Center Sub-District

Located to the east of Coit Road with Reveille Run passing through the middle, the University Center Sub-District is situated to the west of the University of Texas at Dallas' campus in Richardson, Texas spanning both Dallas and Collin Counties. The future Cotton Belt (Silver Line) of the DART Rail System will connect along the northern portion of the University Center Sub-District, providing additional transportation to the area.

The University Center Sub-District offers a prime location for development with its proximity to the University of Texas at Dallas, as well as Texas A&M's AgriLife Research and Extension Center at Dallas. The Sub-District is located in proximity to two major thoroughfares: President George Bush Turnpike to the north and US Highway 75 to the east. The area is located 30 minutes from Dallas Fort Worth International Airport and Dallas Love Field Airport. The University Center Sub-District contains 161.08 acres, with 102.8 acres located in Collin County and 59 acres in Dallas County.

The proposed development for the University Center Sub-District (as shown in Exhibit B) for the area is a residential development with an amenity center. In accordance with the forwardDallas! Comprehensive Plan Vision, the University Center Sub-District will increase opportunities for owner-occupied housing. Based on public research and community workshops, the Dallas community identified an unmet demand for home ownership, including traditional single-family homes that were in close proximity to mixed-use areas. With the future Cotton Belt (Silver Line) of the DART Rail System, this development will have access to transit.

Exhibit B University Center Proposed Development Plan



LEGEND	
	26' x 105' LOTS
	40' x 110' LOTS
	50' x 115'-120' LOTS
	60' x 120' LOTS
	LANDSCAPE
	DETENTION
	AMENITY CENTER
	SCHOOL

Existing Conditions

At the time that the City Council designated the University TIF District in 2017, the University Center Sub-District was undeveloped. Although it was anticipated that residential development would occur without TIF incentives; open space and transit connections are more likely to occur in a comprehensive manner with public assistance and oversight.

DART's planned expansion of the light rail system along the Cotton Belt (Silver Line) is anticipated to be a potential asset for the University Center Sub-District. See Exhibit C for a map of existing conditions in the Sub-District.

Existing Zoning and Existing Land Uses

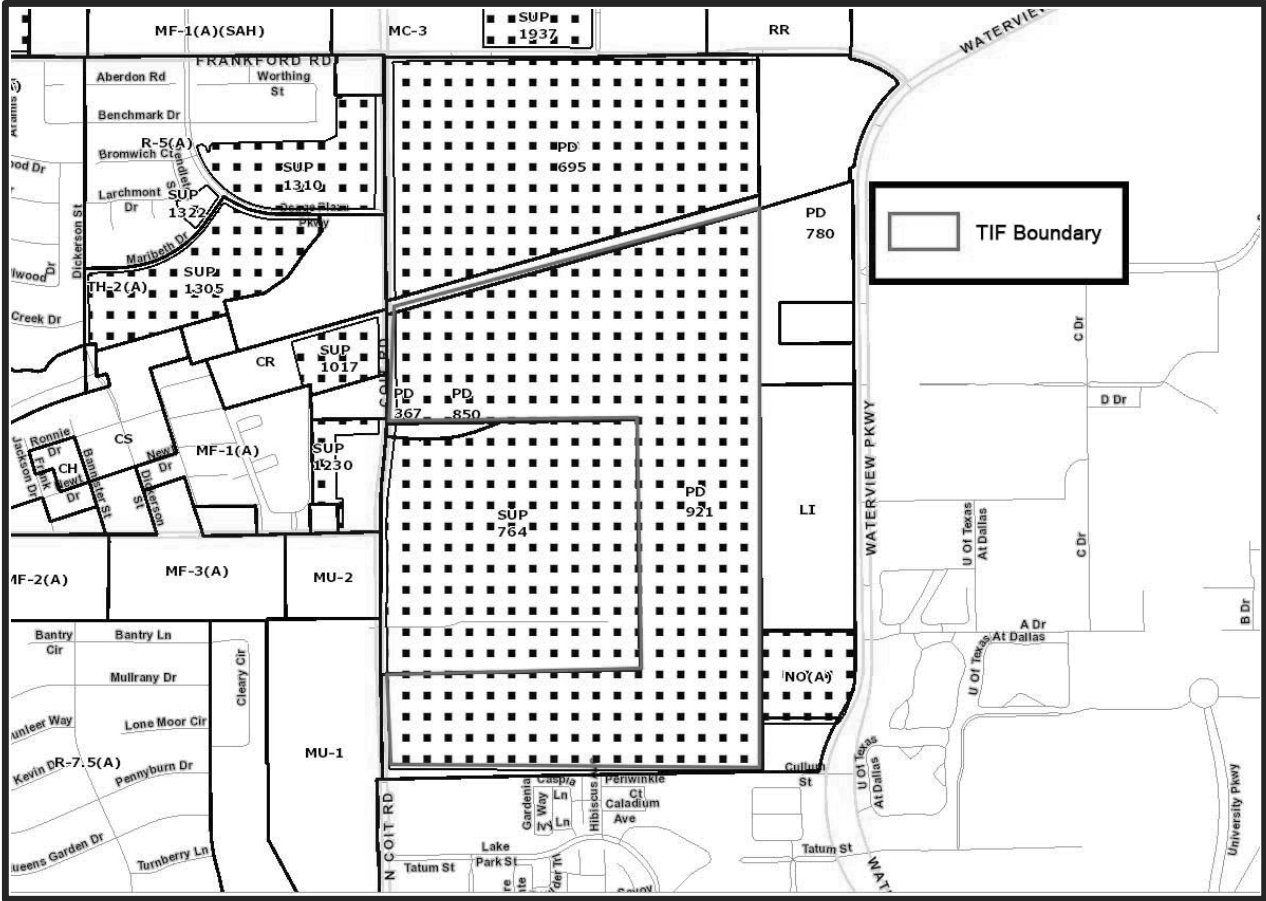
The University Center Sub-District is currently zoned as PD-921. See Exhibit D for a map of existing zoning in the Sub-District.

Pursuant to Ordinance No. 30733 approved December 13, 2017, designating the University TIF District, the City Council cited specific findings that the University Center area was unproductive and underdeveloped, substantially impaired the sound growth of the municipality, and had a severe lack of parks and open spaces. The University Center Sub-District is consistent with the City's forwardDallas! Comprehensive Plan and will serve as a long-term tool to implement the shared vision for the area by further leveraging the regulatory standards already in place to encourage new private development in proximity to employment and transit.

Exhibit C
Existing Conditions Images
(as of 2017)
University Center Sub-District



Exhibit D Existing Zoning University Center Sub-District

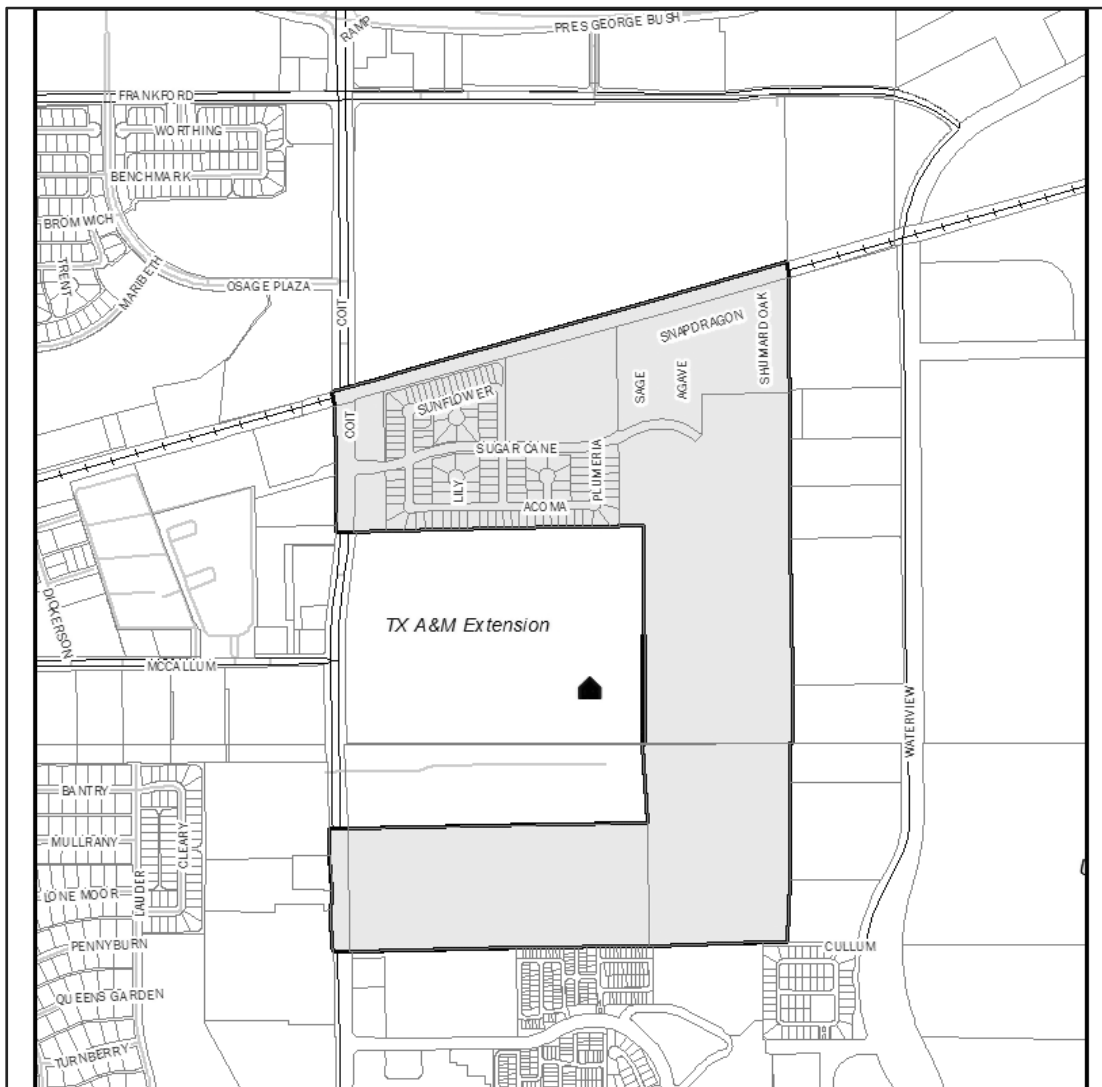


Description of the University Center Sub-District

As depicted by the map in Exhibit E, the University Center Sub-District is generally located east of Coit Road, west of Waterview Parkway, and south of the Dallas Area Rapid Transit (“DART”) rail line (future Cotton Belt Silver Line of the DART Rail System). The Sub-District encompasses approximately 161 acres, not including rights-of-way.

Based on the 2017 certified tax roll from the Dallas Central Appraisal District (“DCAD”) and Collin County Appraisal District (“CCAD”), the total appraised value of taxable real property (161.08 acres) in the Sub-District was \$44.5 million. The base value may be adjusted in the future for any tax roll corrections.

Exhibit E University Center Sub-District Map



University Hills Sub-District

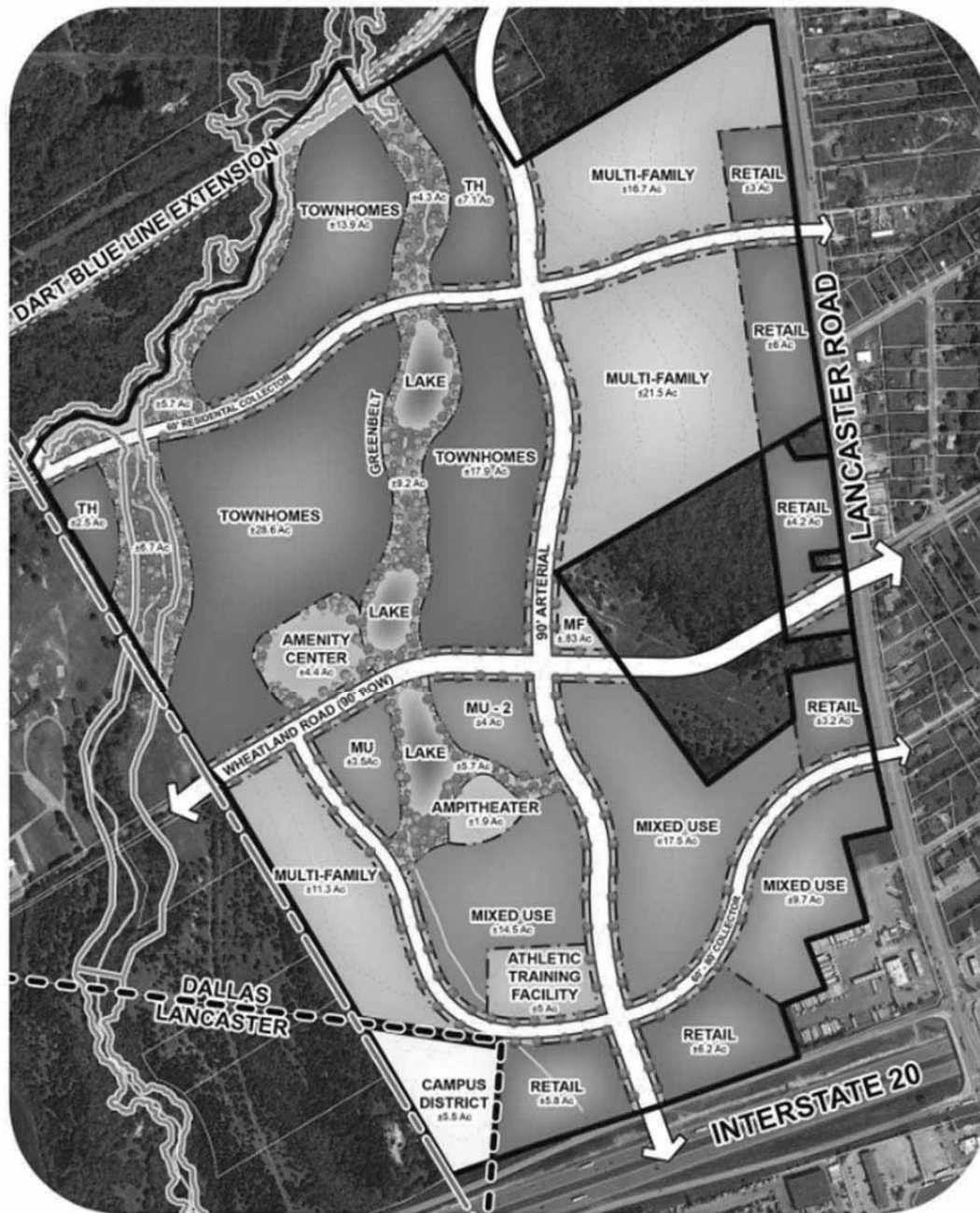
Located in southern Dallas, the University Hills Sub-District is in close proximity to the University of North Texas at Dallas. The proposed development projects in the Sub-District are planned to feature a variety of residential options, including villas, townhomes, single family residences and multi-family developments. Additional planned development includes retail, restaurants and entertainment venues.

The Blue Line Extension project by DART, which provides a station at the UNT Dallas campus, broke ground in October 2014 and was completed in 2016. The completion of this station provides additional transportation options for the University Hills area.

The University Hills Sub-District is located within southern Dallas which has been a priority for economic development initiatives including the past GrowSouth campaign and the Dallas Office of Economic Development 2013 Strategic Engagement Plan.

TIF-subsidized development in the University Hills Sub-District will increase the outcomes anticipated by the forwardDallas! Comprehensive Plan Vision and UNT – Dallas Area Plan by bringing jobs to the area, offering convenient transportation, and providing diverse housing and recreational activities. The University Hills Sub-District will create strong and healthy neighborhoods, enhance transportation systems due to its location on DART's Blue Line extension, and make quality housing more accessible.

Exhibit F University Hills Area Development Concept



*Land Use Concept is preliminary and shown for illustrative purposes only and subject to change. Final design may be affected by zoning and market driven conditions.

a conceptual development plan for
UNIVERSITY HILLS
Dallas, Texas



Existing Conditions

The University Hills Sub-District is undeveloped and lacks public infrastructure. The District's "TIF fund" or "tax increment fund" shall be defined as all taxes paid into the City's tax increment fund for the University TIF District by each participating taxing entity. TIF funding support is needed to stimulate private investment in the area to occur earlier, to a higher quality, and to a greater extent than would occur solely through private investment in the reasonably foreseeable future. See Exhibit G for a map of existing conditions in the Sub-District.

Existing Zoning and Existing Land Uses

The University Hills Sub-District currently includes the following types of zoning: PD- 624, MF-2, LO-1, TH-2 and CR. See Exhibit H for a map of existing zoning in the Sub- District.

Pursuant to Ordinance No. 30733 approved December 13, 2017, designating the University TIF District, the City Council cited specific findings that the University Hills area is unproductive and underdeveloped and substantially impairs the sound growth of Dallas, retards the provision of housing accommodations, constitutes an economic and social liability, and severely lacks infrastructure as well as parks and open spaces. The Sub-District is consistent with the City's adopted Area Plan and will serve as a long-term tool to implement the shared vision for the area by further leveraging the regulatory standards already in place. The public improvement program of the Sub-District will encourage new private redevelopment that is not likely to occur solely through private investment, thereby offering employment and quality living for the people of Dallas for years to come.

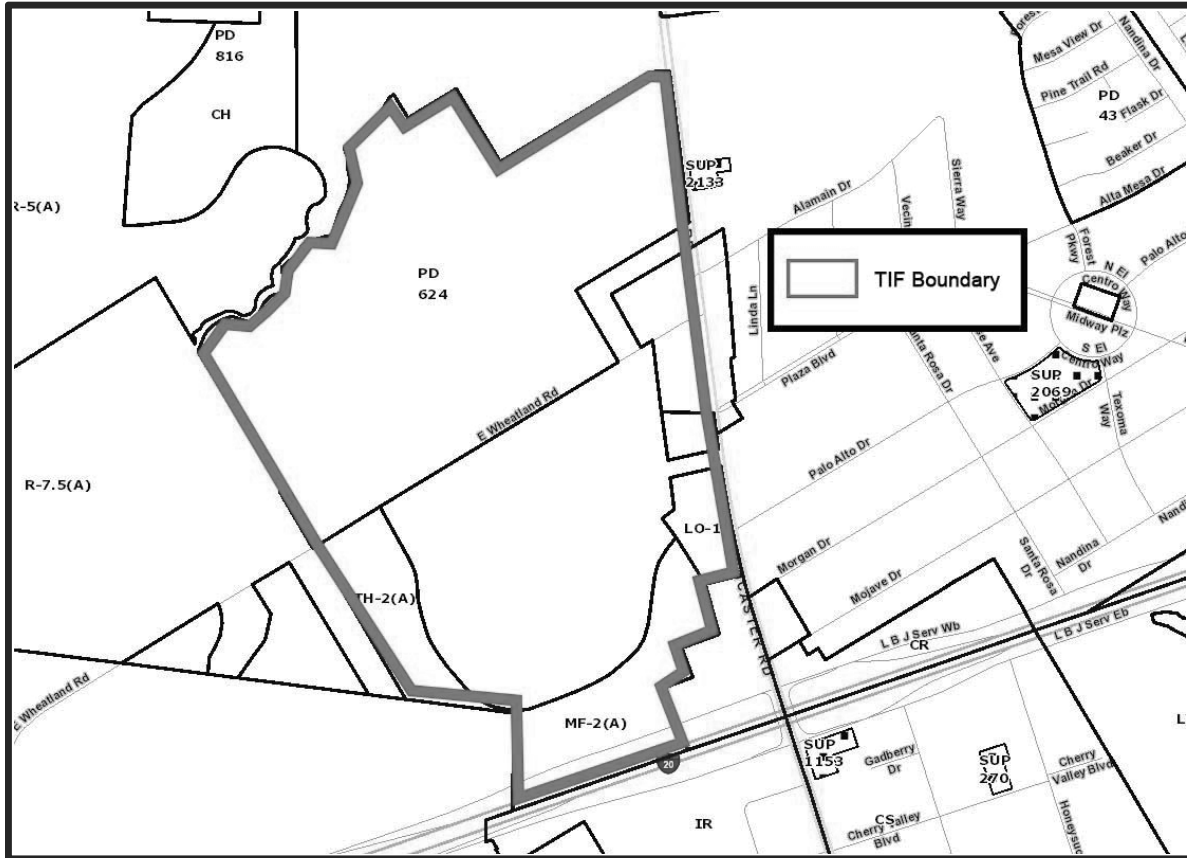
Exhibit G
Existing Conditions Images
(as of 2017)
University Hills Sub-District



Exhibit H

Existing Zoning

University Hills Sub-District

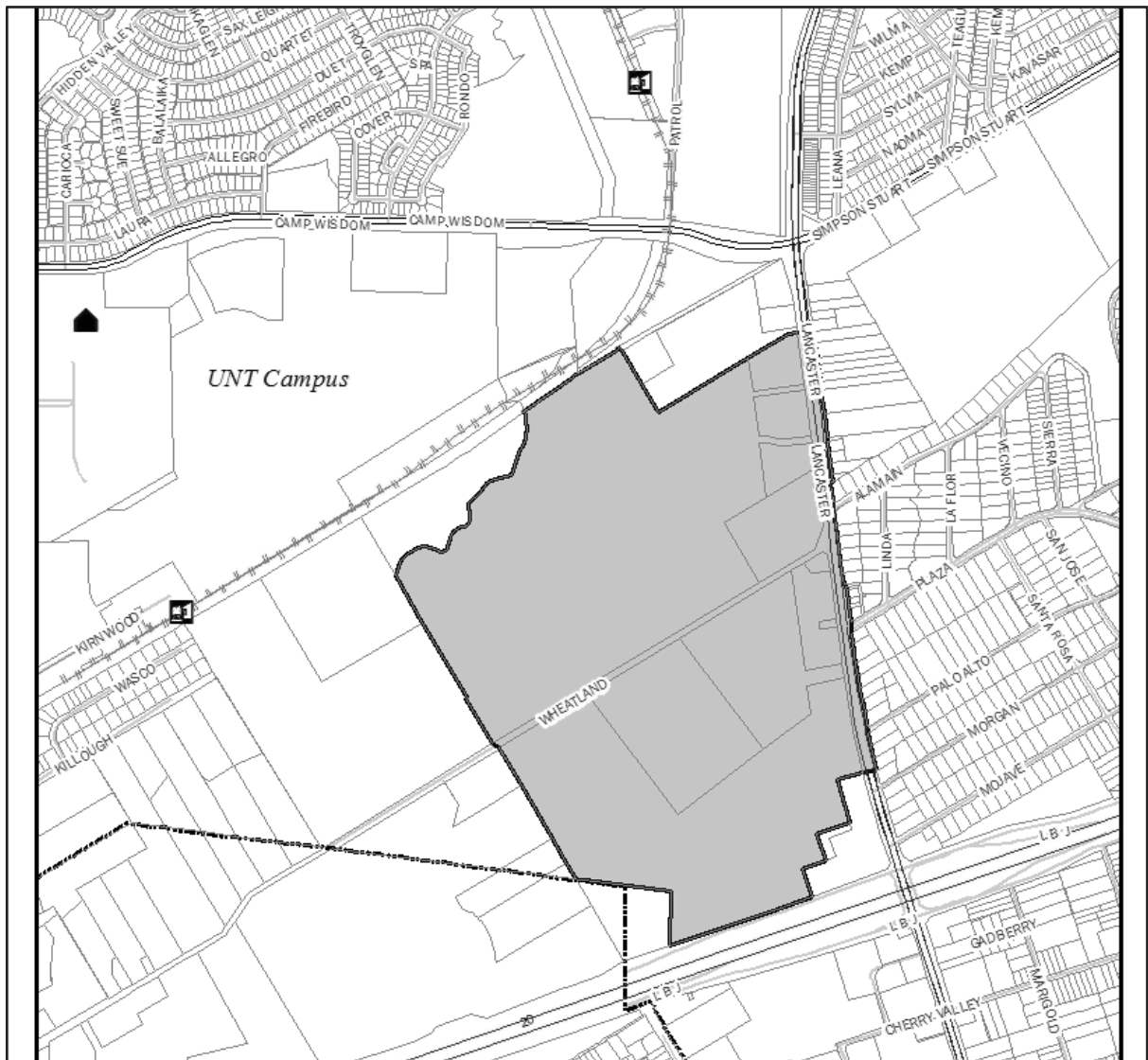


Description of the University Hills Sub-District

As depicted on the map in Exhibit I, the University Hills Sub-District is generally located north of Interstate Highway 20 (Lyndon B. Johnson Freeway), west of Lancaster Road, and south of the DART rail line. The Sub-District encompasses approximately 297 acres, not including rights-of-way.

Based on the 2017 certified tax roll from DCAD, the total appraised value of taxable real property in the University Hills Sub-District was \$5,251,337. The base value may be adjusted in the future to reflect any tax roll corrections.

Exhibit I University Hills Sub-District Map



General Considerations

At the time the City Council designated the University TIF District, the total appraised value of the proposed zone and other existing reinvestment zones was approximately 11.7% of the total appraised value of taxable real property in the City of Dallas (based on the 2017 certified tax roll from DCAD and CCAD).

Pursuant to limitations in the City's Financial Management Performance Criteria ("FMPC"), no reinvestment zone can be created if the total real property tax base of all active tax increment reinvestment zones plus the total real property and business personal property tax base of all tax abatement reinvestment zones exceeds 15% of the total tax base (all real and business personal property) of the City. At the time the University Hills TIF District was designated, the total real property tax base of all active tax increment reinvestment zones plus the total real property and business personal property tax base of all tax abatement reinvestment zones was approximately 10.3% of the total tax base (all real and business personal property) of the City (based on the 2017 certified tax roll from DCAD and CCAD).

All real property accounts known to be within the District boundary, based on DCAD's 2017 certified tax roll, are listed in Appendix A. The base value of the District is the total appraised value of all taxable real property in the zone, as determined by DCAD. Note: The base value of the District may be adjusted to reflect any corrections from DCAD. Inclusion of property in the District does not change tax rates for any property in the District. Tax rates remain the same as tax rates outside the District, given a constant set of taxing jurisdictions.

TIF funds will be disbursed annually, subject to the availability of funds, and according to development agreements or securities obligations approved by the City Council.

All payments to the TIF fund will terminate upon the occurrence of any of the following events:

1. The District budget of approximately \$55.9 million (NPV) has been collected, or December 31, 2047 (including collection of the 2047 tax year increment in calendar year 2048 and any related matters to be concluded in 2048), whichever occurs first.
2. All financial obligations of the District have been satisfied.
3. If private investment of at least \$100 million has not occurred in the District within five years of the adoption of the final Project Plan and Reinvestment Zone Financing Plan, the City Council may specify an earlier termination date by ordinance to dissolve the District, subject to the satisfaction of all outstanding financial obligations of the tax increment fund.

The District TIF fund may pay for Project Costs and other expenses permitted by law, including financing costs of the public improvements and administrative costs for the TIF program incurred by the City. The TIF fund may pay a developer, a developer's assignees, or another entity for Project Costs approved by the City pursuant to written agreement.

Development Goals and Objectives

The following development goals address the specific needs of the proposed District:

- Goal 1: To create additional taxable value attributed to new private investment in projects in the University TIF District totaling approximately \$685 million in total dollars over the 30-year life of the District.
- Goal 2: To attract new private development in the University Center Sub-District totaling approximately 795 new residential units.
- Goal 3: To diversify retail, residential, and commercial uses in the District.
- Goal 4: To create an over 250-acre mixed-use development in the University Hills Sub-District.
- Goal 5: To encourage the development of properties in close proximity to mass transit and institutions of higher education.
- Goal 6: To generate approximately \$55.9 million (NPV) (estimated \$133 million in total dollars, to be adjusted annually) in TIF fund revenues over the 30-year life of the District.

The following specific objectives set the framework for the planned public improvements within the District:

- Provide funding to build a street and circulation network in the District to enhance traffic flow, reduce congestion, provide greater accessibility, and disaggregate the existing greenfield parcels into a pedestrian-scaled environment that can develop incrementally.
- Improve existing and construct new infrastructure (on-site and off-site) for the District, including roadways, storm water drainage, water distribution/wastewater collection lines, and other utilities to support development.
- Improve the pedestrian environment in the District through sidewalk, landscaping, lighting and other related streetscape features.
- Increase recreational opportunities and connections to trails and open space in the District.
- Encourage creation of new residential, retail, office, and mixed-use developments to complement the District.
- Blend traditional multi-family and single-family neighborhoods with commercial and retail areas (in accordance with design guidelines to ensure quality and excellence

while emphasizing aesthetics, human comfort and the creation of a sense of place).

Market Feasibility and Planned Development

The predominant land use development pattern in the planned 30-year University TIF District development program is mixed-use and Traditional Neighborhood Development, including a range of residential housing types, commercial space, and pedestrian-oriented retail space.

Over the 30-year life of the District, the planned private development program includes:

- up to 2,482 new residential units
- up to 87,500 square feet of retail space
- up to 162,000 square feet of entertainment/commercial space

Market analysis suggests that these developments are feasible and would likely not occur or occur in the same extent in the reasonably foreseeable future without the creation and implementation of this District to assist in the funding of project plan improvements in the District.

TIF District Policy Considerations

City policy for creation of new TIF Districts requires that newly created TIF District plans include public objectives, such as a provision for mixed-income housing, development of design guidelines that promote the high quality design of structures and infrastructure within the TIF District, utilization of minority- and women-owned businesses in new construction, promotion of jobs for neighborhood residents, and resolution of issues related to the relocation of area residents displaced by new development. These issues are addressed specifically below.

Mixed-Income Housing Guidelines. Successful and sustainable development efforts support a variety of housing options. Accordingly, twenty percent (20%) of all housing units in projects receiving TIF funded subsidies will be subject to the City's and the County's established criteria for mixed-income housing. Affordable housing units are those which are affordable to a household earning 80% or less of the median family income for the Dallas metropolitan area. Affordable rental rates will be adjusted annually according to the affordable housing schedule produced annually by the City's Housing Department (pursuant to the U.S. Department of Housing and Urban Development). Updates to the City's housing policies may modify these requirements. A developer will also be required to submit an Affirmative Fair Housing Marketing Plan to the City's Fair Housing and Human Rights Office for approval. A developer may, subject to City Council and County approval, propose an alternative means of fulfilling the City's and County's mixed-income housing requirements.

In the University Hills Sub-District area, the real estate sub-market has been challenging (i.e. generally characterized by misperceptions and a lack of properties leasing/selling at levels close to the market rates in other Dallas sub-markets). Much of the existing housing in the surrounding area could already be considered affordable. As such, it is anticipated that the intent of the mixed-income housing guidelines for the University Hills Sub-District will be to encourage the development of housing units that successfully establish rental/sales levels that are closer to the market rates in other stronger Dallas sub-markets. Providing for-sale housing for moderate income households may require TIF funded assistance.

Design Guidelines. High quality urban design, utilizing a traditional neighborhood design ("TND") approach, is an objective for the University TIF District. The City's TIF program utilizes a set of master design guidelines that may be updated by the TIF Board of Directors with specific considerations for this District within five years after designation of the District. Development projects receiving TIF funds will be required to comply with the approved guidelines. The City's Urban Design Peer Review Panel (UDPRP), supported by City's Planning and Urban Design Department staff, will oversee this process. The expectation is that TIF-funded projects set a standard for future development in the City of Dallas.

The design guidelines will emphasize a network of paths, streets and lanes suitable for pedestrians as well as vehicles which provides residents the option of walking, biking or driving to places within their neighborhood and will provide for architectural guidelines to ensure quality and excellence emphasizing aesthetics, human comfort and the creation of a sense of place.

Business Inclusion and Development (“BID”) Policy. All TIF-funded projects will follow the City’s adopted Business Inclusion and Development Policy. This policy outlines goals for certified Minority- and Women-Owned Business (M/WBE) participation in publicly funded infrastructure projects. The BID Plan goal, as amended by City Council on September 23, 2020, is 32% for construction of public improvements (subject to future modification by City Council). The goal for private improvements is negotiated in the development agreement. The process for BID compliance and City oversight will be negotiated with City staff and included in the development agreement for each individual project.

Promotion of Jobs for Neighborhood Residents. Applicants for TIF funds must agree to sponsor job fairs or other programs to attract neighborhood residents to any permanent jobs created in the developments within the District.

Educational/Job Training Programs. While the plan for this District does not contemplate Project Costs for such programs, as the residential base is developed there may be opportunities for collaboration on special programming with nearby universities.

Existing Resident Displacement. The Act requires that existing resident displacement be minimized. Since the land within the TIF District was undeveloped at the time of the District’s designation by City Council, there is no resident displacement to be considered or minimized.

Section 2: Project Plan Improvements

Public Improvement Plan

The improvements enumerated in the Project Plan provide for approximately \$55.9 million for the public improvement categories listed below (see Exhibit N in Section 3 for a budget of proposed public improvements grouped by related sub-districts). “Project Costs” are defined herein as expenditures made and monetary obligations incurred that are listed in the Project Plan as costs of public works, public improvements, programs, or other projects benefitting the zone and that have been secured by a development agreement with the City, interdepartmental coordination within the City, or through other public agency agreements.

Public Infrastructure Improvements

This category includes, but is not limited to, TIF-eligible expenditures for design, engineering, and construction of infrastructure and utility improvements; water and wastewater infrastructure improvements; roadway paving improvements; intersection improvements (including signalization improvements); improvements for medians and parkways; and storm water drainage and management. Utility improvements also include, but are not limited to, the relocation/burial and eligible upgrade of electric, gas, cable television, and telephone/telecommunication infrastructure throughout the District. This category also includes design, engineering, and construction of streetscape improvements, including lighting, sidewalk, bike/pedestrian improvements; street furnishings; landscaping and irrigation of public areas; wayfinding and signage to improve pedestrian and vehicular circulation and continuity in the District; and other streetscape features related to specific projects. The City may consider acquiring property, using eminent domain as necessary and to the extent permitted by law, to implement the TIF Plan. Potential land acquisitions may include but are not limited to properties needed for pedestrian safety and accessibility, and transportation infrastructure.

Landscape, Parks, Open Space, and Trails

Public open space, pedestrian connectivity and recreational areas are important amenities for the District. Funding would be provided for design, improvements, and land acquisition as necessary for implementation.

Affordable Housing

This category includes TIF-eligible expenditures for the provision of affordable for-sale and rental housing projects within the District and potentially outside of the boundaries of the District.

Economic Development Grants

Pursuant to State law, the University TIF District Board of Directors may provide for a program to make economic development loans or grants of TIF funds in an aggregate amount not to exceed the amount of tax increment produced by the City and paid into the tax increment fund for the District as necessary or convenient to implement this Plan. Projects receiving such loans or grants must be consistent with the goals and objectives of the University TIF District Project Plan and Reinvestment Zone Financing Plan and would be subject to specific project agreements and City Council approval of the loans or grants program and the project agreements.

Administration and Implementation

Administrative costs, including reasonable charges for the time spent by employees of the municipality and/or employees associated with any non-profit groups established to assist with implementation within the TIF District will be eligible for payment as Project Costs, in connection with the implementation of the University TIF District Project Plan and Reinvestment Zone Financing Plan. Other related administrative expenses including legal fees and consulting fees of the City (including but not limited to bond counsel and financial advisor fees), management expenses, meeting expenditures and equipment are included in this category.

Non-Project Costs

Non-Project costs are estimated at \$552,389,155 based on the anticipated private development that is not included in the project plan costs shown in **Exhibit N**.

Planned Private Development

The private development that is anticipated to occur within the University TIF District is listed in the table below. Due to market conditions, the actual velocity, timing, size, volume, uses, values, and other attributes for the listed development projects may differ. Some of the development projects may not occur or may be replaced by other potential projects.

Exhibit J Anticipated Development

University Center Sub-District

Project/Subdivison(County)	Complete by Jan 1	Residential Units	Retail SF	Other SF	Estimated New Taxable Value
Single-Family Homes - University Place Addition Phase 3 (Collin)	2018-2020	146			\$54,837,159
Single-Family Homes - University Place Addition Phase 3 (Collin)	2021-2022	30			\$11,267,909
Single-Family Homes - University Place Addition Phase 3 (Collin)	2022-2023	28			\$10,832,217
Single-Family Homes - University Place Addition Phase 3 (Dallas)	2019-2020	37			\$16,969,712
Single-Family Homes - University Place Addition Phase 3 (Dallas)	2021-2022	8			\$3,296,000
Single-Family Homes - University Place Addition Phase 3 (Dallas)	2022-2023	2			\$848,720
Single-Family Homes - University Place Addition Phase 4 (Dallas)	2019-2020	96			\$46,011,122
Single-Family Homes - University Place Addition Phase 4 (Dallas)	2021-2022	15			\$6,348,000
Single-Family Homes - University Place Addition Phase 2 (Collin)	2018-2020	96			\$39,017,850
Single-Family Homes - University Place Addition Phase 2 (Collin)	2021-2022	5			\$2,032,180
Single-Family Homes - University Place Addition Phase 2 (Collin)	2022-2023	13			\$5,442,177
Townhomes - University Place Addition Phase I (Collin)	2018-2020	122			\$36,069,989
Townhomes - University Place Addition Phase I (Collin)	2021-2022	49			\$14,660,800
Single-Family Homes - University Place Addition Phase 5 (Collin and Dallas)	2022-2023	60			\$26,203,200
Single-Family Homes - University Place Addition Phase 5 (Collin and Dallas)	2023-2024	52			\$23,986,976
Single-Family Homes - University Place Addition Phase 6 (Dallas)	2024-2025	36			\$17,063,424
		795			\$314,887,435

University Hills Sub-District

Project	Complete by Jan 1	Residential Units	Retail SF	Other SF	Estimated New Value
Phase I					
Multi-family	2024	150			\$12,720,000
Multi-family	2025	362			\$28,960,000
Townhomes	2024-2030	286			\$59,460,000
Villas	2026-2031	65			\$16,550,000
Commercial/entertainment/retail	2026-2028		60,500	162,000	\$30,587,500
Phase I subtotal		863	60,500	162,000	\$148,277,500
Phase II					
Townhomes	2025-2044	646			\$160,515,000
Villas	2032-2044	178			\$55,350,000
Retail	2030-2032		27,000		\$6,345,000
Phase II subtotal		824	27,000		\$222,210,000
Grand Total		1,687	87,500	162,000	\$370,487,500

Exhibit K - Conceptual Residential Development

Townhomes (Alley & Front-loaded)



Villas on 50's (Alley & Front Loaded)



Villas on 40's (Alley & Front Loaded)



Cluster Homes



Row Homes



Exhibit L - Conceptual Amenity Center

Amenity Center

Note- This exhibit to be used for display purposes only. It does not explicitly represent materials or methods and shall not be used for construction or bidding.



AMENITY CENTER WITH SWIMMING POOL

Section 3: Financing Plan

TIF Financing Overview

Tax increment financing is a tool that local governments in Texas have used since 1986 to finance public improvements within defined areas that have unique challenges and opportunities for economic development. Public improvements strengthen existing communities and attract investment.

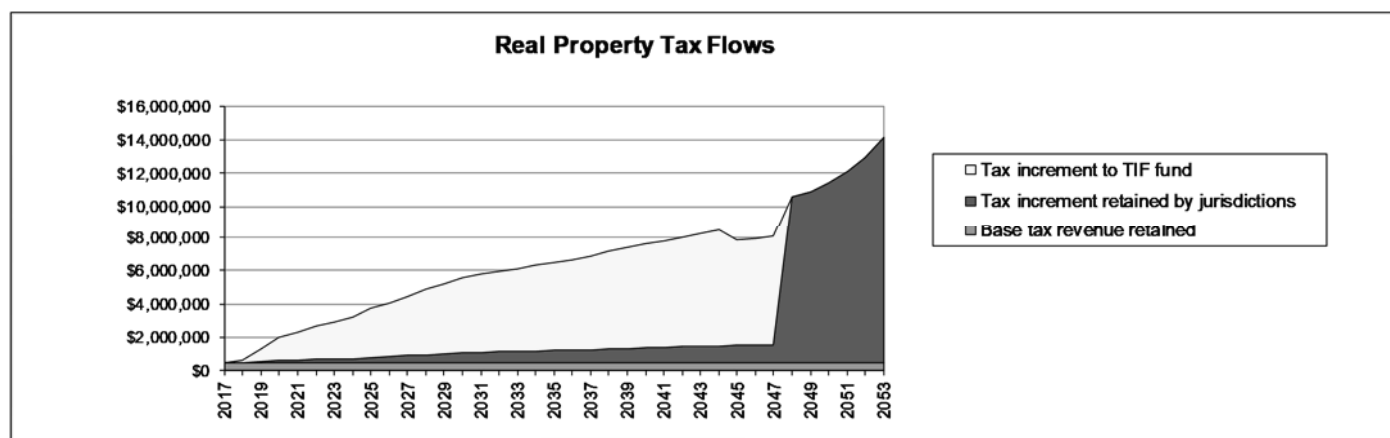
The governing body of a municipality may designate an area as a reinvestment zone if the City Council finds that development or redevelopment would not occur solely through private investment in the reasonably foreseeable future.

Tax revenues paid into the TIF fund each year will be disbursed in accordance with the terms of development agreements executed for TIF projects approved by the TIF board and the City Council. In general, TIF funds may be applied only to expenditures inside the TIF district boundaries, but the Act allows TIF funds to be applied to expenditures outside of the TIF district for a few specified purposes, including places of public assembly, affordable housing, public infrastructure and other payments made at the discretion of the City Council that the City Council finds necessary or convenient to the creation of the District or to the implementation of the Project Plan for the District.

Exhibit M illustrates how increased tax revenues from real properties in the zone are projected to flow to the participating taxing jurisdictions' general fund (City and County) and to the TIF fund, based on the assumptions and projections in this Project Plan and Reinvestment Zone Financing Plan.

EXHIBIT M

Real Property Tax Flow with Tax Increment Financing



Inclusion of property in a TIF zone does not change tax rates for the property. Tax rates in a TIF zone are the same as tax rates outside of the zone and within the same set of taxing jurisdictions. Additionally, taxing jurisdictions are not restricted from raising tax rates during the life of the TIF zone.

Once the Project Plan is completed and paid for, the TIF zone is dissolved, and the full amount of the taxes collected in the area is retained by the taxing jurisdictions. In effect, the taxing jurisdictions are investing future earnings to receive the benefit of higher tax revenues from new development. The Reinvestment Zone Financing Plan provides for incremental financing and predicts revenues for the University TIF District.

A fundamental goal of this Financing Plan is to facilitate tax increment sharing from the University Center Sub-District to jump start new development in the University Hills Sub-District in the City's southern sector where development has lagged for many years and extensive infrastructure improvements are needed. In addition, 10% of the tax increment generated in the University Center Sub-District up to \$3.5 million (NPV) will be dedicated to an affordable housing budget item that may be utilized both within the District and potentially for city-wide affordable housing programs. The University Center Sub-District will retain a small portion of tax increment to fund public area landscape, open space, and/or trails. An Increment Allocation Policy for the University TIF District (including priorities for payment and a method of annually apportioning available increment) will be developed by City staff and recommended for adoption by the University TIF District Board of Directors within 2 years after City Council approval of this Project Plan and Reinvestment Zone Financing Plan.

Exhibit N: TIF District Project Plan Improvements Budget

Category	Estimated TIF Expenditure (2018 dollars)	Estimated TIF Expenditure (Total Dollars)
University Center Sub-District:	\$1,861,838	\$4,430,280
Landscape, Trails, Open Space		
University Hills Sub-District:	\$48,071,841	\$114,387,889
Public infrastructure improvements		
Public open space/parks		
Economic Development Grants		
Affordable Housing	\$3,527,909	\$8,394,728
Administration and implementation	\$2,500,000	\$5,948,799
Total Project Costs	\$55,961,588	\$133,161,696

** All values discounted to 2018 dollars at 5% annually. Actual expenditure value will depend on timing of project cost.*

All values in column are estimated expenditures based on annual Project Costs and debt service schedules. These values depend on timing of projects and will fluctuate. **An interest rate of 5% is used throughout the TIF term.

****Administrative costs are estimated at \$100,000 per year for the first 10 years and \$75,000 per year afterwards.*

Financing Process. Typically, a developer will apply and be authorized by the City Council for TIF improvements, then fund and build the improvements. Upon completion and acceptance of the work by the City, the developer will be paid with TIF funds if and when they are available. TIF payments are made based on available increment and other conditions set forth in project development agreements. Prior to 2005, public improvements were publicly bid with developers advancing funds for these improvements and earning applicable interest until the advance was repaid by the future cash flows to the TIF fund (if and when funds were available). However, based on legislative changes in 2005, TIF improvements are no longer required to have a public bid process and advance funds to the City; therefore, typically with most projects, no interest is pledged since funds are not advanced to the City for public improvements.

The City may negotiate with financial institutions to secure bonds or other obligations, or lines of credit, to aid in the funding of projects within the District, using any financial instrument, subject to City Council approval of the note or credit line or issuance of bonds or other obligations for eligible TIF expenditures. Any use of TIF bonds is subject to provisions of the City's Financial Management Performance Criteria ("FMPC").

The goal of the University TIF District is to leverage increment accrued to maximize development in the District. The City may establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the District, eliminating unemployment and underemployment in the District, and developing or expanding transportation, business, and commercial activity in the District, including programs to make grants and loans from the tax increment fund of the District in an aggregate amount not to exceed the amount of the tax increment produced by the municipality and paid into the tax increment fund for the District.

Expected Revenues. **Exhibit J** is a list of development projects anticipated in the University TIF District. Some of the development projects may not occur or may be replaced by other potential development projects. This list represents the best estimate at this time for the District's anticipated development through 2047. The actual velocity, timing, size, volume, uses, values, and other attributes for the listed development projects may differ from the provided information.

Unit values supporting appraisal estimates in **Exhibit J** are based on observations of values assigned to comparable developments by the Dallas Central Appraisal District (DCAD). Actual construction costs or transactional prices may differ. Because tax increments are measured by DCAD values, these are the relevant measures of value for a TIF financing plan.

Annual Real Property Appraisals to the TIF Fund

Based on the development projects identified in **Exhibit J** and other stated assumptions, **Exhibit O-1** and **Exhibit O-2** forecast real property tax increment projections for the University Center Sub-District and University Hills Sub-District, respectively. **Exhibit O - 3** shows the real property tax increment projections for both sub-districts combined and annual percentages and amounts of the real property tax growth increment reinvested each year in the University TIF District fund. Cumulative increased real property value is expected to reach approximately \$934 million during the 30-year term of the TIF District.

Starting with tax year 2018 (Year 1 of the TIF zone), a portion of the real property taxes collected by the City will be transferred to the District's TIF fund. The TIF fund will pay Project Costs according to contractual commitments approved for the University TIF District. The City has approved a tax increment equal to 90% of the taxes levied and assessed by the City for the year on the captured appraised value of real property located in the District. The captured appraised value of real property taxable by a taxing unit for the year is the total taxable value of all real property taxable by the unit and located in the District for that year less the 2017 tax increment base value for the District.

Preliminary discussions were begun with Dallas County on potential participation in the University Hills Sub-District; however, due to post-pandemic economic uncertainty, formal consideration by the County Commissioners Court will be postponed until 2021. A potential scenario is included in plan projections that estimates the County may approve a tax increment equal to 65% of the real property taxes assessed and collected by the County on the captured appraised value of real property located only within the University Hills Sub-District for a period of 20-years. The captured appraised value for the County's increment shall be the total taxable value of all real property taxable by the County in the University Hills Sub-District for the year beginning January 1, 2025, through January 1, 2044, less the 2017 base value for the sub-district. Final terms of any future County contributions of tax increment shall be set forth in an interlocal participation agreement between the City and County.

Exhibit O-1

Annual Projection of Tax Increment to the TIF Fund

University Center Sub-District

Tax Year	Property Value Estimate City	Anticipated Devel	Total Value	Anticipated Captured Value City	Anticipated Increment Revenue	Anticipated Accumulated Revenue Unadjusted	Anticipated Accumulated Revenue (NPV) 5.00%	Participation Rate City	Tax Increment Revenue City (90%)	Tax Increment Revenue County (0%)
2017	\$44,523,105							0%		
2018	\$43,818,732	\$22,342,971	\$66,161,703	\$21,638,598	\$151,260	\$151,260	\$144,057	90%	\$151,260	\$0
2019	\$66,161,703	\$87,705,051	\$153,866,754	\$109,343,649	\$764,247	\$764,247	\$837,252	90%	\$764,247	\$0
2020	\$160,388,505	\$83,033,726	\$243,422,231	\$198,899,126	\$1,390,186	\$2,154,432	\$2,038,146	90%	\$1,390,186	\$0
2021	\$247,073,564	\$37,604,889	\$284,678,454	\$240,155,349	\$1,678,542	\$3,832,974	\$3,419,087	90%	\$1,678,542	\$0
2022	\$288,948,630	\$43,326,314	\$332,274,944	\$287,751,839	\$2,011,213	\$5,844,187	\$4,994,924	90%	\$2,011,213	\$0
2023	\$337,259,069	\$23,986,976	\$361,246,045	\$316,722,940	\$2,213,703	\$8,057,890	\$6,646,824	90%	\$2,213,703	\$0
2024	\$366,664,735	\$17,063,424	\$383,728,159	\$339,205,054	\$2,370,840	\$10,428,730	\$8,331,735	90%	\$2,370,840	\$0
2025	\$389,484,082	\$0	\$389,484,082	\$344,960,977	\$2,411,070	\$12,839,800	\$9,963,643	90%	\$2,411,070	\$0
2026	\$395,326,343	\$0	\$395,326,343	\$350,803,238	\$2,451,904	\$15,291,704	\$11,544,162	90%	\$2,451,904	\$0
2027	\$401,256,238	\$0	\$401,256,238	\$356,733,133	\$2,493,351	\$17,785,055	\$13,074,863	90%	\$2,493,351	\$0
2028	\$407,275,082	\$0	\$407,275,082	\$362,751,977	\$2,535,419	\$20,320,473	\$14,557,270	90%	\$2,535,419	\$0
2029	\$413,384,208	\$0	\$413,384,208	\$368,861,103	\$2,578,118	\$22,898,591	\$15,992,862	90%	\$2,578,118	\$0
2030	\$419,584,971	\$0	\$419,584,971	\$375,061,866	\$2,621,457	\$25,520,048	\$17,383,077	90%	\$2,621,457	\$0
2031	\$425,878,746	\$0	\$425,878,746	\$381,355,641	\$2,665,447	\$28,185,496	\$18,729,309	90%	\$2,665,447	\$0
2032	\$432,266,927	\$0	\$432,266,927	\$387,743,822	\$2,710,097	\$30,895,592	\$20,032,912	90%	\$2,710,097	\$0
2033	\$438,750,931	\$0	\$438,750,931	\$394,227,826	\$2,755,416	\$33,651,008	\$21,295,200	90%	\$2,755,416	\$0
2034	\$445,332,195	\$0	\$445,332,195	\$400,809,090	\$2,801,415	\$36,452,423	\$22,517,448	90%	\$2,801,415	\$0
2035	\$452,012,177	\$0	\$452,012,177	\$407,489,072	\$2,848,104	\$39,300,527	\$23,700,894	90%	\$2,848,104	\$0
2036	\$458,792,360	\$0	\$458,792,360	\$414,269,255	\$2,895,494	\$42,196,021	\$24,846,739	90%	\$2,895,494	\$0
2037	\$465,674,246	\$0	\$465,674,246	\$421,151,141	\$2,943,594	\$45,139,615	\$25,956,148	90%	\$2,943,594	\$0
2038	\$472,659,359	\$0	\$472,659,359	\$428,136,254	\$2,992,416	\$48,132,030	\$27,030,253	90%	\$2,992,416	\$0
2039	\$479,749,250	\$0	\$479,749,250	\$435,226,145	\$3,041,970	\$51,174,000	\$28,070,150	90%	\$3,041,970	\$0
2040	\$486,945,488	\$0	\$486,945,488	\$442,422,383	\$3,092,267	\$54,266,267	\$29,076,903	90%	\$3,092,267	\$0
2041	\$494,249,671	\$0	\$494,249,671	\$449,726,566	\$3,143,319	\$57,409,586	\$30,051,546	90%	\$3,143,319	\$0
2042	\$501,663,416	\$0	\$501,663,416	\$457,140,311	\$3,195,136	\$60,604,722	\$30,995,078	90%	\$3,195,136	\$0
2043	\$509,188,367	\$0	\$509,188,367	\$464,665,262	\$3,247,731	\$63,852,454	\$31,908,473	90%	\$3,247,731	\$0
2044	\$516,826,192	\$0	\$516,826,192	\$472,303,087	\$3,301,115	\$67,153,569	\$32,792,671	90%	\$3,301,115	\$0
2045	\$524,578,585	\$0	\$524,578,585	\$480,055,480	\$3,355,300	\$70,508,869	\$33,648,587	90%	\$3,355,300	\$0
2046	\$532,447,264	\$0	\$532,447,264	\$487,924,159	\$3,410,297	\$73,919,166	\$34,477,106	90%	\$3,410,297	\$0
2047	\$540,433,973	\$0	\$540,433,973	\$495,910,868	\$3,466,119	\$77,336,345	\$35,279,088	90%	\$3,466,119	\$0
					\$315,063,351	\$77,536,545			\$77,536,545	\$0

Exhibit O-2

Annual Projection of Tax Increment to the TIF Fund

University Hills Sub-District

Tax Year	Property Value Estimate City	Anticipated Devel	Total Value	Anticipated Captured Value City	Anticipated Increment Revenue	Anticipated Accumulated Revenue Unadjusted	Anticipated Accumulated Revenue (NPV) 5.00%	Participation Rate City	Tax Increment Revenue City (90%)	Tax Increment Revenue County (65%)
2017	\$5,251,337							0%		
2018	\$5,778,230	\$0	\$5,778,230	\$526,893	\$3,683	\$3,683	\$3,508	90%	\$3,683	\$0
2019	\$5,864,903	\$0	\$5,812,630	\$561,293	\$3,923	\$3,923	\$7,066	90%	\$3,923	\$0
2020	\$5,837,250	\$0	\$5,837,250	\$585,913	\$4,095	\$8,018	\$10,604	90%	\$4,095	\$0
2021	\$5,924,809	\$0	\$5,924,809	\$673,472	\$4,707	\$12,725	\$14,476	90%	\$4,707	\$0
2022	\$5,987,019	\$0	\$5,987,019	\$735,682	\$5,142	\$17,867	\$18,505	90%	\$5,142	\$0
2023	\$6,049,883	\$0	\$6,049,883	\$798,546	\$5,581	\$23,449	\$22,670	90%	\$5,581	\$0
2024	\$6,113,407	\$17,260,714	\$23,374,121	\$18,122,784	\$126,667	\$150,116	\$112,690	90%	\$126,667	\$0
2025	\$23,619,549	\$47,610,714	\$71,230,264	\$65,978,927	\$565,410	\$715,526	\$495,382	90%	\$461,153	\$104,257
2026	\$71,978,181	\$24,515,714	\$96,493,896	\$91,242,559	\$781,908	\$1,497,434	\$999,406	90%	\$637,731	\$144,177
2027	\$97,507,082	\$27,955,714	\$125,462,796	\$120,211,459	\$1,030,158	\$2,527,592	\$1,631,834	90%	\$840,206	\$189,952
2028	\$126,780,155	\$41,243,214	\$168,023,369	\$162,772,032	\$1,394,883	\$3,922,475	\$2,447,393	90%	\$1,137,679	\$257,204
2029	\$169,787,615	\$25,855,714	\$195,643,329	\$190,391,992	\$1,631,574	\$5,554,048	\$3,355,915	90%	\$1,330,726	\$300,848
2030	\$197,697,584	\$24,550,714	\$222,248,298	\$216,996,961	\$1,859,566	\$7,413,615	\$4,342,082	90%	\$1,516,679	\$342,888
2031	\$224,581,905	\$15,780,000	\$240,361,905	\$235,110,568	\$2,014,792	\$9,428,406	\$5,359,689	90%	\$1,643,282	\$371,510
2032	\$242,885,705	\$10,480,714	\$253,366,420	\$248,115,083	\$2,126,235	\$11,554,641	\$6,382,444	90%	\$1,734,176	\$392,059
2033	\$256,026,767	\$8,365,714	\$264,392,481	\$259,141,144	\$2,220,723	\$13,775,364	\$7,399,783	90%	\$1,811,241	\$409,482
2034	\$267,168,603	\$8,435,714	\$275,604,317	\$270,352,980	\$2,316,803	\$16,092,167	\$8,410,597	90%	\$1,889,605	\$427,198
2035	\$278,498,162	\$8,435,714	\$286,933,876	\$281,682,539	\$2,413,893	\$18,506,060	\$9,413,619	90%	\$1,968,792	\$445,101
2036	\$289,946,682	\$8,435,714	\$298,382,396	\$293,131,059	\$2,512,001	\$21,018,061	\$10,407,703	90%	\$2,048,810	\$463,191
2037	\$301,515,412	\$13,307,143	\$314,822,554	\$309,571,217	\$2,652,886	\$23,670,947	\$11,407,548	90%	\$2,163,717	\$489,169
2038	\$318,128,191	\$12,248,571	\$339,376,763	\$334,125,426	\$2,863,305	\$26,534,252	\$12,435,309	90%	\$2,335,336	\$527,968
2039	\$342,940,219	\$12,812,857	\$355,753,076	\$350,501,739	\$3,003,642	\$29,537,894	\$13,462,104	90%	\$2,449,797	\$553,845
2040	\$359,488,483	\$11,562,857	\$371,051,340	\$365,800,003	\$3,134,741	\$32,672,636	\$14,482,686	90%	\$2,556,723	\$578,019
2041	\$374,947,379	\$11,562,857	\$386,510,236	\$381,258,899	\$3,267,217	\$35,939,853	\$15,495,745	90%	\$2,664,771	\$602,446
2042	\$390,568,594	\$11,562,857	\$402,131,451	\$396,880,114	\$3,401,084	\$39,340,937	\$16,500,095	90%	\$2,773,954	\$627,130
2043	\$406,353,831	\$11,562,857	\$417,916,688	\$412,665,351	\$3,536,356	\$42,877,293	\$17,494,662	90%	\$2,884,283	\$652,073
2044	\$422,304,814	\$7,941,429	\$430,246,242	\$424,994,905	\$3,642,015	\$46,519,308	\$18,470,170	90%	\$2,970,459	\$671,556
2045	\$434,763,828	\$0	\$434,763,828	\$429,512,491	\$3,700,035	\$49,521,343	\$19,235,970	90%	\$3,002,035	
2046	\$439,328,848	\$0	\$439,328,848	\$434,077,511	\$3,733,941	\$52,555,284	\$19,973,055	90%	\$3,033,941	
2047	\$443,941,801	\$0	\$443,941,801	\$438,690,464	\$3,766,783	\$55,625,730	\$20,682,500	90%	\$3,066,183	
		\$370,487,500			\$55,625,150				\$47,075,077	\$8,550,073

Exhibit O-3

Annual Projection of Tax Increment to the TIF Fund

Sub-Districts Combined

Tax Year	Captured University Ctr Sub-District	Captured University Hills Sub-District	Captured Sub-Districts Combined	City of Dallas					Dallas County (University Hills only)					TOTAL		CUMULATIVE	
				City	% of City	Tax Increment to TIF Fund	Real Property Tax Increment	County	% of County	Tax Increment to TIF Fund	Real Property Tax Increment	County	% of County	Tax Increment to TIF Fund	Real Property Tax Increment	Tax Increment Revenue to TIF Fund (City and County)	Tax Increment Revenue to TIF Fund (Net Present Value (2018 dollars) 5% Annual Discount Rate)
				Real Property Tax Increment				Real Property Tax Increment				Real Property Tax Increment					
Base 2017	\$4,589,596	\$5,581,397	\$10,170,993	\$172,970	90%	\$156,682	\$156,682	\$156,682	0%	\$0	\$156,682	\$156,682	0%	\$0	\$156,682	\$156,682	\$156,682
1 2018	\$199,343,649	\$561,283	\$199,904,942	\$653,622	90%	\$768,170	\$845,021	\$845,021	0%	\$0	\$768,170	\$845,021	0%	\$0	\$768,170	\$845,021	\$845,021
2 2019	\$198,899,126	\$555,913	\$199,455,039	\$1,549,201	90%	\$1,394,181	\$2,049,453	\$2,049,453	0%	\$0	\$1,394,281	\$2,049,453	0%	\$0	\$1,394,281	\$2,049,453	\$2,049,453
3 2020	\$240,155,349	\$673,472	\$240,828,820	\$1,870,277	90%	\$1,683,249	\$3,434,266	\$3,434,266	0%	\$0	\$1,683,249	\$3,434,266	0%	\$0	\$1,683,249	\$3,434,266	\$3,434,266
4 2021	\$287,751,839	\$735,682	\$288,487,520	\$2,240,384	90%	\$2,016,355	\$5,014,132	\$5,014,132	0%	\$0	\$2,016,355	\$5,014,132	0%	\$0	\$2,016,355	\$5,014,132	\$5,014,132
5 2022	\$316,722,940	\$798,546	\$317,521,486	\$2,465,672	90%	\$2,219,285	\$6,670,197	\$6,670,197	0%	\$0	\$2,219,285	\$6,670,197	0%	\$0	\$2,219,285	\$6,670,197	\$6,670,197
6 2023	\$339,206,054	\$14,122,784	\$353,327,838	\$2,775,008	90%	\$2,487,507	\$8,445,129	\$8,445,129	0%	\$0	\$2,487,507	\$8,445,129	0%	\$0	\$2,487,507	\$8,445,129	\$8,445,129
7 2024	\$344,800,977	\$65,978,827	\$410,779,804	\$3,191,359	90%	\$2,872,223	\$10,380,162	\$10,380,162	65%	\$104,257	\$2,976,480	\$10,484,642	65%	\$104,257	\$2,976,480	\$10,484,642	\$10,484,642
8 2025	\$350,350,000	\$65,978,827	\$416,328,827	\$3,191,359	90%	\$2,872,223	\$10,380,162	\$10,380,162	65%	\$104,257	\$2,976,480	\$10,484,642	65%	\$104,257	\$2,976,480	\$10,484,642	\$10,484,642
9 2026	\$355,899,000	\$65,978,827	\$421,877,827	\$3,191,359	90%	\$2,872,223	\$10,380,162	\$10,380,162	65%	\$104,257	\$2,976,480	\$10,484,642	65%	\$104,257	\$2,976,480	\$10,484,642	\$10,484,642
10 2027	\$360,448,000	\$65,978,827	\$426,426,827	\$3,191,359	90%	\$2,872,223	\$10,380,162	\$10,380,162	65%	\$104,257	\$2,976,480	\$10,484,642	65%	\$104,257	\$2,976,480	\$10,484,642	\$10,484,642
11 2028	\$365,997,000	\$65,978,827	\$431,975,827	\$3,191,359	90%	\$2,872,223	\$10,380,162	\$10,380,162	65%	\$104,257	\$2,976,480	\$10,484,642	65%	\$104,257	\$2,976,480	\$10,484,642	\$10,484,642
12 2029	\$368,861,103	\$162,772,022	\$531,633,125	\$4,081,219	90%	\$3,673,068	\$16,751,458	\$16,751,458	65%	\$300,848	\$3,974,916	\$17,726,374	65%	\$300,848	\$3,974,916	\$17,726,374	\$17,726,374
13 2030	\$375,061,886	\$216,996,981	\$592,058,867	\$4,597,929	90%	\$4,138,36	\$20,945,969	\$20,945,969	65%	\$327,888	\$4,466,257	\$21,413,857	65%	\$327,888	\$4,466,257	\$21,413,857	\$21,413,857
14 2031	\$381,355,641	\$235,110,688	\$616,466,329	\$4,787,477	90%	\$4,308,729	\$23,122,200	\$23,122,200	65%	\$371,510	\$4,679,739	\$23,793,710	65%	\$371,510	\$4,679,739	\$23,793,710	\$23,793,710
15 2032	\$387,743,822	\$244,115,083	\$631,858,904	\$4,938,080	90%	\$4,444,272	\$25,259,971	\$25,259,971	65%	\$392,059	\$4,981,791	\$25,752,030	65%	\$392,059	\$4,981,791	\$25,752,030	\$25,752,030
16 2033	\$394,227,826	\$258,141,144	\$652,368,970	\$5,074,063	90%	\$4,586,657	\$27,352,009	\$27,352,009	65%	\$409,482	\$5,391,273	\$27,861,491	65%	\$409,482	\$5,391,273	\$27,861,491	\$27,861,491
17 2034	\$400,688,080	\$270,382,980	\$671,071,060	\$5,212,455	90%	\$4,681,060	\$29,386,066	\$29,386,066	65%	\$426,901	\$5,818,174	\$29,893,165	65%	\$426,901	\$5,818,174	\$29,893,165	\$29,893,165
18 2035	\$407,172,000	\$282,617,000	\$689,789,000	\$5,352,845	90%	\$4,776,181	\$31,464,251	\$31,464,251	65%	\$444,310	\$6,242,484	\$32,008,465	65%	\$444,310	\$6,242,484	\$32,008,465	\$32,008,465
19 2036	\$414,289,255	\$293,131,069	\$707,420,324	\$5,493,671	90%	\$4,944,304	\$33,598,835	\$33,598,835	65%	\$463,191	\$6,695,675	\$34,062,056	65%	\$463,191	\$6,695,675	\$34,062,056	\$34,062,056
20 2037	\$421,151,141	\$309,671,217	\$730,822,358	\$5,674,760	90%	\$5,107,311	\$35,281,726	\$35,281,726	65%	\$483,169	\$7,158,844	\$35,764,915	65%	\$483,169	\$7,158,844	\$35,764,915	\$35,764,915
21 2038	\$428,136,254	\$334,125,426	\$762,261,680	\$5,818,724	90%	\$5,327,352	\$37,194,082	\$37,194,082	65%	\$502,668	\$7,661,513	\$37,666,425	65%	\$502,668	\$7,661,513	\$37,666,425	\$37,666,425
22 2039	\$435,226,145	\$350,501,739	\$785,727,883	\$6,010,833	90%	\$5,481,768	\$39,071,442	\$39,071,442	65%	\$522,845	\$8,174,358	\$39,594,263	65%	\$522,845	\$8,174,358	\$39,594,263	\$39,594,263
23 2040	\$442,422,383	\$365,800,003	\$808,222,387	\$6,276,655	90%	\$5,648,990	\$40,910,591	\$40,910,591	65%	\$543,645	\$8,708,003	\$41,454,263	65%	\$543,645	\$8,708,003	\$41,454,263	\$41,454,263
24 2041	\$449,726,566	\$381,128,899	\$830,855,465	\$6,453,433	90%	\$5,808,090	\$42,711,493	\$42,711,493	65%	\$564,646	\$9,242,646	\$43,176,909	65%	\$564,646	\$9,242,646	\$43,176,909	\$43,176,909
25 2042	\$457,140,311	\$396,880,114	\$854,020,425	\$6,632,323	90%	\$5,969,090	\$44,474,182	\$44,474,182	65%	\$585,646	\$9,777,290	\$44,759,800	65%	\$585,646	\$9,777,290	\$44,759,800	\$44,759,800
26 2043	\$464,554,000	\$412,128,000	\$876,682,000	\$6,812,111	90%	\$6,137,575	\$46,266,757	\$46,266,757	65%	\$606,646	\$10,303,946	\$46,873,403	65%	\$606,646	\$10,303,946	\$46,873,403	\$46,873,403
27 2044	\$472,393,097	\$429,994,005	\$902,387,102	\$6,998,416	90%	\$6,317,575	\$48,079,332	\$48,079,332	65%	\$627,646	\$10,831,592	\$48,607,024	65%	\$627,646	\$10,831,592	\$48,607,024	\$48,607,024
28 2045	\$480,055,480	\$449,512,861	\$929,568,341	\$7,183,705	90%	\$6,502,334	\$50,001,666	\$50,001,666	65%	\$648,646	\$11,350,240	\$49,153,280	65%	\$648,646	\$11,350,240	\$49,153,280	\$49,153,280
29 2046	\$487,924,159	\$474,077,511	\$961,999,670	\$7,378,024	90%	\$6,694,238	\$52,005,905	\$52,005,905	65%	\$669,646	\$11,899,888	\$50,253,173	65%	\$669,646	\$11,899,888	\$50,253,173	\$50,253,173
30 2047	\$495,910,888	\$498,690,464	\$994,601,352	\$7,578,114	90%	\$6,892,303	\$54,158,208	\$54,158,208	65%	\$690,646	\$12,440,531	\$51,448,739	65%	\$690,646	\$12,440,531	\$51,448,739	\$51,448,739
Total for years 1-30				\$138,458,179		\$124,612,361	\$52,577,332	\$13,153,969		\$8,550,073	\$13,153,969	\$8,550,073		\$8,550,073	\$13,153,969	\$13,161,696	\$13,161,696
NPV @ 5%				\$58,419,259		\$52,577,332		\$5,207,628		\$3,394,959	\$5,207,628	\$3,394,959		\$3,394,959	\$5,207,628	\$55,961,598	\$55,961,598

Financial Assumptions

Key factors influencing the financial feasibility study and its conclusions are the following financial assumptions:

Inflation Rate. The annualized percentage change for construction costs and the value of improvements is 3% for the University Center Sub-District and more moderate increases were assumed for the University Hills Sub-District. The annualized percentage change in appraised value of real property (post-completion of improvements) is 1.5%.

Discount Rate. Based on current market rates, net present values of the tax increment are calculated at a discount rate of 5% per annum.

Tax Rate Changes. Although tax rates may increase over the next 30 years, the Project Plan and Reinvestment Zone Financing Plan assumes that the current tax rate will remain constant for the life of the District (except to incorporate tax rate changes when known).

Remittance to the TIF Fund. The duration of the District is 30 years; it is scheduled to terminate December 31, 2047. The City of Dallas will participate at a rate of 90% from 2018 through 2047. A potential scenario for Dallas County participation in the University Hills Sub-District estimates a participation of 0% from 2015 through 2024 and then a participation of 65% from 2025 through 2044. TIF collections will terminate upon the termination date designated by ordinance or an earlier or later termination date designated by ordinance adopted pursuant to the Act or the date on which all Project Costs and other obligations have been paid in full, whichever occurs first.

Financial Feasibility

For the University Center Sub-District, the anticipated private development program, the public improvement program, the general financing strategy, and the financial assumptions are based, in part, on a preliminary assessment prepared by David Pettit Economic Development, LLC and on an analysis by the Office of Economic Development of the City of Dallas. For the University Hills Sub-District, the anticipated private development program, the public improvement program, the general financing strategy, and the financial assumptions are based on a preliminary assessment prepared by David Pettit Economic Development, LLC and additional analysis by the Office of Economic Development of the City of Dallas and S.B. Friedman consultants. These assessments are intended to be used as part of the economic feasibility study for the District in accordance with the provisions of Section 311.011 of the Texas Tax Code and are available upon request.

In the University Center Sub-District, cumulative private development is expected to increase property values from a base year value of \$44.5 million to \$540.4 million during the 30-year term of the District. The “captured” appraised value accruing to the University Center Sub-District is expected to be approximately \$495.9 million. In the University Hills Sub-District, cumulative private development is expected to increase property values from a base year value of \$5.2 million to \$443.9 million during the 30-year term of the District. The captured appraised value accruing to the University Hills Sub-District is expected to be approximately \$438.7 million.

On a strict “pay-as-you-go” basis, the progress of the public improvements portion of the development program is a direct result of the revenues received. Therefore, if revenues exceed these projections, then the public improvements can be completed ahead of schedule. If revenues do not meet expectations, then the pace of public improvements may be slowed or discontinued altogether based upon the recommendation of the TIF Board of Directors and the approval of the City Council. Based upon these economic assessments, the Project Plan and Reinvestment Zone Financing Plan is feasible.

Project Costs and Debt Service

Pursuant to this Project Plan and Reinvestment Zone Financing Plan, balances in the District TIF fund will be used to pay Project Costs. The City will not be obligated to pay Project Costs unless there are sufficient revenues in the TIF fund during the term of the District. Payment of Project Costs are economically feasible if development, Project Costs, real property appraisals, tax levies and tax collections occur according to the analyses and assumptions in this plan.

The reinvestment zone has been designated by the City Council in calendar year 2017, thus utilizing the certified 2017 tax roll (based on January 1, 2017 conditions and adjusted for final valuations) for calculation of the base value of the zone. The District will terminate at the end of calendar year 2047, upon full collection of the TIF budget, or at such other date as set by the City Council. This length of term enables the City of Dallas and other local taxing jurisdictions to allocate percentages of tax increments to the TIF fund in later years if, in their discretion, further investments are warranted.

The TIF fund may have a residual balance of cash after all its financial obligations have been met. Any residual balance will be refunded to taxing entities participating in the District on a pro rata basis according to their respective contributions.

The City is exploring the potential to pursue TIF revenue bonds and to use the proceeds to fund the delivery of public improvements in the University Hills Sub-District, provided that it would be advantageous to issue obligations backed by a reliable increment flow to the TIF fund and/or other sources, thus paying Project Costs at an earlier date than otherwise. The City reserves all powers to determine, in its sole discretion, and with the advice of its bond counsel and financial advisors, the appropriateness of issuing securities and whether to approve an issue of securities. The City, however, has no obligation to issue securities to prepay TIF obligations. Any use of TIF bonds is further subject to the City’s Financial Management Performance Criteria (“FMPC”).

General Financial Policies

General financial policies are governed by the City of Dallas Public/Private Partnership Program that was first approved by the City Council on March 13, 1996. This program provides a framework for development incentives in a variety of areas. Within this framework are the following specific considerations for the University TIF District:

- Public improvements will occur at a pace that coincides with private development.

- Private developers must enter into a TIF development agreement with the City if they desire the municipality to share in the costs of infrastructure improvements required for their projects.
- Payment priorities and the method of apportioning available increment will be developed by City staff and recommended for adoption by the University TIF District Board of Directors within 2 years after adoption of a final plan. Payment obligations will be specifically described in each TIF development agreement.
- Each TIF development agreement is unique. Accordingly, the nature and extent of support from public funds may change over time as the District becomes more developed.
- It is possible that the District may issue certificates of obligation or TIF bonds for projects as described earlier in the Project Plan and Reinvestment Zone Financing Plan, subject to the approval of the City Council and in accordance with the City's Financial Management Performance Criteria ("FMPC").
- If a developer requests funding for infrastructure improvements at a time when sufficient funds are not available in the TIF fund, then improvements may be:
 - Deferred until funds are available
 - Constructed at the sole expense of the developer
 - Constructed at the expense of the developer with the City providing payment as sufficient funds become available or when bonds or other financial obligations have been issued by the City or District (with City Council approval)
- Should Project Costs that directly benefit the project's developer be paid, such as grants made to a developer as permitted by the TIF Act, the City will enact and implement controls sufficient to ensure that any grant funds provided will be used to fulfill the public purposes of developing and diversifying the University TIF District's economy, eliminating unemployment or underemployment, and developing or expanding the District's transportation, business and commercial activity.
- It is acknowledged that some desired expenditures benefitting the entire District are likely to be beyond the capacity of TIF funding. Other sources of funding will be considered to supplement/leverage TIF funding and/or to advance the delivery of particular improvements, including but not limited to the following:
 - the additional open space requirements of the City's Park Dedication Ordinance
 - bonds
 - public improvement districts
 - grants from other governmental entities
 - private philanthropic contributions

The City Council and the University TIF District Board of Directors may occasionally recommend amendments to these financial policies which will affect the operations of the District.

Conclusion

Based upon these economic assessments for the University TIF District, the TIF District Board of Directors and the City Council find that the Project Plan and Reinvestment Zone Financing Plan is economically feasible. The Project Plan and Reinvestment Zone Financing Plan consists of a program of public improvements and economic development grants under the authority of the TIF Act, which is intended to stimulate private investment in the District to occur earlier and to a much greater extent than would occur solely through private investment in the reasonably foreseeable future, thereby offering employment and quality living for the people of Dallas for years to come.

Appendix A-1

2017 Real Property Accounts

University Center Sub-District

2017 Certified Values from Dallas Central Appraisal District & Collin Central Appraisal District							
COUNTY	ACCOUNT	OWNER	ACRES	Exempt	LAND	IMPROVEMENT	TOTAL
Dallas	00873500000020200	CADG UNIVERSITY PLACE AW 30 LLC	33.32		\$ 8,200,520	\$ -	\$ 8,200,520
Dallas	00873500000020100	CADG Dallas 163 LLC	25.68		\$ 6,320,200	\$ -	\$ 6,320,200
Collin	2708481	CADG Dallas 163 LLC	75.76		\$ 21,450,686	\$ -	\$ 21,450,686
Collin	2715817	Plano ISD	9.96	EX	\$ 6,507,864	\$ -	\$ -
Collin	2708482	CW-TAMU	16.36		\$ 8,551,699	\$ -	\$ 8,551,699
			161.08		\$ 51,030,969		\$ 44,523,105

Appendix A-2

2017 Real Property Accounts

University Hills Sub-District

2017 Certified Values from Dallas Central Appraisal District							
COUNTY	ACCOUNT	OWNER	ACRES	Exempt	LAND	IMPROVEMENT	TOTAL
Dallas	00000640581000000	CADG PPTY HOLDINGS I LLC	10.30		\$ 309,000	\$ -	\$ 309,000
Dallas	00000754793500000	CADG PPTY HOLDINGS I LLC	26.00		\$ 455,350	\$ -	\$ 455,350
Dallas	00000754793500100	RHODES KING E	22.02		\$ 220,200	\$ -	\$ 220,200
Dallas	00000754793600000	CADG PPTY HOLDINGS I LLC	81.52		\$ 1,018,960	\$ -	\$ 1,018,960
Dallas	00000755080000000	CADG PPTY HOLDINGS I LLC	139.22		\$ 2,436,420	\$ -	\$ 2,436,420
Dallas	00000755080000100	CADG PPTY HOLDINGS I LLC	3.37		\$ 53,920	\$ -	\$ 53,920
Dallas	00000755080000200	CADG PPTY HOLDINGS I LLC	3.87		\$ 61,920	\$ -	\$ 61,920
Dallas	00000755080000300	CITY OF DALLAS	3.73	EX*	\$ 59,680	\$ -	\$ 25,997
Dallas	00000756940000000	CADG PPTY HOLDINGS I LLC	0.62		\$ 405,110	\$ -	\$ 405,110
Dallas	00000756943500000	SIMMONS YVONNE	0.23		\$ 10,190	\$ 180,320	\$ 190,510
Dallas	00000756944000000	CADG PPTY HOLDINGS I LLC	5.92		\$ 73,950	\$ -	\$ 73,950
			296.80		\$ 5,104,700	\$ 180,320	\$ 5,251,337

**The value of the account was pro-rated (only exempt part of the year) by the Dallas Central Appraisal District*

Note: The base value of the District may be adjusted if any corrections are made by the appraisal districts to the 2017 tax rolls

June 22, 2022

WHEREAS, the City of Dallas ("City") recognizes the importance of its role in local economic development; and

WHEREAS, investment decisions made by businesses and developers are often influenced by a municipality's ability to provide economic development incentives; and

WHEREAS, the City established Tax Increment Financing Reinvestment Zone Number Seventeen ("University TIF District" or "District") and established a Board of Directors ("Board") for the District to promote development or redevelopment in the District pursuant to by Resolution No.17-1941; Ordinance No. 30733, authorized by the City Council on December 13, 2017, as authorized by the TIF Act ("Act"), Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on December 9, 2020, City Council authorized the Project Plan and Reinvestment Zone Financing Plan ("Plan") for this District by Resolution No. 20-1894; Ordinance No. 31713; and

WHEREAS, on June 9, 2021, pursuant to Resolution No. 21-1052 approved by the City Council, the City: (1) elected to continue its participation in economic development incentives and approved an extension of its Public/Private Partnership Program ("PPP") - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects, (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code ("Economic Development Act"), and (3) established appropriate guidelines and criteria governing tax abatement agreements to be entered into by City as required by the Property Redevelopment and Tax Abatement Act, as amended, (Texas Tax Code, Chapter 312) ("Tax Abatement Act"); and

WHEREAS, on June 6, 2022, the Economic Development Committee was briefed regarding this matter; and

WHEREAS, on June 14, 2022, the Board reviewed the proposed University Hills Phase I catalyst project ("Project") and recommended City Council authorization of a development agreement ("Agreement") and all other necessary documents with I-20 Lancaster Development, LLC and/or its affiliates ("Developer") for a City Subsidy in an amount not to exceed \$34,210,966.00 comprised of (1) an amount not to exceed \$2,800,000.00 in the form of an economic development grant payable from the City's Public/Private Partnership Fund ("PPP Grant") and (2) an amount not to exceed \$31,410,966.00 plus an additional grant in lieu of interest not to exceed 6% of this dedication payable from future University TIF District funds ("TIF Subsidy"); and

June 22, 2022

WHEREAS, pursuant to the City's PPP – Guidelines and Criteria, effective for the period July 1, 2021 through June 30, 2022, this Project is located in a target area and in a non-target area and exceeds the minimum eligibility criteria requirements of the PPP – Guidelines and Criteria for a non-target area based on the anticipated Project investment totaling over \$60 million; and

June 22, 2022

WHEREAS, consistent with the authority granted under the Economic Development Act, of the Texas Tax Code (the "Act") and the City's PPP – Guidelines and Criteria, staff recommends that the City Council authorize the PPP Grant as part of the City's ongoing program to promote local economic development and to stimulate business and commercial activity in the city of Dallas; and

WHEREAS, in furtherance of the Plan, as amended, and to promote within the University TIF District: (1) development and diversification of the economy, (2) elimination of unemployment and underemployment, and (3) development and expansion of commerce, the City desires to provide economic incentives to I-20 Lancaster Development, LLC and/or its affiliates to support the Project; and

WHEREAS, the expenditure of TIF funds supporting this Project is consistent with promoting development and redevelopment of the University TIF District in accordance with the purposes for its creation, the ordinance adopted by the City Council approving the Plan, and is for the purpose of making public investment expenditures consistent with and described in the Plan for the University TIF District; and

WHEREAS, improvements in the District will significantly enhance the value of all the taxable real property in the District and will be of general benefit to the City; and

WHEREAS, the proposed Project will not occur within the city of Dallas without an offer of economic development incentives from the City and complies with the Plan, the City's PPP – Guidelines and Criteria, and all applicable local, state, and federal laws.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

June 22, 2022

SECTION 1. That the City Council hereby authorizes the City Manager to execute a development agreement ("Agreement") and all other necessary documents, upon approval as to form by the City Attorney, with I-20 Lancaster Development, LLC and/or its affiliates ("Developer") for a City Subsidy in an amount not to exceed \$34,210,966.00 comprised of (1) an amount not to exceed \$2,800,000.00 in the form of an economic development grant payable from the City's Public/Private Partnership Fund ("PPP Grant") and (2) an amount not to exceed \$31,410,966.00 plus an additional grant in lieu of interest payable from future University TIF District funds ("TIF Subsidy") in consideration of the University Hills Phase I catalyst project ("Project") on property generally bounded by Interstate Highway 20 (Lyndon B. Johnson Freeway), Lancaster Road, and the DART rail line in Tax Increment Financing Reinvestment Zone Number Twenty One (University TIF District), thereby confirming the University TIF District Board's dedication of current and future tax increment revenues, in an amount not to exceed \$31,410,966.00 as shown in **Exhibit A.**

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 3. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$2,800,000.00 to I-20 Lancaster Development, LLC, and/or its affiliates from the Public/Private Partnership Fund (subject to annual appropriations), as reimbursement for all fees incurred on or before December 31, 2026 for all permitting, plan review, and inspection fees, as follows:

Public/Private Partnership Fund
Fund 0352, Department ECO, Unit W831
Activity PPPF, Object 3016, Program UNVHILLS,
Encumbrance/Contract No. CX ECO-2022-00019601
Vendor VC25137

\$2,800,000.00

SECTION 4. That, upon Developer's completion of all of the obligations set forth in the Agreement (including those terms and conditions set forth in Sections 8.A. through Section 8.I. of this resolution), the City Council hereby authorizes the Chief Financial Officer to disburse funds in an amount not to exceed \$31,410,966.00 plus an additional grant in lieu of interest payable from current and future University TIF District funds to I-20 Lancaster Development, LLC and/or its affiliates from the University TIF District Fund (subject to annual appropriations from tax increments), as follows:

University TIF District Fund
Fund 0051, Department ECO, Unit W831
Activity UVTG, Object 4599, Program UNVHILLS,
Encumbrance/Contract No. CX ECO-2022-00019601
Vendor VC25137

\$31,410,966.00

June 22, 2022

SECTION 5. That the grant in lieu of interest in accordance with the University TIF District Grant Program (**Exhibit B**) shall be calculated based on conditions specified in the Agreement (pursuant to Section 8 of this resolution) and shall be set at a fixed rate equal to six percent (6%) interest rate per annum compounded semiannually. The interest shall accrue beginning when all conditions for payment of the TIF Subsidy are met including an audit of documentation supporting the request to begin payments. Such interest shall be compounded semi-annually based on the existing unpaid TIF Subsidy and shall cease to accrue under the Agreement when the unpaid balance, plus any previously accrued interest, is fully disbursed, or upon expiration of the term of the District as provided in the ordinance creating same, as may be amended.

SECTION 6. That the Developer shall design, fund and/or construct the Project and related infrastructure improvements on property generally bounded by Interstate Highway 20 (Lyndon B. Johnson Freeway), Lancaster Road, and the DART rail line in the University TIF District as described in the Agreement (pursuant to Section 8 of this resolution) and in substantial conformance with **Exhibit C**.

SECTION 7. That the City's payment of any portion of the TIF Subsidy is contingent upon the availability of District funds and nothing in the Agreement shall be construed to require the City to approve payment from any source of City funds other than the funds listed in the Agreement (pursuant to Section 3 and Section 4 of this resolution), or an amendment to the Agreement entered into pursuant to Section 14 of this resolution. Any TIF Subsidy funds dedicated to the Project under the Agreement that remain unpaid upon termination of the District, due to lack or unavailability of District funds, shall no longer be considered project costs of the District or the City, and the obligation of the District to pay the Developer shall automatically expire and the Agreement shall automatically terminate.

SECTION 8. That, in addition to the conditions set out in the Agreement (pursuant to Section 1 and Section 6 of this resolution), the TIF Subsidy is hereby expressly made subject to all of the following terms, conditions and obligations, which Developer must perform or cause to occur as described herein:

- A. Purchase of Land: On or before December 31, 2023, Developer shall purchase the entire assemblage of property (approximately 279 acres) from CADG Property Holdings I, LLC as shown in the overall conceptual master plan (**Exhibit C**) and provide evidence of such purchase to the Director of the Office of Economic Development ("Director").
- B. Construction Funding: On or before December 31, 2023, Developer shall secure and provide satisfactory evidence to the Director of construction funds or financing for the horizontal development of the Project.

SECTION 8. (continued)

- C. Minimum Investment: On or before December 31, 2026, Developer must document a minimum investment of \$60,000,000 in the horizontal development (e.g., environmental remediation; demolition; site preparation work; infrastructure) of the Project. The term "Invest" or "Investment" means the sum of all development costs for land acquisition, environmental remediation costs (if any); demolition costs (if any); site preparation costs (excavation; placement of fill; grading), and construction costs (hard and soft) for horizontal infrastructure improvements paid, payable, or actually incurred by or on behalf of the Developer, with respect to the Project (hereinafter defined) and the improvements thereon. Construction soft costs specifically include the following items: architecture, engineering, interior design (only if related to the building structure), and construction management fees. Construction management is solely intended to cover fees paid to an outside consultant or third party who confirms the quality of the work. Construction management fees must be invoiced with a detailed description of work performed. Developer fees, legal fees, marketing fees, leasing commissions, furniture/fixture/equipment costs, construction material testing costs, permit/inspection fees, builder's risk insurance, property insurance during construction, consultant fees, construction financing fees, construction loan interest, construction loan closing costs, carrying costs (e.g., interest costs on land; maintenance costs on land; ad valorem taxes, etc.), operating deficits through stabilization and other similar costs shall not be considered toward this definition of Investment. The Developer must provide documentation of all such expenditures in a form satisfactory to the Director in his or her sole discretion. Expenditures made towards the minimum investment requirement shall include only those eligible costs incurred on or after the date (June 3, 2022) of final execution of the Letter of Intent between the City and the Developer.
- D. Environmental Remediation/Demolition: Developer shall perform all legally required environmental remediation and any demolition necessary to construct the Project by December 31, 2025.
- E. Site Preparation Work: Developer shall perform all necessary site preparation work (e.g., excavation, placement of fill, grading) to prepare the site for the infrastructure improvements (e.g., new roads and utilities) necessary to support the planned vertical improvements included with the Project (as described in Section 8.L. and Section 8.M. of this resolution) and obtain the City's written final acceptance (if necessary) of such work by December 31, 2025.

June 22, 202**SECTION 8. (continued)**

- F. Infrastructure Construction and Acceptance: Developer shall construct the infrastructure improvements (e.g., new roads, utilities, and streetscape) necessary to support the planned vertical improvements included with the Project (as described in Section 8.K. of this resolution) and obtain the City's written final acceptance of same by December 31, 2026.
- G. Design Guidelines: By September 30, 2023, Developer shall submit traditional neighborhood design guidelines and/or a pattern book, for the development, for the University Hills Sub-District for review and approval by the City's Planning and Urban Design (PUD) staff. These specific guidelines, as special conditions for the University TIF District, shall be incorporated into a set of master design guidelines to be adopted by the Board (as approved, the "Design Guidelines").
- H. Real Estate Covenants: Developer shall establish covenants for all future vertical development in the Project. The set of covenants shall be provided for Director's review and approval by September 30, 2023. Once approved by Director, Developer shall file the approved covenants in the Real Property Records of Dallas County with Developer's filing of the final plat for the Project. Covenants shall address each of the following:
- i. Design Guidelines: A requirement that future vertical construction in the University Hills Sub-district conform with the Design Guidelines.
 - ii. Affordable Housing (Rental Multi-Family Residential): Deed restrictions ensuring that multi-family residential developments built on the Project site will comply with the TIF program mixed-income housing requirements (i.e., twenty percent (20%) of units set aside for households earning no more than 80% area median family income for 15 years); that such units will be marketed pursuant to an Affirmative Fair Housing Marketing Plan approved by Director; and that multi-family residential developers building on the Project site will abide by the City's voucher related Ordinance 30246; as amended by City Council on May 11, 2022.
 - iii. Homebuyer Assistance Program (For-Sale Single-Family Residential): A requirement that for-sale home builders constructing single-family homes on the Project site shall partner with the City to market and encourage homebuyers to participate in the City's to-be-developed homebuyer assistance program for the University Hills Sub-district, which would offer closing cost, down payment, and/or other financial assistance to certain income qualified households, as outlined in the homebuyer assistance program statement to be approved by the Board.

June 22, 2022**SECTION 8.** (continued)

Homebuyers assistance funds will be funded from the first \$5,300,000.00 of District increment (less administrative costs), inclusive of the current cash balance. Staff estimates that the homebuyer assistance program will be fully funded in this amount by 2023, after which any additional funds for the homebuyer assistance program would come only from the 10% affordable housing line item in the Plan. The TIF Subsidy will be funded from increment accrued after the homebuyer assistance program is fully funded.

- I. Management Entity: On or before December 31, 2025, Developer shall establish a homeowner's association, public improvement district, or other management entity acceptable to Director to ensure upkeep of common areas including the green spaces and amenity center and to provide additional security and other neighborhood services.
- J. Repayment Obligation: Developer shall be eligible to begin receiving disbursement of the TIF Subsidy once Developer completes and documents its completion of each of the obligations set forth in the Agreement (pursuant to Section 8.A. through Section 8.I. of this resolution). Developer shall be liable for repayment of the TIF Subsidy (the "Repayment Obligation") until it completes the Minimum Vertical Related Items as provided in the Agreement (pursuant to the definition provided herein). Such Repayment Obligation will be documented in a form approved by the City Attorney, which may include deed restrictions, a deed of trust, or other documents to secure performance. The Repayment Obligation may be forgiven as provided in the Agreement (pursuant to section 8.M. of this resolution).
- K. Security: Any deed of trust, deed restrictions, or other security documents required by the City Attorney's Office to secure the Repayment Obligation shall be executed by Developer simultaneously with the Agreement in a form approved by the City Attorney's Office. Such documents shall be recorded in the Real Property Records of Dallas County against Grantee's interests in the property within fourteen (14) days of execution of the Agreement. Such documents shall be released upon expiration of and satisfaction of obligations under the Agreement, or upon Developer's sale of any portion of the property to an unaffiliated developer for completion of vertical construction. Such documents shall be subordinate to construction/permanent lenders during the term of this Agreement. Developer shall provide a title policy to the City prior to the execution of the Agreement.

June 22, 2022**SECTION 8. (continued)**

- L. Minimum Vertical Requirements: Developer shall complete the sale of all single-family lots to builders and multi-family/commercial pad sites to developers acceptable to Director in his or her reasonable discretion, such approval not to be unreasonably withheld, by December 31, 2026. Developer shall (i) prepare and sell sites to third-party builders for the construction of a minimum of 200 single-family attached townhomes, 250 single-family detached homes, and 30,000 square feet of non-residential space, and (ii) construct or cause the construction of a minimum of 200 units of multi-family (the "Minimum Vertical Related Items"). All construction must be completed in conformance with the Design Guidelines, covenants, affordable housing restrictions, and other requirements of the Agreement (as described herein).
- M. Forgiveness of Repayment Obligation: The Repayment Obligation will be forgiven in the following tranches so long as Developer is otherwise in compliance with the Agreement:
- i. Twenty-five percent (25%) upon the sale of 200 residential lots to third-party builders for construction of single-family attached townhomes, which sale must be completed no later than December 31, 2032.
 - ii. Twenty-five percent (25%) upon the sale of 250 residential lots to third-party builders sufficient for construction of single-family detached homes, which sale must be completed no later than December 31, 2032.
 - iii. Twenty-five percent (25%) upon the completion of construction of 200 units of multi-family residential evidenced by a certificate of occupancy or equivalent documentation received on or before December 31, 2032.
 - iv. Twenty-five percent (25%) upon the sale of land to a third-party builder sufficient for construction of at least 30,000 square feet of non-residential office or retail space, which sale must be completed no later than December 31, 2032.
- N. Operating and Maintenance Agreement: On or before December 31, 2025, the Developer shall execute and fund an Operating and Maintenance Agreement for all non-standard public infrastructure improvements associated with the Project. Compliance with the executed operating and maintenance agreement shall be required of all future owners for the entire period (20 years) of the operating and maintenance agreement. If Developer chooses to forgo the TIF Subsidy or defaults on its obligationse

June 22, 2022**SECTION 8.** (continued)

Developer shall be responsible for maintenance of the non-standard public improvements through the term of the operating and maintenance agreement. Any assignment of Developer's maintenance obligations under the Agreement (and the operating and maintenance agreement) to another entity (e.g., new property owner, public improvement district, or property owner's association) shall require Director's prior written approval. If additional non-standard public improvements are constructed after initial execution of the operating and maintenance agreement, the agreement scope may be amended, or separate operating and maintenance agreements may be executed with other parties.

- O. Required Instruments: Developer shall provide public access easements, deed restrictions, or other instruments required by the Director in a form acceptable to the City Attorney if any street and utility infrastructure improvements as part of the Project remain privately owned in order to be considered for TIF Subsidy funding.
- P. Parkland Dedication: Developer shall comply with the City's Parkland Dedication Ordinance (Section 51A-4.1000 of the City's Code of Ordinances).
- Q. M/WBE Participation: Developer shall make good faith efforts to comply with the City's Business Inclusion and Development ("BID") goal of 32% participation by certified minority/women-owned business enterprises (M/WBE) for the hard construction costs of the horizontal development of the Project and meet all reporting requirements for each.
- R. Urban Design Peer Review Panel: The Urban Design Peer Review Panel ("UDPRP") is an independent group of professional designers selected by the City Manager with expertise in architecture, landscape architecture, engineering, and urban planning. The Project is scheduled to be reviewed by UDPRP on July 1, 2022, and the Developer shall be required to complete the UDPRP process for the overall conceptual master plan and the Project and respond to comments to the satisfaction of the City's Department of Planning and Urban Design (PUD) staff prior to execution of the Agreement for the Project. Conformance with the approved design plans shall be a material condition of TIF Subsidy payments. The Director may authorize minor modifications to the conceptual plans which may arise during the development process due to local, state, or federal regulatory requirements so long as the minor modifications are in substantial conformance with the spirit and intent of the UDPRP advice. Modifications to the conceptual plans, should the Director determine they are material, shall require review by the UDPRP. As the final step in the urban design process and prior to permit approval,

June 22, 2022**SECTION 8.** (continued)

Developer shall provide a set of permit drawings for the Project to the City's Department of Planning and Urban Design (PUD) for internal review and approval to ensure compliance with UDPRP recommendations and responses. The Planning and Urban Design Department shall complete the review of the permit drawings within ten (10) business days of Developer's submission. All future phases of development as illustrated in the conceptual master plan shall be required to undergo the UDPRP process to review conformance with the approved conceptual master plan.

- S. Quarterly Reporting: Until the Developer has received full forgiveness of the Repayment Obligation, Developer shall submit to the Office of Economic Development quarterly status reports for ongoing work on the Project. Such status reports shall be due within 30 calendar days following the end of each calendar quarter after the Council approval date.
- T. Modifications and Extensions: The Director, after approval and recommendation of the Board, may authorize minor modifications to the Project so long as they are consistent with the Plan's goals and the Design Guidelines, including extensions of any of the Project deadlines up to 24 months.

SECTION 9. That payment of the TIF Subsidy portion of the City Subsidy is subject to the availability of tax increment. If the appraised value of the property in the District remains constant or decreases in value from the base year value, the TIF Subsidy for that year may be reduced or unpaid due to the lack of available increment. The TIF Subsidy shall be paid solely from the Tax Increment Fund, if and when tax increments are received and available for such purpose, during the remaining life of the District (including collection of the 2047 tax year increments in calendar year 2048), subject to the limitations on repayment of the TIF Subsidy provided in the Agreement.

SECTION 10. That assuming all other conditions for payment have been met, the City will administer the payment of the TIF Subsidy to the Developer for the Project annually, pursuant to the University TIF District Increment Allocation Policy attached hereto as **Exhibit D**.

SECTION 11. That Developer may not sell, lease, encumber, or otherwise transfer any portion of the property in the Project to a non-affiliated entity without the Director's prior written consent, which consent shall not be unreasonably withheld. Transfer without such consent shall be a default of the Agreement. If any of the property in the Project is planned to be transferred to non-affiliated entities (not related to Developer), at least 30 calendar days before a non-affiliated entity is proposed to take over any portion of the Project,

June 22, 2022**SECTION 11.** (continued)

Developer must submit financial and management background information for review by the Director to consider written consent. All of the terms, conditions and obligations of the Agreement shall be binding upon Developer's successors and assigns of any such transfer.

SECTION 12. That Developer's inability to meet any of the material conditions of the Agreement (as listed herein), if not cured within 365 calendar days (or if not reasonably susceptible of cure within such 365-day period, within a reasonable time for the curing of such default; such reasonable time shall be determined in the Director's sole discretion) after written notice of such failure is provided by the City to the Developer, shall be an event of default under the Agreement and shall nullify the TIF Subsidy commitment to this Project. If Developer fails to cause the Minimum Vertical Related Items or fails to comply with any terms contained within the Agreement, any portion of the TIF Subsidy paid to Developer pursuant to the Agreement will become a debt to the City and shall be due, owing and paid to the City within three hundred sixty-five (365) calendar days after notice of the default pursuant to Developer's Repayment Obligation.

SECTION 13. That the requirements and obligations of the Developer shall be subject to events of "force majeure," which shall mean the following contingencies or causes, if beyond the reasonable control of the Developer, upon Director's written confirmation: epidemic, pandemic, act of God, war, riot, civil commotion, insurrection, fire, explosion, or flood.

June 22, 2022

SECTION 14. That the City and the Developer acknowledge that other public sources of funding such as Dallas Water Utilities or Coronavirus Local Fiscal Recovery Funds are being evaluated to support the Project. If, in the future, the Project is approved for funding from any other public sources which partially offset the cost of the necessary public infrastructure and/or reduce the amount of Developer's financial gap for the Project, then the TIF Subsidy portion of the City Subsidy shall be reduced commensurately. If the Project is approved for funding from any other public sources, then the City Manager is hereby authorized to execute an amendment of the Agreement, approved as to form by the City Attorney, to reduce the TIF Subsidy. For the avoidance of doubt, such amendment of the Agreement shall not require any further authorization by the City Council.

SECTION 15. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City, and it is accordingly so resolved.



Exhibit A
University Hills Phase I Project
TIF Subsidy Budget

University TIF District Project Plan Budget	
Category	TIF Budget
University Hills Sub-District:	
Public infrastructure improvements	\$31,410,966*
Public open space/parks	
Economic Development Grants	

* TIF Subsidy portion of City Subsidy is an amount not to exceed \$31,410,966 plus a grant in lieu of interest on the principal amount. The TIF Subsidy to the Project could be less if final (actual documented) costs for the public infrastructure improvements are less or if adequate increment does not accrue to the TIF fund

Note: If, in the future, the Project is approved for funding from other sources such as Dallas Water Utilities or Coronavirus Local Fiscal Recovery Funds that partially offset the cost of the public infrastructure necessary and/or reduce the financial gap of the Project, the TIF Subsidy allocated to the Project shall be reduced commensurately.

**Grant Program Guidelines
University TIF District
(Tax Increment Reinvestment Zone Number Twenty-One)
Adopted June 2022**

The City of Dallas hereby establishes an economic development grant program ("Grant Program") pursuant to Chapter 311 of the Texas Tax Code as necessary or convenient to implement the Project Plan and Reinvestment Zone Financing Plan ("Plan") for the University TIF District ("District").

Under the Grant Program, the City has the authority to make a grant of District funds ("Grant") for the public purpose of: (1) development and diversification of the economy, (2) elimination of unemployment or underemployment, and (3) development or expansion of transportation, business, and commercial activity within District.

The focus of the Grant Program will be to support projects and development in the University Hills Sub-District given its location in the underserved southern area of Dallas. The aggregate of all Grants from the District's tax increment fund shall not exceed the amount of tax increment produced by the City and paid into the tax increment fund for the District. No tax increment produced by Dallas County can be used to pay for grants; however, tax increment produced by Dallas County can be used as a direct pledge for TIF-eligible project costs.

Use of Funds:

All Grant awards must be recommended by the District's Board of Directors and approved by City Council. Nothing contained herein shall obligate the City to provide Grant awards as this Grant Program does not constitute an entitlement.

Projects seeking Grant funds must demonstrate that the project is not financially feasible *but for* the Grant.

Grants may be considered to offset the costs needed to develop vacant properties, redevelop obsolete properties, or accommodate mixed-use, higher density projects including structured parking. Grants may be considered to attract diverse commercial tenants that may not be accommodated under other TIF budget categories. Grants may be considered to offset the cost of providing mixed-income housing in residential developments within the District. Grants may also be considered to offset a developer's financial cost (i.e. interest on principal) of obligations incurred to provide a large-scale horizontal public infrastructure project that is necessary to make properties shovel-ready for vertical development.

Payment of Funds:

All Grants shall require a written agreement between the City and grantee to ensure that the predominant purpose of the Grant is to accomplish a public purpose and not to benefit private parties. The agreement shall place sufficient controls on the Grant funding to ensure that the public purposes are accomplished, the District's Plan achieves its

purpose, the City's investment is protected, and the City receives a return benefit. The agreement shall condition payment of the Grant funding upon specific performance of the grantee (e.g. the creation of jobs, construction of improvements, continued operations in the City for a stated period, or some other public consideration per these Grant Program Guidelines). Accordingly, no Grant funding shall be disbursed until all conditions of the agreement have been fulfilled. Grants are only payable during the term of the District, and the City's obligation to pay Grants expires with the expiration of the term of the District.

Eligible types of projects:

- Catalyst developments
- Housing developments that support the needs of students and staff at the University of North Texas-Dallas
- High volume retail anchors
- Mixed-use, transit-oriented developments
- Mixed-income housing developments
- Neighborhood serving commercial developments

Eligibility criteria:

A project's eligibility for Grant funding will be determined based on factors such as:

- The project's level of private investment creates sufficient tax increment to support the Grant amount
- The project creates jobs
- The project stimulates other investment in the District or leverages other funding sources for the District
- The project provides linkages with or improvements to alternative forms of transportation, including DART light rail
- The project accommodates higher density in an urban form
- The project mixes land uses vertically
- The project provides public parks, plazas, open space, trails, or pedestrian connections
- The project incorporates land uses that provide significant ground floor activation and pedestrian activity at the street level
- The project exerts a regional market influence and a competitive advantage for the City of Dallas over surrounding municipalities
- The project provides for public improvements that benefit the District as a whole

General requirements:

For projects with residential components, grantee must comply with mixed-income housing requirements of the District and any related City requirements

- Grantee must follow the City's M/WBE Business Inclusion and Development Plan (BID) Policy
- Grantee must promote hiring of local/neighborhood residents for any new jobs created
- Grantee must comply with established Design Guidelines for the District and the design review process

University TIF District Grant Program Area

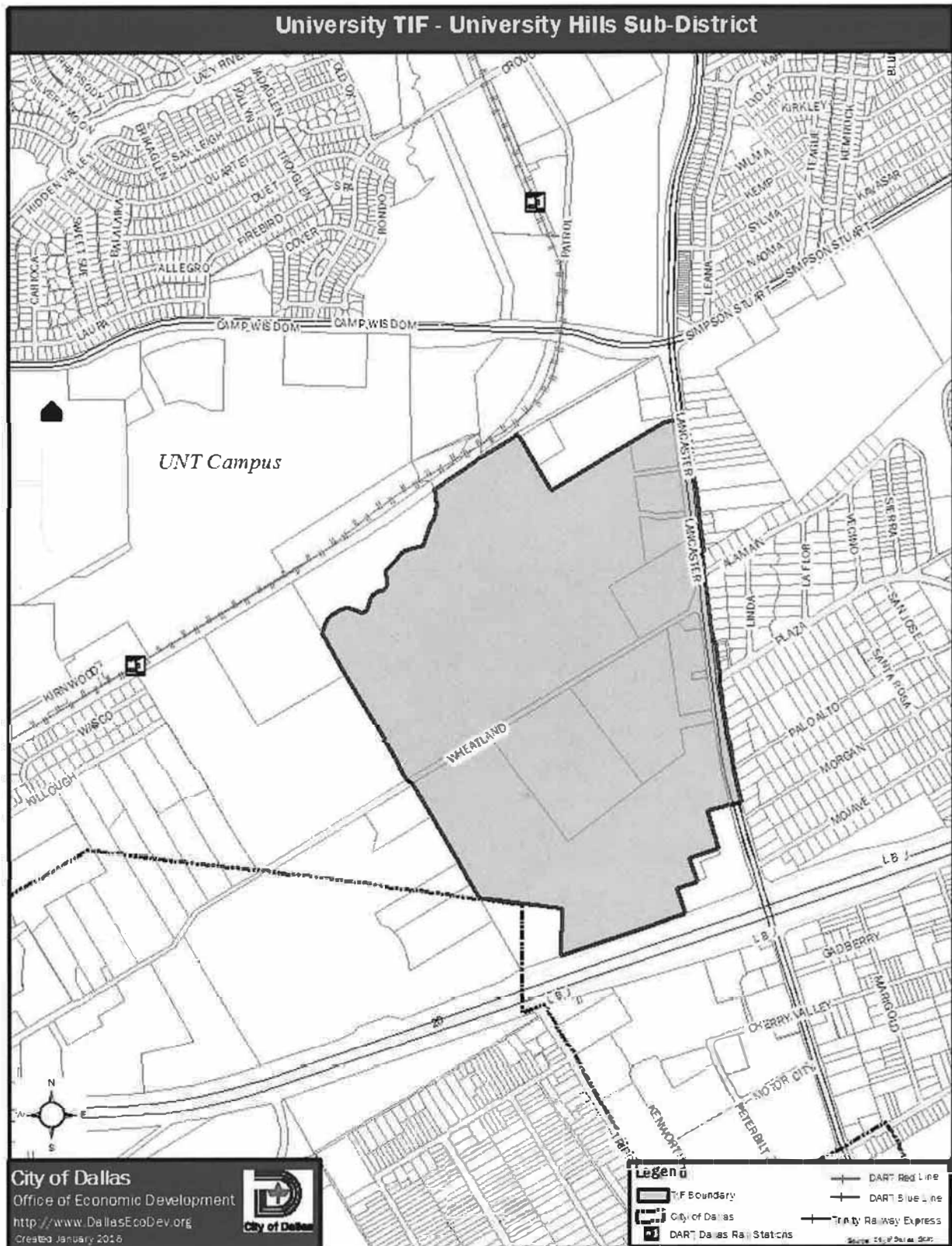


Exhibit C: Conceptual Master Plan



The conceptual master plan for the 250+ acreage bounded by Interstate Highway 20 (Lyndon B. Johnson Freeway), Lancaster Road, and the DART rail line in City Council District 8 in the University Hills Sub-district of the University TIF District



221008

Exhibit C – Phase I Conceptual Site Plan



221008

Exhibit C: Sample Images



Housing



221008

3

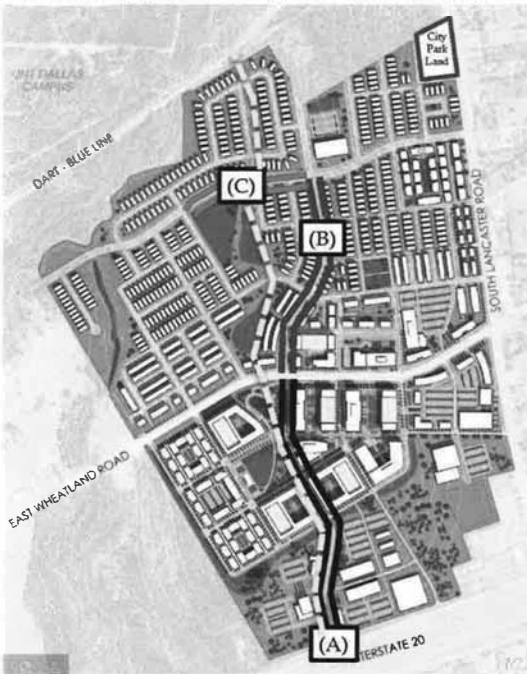
Exhibit C: Sample Images



Open Space Town Center



Exhibit C: Proposed Public Infrastructure



- Major Onsite Improvements:
 - Sanitary Sewer from DART to I-20 (\$2.8m)
 - Mass Grading for Detention – Entire Site (\$1.866m)
 - (A) N-S (A) Collector Road Wheatland to I-20 (\$4.153m)
 - (B) N-S Collector Road Wheatland to Future Killough (\$4.277m)
 - (C) E-W Collector (Killough) within Phase I (\$2.386m)



Phase I
Direct Improvements

Major infrastructure improvements include sanitary sewer and street improvements on collector roads. Direct public improvements include water, wastewater, storm, and street improvements on residential roads.

**Increment Allocation Policy
University TIF District
(Tax Increment Reinvestment Zone Number Twenty One)
Adopted June 2022**

It is important for the City of Dallas to encourage comprehensive, orderly, and sustainable development in the University TIF District ("District") to achieve the goals outlined in the Project Plan and Reinvestment Zone Financing Plan ("Plan"). Among these goals is to encourage the development of properties near mass transit and institutes of higher education and the creation of a 250-acre mixed-use development in the University Hills Sub-District. In that spirit, District funds will be allocated to help Developers close the gaps needed to achieve new development for the benefit of the District.

Although the University Hills Sub-District is the primary focus for the allocation of tax increment, the TIF Plan budget includes a category for affordable housing to assist in the provision of affordable for-sale and rental housing projects within the District (and potentially outside of the boundaries of the District). Additionally, the budget for the University Center Sub-District includes a category for landscape, parks, open space, and trails.

With the exception of the priority given to the University Hills Phase I catalyst project as described below, generally allocations will be made to Developers proportionally, based on the increment created by a Project (defined in a specific TIF development agreement) and potentially other Related Projects within the District by same Developer or affiliate (if not seeking separate additional District funds) and in accordance with any sub-district-wide set asides and inter-sub-district increment transfer arrangements as described below.

Definitions

Administrative Expenses: necessary costs incurred each year by the City for administration and implementation of the University TIF District Project Plan and Reinvestment Zone Financing Plan. The University Center Sub-District's portion of the District's Administrative Expenses will be based on the ratio of the University Center Sub-District Gross Increment to the Total Gross Increment. The University Hills Sub-District's portion of the District's Administrative Expenses will be based on the ratio of the University Hills Sub-District Gross Increment to the Total Gross Increment.

Available Cash: money in the District fund that is not already allocated, encumbered, or otherwise set aside for other purposes pursuant to the District's Project Plan and Reinvestment Zone Financing Plan and pursuant to fully executed TIF development agreements.

Developer: a person or entity that has completed all requirements for a Project as set out in the fully executed TIF development agreement for the Project.

Individual Increment: the portion of a sub-district's gross increment that a Project (or Related Project) creates each year.

Project (TIF-eligible): development, redevelopment, or rehabilitation that adds taxable real property value at a particular site, or is a space or facility of public benefit such as mixed-income housing, open space, a street, or a cultural facility. To be eligible, the Project must have been approved by City Council for District funds, and all requirements for payment set forth in the Project's fully executed TIF development agreement must have been satisfied.

Related Project/Developer: if a Developer or a Developer's affiliate(s) (as defined in a fully executed TIF development agreement) has ownership interest in other development or redevelopment projects in addition to an eligible Project, Developer may request that increment from those Related Project(s) be included in Individual Increment for TIF payment of the eligible Project expenses. These requirements will be further specified in a TIF development agreement where applicable. Related Projects must create new taxable real property value for the District based on the following criteria:

- New development on previously vacant land or in replacement of demolished structures.
- Redevelopment, rehabilitation, or major modification of an existing building if resulting in an increase of 50% or more in the taxable value of the original building.

Sub-District-Wide Public Infrastructure Improvements: improvements not specific to a single development site such as gateways, trails, parks/open space, public facilities, or utility/streetscape improvements benefitting multiple parcels or blocks, regardless of ownership.

Transfer to the Affordable Housing Budget Category: In accordance with the District's Project Plan and Reinvestment Zone Financing Plan, ten percent (10%) of the University Center Net Increment will be annually transferred to an affordable housing budget item that may be utilized both within the District and potentially for city-wide affordable housing programs. The TIF Board has the discretion to set aside available cash accrued to the TIF fund for advance funding of this budget item prior to payment eligibility for University Hills Phase I catalyst project with additional details provided for in a development agreement.

Transfer to the University Hills Sub-District: In accordance with the District's Project Plan and Reinvestment Zone Financing Plan, after the affordable housing transfer and any future Sub-District-Wide Public Improvement Set-Aside for the University Center Sub-District's open space category, the remainder of the University Center Sub-District Net Increment will be annually transferred to the University Hills Sub-District to help facilitate development of the 250-acre University Hills area.

Total Gross Increment: the total annual amount of increment generated within the University Center Sub-District and within the University Hills Sub-District and deposited into the District fund from the participating jurisdictions. Total Gross Increment includes increment attributed to new development as well as increment attributed to the appreciation of values of properties on which new development has not yet occurred.

University Center Sub-District Gross Increment: the annual amount of increment generated within the University Center Sub-District before the Montfort-IH 635 Sub-District's portion of Administrative Expenses has been deducted.

University Hills Sub-District Gross Increment: the annual amount of increment generated within the University Hills Sub-District before the University Hills Sub-District's portion of Administrative Expenses has been deducted.

University Center Sub-District Net Increment: the annual amount of increment generated within the University Center Sub-District after the University Center Sub-District's portion of Administrative Expenses has been deducted.

University Hills Sub-District Net Increment: the annual amount of increment generated within the University Hills Sub-District after the University Hills Sub-District's portion of Administrative Expenses has been deducted.

University Hills Sub-District Shared Increment: the University Hills Sub-District Net Increment plus the amount transferred from the University Center Sub-District less the sum of the Individual Increments of all Developers of eligible Projects in the University Hills Sub-District.

Catalyst Priority Project – University Hills Phase I:

University Hills Phase I development project (as defined in the project's development agreement) is being viewed as an important seed project for the District and will be designated a catalyst priority project for the purposes of increment allocation and until the obligation is fully paid eligible to receive:

- I. 100% of University Hills Sub-District Net Increment if there are no other TIF eligible projects by non-direct affiliates of developer. Other non-affiliated projects will be eligible to receive their own net increment only until the TIF commitment to University Hills Phase I is fully paid.
- II. 90% of the University Center Sub-District Net Increment.

Note: this Project will not be eligible for TIF payments in a given year unless all contractual obligations of the development agreement are fulfilled by June 1st of that year. If there are delays with the Project start date, approval of other financing sources or project completion, staff and the District's Board of Directors may reconsider the priority status for increment allocation to the University Hills Phase I project.

University Center Sub-District-Wide Improvement Set-Aside:

After administrative expenses, the affordable housing increment transfer, and obligations to the catalyst priority project (described above) have been satisfied, the District's Board of Directors may consider a set-aside toward funding the Sub-District's landscape, parks, trails, and open space category. The potential Set-Aside may be reviewed annually based on updated financial projections and Sub-District needs or project opportunities.

Annual Process (University Center Sub-District)

First, the University Center Sub-District Gross Increment will pay:

- 1) Administrative Expenses: After the Total Gross Increment has been deposited into the District fund, the City's Administrative Expenses for the District will be reimbursed first in each year of the District. The University Center Sub-District's portion of the District's Administrative Expenses will be paid from the University Center Sub-District Gross Increment based on the ratio of the University Center Sub-District Gross Increment to the Total Gross Increment.

Then, the University Center Sub-District Net Increment will pay or set aside allocations as follows:

- 2) Transfer to the Affordable Housing Budget Category: Ten percent (10%) of the University Center Net Increment will be annually transferred to an affordable housing budget item. The TIF Board has the discretion to set aside available cash accrued to the TIF fund for advance funding of this budget item prior to payment eligibility for University Hills Phase I catalyst project with additional details provided for in a development agreement.

- 3) Transfer to the University Hills Sub-District**: The remainder of the University Center Sub-District Net Increment will be annually transferred to the University Hills Sub-District to help facilitate development of the 250-acre University Hills area.

**Upon meeting the funding obligation for the University Hills Phase I catalyst project, the District's Board of Directors may evaluate whether to begin a Sub-District-Wide Set-Aside for the University Center Sub-District's landscape, parks, open space, and trails category

Annual Process (University Hills Sub-District)

First, the University Hills Sub-District Gross Increment will pay:

- 1) Administrative Expenses: After the Total Gross Increment has been deposited into the District fund, the City's Administrative Expenses for the District will be reimbursed first in each year of the District. The University Hills Sub-District's portion of the District's Administrative Expenses will be paid from the University Hills Sub-District Gross Increment based on the ratio of the University Hills Sub-District Gross Increment to the Total Gross Increment.

Then, the sum of the University Hills Sub-District Net Increment and the amount transferred from the University Sub-District will be available for disbursement to Developers of eligible Projects in proportion to their Individual Increments pursuant to fully executed TIF development agreements.

General Notes

1. In support of the Plan's goals, any shared increment in each Sub-District may be made available each year first to those Developers entering TIF development agreements to construct catalyst priority projects or to construct residential projects that advance the District's mixed income housing goals.
2. Dallas Central Appraisal District ("DCAD") certified values for each tax year will be the data source used to determine values for the annual increment allocation procedure. In general, the allocation of increment will be done annually, after each participating jurisdiction has deposited its annual increment into the District fund. No increment allocation will be made unless a total Project (or specific phase) is completed and all contractual obligations of the fully executed TIF development agreement are fulfilled by June 1 of a given year, as evidenced by City approval of all supporting documents required in the TIF development agreement. The City's Director of Economic Development will make the final determination in applying future available revenues in the District fund among Projects.
3. If the appraised value of the remaining property in the District decreases despite new development and as additional Projects are approved and completed, TIF funding assistance for Projects that year may be reduced or unpaid. Accrued Administrative Expenses will be reimbursed before increment allocations are made to the other categories. If there is no University Center Sub-District Net Increment remaining after the University Center Sub-District's portion of Administrative Expenses has been paid, then there will be no increment allocations in that sub-district in that year. If there is no University Hills Sub-District Net Increment remaining after the University Hills Sub-District's portion of Administrative Expenses has been paid, then there will be no increment allocations in that sub-district in that year.
4. At its discretion, the District's Board of Directors may make modifications or corrections to this Policy to increase its effectiveness.

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WHEREAS, the City of Dallas ("City") recognizes the importance of its role in local economic development; and

WHEREAS, investment decisions made by businesses and developers are often influenced by a municipality's ability to provide economic development incentives; and

WHEREAS, the City established Tax Increment Financing Reinvestment Zone Number Seventeen ("University TIF District" or "District") and established a Board of Directors ("Board") for the District to promote development or redevelopment in the District pursuant to by Resolution No.17-1941; Ordinance No. 30733, authorized by the City Council on December 13, 2017, as authorized by the TIF Act ("Act"), Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on December 9, 2020, City Council authorized the Project Plan and Reinvestment Zone Financing Plan ("Plan") for this District by Resolution No. 20-1894; Ordinance No. 31713; and

WHEREAS, on May 26, 2021, the City Council adopted an Economic Development Policy 2022-2032 ("Policy") by Resolution No. 21-0927, as amended; and

WHEREAS, on June 22, 2022, the City Council authorized a development agreement ("Agreement") and all other necessary documents, upon approval as to form by the City Attorney, with I-20 Lancaster Development, LLC and/or its affiliates for a City Subsidy in an amount not to exceed \$34,210,966.00 comprised of (1) an amount not to exceed \$2,800,000.00 in the form of an economic development grant payable from the City's Public/Private Partnership Fund and (2) an amount not to exceed \$31,410,966.00 plus an additional grant in lieu of interest payable from future University TIF District funds in consideration of the University Hills Phase I catalyst project on property generally bounded by Interstate Highway 20 ("Lyndon B. Johnson Freeway"), Lancaster Road, and the DART rail line in Tax Increment Financing Reinvestment Zone Number Twenty One ("University TIF District") by Resolution No. 22-1008; and

WHEREAS, on January 25, 2023, in furtherance of the new Policy goals, the City Council also authorized a new Economic Development Incentive Policy (Incentive Policy) effective for the period January 1, 2023 through December 31, 2024, by Resolution No. 23-0220, which was later amended on March 27, 2024, by Resolution No. 24-0435; and

WHEREAS, the Incentive Policy establishes certain guidelines and criteria for the use of City incentive programs for private development projects and establishes programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Texas Local Government Code, Chapter 380, among other statutes; and

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WHEREAS, pursuant to the City's Incentive Policy, this Project is located in a Target Area and in a non-Target area; and

WHEREAS, on December 2, 2024, the Economic Development Committee of City Council was briefed regarding this matter; and

WHEREAS, the proposed Project will not occur within the city of Dallas without an amended offer of economic development incentives from the City and complies with the Plan, the City's Incentive Policy, and all applicable local, state, and federal laws; and

WHEREAS, the City Council finds that the City is: (i) acting in its governmental capacity and its performance hereunder is pursuant to authority granted by the State of Texas, its sovereign or for the benefit of the sovereign; (ii) authorizing this Agreement to primarily benefit the public at large; or (iii) performing functions closely related to or essential to the performance of governmental activities.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Council hereby authorizes amendments to Resolution No. 22-1008, previously approved by City Council on June 22, 2022, authorizing a development agreement ("Agreement") and all other necessary documents with I-20 Lancaster Development, LLC and/or its affiliates ("Developer"), approved as to form by the City Attorney, related to the University Hills Phase I catalyst project ("Project") on property generally bounded by Interstate Highway 20 ("Lyndon B. Johnson Freeway"), Lancaster Road, and the DART rail line to: **(1)** increase the City Subsidy by \$1,750,000.00 from an amount not to exceed \$34,210,966.00 to an amount not to exceed \$35,960,966.00 by increasing the economic development grant payable from the City's Public/Private Partnership Fund ("PPP Grant") by \$1,750,000.00 from an amount not to exceed \$2,800,000.00 to an amount not to exceed \$4,550,000.00 and include the specific requirement for Developer to design, construct, and achieve City acceptance of the specific wastewater infrastructure improvement originally planned to be delivered by Dallas Water Utilities (Project Area 75-4-C in the 2020 Unserved Areas Program); **(2)** extend various material dates and deadlines; **(3)** transfer an amount not to exceed \$1,750,000.00 from the ARPA Redevelopment Fund to the Public/Private Partnership Fund; **(4)** make other corresponding modifications, and, in consideration; **(5)** increase the Developer's minimum investment requirement by \$2,000,000.00 from \$60,000,000.00 to \$62,000,000.00; **(6)** amend the Minimum Vertical Requirements to require the Developer to prepare and sell an additional 50 residential sites to third-party builders for the construction of single-family homes; and **(7)** amend the Minimum Vertical Requirements to require the Developer to construct a community amenity center with a pool.

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SECTION 2. That Section 3 of Resolution No. 22-1008 is amended as follows (deleted text are shown as strikethroughs, added text are shown in underlined font):

“SECTION 3. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$4,550,000.00 to I-20 Lancaster Development, LLC, and/or its affiliates from the Public/Private Partnership Fund (subject to annual appropriations), as reimbursement for: (1) all fees incurred on or before December 31, ~~[2026]~~2027 for all permitting, plan review, and inspection fees, and (2) actual costs incurred for the design, construction, and City acceptance of the wastewater infrastructure improvements as depicted in Exhibit E to this resolution (originally planned to be delivered by Dallas Water Utilities as Project Area 75-4-C in the 2020 Unserved Areas Program), as follows:

Public/Private Partnership Fund
Fund 0352, Department ECO, Unit W832
Activity PPPF, Object 3016, Program UNVHILLS,
Encumbrance/Contract No. CX ECO-2022-00019601
Vendor VC25137

~~[\$2,800,000.00]~~\$4,550,000.00”

SECTION 3. That Section 4 of Resolution No. 22-1008 is amended as follows (deleted text are shown as strikethroughs, added text are shown in underlined font):

“SECTION 4. That, upon Developer's completion and City acceptance of the specific stormwater infrastructure improvements depicted in Exhibit F to this resolution, Developer may begin receiving TIF Subsidy payment only for the actual costs incurred to deliver the specific stormwater infrastructure improvements depicted in Exhibit F, contingent on the availability of District funds and subject to the Repayment Obligations. The balance of the TIF Subsidy will still be subject to completion of all of the obligations set forth in the Agreement (including those terms and conditions set forth in Sections 8.A. through Section 8.I. of this resolution, as amended), the City Council hereby authorizes the Chief Financial Officer to disburse funds in an amount not to exceed \$31,410,966.00 plus an additional grant in lieu of interest payable from current and future University TIF District funds to I-20 Lancaster Development, LLC and/or its affiliates from the University TIF District Fund (subject to annual appropriations from tax increments), as follows:

University TIF District Fund
Fund 0051, Department ECO, Unit W832
Activity UVTD, Object 4599, Program UNVHILLS,
Encumbrance/Contract No. CX ECO-2022-00019601
Vendor VC25137

\$31,410,966.00”

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SECTION 4. That Section 8 of Resolution No. 22-1008 is amended as follows (deleted text are shown as strikethroughs, added text are shown in underlined font):

“SECTION 8. That, in addition to the conditions set out in the Agreement (pursuant to Section 1 and Section 6 of this resolution), the TIF Subsidy is hereby expressly made subject to all of the following terms, conditions and obligations, which Developer must perform or cause to occur as described herein (except that Developer may begin receiving payment of a relatively small portion of the TIF Subsidy only for the actual costs incurred to deliver the specific stormwater infrastructure improvements depicted in Exhibit F pursuant to Section 3 above):

- A. Purchase of Land: ~~[On or before December 31, 2023,]~~ Within 90 calendar days of Developer’s execution of the Agreement, Developer shall purchase the entire assemblage of property (approximately 279 acres) from ~~[CADD Property Holdings I, LLC]~~ VM Fund I, LLC as shown in the overall conceptual master plan (**Exhibit C**) and provide evidence of such purchase to the Director of the Office of Economic Development (“Director”).
 - 1. Agreement Execution Deadline. Developer shall execute the Agreement on or before: (a) 30 calendar days after City Council approval of this resolution; or (b) 30 calendar days after City delivery of the City-signed Agreement to Developer incorporating the amendments contained in this resolution, whichever is later.
- B. Construction Funding: On or before ~~[December 31, 2023,]~~ (i) June 30, 2025 or (ii) 180 calendar days after Developer’s execution of the Agreement, whichever is later. Developer shall secure and provide satisfactory evidence to the Director of construction funds or financing for the horizontal development of the Project.
- C. Minimum Investment: On or before ~~[December 31, 2026]~~ June 30, 2028, Developer must document a minimum investment of ~~[\$60,000,000]~~ \$62,000,000 in the horizontal development (e.g., environmental remediation; demolition; site preparation work; infrastructure) of the Project. The term "Invest" or "Investment" means the sum of all development costs for land acquisition, environmental remediation costs (if any); demolition costs (if any); site preparation costs (excavation; placement of fill; grading), and construction costs (hard and soft) for horizontal infrastructure improvements paid, payable, or actually incurred by or on behalf of the Developer, with respect to the Project (hereinafter defined) and the improvements thereon. Construction soft costs specifically include the following items: architecture, engineering, interior design (only if related to the building structure), and construction

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SECTION 4. (continued)

management fees. Construction management is solely intended to cover fees paid to an outside consultant or third party who confirms the quality of the work. Construction management fees must be invoiced with a detailed description of work performed. Developer fees, legal fees, marketing fees, leasing commissions, furniture/fixture/equipment costs, construction material testing costs, permit/inspection fees, builder's risk insurance, property insurance during construction, consultant fees, construction financing fees, construction loan interest, construction loan closing costs, carrying costs (e.g., interest costs on land; maintenance costs on land; ad valorem taxes, etc.), operating deficits through stabilization and other similar costs shall not be considered toward this definition of Investment. The Developer must provide documentation of all such expenditures in a form satisfactory to the Director in his or her sole discretion. Expenditures made towards the minimum investment requirement shall include only those eligible costs incurred on or after the date (June 3, 2022) of final execution of the Letter of Intent between the City and the Developer.

- D. Environmental Remediation/Demolition: Developer shall perform all legally required environmental remediation and any demolition necessary to construct the Project by ~~[December 31, 2025]~~June 30, 2027.
- E. Site Preparation Work: Developer shall perform all necessary site preparation work (e.g., excavation, placement of fill, grading) to prepare the site for the infrastructure improvements (e.g., new roads and utilities) necessary to support the planned vertical improvements included with the Project (as described in Section 8.L. and Section 8.M. of this resolution) and obtain the City's written final acceptance (if necessary) of such work by ~~[December 31, 2025]~~June 30, 2027.
- F. Infrastructure Construction and Acceptance: Developer shall construct the infrastructure improvements (e.g., new roads, utilities, and streetscape) necessary to support the planned vertical improvements included with the Project (as described in Section 8.K. of this resolution) and obtain the City's written final acceptance of same by ~~[December 31, 2026]~~June 30, 2028.
- G. Design Guidelines: By September 30, 2023, Developer ~~[shall]~~ submitted a draft traditional neighborhood design guidelines and/or a pattern book, for the development, for the ~~[University Hills Sub-District for]~~ review and approval by the City's Planning and ~~[Urban Design]~~Development Department (PDD) staff. PDD has approved ~~[T]~~these specific guidelines, as special conditions for the [University TIF District, shall be incorporated into a set of master design guidelines to be adopted by the Board (as approved, the "Design Guidelines")] Project. The Design Guidelines are

December 11, 2024**SECTION 4.** (continued)

attached as **Exhibit G** and shall be included in the covenants described in Section 8(H) of this resolution.

H. Real Estate Covenants: Developer shall establish covenants for all future vertical development in the Project. ~~[The]~~A draft set of covenants [shall be] was provided by Developer for Director's review ~~[and approval]~~ by September 30, 2023. Once approved by Director and City Attorney, Developer shall file the approved covenants in the Real Property Records of Dallas County with Developer's filing of the final plat for the Project. Covenants shall address each of the following:

- i. Design Guidelines: A requirement that future vertical construction in the Project conforms with the Design Guidelines.
- ii. Affordable Housing (Rental Multi-Family Residential): Deed restrictions ensuring that multi-family residential developments built on the Project site will comply with the TIF program mixed-income housing requirements (i.e., twenty percent (20%) of units set aside for households earning no more than 80% area median family income for 15 years); that such units will be marketed pursuant to an Affirmative Fair Housing Marketing Plan approved by Director; and that multi-family residential developers building on the Project site will abide by the City's voucher related Ordinance 30246; as amended by City Council on May 11, 2022.
- iii. Homebuyer Assistance Program (For-Sale Single-Family Residential): A requirement that for-sale home builders constructing single-family homes on the Project site shall partner with the City to market and encourage homebuyers to participate in the City's to-be-developed homebuyer assistance program for the University Hills Sub-district, which would offer closing cost, down payment, and/or other financial assistance to certain income qualified households, as outlined in the homebuyer assistance program statement to be approved by the Board. Homebuyer assistance funds will be funded from the first \$5,300,000.00 of District increment (less administrative costs), inclusive of the current cash balance. Staff estimates that the homebuyer assistance program will be fully funded in this amount by 2023, after which any additional funds for the homebuyer assistance program would come only from the 10% affordable housing line item in the Plan. The TIF Subsidy will be funded from increment accrued after the homebuyer assistance program is fully funded.

SECTION 4. (continued)

- I. Management Entity: On or before ~~[December 31, 2025]~~ June 30, 2028, Developer shall establish a homeowner's association, public improvement district, or other management entity acceptable to Director to ensure upkeep of common areas including the green spaces and amenity center and to provide additional security and other neighborhood services.
- J. Repayment Obligation: Developer shall be eligible to begin receiving disbursement of the TIF Subsidy once Developer completes and documents its completion of each of the obligations set forth in the Agreement (pursuant to Section 8.A. through Section 8.I. of this resolution)~~[-]~~ (except that Developer may begin receiving payment of a relatively small portion of the TIF Subsidy only for the actual costs incurred to deliver the specific stormwater infrastructure improvements depicted in Exhibit F pursuant to Section 3 above). Developer shall be liable for repayment of the TIF Subsidy (the "Repayment Obligation") until it completes the Minimum Vertical Related Items as provided in the Agreement (pursuant to the definition provided herein). Such Repayment Obligation will be documented in a form approved by the City Attorney, which may include deed restrictions, a deed of trust, guaranty, or other documents to secure performance. The Repayment Obligation may be forgiven as provided in the Agreement (pursuant to section 8.M. of this resolution).
- K. Security: Any deed of trust, deed restrictions, guaranty, or other security documents required by the City Attorney's Office to secure the Repayment Obligation shall be executed by Developer ~~[simultaneously with the Agreement]~~ prior to any payment of the TIF Subsidy in a form approved by the City Attorney's Office. Such documents shall be recorded in the Real Property Records of Dallas County against ~~[Grantee's]~~ Developer's interests in the ~~[p]Property [within (14) days of execution of the Agreement]~~. Such documents shall be released upon expiration of and satisfaction of obligations under the Agreement, or upon Developer's sale of any portion of the property to an unaffiliated developer for completion of vertical construction. Such documents shall be subordinate to construction/permanent lenders during the term of ~~[this]~~ the Agreement. Developer shall provide a title policy to the City prior to any payment of the TIF Subsidy.
- L. Minimum Vertical Requirements: Developer shall complete the sale of all single-family lots to builders and multi-family/commercial pad sites to developers acceptable to Director in his or her reasonable discretion, such approval not to be unreasonably withheld, by December 31, ~~[2026]~~ 2029. Developer shall (i) prepare and sell sites to third-party builders for the

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SECTION 4. (continued)

construction of a minimum of ~~[200]~~ 500 single-family ~~[attached townhomes, 250 detached]~~ homes[,] and 30,000 square feet of non-residential space, ~~[and]~~ (ii) construct or cause the construction of a minimum of 200 units of multi-family housing, and (iii) construct a community amenity center with a pool (the "Minimum Vertical Related Items"). All construction must be completed in conformance with the Design Guidelines, covenants, affordable housing restrictions, and other requirements of the Agreement (as described herein).

M. Forgiveness of Repayment Obligation: The Repayment Obligation will be forgiven in the following tranches so long as Developer is otherwise in compliance with the Agreement:

- i. Twenty-five percent (25%) upon the sale of 200 residential lots to third-party builders for construction of single-family ~~[attached townhomes]~~ homes, which sale must be completed no later than ~~[December 31, 2032]~~ June 30, 2034.
- ii. Twenty-five percent (25%) upon the sale of ~~[250]~~ 300 residential lots to third-party builders sufficient for construction of single-family ~~[detached]~~ homes, which sale must be completed no later than ~~[December 31, 2032]~~ June 30, 2034, and completion of construction of a community amenity center with a pool.
- iii. Twenty-five percent (25%) upon the completion of construction of 200 units of multi-family residential evidenced by a certificate of occupancy or equivalent documentation received on or before ~~[December 31, 2032]~~ June 30, 2034.
- iv. Twenty-five percent (25%) upon the sale of land to a third-party builder sufficient for construction of at least 30,000 square feet of non-residential office or retail space, which sale must be completed no later than ~~[December 31, 2032]~~ June 30, 2034.

N. Operating and Maintenance Agreement: On or before ~~[December 31, 2025]~~ June 30, 2028, the Developer shall execute and fund an Operating and Maintenance Agreement for all non-standard public infrastructure improvements associated with the Project. Compliance with the executed operating and maintenance agreement shall be required of all future owners for the entire period (20 years) of the operating and maintenance agreement. If Developer chooses to forgo the TIF Subsidy or defaults on its obligations~~[e]~~, Developer shall ~~[be]~~ remain responsible for the maintenance of the non-standard public improvements through the term of

December 11, 2024

SECTION 4. (continued)

the operating and maintenance agreement. Any assignment of Developer's maintenance obligations under the Agreement (and the operating and maintenance agreement) to another entity (e.g., new property owner, public improvement district, or property owner's association) shall require Director's prior written approval. If additional non-standard public improvements are constructed after initial execution of the operating and maintenance agreement, the agreement scope may be amended, or separate operating and maintenance agreements may be executed with other parties.

- O. Required Instruments: At no cost to the City, Developer shall provide public access easements, deed restrictions, or other instruments required by the Director in a form acceptable to the City Attorney if any street and utility infrastructure improvements as part of the Project remain privately owned in order to be considered for TIF Subsidy funding.
- P. Parkland Dedication: Developer shall comply with the City's Parkland Dedication Ordinance (Section 51A-4.1000 of the City's Code of Ordinances), as amended.
- Q. M/WBE Participation: Developer shall make good faith efforts to comply with the City's Business Inclusion and Development ("BID") goal of 32% participation by certified minority/women-owned business enterprises (M/WBE) for the hard construction costs of the horizontal development of the Project and meet all reporting requirements for each.
- R. Urban Design Peer Review Panel: The Urban Design Peer Review Panel ("UDPRP") is an independent group of professional designers selected by the City Manager with expertise in architecture, landscape architecture, engineering, and urban planning. The Project ~~[is scheduled to be]~~was reviewed by UDPRP on ~~[July 1, 2022,]~~July 28, 2023, and the Developer ~~[shall be required to complete the UDPRP process for the overall conceptual master plan and the Project and respond]~~ responded to comments to the satisfaction of the City's ~~[Department of Planning and Urban Design (PUD)]~~PDD staff ~~[prior to execution of the Agreement for the Project]~~on October 23, 2024. Conformance with the approved design plans shall be a material condition of TIF Subsidy payments. The Director may authorize minor modifications to the conceptual plans which may arise during the development process due to local, state, or federal regulatory requirements so long as the minor modifications are in substantial conformance with the spirit and intent of the UDPRP advice. Modifications to the conceptual plans, should the Director determine they are material, shall require review by the UDPRP. As the final step in the urban design

December 11, 2024

SECTION 4. (continued)

process and prior to permit approval, Developer shall provide a set of permit drawings for the Project to the City's [Department of Planning and Urban Design (PUD)] PDD for internal review and approval to ensure compliance with UDPRP recommendations and responses. The ~~[Planning and Urban Design Department]~~ PDD shall complete the review of the permit drawings within ten (10) business days of Developer's submission. All future phases of development as illustrated in the conceptual master plan shall be required to undergo the UDPRP process to review conformance with the approved conceptual master plan.

- S. Quarterly Reporting: Until the Developer has received full forgiveness of the Repayment Obligation, Developer shall submit to the Office of Economic Development quarterly status reports for ongoing work on the Project. Such status reports shall be due within 30 calendar days following the end of each calendar quarter after the ~~[Council approval date]~~ execution of the Agreement.
- T. Modifications and Extensions: Subject to Section 8.T., ~~[T]~~the Director, after approval and recommendation of the Board, may authorize minor modifications to the Project so long as they are consistent with the Plan's goals and the Design Guidelines, including extensions of ~~[any of the]~~ to certain Project deadlines up to 24 months.
- U. The Director is not authorized to extend deadlines to execute the Agreement, purchase the land, and secure construction funding."

SECTION 5. That Section 14 of Resolution No. 22-1008 is hereby deleted in its entirety and replaced with this new Section 14 to read:

"SECTION 14. That the Chief Financial Officer is hereby authorized to record expenses in an amount not to exceed \$1,750,000.00 in the ARPA Redevelopment Fund, Fund 0A72, Department DWU, Unit AR08, Program No. 724556, Object 4560, with an offset to Fund 0A72, Department DWU, BSA 0001, and a corresponding revenue of \$1,750,000 in the Public/Private Partnership Fund, Fund 0352, Department ECO, Unit W832, Activity PPPF, Revenue Code 9000, with and offset to Fund 0352, Department ECO, BSA 0001

SECTION 6. That a new Section 16 is hereby added to Resolution No. 22-1008 to read:

"SECTION 16. Developer shall not allow a public facility corporation ("PFC") sponsored by the University Hills Municipal Management District to be created for the Project; however, projects sponsored by the City's PFC may be permitted."

December 11, 2024

SECTION 7. That a new Section 17 is hereby added to Resolution No. 22-1008 to read:

“SECTION 17. Notwithstanding Section 12 of Resolution No. 22-1008, if Developer fails to comply with the amended deadline to execute the Agreement, the amended deadline to purchase the land, or the amended deadline to secure construction funding as described in Section 8, the Developer shall have no cure period, and the City shall rescind all authorizations and funding commitments provided by Resolution No. 22-1008, as amended (and City shall terminate the Agreement if Agreement has been executed).”

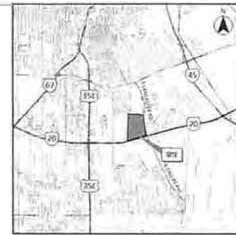
SECTION 8. That, with the exception of the amendments described above, subject to Section 9 of this resolution, all other requirements of Resolution No. 22-1008 shall remain in full force and effect.

SECTION 9. That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation with respect to this grant, until such time as the Agreement is duly executed by all parties. Should Developer fail to (a) timely execute this Agreement as contemplated by Section 4.A.1. of this resolution; or (b) timely purchase the land as contemplated by Section 4.A. of this resolution; or (c) timely secure construction funding as contemplated by Section 4.B of this resolution, both this resolution and Resolution No. 22-1008 shall thereafter be null and void.

SECTION 10. That, subject to Section 9 of this resolution, this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City, and it is accordingly so resolved.



Exhibit E



VICINITY MAP
N.T.S.
MAPSCO NO. 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

PRELIMINARY
NOT FOR CONSTRUCTION
KFM
ENGINEERING & DESIGN
P.L.L.C.
DATE: 05/11/2011



NOTES:
1. REFER TO SHEET 2011-01 FOR GENERAL CONSTRUCTION NOTES.

811

new your before call before you dig

CONTRACTOR TO CONTRACT THE TRADING CALL SYSTEM

IS NOT BE RESPONSIBLE FOR ANY DAMAGE TO EXISTING UTILITIES OR STRUCTURES. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF DALLAS AND THE DALLAS WATER UTILITIES DEPARTMENT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF DALLAS AND THE DALLAS WATER UTILITIES DEPARTMENT.

REVISIONS			
REV NO.	DATE	DESCRIPTION	BY

KFM ENGINEERING & DESIGN
3001 CAMPUS BLVD. SUITE 100
DALLAS, TX 75243-4601
PHONE: 214.752.1100
FAX: 214.752.1101
WWW.KFMENGINEERING.COM

OVERALL WATER & WASTEWATER PLAN
UNIVERSITY HILLS
NW CORNER OF LANCASTER ROAD AND IH-20
DALLAS WATER UTILITIES
CITY OF DALLAS, DALLAS COUNTY, TEXAS

CONTRACT NO. _____ DATE _____
CONTRACTOR _____

REV NO.	DATE	DESCRIPTION	BY

241812

Project Name: University Hills
Client Name: Hoque Global
City: Dallas, Texas

Date: 9/4/2024
Project Number: 01.0195.001

CONSTRUCTION COST ESTIMATE - M.I. WASTEWATER LINE

Wastewater System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
18" C-905 PVC PIPE	LF	906	\$350.00	\$317,100.00
15" C-905 PVC PIPE	LF	1,818	\$275.00	\$499,950.00
30" ENCASEMENT PIPE	LF	240	\$500.00	\$120,000.00
4' WW MANHOLE	EA	8	\$30,000.00	\$240,000.00
4' WW DROP MANHOLE	EA	6	\$45,000.00	\$270,000.00
MANHOLE VACUUM TESTING	EA	14	\$550.00	\$7,700.00
TESTING & T.V. MAINS	LF	2,724	\$2.75	\$7,491.00
TRENCH SAFETY	LF	2,724	\$10.00	\$27,240.00
SUB-TOTAL				\$1,489,481.00

Miscellaneous

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
TREE CLEARING, CHIPPING, HAULING	EA	1	\$120,000.00	\$120,000.00
CONNECT TO EXISTING MANHOLE W/ 18" MAIN	EA	1	\$12,000.00	\$12,000.00
MOBILIZATION	EA	1	\$20,000.00	\$20,000.00
3-WAY CONTRACT & BONDS	EA	1	\$30,000.00	\$30,000.00
SUB-TOTAL				\$182,000.00

SUMMARY

SUM OF CONSTRUCTION COSTS		\$1,671,481.00
CONTINGENCY	20%	\$334,296.20
SUB-TOTAL		\$2,005,777.20
ENGINEERING, CM/PM, GEOTECH, & MATERIAL TESTING FEES	20%	\$401,155.44
INSPECTION FEE, BONDS, ETC.	5%	\$100,288.86
TOTAL CONSTRUCTION COST		\$2,507,221.50

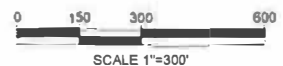
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KFM
ENGINEERING & DESIGN
3501 OLYMPUS BLVD, SUITE 100
DALLAS, TEXAS 75019
PHONE: (469) 899-0536
WWW.KFM-LLC.COM
TYPE #: F-20821

TITLE
OPC EXHIBIT
MI STORM

PROJECT
UNIVERSITY HILLS
DALLAS, TX

CLIENT
HOQUE GLOBAL



PROJECT: 241812
010180001

DATE: 2024/10/17

SHEET EXH 01



OPINION OF PROBABLE COST

Project Name: University Hills Ph I

Client Name: Hoque Global

City: Dallas

County: Dallas

Date: October 17, 2024

Project Number: 01.0195.001

Acreage: 130

Units: 573

CONSTRUCTION COST ESTIMATE - MASTER INFRASTRUCTURE - STORM

Storm Drain System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
24" R.C.P.	LF	2,300	\$115.00	\$264,500.00
30" R.C.P.	LF	300	\$140.00	\$42,000.00
36" R.C.P.	LF	900	\$190.00	\$171,000.00
42" R.C.P.	LF	1,900	\$240.00	\$456,000.00
48" R.C.P.	LF	200	\$280.00	\$56,000.00
54" R.C.P.	LF	600	\$365.00	\$219,000.00
5'x6' BOX CULVERT	LF	1,120	\$605.00	\$677,600.00
6'x6' BOX CULVERT	LF	690	\$660.00	\$455,400.00
10'x5' BOX CULVERT	LF	230	\$1,400.00	\$322,000.00
4' X 4' JUNCTION BOX	EA	10	\$6,450.00	\$64,500.00
JUNCTION BOX LARGE	EA	2	\$15,750.00	\$31,500.00
10' CURB INLET	EA	30	\$5,850.00	\$175,500.00
4' x 4' "Y" INLET	EA	6	\$6,850.00	\$41,100.00
24" SLOPED HEADWALL	EA	1	\$3,650.00	\$3,650.00
36" SLOPED HEADWALL	EA	1	\$7,500.00	\$7,500.00
42" SLOPED HEADWALL	EA	1	\$9,000.00	\$9,000.00
54" HEADWALL	EA	1	\$12,000.00	\$12,000.00
6' X 6' HEADWALL W/ FLARED WINGWALLS	EA	1	\$15,000.00	\$15,000.00
10' X 5' PARALLEL HEADWALL	EA	2	\$22,500.00	\$45,000.00
ROCK RIP-RAP	SY	800	\$118.00	\$94,400.00
REMOVE & REPLACE CONC. PVMT.	SY	225	\$275.00	\$61,875.00
REMOVE EX. STORM LINE	LF	100	\$35.00	\$3,500.00
TESTING & TV INSPECTION	LF	8,240	\$3.50	\$28,840.00
TRENCH SAFETY	LF	8,240	\$0.25	\$2,060.00
			SUB-TOTAL	\$3,258,925.00

SUMMARY

SUM OF CONSTRUCTION COSTS		\$3,258,925.00
CONTINGENCY	10%	\$325,892.50
SUB-TOTAL		\$3,584,817.50
ENGINEER, SURVEY, CM/PM, & GEOTECH FEES	8%	\$286,785.40
INSPECTION FEE, BONDS, ETC.	4%	\$143,392.70
PID FORMATION FEE	0%	\$0.00
TOTAL CONSTRUCTION COST		\$4,014,995.60



UNIVERSITY HILLS DESIGN BOOK

DALLAS, TEXAS

KFM

KFM Engineering and Design

NOVEMBER 2024

1st Edition

UNIVERSITY HILLS DESIGN BOOK



KFM

Prepared by KFM Engineering and Design

NOVEMBER 2024
1st Edition

University Hills Design Book Administration:

Developers must submit Concept Plans and Elevations to the University Hills MMD for approval. Once approved, a letter will be issued that will be included with the submittal for City Staff review. Coordination with the City and the Developer will occur to find the best path forward. The Design Book is a guideline for the Master Developer and future builders to use as a template to deliver a consistent and thoughtfully designed product to the community. Each application, prior to being submitted to the City for permit, should obtain a letter from the District Engineer that the project is in compliance with the Design Guidelines prior to submittal.

University Hills Design Book Disclaimer:

The University Hills Design Book will continue to change as the project moves forward. New market conditions, and lessons learned in the early phases of development may require adjustments to these guidelines. The District Engineer, KFM Engineering & Design, will provide a current copy of the University Hills Design Book upon request.

Parties interested in property at University Hills for purchase, lease, etc. should rely upon their own property research and acknowledge that they are obtaining that information independently without any statement or warranty made by KFM Engineering & Design or the City of Dallas.

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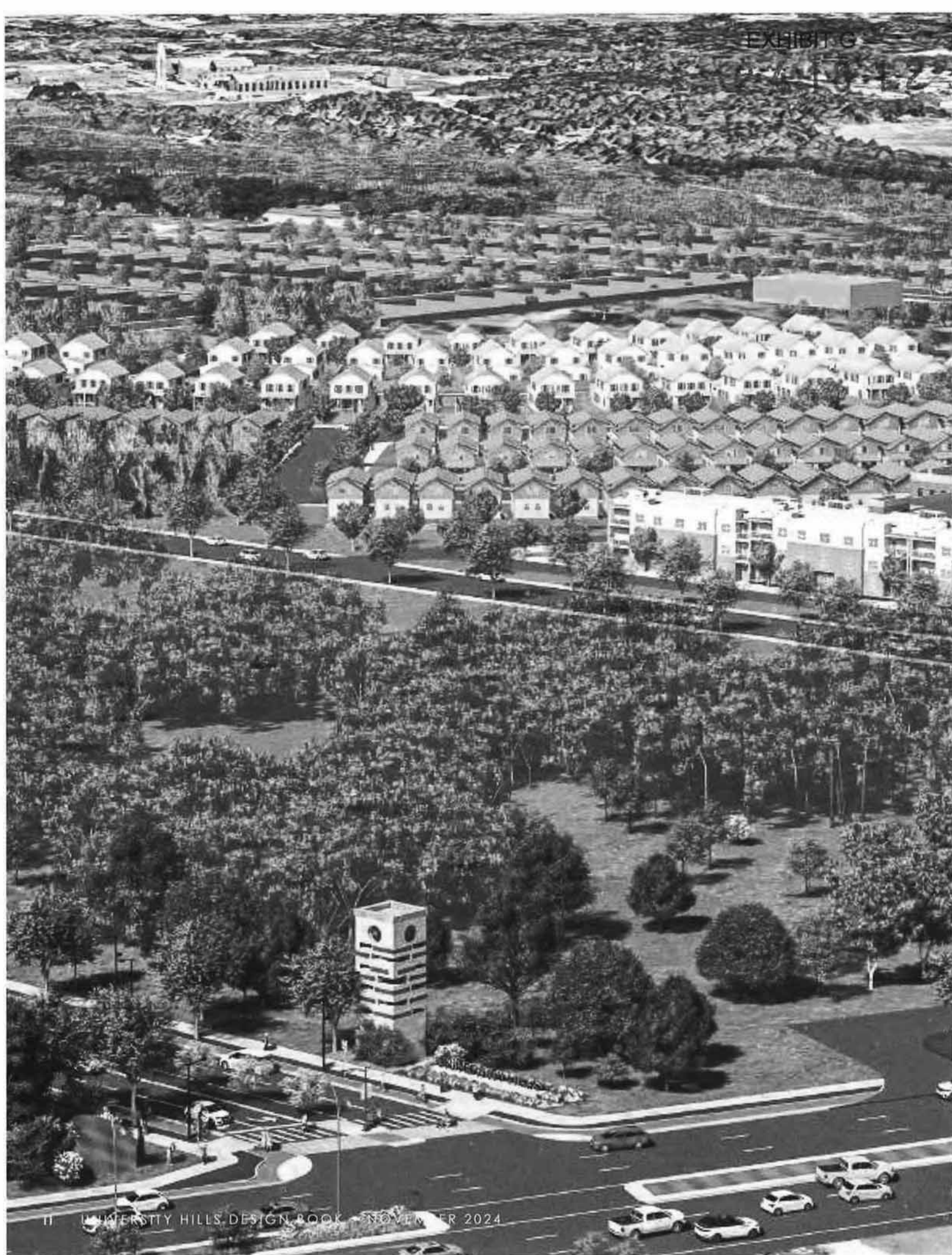
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INTRODUCTION

1

Consisting of nearly 275 acres of undeveloped land, University Hills sits at the northwest corner of State Highway 342/Lancaster Road and Interstate Highway 20. The vision of University Hills is to create an expansive mixed-use development with various housing types, retail, restaurants, entertainment, office, and recreational uses. The unique topography and tributaries allow University Hills an opportunity to design superior open spaces and parks. Located southeast of the University of North Texas at Dallas Campus and the Dallas Area Rapid Transit Station, University Hills seeks to create a unified development by providing a multimodal transportation network and educational opportunities for its students. University Hills is envisioned as a sustainable and walkable community, attracting visitors from surrounding areas to partake in the vibrant community development.

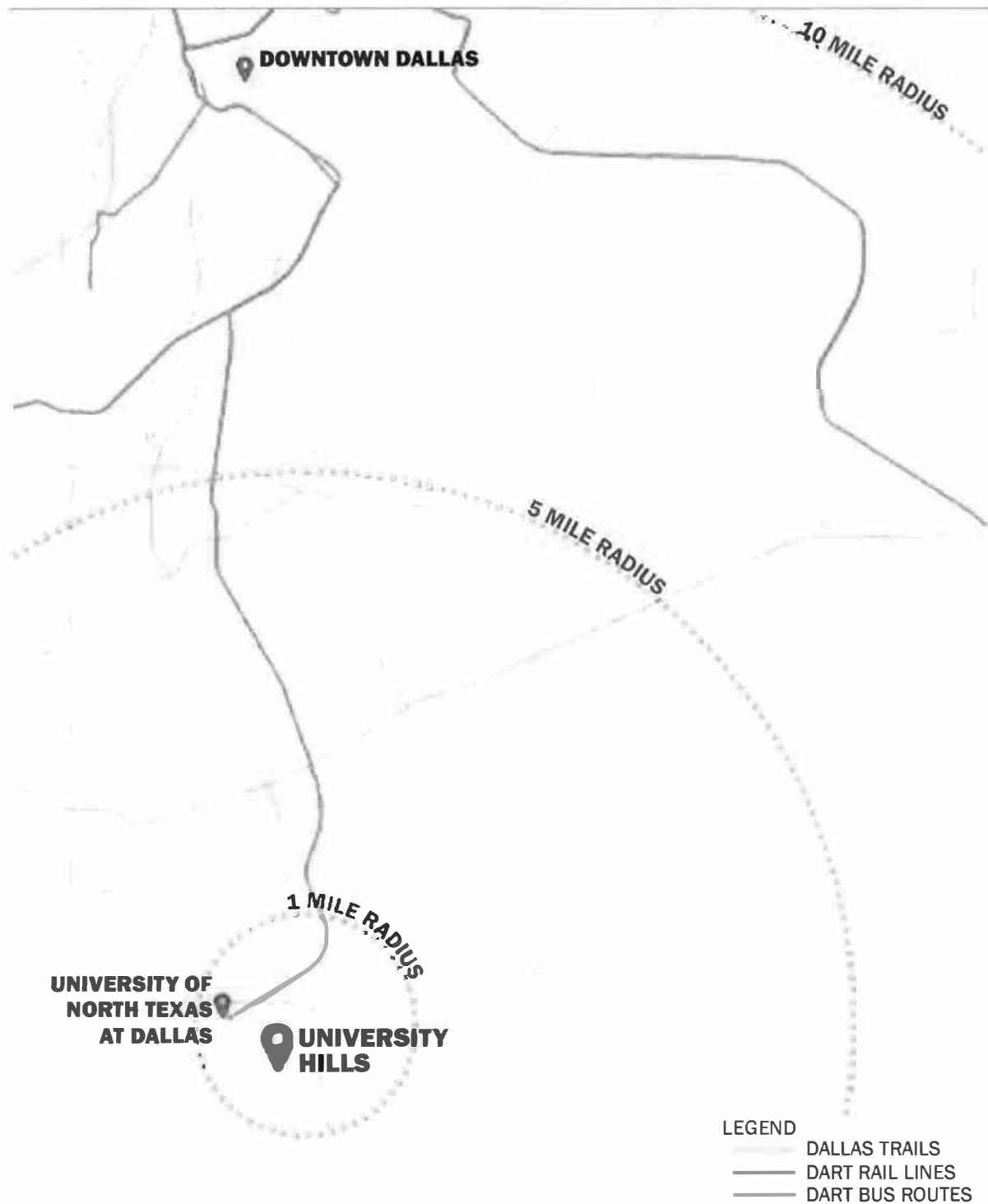


Figure 1.1: University Hills Context

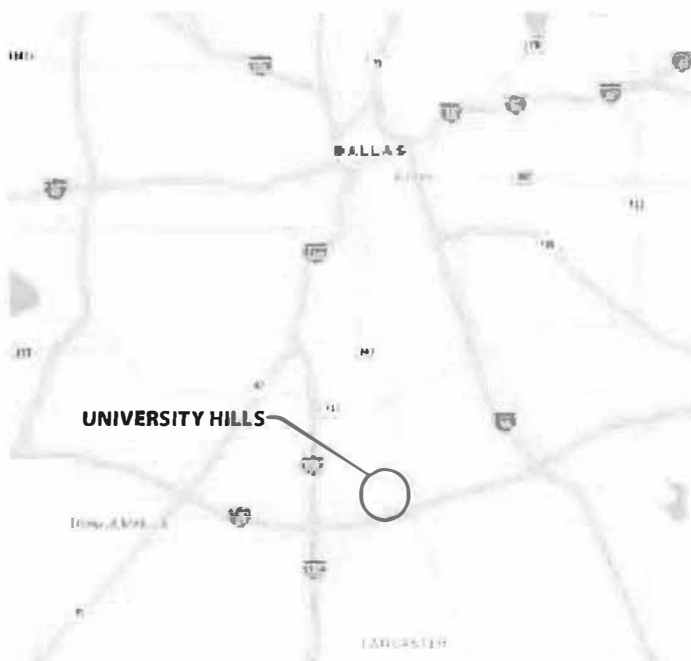
1.1 SITE CONTEXT

University Hills is 275 acre site located in both the City of Dallas and the City of Lancaster. Downtown Dallas is a 10 miles north of the site. Residential neighborhoods and undeveloped land surround the north, east, and west sides of the property while industrial sites make up the majority to the south of Interstate Highway 20. The Trinity River lies east of the development, and Barney Branch and Runyon Springs Branch, tributaries to Fivemile Creek, flow through the site from the south to the north. Approximately seven acres of floodplain lie in the northwest portion of the property.

Interstate Highway 20 borders the south side of the property, and Texas State Highway 342/Lancaster Road, a six-lane divided roadway, borders the east

side of the property. Both roadways are maintained by the Texas Department of Transportation. Wheatland Road, a 4-lane undivided roadway which traverses east-west through the middle of the site, was recently constructed in 2018 and is maintained by the City of Dallas. University Hills will have easy access and visibility provided by the major roadways that front the development.

The Dallas Area Rapid Transit (DART) UNT Dallas Station, located on the Blue Line, is positioned northwest of University Hills and terminates at the Downtown Rowlett Station in central Dallas.



University Hills is located in Southern Dallas along IH 20 and Hwy 342/Lancaster Road.



The site topography and tributaries allow University Hills the opportunity to provide superior open spaces and parks.

1.2 THE VISION FOR UNIVERSITY HILLS

The vision for University Hills has been underway since the inception of the University Tax Increment Finance (TIF) District in 2017. The TIF District was established to reinvest tax revenue back into the development of the site and encourage the implementation of the City of Dallas UNT Dallas Area Plan. University Hills aims to leverage its existing site conditions to provide vibrant and unique natural open spaces, manicured green space, various residential options, hotel, office, and retail opportunities. Eight goals have been set forth to ensure the development of University Hills carries out the intention of the UNT Dallas Area Plan and the TIF District.



The Rim in San Antonio, TX offers a mix of retail, restaurant, entertainment, and multifamily housing within the development.

Goals:

- **Connectivity:** Explore the possibility of a future connection to the adjacent City of Dallas trail system.
- **Mixed-Use:** Create the opportunity for citizens to access jobs, entertainment, shopping, recreation, housing, and leisure all within reach.
- **Open Space:** Enhance the existing features of the site to create thoughtful open space with amenities for residents, students, and visitors of the development to utilize within walking distance.
- **Enhancement:** Capitalize on the natural features and existing conditions of the site by enhancing them, thus nurturing the established landscape and its unique character.
- **Diversity:** Implement a mix of residential housing types within the development to ensure the needs of various citizens are met and promote a diverse and inclusive community.
- **Sustainability:** Comply with the City's Comprehensive Environmental & Climate Action Plan and include the addition of bike lanes on several street sections, pedestrian paths, and a local shuttle service to reduce auto dependency in the development.
- **History:** Celebrate the area's unique history and culture and provide an informative environment.
- **Education:** Incorporate a hotel and event center into the development to provide an educational benefit to students within the hospitality management program at UNT Dallas.



The Clayton Hotel in Denver, CO offers a luxury place to stay, multiple dining options, and gathering rooms for its guests.



Horscroft Place Pocket Park in Moorabbin, Australia provides a small community park for residents to enjoy with picnic tables, garden beds, and an open lawn.



Raised Bike Lanes in Austin, TX foster a safe environment for cyclists, reducing conflicts with vehicles and pedestrians.



Buses provide transportation to the residents of the community in Lafayette, La, promoting sustainable travel options.

1.3 PLANNING CONTEXT

The plan for University Hills capitalizes on the existing comprehensive plans and public policy that include University Hills. More specifically:

Forward Dallas, the City of Dallas' Comprehensive Plan, adopted in 2006, includes University Hills in their "Campus District." The Campus District identifies as a mixed-use community that offers a variety of services and housing options. Convenient transit options and an abundance of employment opportunities are a vital part of the district. Over time, the vision for this district will transform it into a "university town" as it develops and the college expands.

University Tax Increment Finance District, created in 2017, consists of 458 acres (161 acres in the University Center Sub-District and 297 acres in the University Hills Sub-District). The TIF District will provide public open space, connections to the university and DART Rail Station, and a diverse mixed-use development.

City of Dallas Zoning: The current zoning for the development coincides with the mixed-use vision for University Hills. The current zoning districts within the site includes Townhouse 2 District, Multifamily 2 District, Multifamily 3 District, Mixed-Use 2 District, Community Retail District, Limited-Office 1 District, and Urban Corridor 2 District.



Figure 1.2: Forward Dallas! Vision Illustration

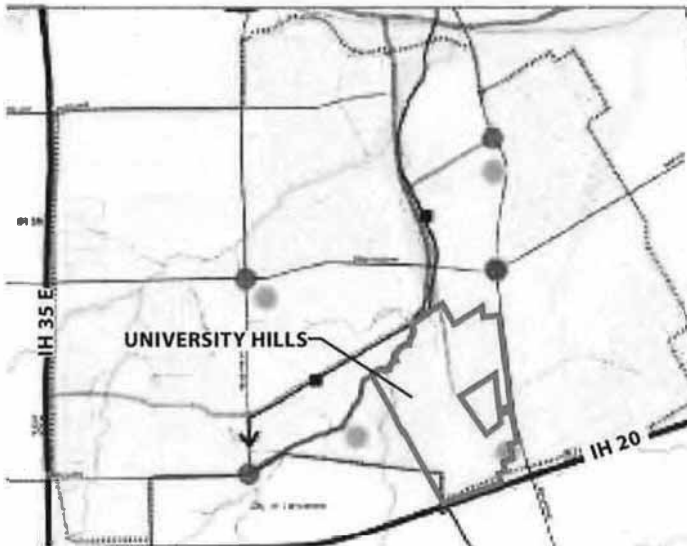


Figure 1.3: UNT Dallas Area Plan: Consensus Vision-Future Circulation Vision

The UNT Dallas Area Plan, adopted in 2009 by the City of Dallas, is a strategic area plan that encompasses a total of 3,482 acres, including all of University Hills. The vision of this plan includes a multimodal transportation network, preserving established neighborhoods, promoting new development patterns, and utilizing the DART Station as an opportunity area.

A thoroughfare and trail are proposed through the University Hills site in the Future Circulation Vision.

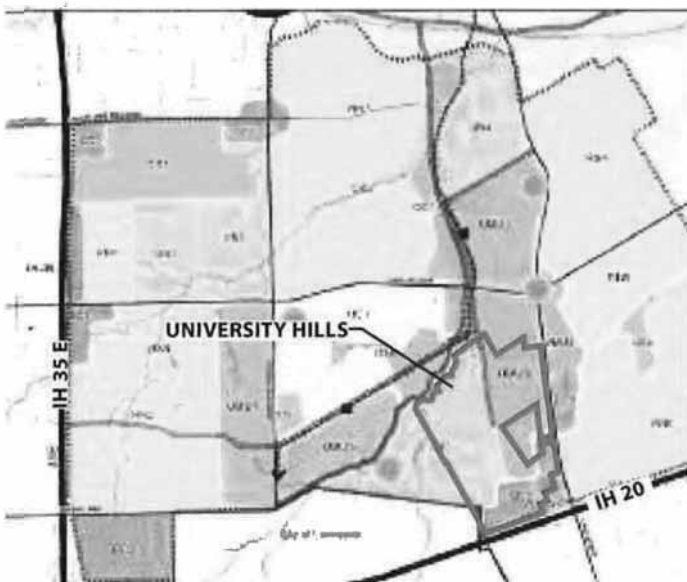


Figure 1.4: UNT Dallas Area Plan: Consensus Vision-Future Development Vision

The Future Land Development Vision includes Urban Neighborhood, Urban Mixed-Use, and Business Center in the University Hills development.

1.4

ORGANIZATION OF THE DESIGN BOOK

This represents the first edition of the University Hills Design Book, a guide to assist those involved in the design and construction of the development including developers, architects, landscape architects, and builders. The guidelines set forth in this book intend to supplement those already established in the City of Dallas Zoning Ordinance, the Forward Dallas Comprehensive Plan, The UNT Dallas Area Plan, and the University TIF District.

The development and design guidelines are created to fabricate a unified and cohesive development that exemplifies the City of Dallas' vision for this community. The guidelines are intended to promote a high quality of life and an active lifestyle. These are not intended to be a highly restrictive set of standards, but rather a way to educate and encourage diversity, sustainability, and connectivity within the development. This Design Book is organized into eight subsequent chapters:

- **Chapter Two:** The Plan for University Hills outlines the key elements that make up the University Hills development that will be described in further detail in the following chapters.
- **Chapter Three:** Town Center highlights the mixed-use buildings, the maker's district, hotel, and multifamily buildings found in the Town Center. Parking garages will provide easy access to the town center and give visitors the opportunity to utilize what this district has to offer.
- **Chapter Four:** The Neighborhoods describes the different residential housing options within the development and expands on the required lot dimensions, setbacks, parking and access, and landscaping of each housing type.

- **Chapter Five:** Commercial Frontage describes the commercial buildings that will front the major highways adjacent to the development. These buildings will be less walkable and provide a buffer to the Town Center.
- **Chapter Six:** Open Space, Parks, and Trails describes the greenbelts, recreation center, neighborhood and multifamily parks, Central Park, and the trail system throughout the development.
- **Chapter Seven:** Streetscape and Mobility shows the multi-modal thoroughfare network with corresponding cross sections to each street type showing the dimensions of lanes, sidewalks, bike lanes, and buffers provided in the right-of-way.
- **Chapter Eight:** Signage elaborates on the different types of signage that are encouraged in University Hills.
- **Chapter Nine:** Sustainability discusses how University Hills will adhere to the core goals of the Dallas Comprehensive Environmental and Climate Action Plan and preserve existing natural features of the site.



Paseos are utilized in the Mueller development in Austin, TX to offer a safe environment to shop, dine, and explore.



THE PLAN FOR UNIVERSITY HILLS

2

The development of University Hills focuses on six different aspects: the neighborhoods, Town Center, open space, parks, and trails, streetscape and mobility, and sustainability. In order to be a thriving mixed-use community, attention to these parts of the plan is crucial. A cohesive development will create a community with distinct character and culture. The plan for University Hills has taken into account the comprehensive plans and public policies that encompass the area. This plan intends to leave University Hills a prosperous region of Southern Dallas.

2.1 TOWN CENTER



Figure 2.1: Town Center



Paseo lined with trees and benches for sitting

The Town Center lies in the middle of the University Hills development. Town Center will be a vibrant mixed-use district with an urban and dense environment. Shopping, entertainment, restaurants, cafes, workspaces, apartments, parks, and a hotel will all be incorporated into the Town Center. The Town Center will provide pedestrian-friendly streets by the inclusion of sidewalks, landscape buffers, and bike lanes to encourage a multimodal district. Parking garages will be provided to manage parking demands with appropriate screening and access drive locations. The Maker District, located in the east portion of the Town Center comprises space for entrepreneurs, hobbyists, makers, and inventors to put their ideas into motion. Whether it be stimulating children's imagination, allowing entrepreneurs to invent, make, and sell their goods, or receiving training for trade careers, the Maker's District will provide the resources for people to achieve their goals. A hotel and event center will attract visitors to the development and provide an educational opportunity for students who are part of the hospitality management degree program at UNT Dallas. More dense options of multifamily buildings including wraps, podium, and tuck-under buildings will be incorporated into the Town Center. Chapter Four expands of the design guidelines of this district.



Mixed-use buildings with ground floor retail space

2.2 THE NEIGHBORHOODS

North of the Town Center lies the Neighborhoods, a mix of residential housing types including single-family attached homes, cottage houses and townhomes, and garden style multifamily apartments. Alleys will accompany the townhome neighborhood to create a more visually pleasing street front, allowing uninterrupted sidewalks for comfortable and safe walking and biking. Detached single-family homes can include optional front porches at the discretion of the developer to foster a socially interactive community by enticing residents to utilize their front yards. The multifamily garden district includes walk-up and tuck-under multifamily units with a variety of amenities. These apartment units provide a less urban take on multifamily buildings by prioritizing green space and utilizing surface-level parking with options for garages and covered parking while still being walkable and connected to the streetscape and surrounding neighborhoods. The mix of housing types available in the neighborhoods allows for residents of various income levels, lifestyle preferences, and age groups to come together and create a dynamic community. Chapter three expands on the design guidelines of the housing options in the neighborhoods.



Figure 2.2: The Neighborhoods



Cottage House



Townhome

2.3 COMMERCIAL FRONTAGE

The University Hills plan has set aside space for commercial and retail buildings along Interstate Highway 20 and Texas State Highway 342/Lancaster Road. The community retail district along State Highway 342/Lancaster Road will be composed of retail buildings and businesses that serve the community. The regional retail buildings along Interstate Highway 20 will be larger in scale and provide a buffer to the Town Center. Local businesses and those that have sustainability values that align with the plan are encouraged in these districts. The commercial buildings will still align with the accessible and pedestrian-oriented goals of the development by prioritizing alternate modes of travel. Open spaces will be reserved in this plan for outdoor recreation and enhanced landscaping. Chapter five expands on the design guidelines of the commercial frontage buildings of this district.



Figure 2.3: Commercial Frontage



Strip retail buildings

2.4

OPEN SPACE, PARKS, AND TRAILS



Open space is being dedicated for residents, visitors, and their pets to enjoy. The open space and recreational system includes a greenbelt, pocket parks, recreational center, an expansive Central Park, amenity center, and a trail system. The greenbelt is a continuous strip of open space through the neighborhoods while the pocket parks are small parks adorned with benches and picnic tables for small gatherings of the community. Residents of the single-family homes within the development can utilize a private recreational center, and residents of the multifamily buildings will have access to a private amenity center and courtyards. The Central Park provides a central open space for the development for informal gatherings and events. All Southern Dallas citizens can take advantage of this space and be in close proximity to the other uses Town Center has to offer. Chapter Six expands on the open space design guidelines in University Hills.

Figure 2.4: Open Space, Parks, and Trails



Open lawn area for picnics and gatherings

2.5 STREETSCAPE AND MOBILITY

Streets provide the connectivity of the University Hills development. The streets in University Hills have been designed with the intention of creating pedestrian-friendly spaces. A multi-modal network of streets provides the opportunity for citizens to choose their choice of travel. This will lessen vehicular congestion and promote more sustainable and active ways of transit. A hierarchy of streets gives structure and efficient circulation throughout University Hills. Major points of entry into the development from Interstate Highway 20 and Texas State Highway 342/Lancaster Road will be provided with appropriate signage to establish the development. The network of streets will distribute traffic efficiently to all districts of the site. A comprehensive network of bike lanes is included in the design of the Primary and Secondary Streets, as well as pedestrian pathways in all street sections. Each level of street will have a distinct cross-section that responds to the context of its location and surrounding developments. Refer to Chapter 7 for the Transportation Framework Plan and Street Cross-Sections. Appropriate landscaping for each street will also be included to ensure proper buffering, provide shade for pedestrians, and be a visually pleasing element to the streetscape. The University Hills' development team is in close collaboration with UNT Dallas to explore opportunities for various modes of connectivity between the two sites.



Raised bike lanes protect cyclists and provide an easy path of travel.



Multiple modes of transportation lessen traffic congestion and encourage an active and healthy lifestyle.

2.6 SUSTAINABILITY

The University Hills plan intends to conform with the City of Dallas Comprehensive Environmental Climate Action Plan (CECAP). Established in 2020, CECAP outlines actions to take in order to improve quality of life, reduce greenhouse gas emissions, prepare for climate change, and create a healthier community. Implementing net zero energy buildings, solar panels, recycling bins, healthy and accessible groceries, local produce, sustainable transportation options, and park and trail access into the development will align with CECAP's goals. Sustainability is in the forefront of the University Hills design and development through incorporation of elements such as native and drought-resistant vegetation.



Placement of recycling bins near benches and paths of travel will encourage citizens to be more sustainable.



Farmer's Markets provide fresh and local food, a place of gathering, and a chance for local vendors to sell their products to a wide audience.

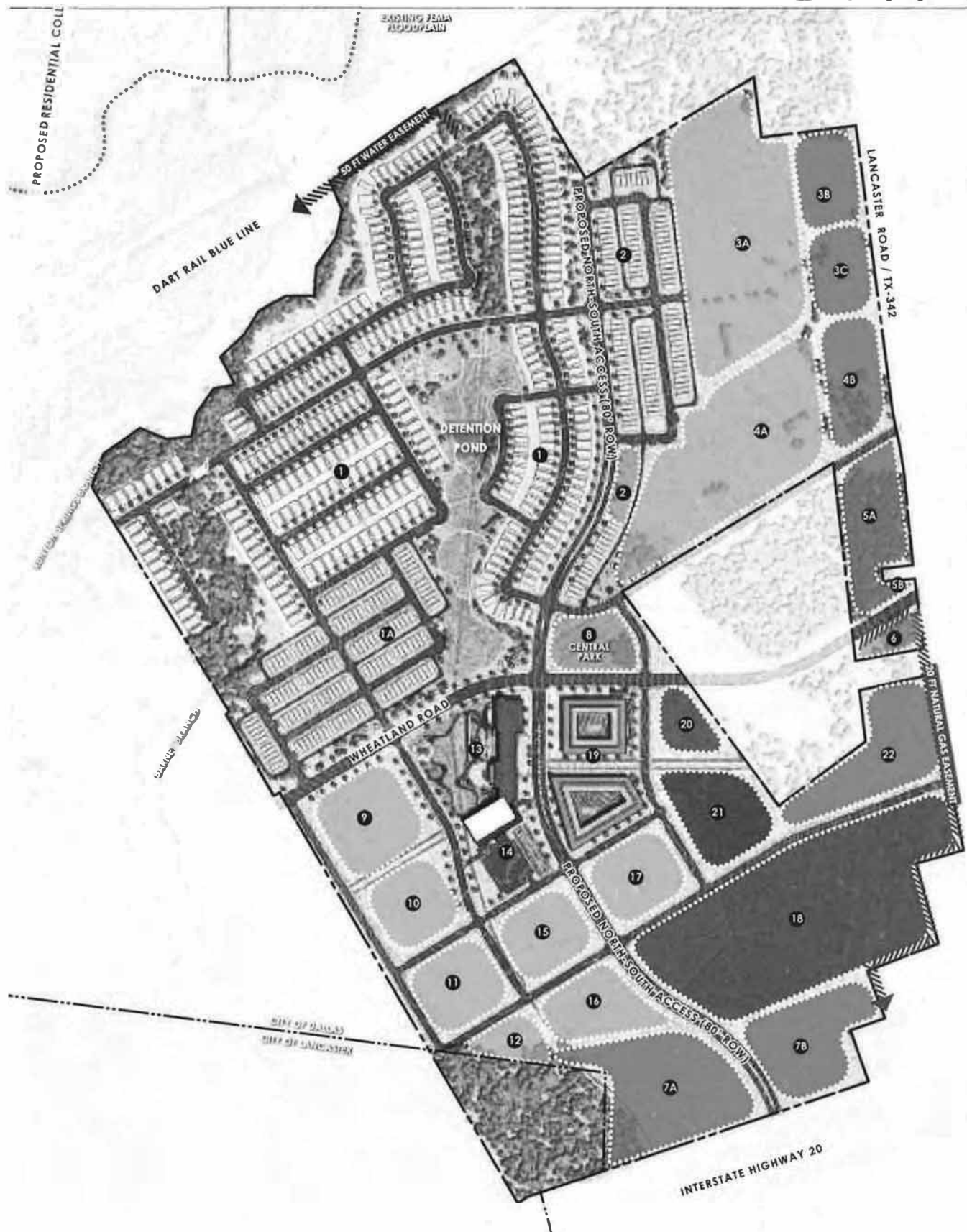


Figure 2.5: Conceptual Site Plan

2.7

CONCEPTUAL SITE PLAN

The conceptual site plan in Figure 2.5 indicates how the University Hills community could potentially be built out. As shown, the community could develop approximately 2,700 housing units and 1.1 million square feet of commercial and office uses.

The exact program and configuration of the development will vary as new opportunities present themselves. Street cross-sections can change as demand for additional bike paths, bus lanes, or other modes of travel increase or decrease. Uses outlined in the City of Dallas Code of Ordinances for each zoning district are permitted. The intent of the conceptual site plan is to provide the design guidelines to those who will work on development including architects, engineers, landscape architects, builders, and city staff.

LAND USE LEGEND











	SINGLE FAMILY - 50 FT LOTS
	SINGLE FAMILY - 40 FT LOTS
	TOWNHOMES
	MULTI-FAMILY
	MIXED USE
	RETAIL
	HOTEL
	LIFE SCIENCE
	OFFICE
	OPEN SPACE

Figure 2.6: Land Use Legend

The following table provides a view of the number of housing units, square footage of commercial, hotel, office buildings, and open space per each district.

TOTAL SITE DEVELOPMENT PROGRAM

PARCEL	ACRES (±)	COMM (±SF)	RES. (±DU)
1	101.1	0	453
2	13.4	0	120
3	21	5,000	370
4	17.4	10,000	542
5	5.3	10,000	0
6	1.6	0	0
7	15.2	100,000	0
8	2.2	0	0
9	4.8	0	120
10	4.2	0	105
11	4	0	100
12	1.9	0	48
13	7.7	0	150
14	5.1	300,000	0
15	4.5	65,000	148
16	4.0	25,000	132
17	4.0	70,000	132
18	21.7	447,500	0
19	8.4	100,000	277
20	2.4	150,000	63
21	4.9	300,000	130
22	6.9	15,000	0

Figure 2.7: Development Program



3

TOWN CENTER

The Town Center's goal is providing a vast mixed-use development with opportunities for shopping, entertainment, dining, housing, work, and recreation all in one walkable space. This dense development will be accompanied by pedestrian and cyclist-friendly streets, promoting alternate modes of transportation. Transit stops are also encouraged in the development which contributes to University Hills' sustainability goals and leads to less traffic congestion in the development. Town Center serves as a vibrant central focal point that fosters a sense of community and connectivity.

3.1 PASEOS

Town Center Street will serve as the heart of the University Hills Town Center, functioning as a vibrant and pedestrian-oriented paseo. This pedestrian section will serve as a community gathering space, attracting residents and visitors alike. The paseo, while primarily pedestrian access only, will serve as fire access in emergency situations. A diverse mix of shops, restaurants, creative spaces, offices, and apartments will line the street, fostering a lively and walkable environment.

To cultivate a thriving environment, the paseo prioritizes pedestrian activity over the use of automobiles. Town Center Street will transform into a paseo, prioritizing walkers over cars. Wayfinding will be a key element, employing a unique combination of visual signage, audible cues, and even tactile elements to clearly delineate the Town Center portion of the street. Vibrant crosswalks with clear markings,

textured paving to designate different zones and improve accessibility for all, and auditory cues at crosswalks will elevate Town Center Street into a model for urban streets in Dallas.

Landscape architecture, planning, and urban design will play an important role in enhancing aesthetics and creating a pleasant community. Intermediate curb extensions at crosswalks, intersections, and major driveways with landscaping will physically narrow streets, creating a traffic calming effect that encourages vehicles to travel at lower speeds. Rain gardens along the street will act as natural filters, absorbing rainwater runoff and slowing the flow of water into storm drains. Planters placed along the street can provide additional seating opportunities for pedestrians. They can also act as bollards, providing a physical and visual barrier between pedestrians and traffic.



Paseos prioritize pedestrian activities and safety by excluding vehicle travel lanes.

3.2 MIXED-USE BUILDINGS

This area of the Town Center will be a dynamic mixed-use district serving as the beating heart of the community. Aligned with Dallas's Cultural, Economic, and Resiliency plan, this district will foster a lively and diverse environment catering to both residents and visitors.

Functional Diversity and Connectivity: The area will integrate a variety of uses, including residential, commercial, office, and civic spaces. This intentional mix encourages interaction between residents, workers, and visitors, fostering a sense of community. The high density allows for a walkable environment with easy access to public transportation and green infrastructure, minimizing reliance on cars.

Walkability as a Priority: The design prioritizes walkability with a focus on pedestrian-friendly features. Ground-floor commercial spaces will offer a vibrant mix of shops, restaurants, medical services, and recreational facilities, catering to the daily needs of residents while attracting visitors. Residential units, including apartments and condos, will be situated above these commercial areas, creating a convenient live-work-play environment. Strategic landscaping, including street trees and planting areas, will provide shade, visual interest, and a buffer from traffic and parking.

The Promenade: A Pedestrian Oasis: The centerpiece of the district will be the Promenade, a pedestrian-only street. This vibrant walkway will feature street furniture from local businesses, adding a unique character and encouraging outdoor activity. While the Promenade can



Mixed-use buildings provide an opportunity for ground-level retail or office space with housing above.

accommodate emergency vehicle access, its primary function is to provide a safe and enjoyable experience for pedestrians.

Ecological Design Principles: The Town Center embodies Dallas's commitment to sustainability. The mixed-use layout reduces car dependency, lowering emissions. Ecological design principles incorporates key urban planning and landscape architecture best practices, highlighting the walkability, connectivity, and ecological sensibility at the heart of the University Hills Town Center vision.

Parking Garages: University Hills will utilize shared parking garages in the Town Center to address parking needs and maximize space. A thorough analysis will be conducted to determine the appropriate amount of space needed and not build excess infrastructure. This approach will reduce the visual impact of surface parking lots, enhancing the aesthetics of the district. To reduce visual impact of parking garages, developers are encouraged to provide enhanced screening and street facing businesses along the garage. University Hills will design intentional pedestrian pathways to and from the garages with visually pleasing landscaping. Parking garages should be well integrated into the design of the Town Center and aesthetically pleasing.



Mixed-use buildings can include parking garages for residents and users of the retail or office space.

3.3 MULTIFAMILY BUILDINGS

Multifamily buildings will be incorporated into the mixed-use design of the Town Center. “Tuck-under,” “wrap,” and “podium” multifamily buildings are styles that could be utilized. Wrap and podium multifamily buildings can include ground level retail and office space or residential units with above ground parking garages for residents and guests. Tuck-under multifamily buildings are reserved for the western side of the Town Center in the less dense MF-2(A) zoning district. A mix of one, two, and three-bedroom apartments should be integrated into the buildings to provide a diverse array of housing types. Ground floor units are encouraged to have direct patio access to the street. The following provides the design guidelines and standards for wrap multifamily buildings, and standards for tuck-under buildings will be further discussed in Chapter 4.

Auto Access and Parking: These buildings will use above ground parking garages that are accessible to residents and guests. Parking will meet City code or market conditions if there is no City code requirement.

Building Height: In the MU-2 zoning district, the maximum building height is 135 feet with 10 maximum stories. If the building qualifies as a mixed-use project and incorporates retail, the maximum building height is 180 feet with 14 maximum stories. In the MF-2(A) zoning district, the maximum building height is 36 feet. However, no portion of the building can be over 26 feet in height in a residential proximity slope.

Front Yard Setback: Per the City of Dallas code, the minimum front yard setback is 15 feet. An additional 20 feet of setback is required for the portion of the building over 45 feet in height in the MU-2 zoning district.



Amenities such as pools and lounging chairs can be included in multifamily courtyards.



Balconies can give residents a lovely view of the Town Center.

Side and Rear Yard Setback: A 20 foot side and rear yard setback is required when adjacent to an alley in a less dense zoning district. A 0 foot minimum is allowed in all other instances; however, an additional foot of setback is required for each two feet in height above 45 feet.

Lot Coverage: The maximum lot coverage is 80%, including above ground parking structures. Surface parking and underground parking structures are not included.

Landscaping: A street buffer zone, the landscape area along the length of the lot adjacent to the right-of-way, must be a minimum of five feet wide unless the buffer zone is less than 10,000 square feet, then the minimum depth will increase till the total square footage is 10,000. One large or medium street buffer tree is required for every 30 feet of street frontage. The large or medium street buffer tree must have a minimum caliper

of three inches. One tree with a caliper of at least two inches is required for each 4,000 square feet of lot area. Existing protected trees can be used to satisfy the site tree requirement. In all parking lots, a landscape area must be provided at the end of each parking row or after every 10 parking spaces. The landscape area must contain a minimum of one large or medium tree with a minimum caliper of three inches. For each building site, a minimum number of landscape design option points are required which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, surface parking lot screening, building facade planting areas, pedestrian amenities, enhanced pavement, conservation areas, low-impact development, and parking lot enhancement.

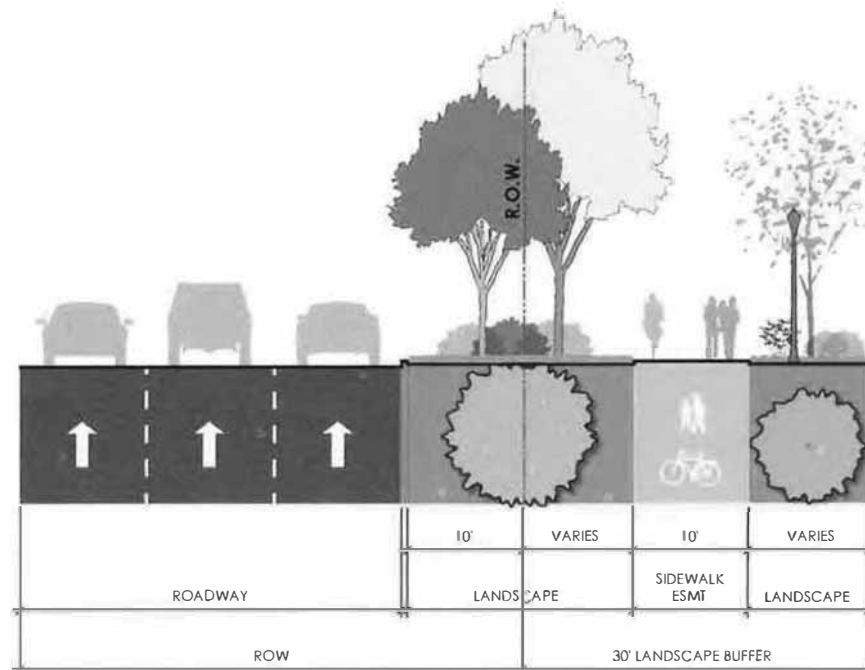


Figure 3.1: Landscape Buffer

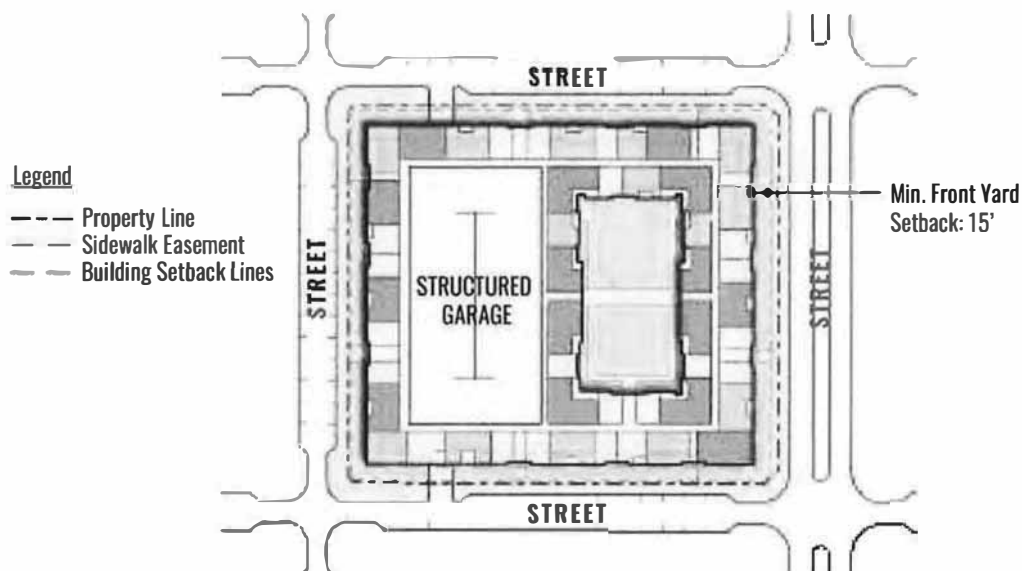
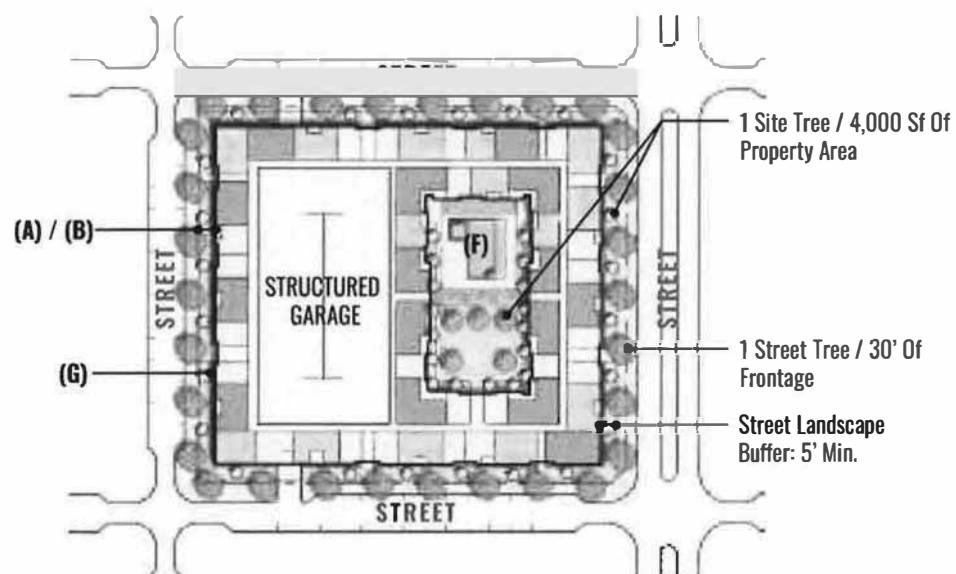


Figure 3.2: Wrap Multifamily Lot Requirements



(DESIGN OPTIONS)

(A) Enhanced Perimeter Buffer
(B) Street Buffer, 10' Min.

(F) Pedestrian Facilities

(G) Foundation Planting Strip

(I) Enhanced Pedestrian Walkways

Figure 3.3: Wrap Multifamily Landscape Requirements

3.4

MAKER'S DISTRICT

The Maker's District within University Hills' Town Center aligns with Dallas's Citywide Strategic Plan, which prioritizes accessibility to Cultural, Arts, Recreation, and Education (CARE) experiences. Providing such a district also aligns with the Strategic Plan's goal to close existing gaps in accessibility to CARE programs throughout the city. Located in the heart of the Town Center, the Maker's District will be a hub for both residents and visitors to explore and engage with creativity and culture. These spaces can be incorporated into a mixed-use building.

The Maker's District will provide the community with the tools, space, and technology needed to cultivate a vibrant ecosystem of creative businesses and educational opportunities. With modern warehouse-like buildings providing large open spaces, this inclusive environment will cater to a diverse range of users, dismantling existing inaccessibility in the area.



Professionals in trade careers can utilize the Maker's District to master their skills

By ensuring ease of access for all, the Maker's District cultivates the creative spirit of Dallas's diverse population. It fosters community engagement and broadens access to cultural and arts education. The collaborative space will empower individuals, ignite innovation, and contribute to the city's vibrant cultural landscape.



The Maker's District will offer educational programs for children interested in STEM.

3.5

HOTEL AND EVENT CENTER

The Hotel and Event Center within the Town Center at University Hills provides a premiere lodging and meeting space, attracting visitors from near and far to experience the development. The rear side of the hotel features an extensive outdoor area with plazas and opportunities for recreation. Collaboration with the UNT Dallas Hospitality Program allows an educational opportunity for students interested in the industry. Guests are within walking distance of the shopping, entertainment, and restaurants the Town Center offers. The following design guidelines and standards apply to the Hotel and Event Center:

Access and Parking: A parking garage is offered for guests of the hotel. Parking will meet City code or market conditions if there is no City code requirement. A bus stop is encouraged near the

hotel, allowing guests to avoid car rentals and rideshares.

Building Height: The maximum building height is 135 feet with 10 maximum stories. If the hotel qualifies as a mixed-use project and includes retail, the maximum building height is 180 feet with 14 maximum stories. However, no portion of the building can be over 26 feet in height in a residential proximity slope.

Front Yard Setback: The minimum front yard setback is 15 feet. An additional 20 feet of setback is required for the portion of the building over 45 feet in height.



The hotel and event center will provide views overlooking the Town Center.

Side and Rear Yard Setback: A 20 foot side and rear yard setback is required when adjacent to an alley in a less dense zoning district. There is no minimum setback in all other instances; however, an additional foot of setback is required for each two feet in height above 45 feet.

Lot Coverage: The maximum lot coverage is 80%, including above ground parking structures. Surface parking and underground parking structures are not included.

Landscaping: Hotel landscaping is encouraged to exceed City of Dallas minimums by providing additional vegetation and trees to meet the Comprehensive Environmental and Climate Action Plan (CECAP) goals and standards. Per City of Dallas code, a street buffer zone, the landscape area along the length of the lot adjacent to the right-of-way, must be a minimum of five feet wide unless the buffer zone is less than 10,000 square feet, then the minimum depth will increase until the total square footage is 10,000. One large or medium street buffer tree is required for every 30 feet of street frontage. The large or medium street buffer tree must have a minimum caliper

of three inches. One tree with a caliper of at least two inches is required for each 4,000 square feet of lot area. Existing protected trees can be used to satisfy the site tree requirement. In all parking lots, a landscape area must be provided at the end of each parking row or after every 10 parking spaces. The landscape area must contain a minimum of one large or medium tree with a minimum caliper of three inches. For each building site, a minimum number of landscape design option points are required by the City of Dallas which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, surface parking lot screening, building facade planting areas, pedestrian amenities, enhanced pavement, conservation areas, low-impact development, and parking lot enhancement.



Outdoor patios will provide guests areas to gather and enjoy their stay.



An inviting entry with easy pedestrian access to the Town Center will attract visitors.

3.6

ARCHITECTURAL STANDARDS

These design guidelines pertain to all buildings and development within The Town Center:

Character: The Town Center should incorporate diverse architecture elements throughout the buildings while still creating a cohesive and urban framework. Modern and traditional architecture styles are encouraged that align with Southern Dallas characteristics. Projecting eaves, courtyards, and paseos are elements that can be utilized to add outdoor space and minimize solar impact.

Street Orientation: All buildings within the Town Center should be oriented to face the streets on which they front. Consideration should be made between adjacent parcels and uses to create cohesive and continuous retail frontage as well as continuous alley/service drive aisles.

Parking: Surface parking lots are discouraged in the Town Center. Shared parking garages should be provided and architecturally integrated into the design of the development. Developers are encouraged to provide enhanced screening and street-facing businesses along the garage.

Corner Elements: Buildings located on street corners should use special architectural features, massing, and building articulation to create prominence. Elements such as towers, cupolas, gables, dormers, and balconies can be used to enhance the Town Center.

Sustainability: The Town Center will align with the City of Dallas' sustainability goals. High quality building materials and appliances that are energy efficient are preferred.

Roofing: Flat or south sloping roofs are preferred in the Town Center to allow for efficient solar panel placement, and green roofs are also encouraged for energy efficiency to meet University Hills' sustainability goals. Parapets are encouraged for flat roofs, and exposed beams, exposed rafters, projecting eaves, and decorative brackets should be incorporated into the design of sloping roofs. Mechanical equipment placed on roofs must be screened from ground level and views of adjacent building's upper level floors if possible.

Building Materials: Locally sourced materials are encouraged in keeping with the character and style of the buildings. Materials used should be complimentary to the surrounding neighborhoods and UNT Dallas campus. Encouraged materials include, but are not limited to, brick, siding, stone, architectural metals, light colored pre-cast concrete, architectural masonry units, or other similar materials.

Accent Materials: Accents materials such as stone, tile, terra cotta, metals, and wood are encouraged along ground-level retail.

Material Changes: Materials should continue to wrap around the same plane of the building to the inside corners, and changes of material should not occur on the same plane or at outside corners .

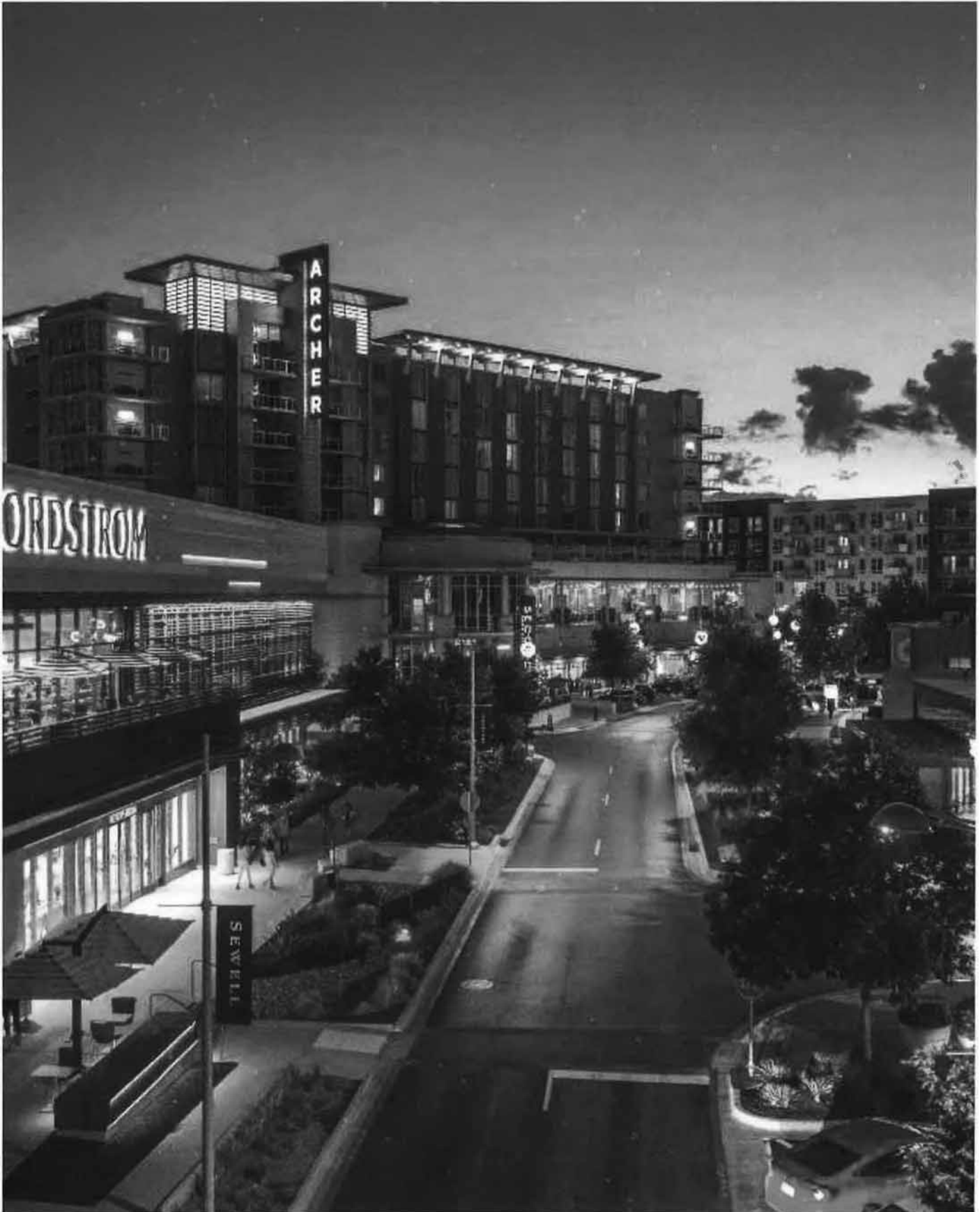
Noise Reduction: Mixed-use buildings that include shared walls or ceilings should incorporate construction methods and materials to minimize noise and vibration transfer between units.

Lighting: Lighting standards should aim to reduce light pollution by using techniques such as shielding, advanced controls, and light detection.

Windows: Windows are key features of the mixed-use buildings. Thoughtful design in the detailing, orientation, and placement of windows should be given to help make the area a more welcoming and pedestrian friendly place while adhering to the architecture of the Town Center.

Service Areas: Service areas should be architecturally integrated into the building or screened from public areas and pedestrian view. Garbage facilities and pickup routes should not be located within the right-of-way. Shared service facilities and alleys are encouraged. Dumpster enclosures and utility boxes should be screened with architectural elements or evergreen landscaping from public areas.







THE NEIGHBORHOODS 4

The University Hills development includes three different housing types in the neighborhoods: cottage houses, townhomes, and garden multifamily apartments. All housing options are within walking distance of the Town Center, parks, and greenbelt. The neighborhoods are a welcoming community, inviting residents to interact and socialize with each other. Quiet and safe streets are incorporated into the design of the neighborhoods with accessible walking and biking opportunities. All buildings within the neighborhoods are designed to be neighborly, safe, sustainable, and diverse.

4.1 COTTAGE HOUSE

The University Hills Cottage Houses are single-family detached homes. These homes range in lot sizes from approximately 4,600 square feet (40' x 115') to 5,750 square feet (50' x 115'), providing multiple housing opportunities. A mix of floor plans and one- and two-story houses will be incorporated. See the exhibit, Building Elevations, for all single-family elevations. The following design guidelines and standards will apply to all Cottage Houses within the development:

Auto Access and Parking: Where front-facing garages occur, windows on garage doors are encouraged at the discretion of the developer to add transparency and positively contribute to the public life of the street. Garage door hardware is also encouraged and will enhance the face of the home. One off-street parking space is required per dwelling unit. Driveway widths should be a minimum of 16 feet and a maximum of 18 feet to reduce impervious cover and prioritize the sidewalk and pedestrian experience.

Variation and Diversity: Cottage Houses will use a mix of colors and materials such as brick, stone, or Hardie® Plank to promote diversity and visual interest in the neighborhoods. A mix of one or two story houses with varied floor plans will also be incorporated.

Porches: Porches are encouraged on all Cottage Houses at the discretion of the developer. If porches are used, they must be a minimum four feet deep and eight feet wide to create a socially welcoming environment.

Roof Forms: Cottage Houses require pitched roofs, and flat or shed roofs should not be used except over porches, entryways, windows, and small building bump-outs. South sloping roofs should be incorporated when possible to allow for the efficient use of solar panels.

Building Height and Massing: The building structure will not exceed a height of 36 feet to the mid point, roughly 3 stories. The massing of cottage houses should be concentrated in the front of the lot. Changes in volume, plane, and height can provide interest and break the overall scale.



Cottage Houses



Side Yard Setbacks: The side yard setback is a minimum of five feet from the side property line. Corner lots will have a minimum side yard setback of ten feet from the existing right-of-way.

Front Yard Setbacks: Front-facing garages will be setback a minimum of 20 feet from the back of sidewalk which allows for parking in front of the garage.

Rear Yard Setbacks: The minimum rear yard setback is 10 feet. Rear yards must be open and unobstructed except for fences. A rear yard setback for an accessory use to the residential use is not required if the structure does not exceed 15 feet in height. Open fencing is required when facing a greenbelt or park to promote safety and add to the home's visual connection to nature. Continuous fencing with uniform design and character along greenbelts and parks will enhance open spaces and provide continuity.

Projections: Projections are encouraged to add unique character, architectural design, scale, and interest to the cottage house. Typical projections include room or floor plate projections, window sills, belt courses, cornices, a fireplace chimney, cantilevered roof eaves, balconies, and porches.



Cottage Houses

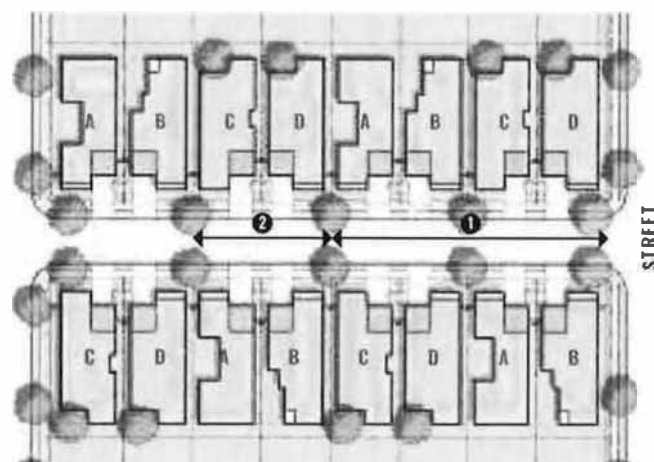
Corner Lots: Cottage Houses on corner lots are designed to present a pleasing appearance to both streets the house fronts. Blank walls are prohibited, and a minimum of two windows must be used on corner lots. Wrap-around porches, additional glazing, architectural projections, enhanced materials, and other design strategies are encouraged to create attractive facades.

Lot Coverage: The maximum lot coverage, which only includes the building footprint and excludes driveways, patios, and landscape improvements, is 60 percent for Cottage Houses. If the lot coverage of the entire development is a maximum of 60 percent with at least 40 percent reserved for open space, an individual lot coverage can increase to 80 percent.

Accessory Uses: Any permitted uses in the main zoning district are allowed as an accessory use, including accessory dwelling units. Accessory uses are incidental to a main use, and they will be located on the same lot as the main use.



Landscaping: A minimum of two large or medium nursery stock trees are required per lot for Cottage Houses. At least one nursery stock tree must be located in the front yard. Large nursery stock trees are to have a minimum caliper of four inches, and medium nursery stock trees are to have a minimum caliper of three inches. If overhead electric lines are present, large nursery stock trees are to be planted a minimum of 20 feet on center from the nearest line. An existing and healthy tree may be preserved and counted as a required tree if it is not a boundary tree neighboring adjacent property. For each building site, a minimum number of landscape design option points are required by the City of Dallas which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, and building facade planting areas.



Floor Plan Model & Design Scheme Repetition:

- ① Four-lot separation required between front elevations on same block face.
- ② Two-lot separation required between front elevations on block face across street.

Figure 4.1: Floor Plan Mix



Cottage Houses



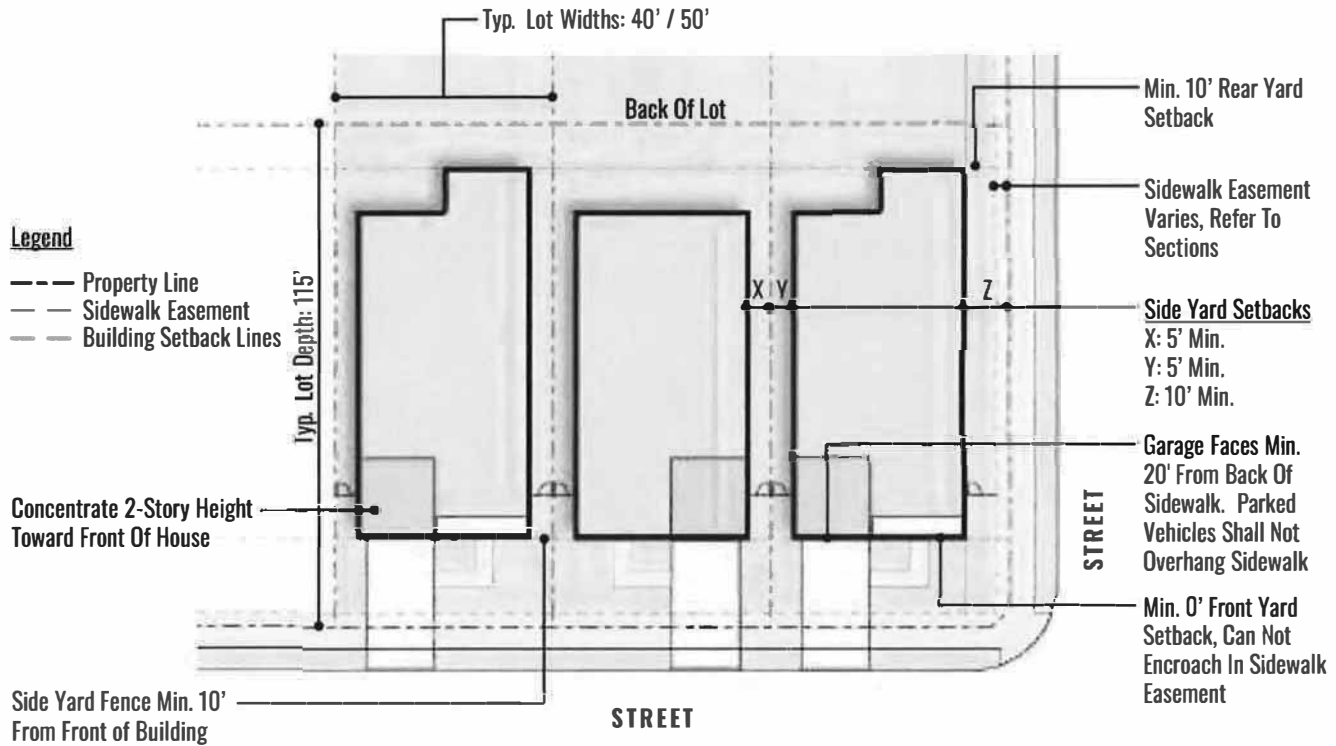


Figure 4.2: Cottage House Lot Requirements

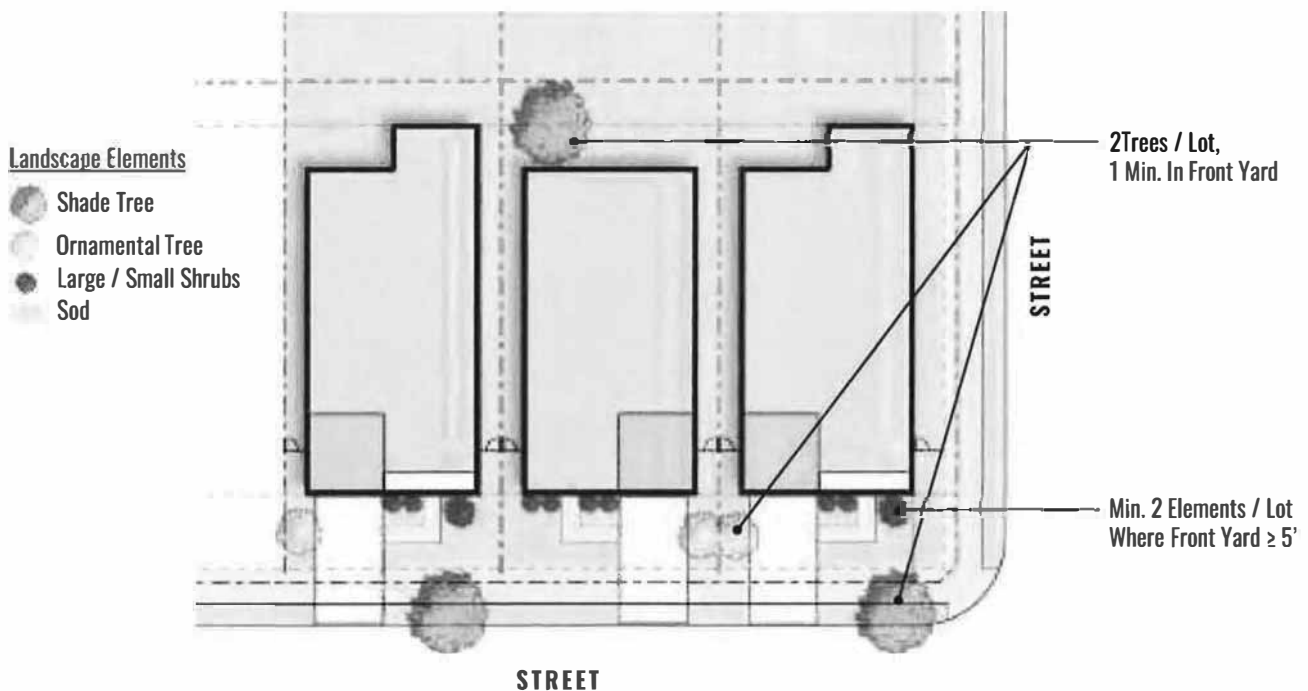


Figure 4.3: Cottage House Landscape Requirements

4.2 TOWNHOMES

Townhomes in University Hills are detached dwelling units with a small lot width and side yard. Alleys are utilized to create a more urban and dense front facing environment. This devotes a more pedestrian friendly street with less interruptions. Townhomes lots will be approximately 2,160 square feet (24' x 90'). See the exhibit, Building Elevations, for all single-family elevations. The following design guidelines and standards will apply to all townhomes within the development:

Auto Access and Parking: Townhomes will be served by rear alleys with access to rear-facing garages. Garage door hardware is also encouraged and will enhance the exterior of the home. One off-street parking space is required per dwelling unit. Driveway widths should be a minimum of 16 feet and a maximum of 18 feet to reduce impervious cover.

Variation and Diversity: Townhomes will use a mix of colors and materials such as brick, rock, or Hardie® Plank to promote diversity and visual interest in the neighborhoods. Varied front elevations and floor plans will also be incorporated.

Porches: Porches are encouraged and on all Townhomes at the discretion of the developer. If porches are used in the design, they should be usable and covered.

Roof Forms: Townhomes require pitched roofs, and flat or shed roofs should not be used except over porches, entryways, windows, and small building bump-outs. South sloping roofs should be incorporated when possible to allow for the efficient use of solar panels.



Townhome

Building Height and Massing: The building structure will not exceed a height of 36 feet to the mid point, roughly 3 stories. The massing of Townhomes should be concentrated in the front of the lot. Changes in volume, plane, and height can provide interest and break the overall scale.

Front Yard Setbacks: The front yard setback is a minimum of 0 feet; however, the front yard can not encroach a sidewalk easement.

Side Yard Setbacks: The side yard setback is a minimum of 0 feet from one side property line and three feet from the other side property line. Corner lots will have a six foot minimum side yard setback.

Rear Yard Setbacks: The rear yard setback is a minimum of 0 feet, but there is a 20 foot setback for rear-facing garages for alley loaded townhomes. Rear yards must be open and unobstructed except for fences.

Projections: Projections are encouraged to add unique character, architectural design, scale, and interest to the Townhome. Typical projections include room or floor plate projections, window sills, belt courses, cornices, a fireplace chimney, cantilevered roof eaves, balconies, and porches.

Lot Coverage: The maximum lot coverage, which only includes the building footprint and excludes driveways, patios, and landscape improvements, is 80 percent for Townhomes.

Corner Lots: Townhomes on corner lots are designed to present a pleasing appearance to both streets the house fronts. Blank walls are prohibited, and a minimum of two windows must be used on corner lots. Wrap-around porches, additional glazing, architectural projections, enhanced materials, and other design strategies are encouraged to create attractive facades.

Accessory Uses: Any permitted uses in the main zoning district are allowed as an accessory use, including accessory dwelling units. Accessory uses are incidental to a main use, and they will be located on the same lot as the main use.

Landscaping: A minimum of one large or medium nursery stock trees is required per lot for townhomes. Large nursery stock trees are to have a minimum caliper of four inches, and medium nursery stock trees are to have a minimum caliper of three inches. If overhead electric lines are present, large nursery stock trees are to be planted a minimum of 20 feet on center from the nearest line. An existing and healthy tree may be preserved and counted as a required tree if it is not a boundary tree neighboring adjacent property. For each building site, a minimum number of landscape design option points are required by the City of Dallas which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, building facade planting areas, pedestrian amenities, enhanced pavement, conservation areas, and low-impact development.



Townhome



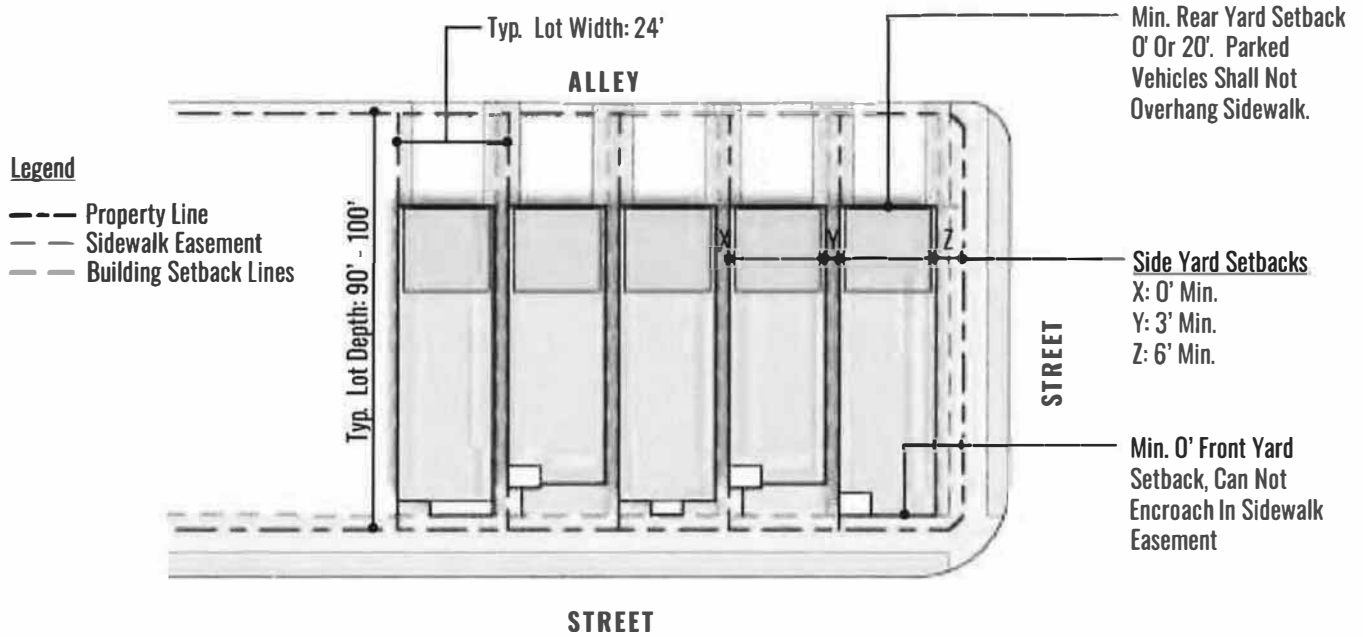


Figure 4.4: Townhome Lot Requirements

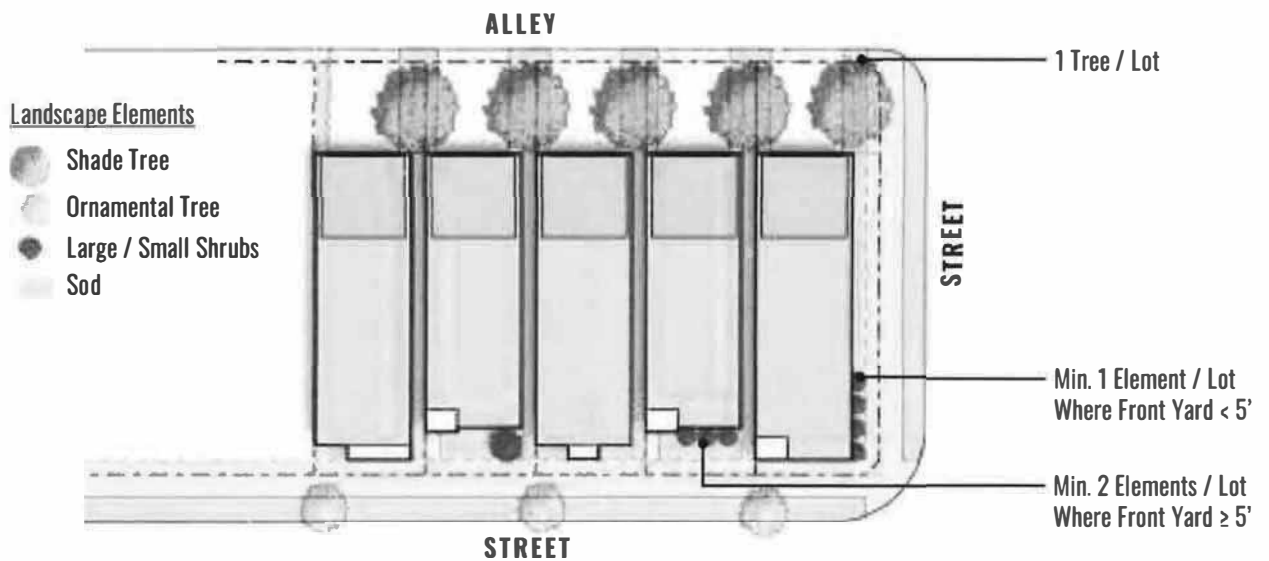


Figure 4.5: Townhome Landscape Requirements



4.3

GARDEN MULTIFAMILY

Garden multifamily buildings are located in the Garden District neighborhood. This district is meant to be medium density and compatible with the surrounding single-family homes. These garden multifamily buildings will include “walk-up” and “tuck-under” buildings where apartments are constructed around surface-level parking lots and above individual garages. Elements such as porches, patios, and entry features should be incorporated into the buildings. Ground-floor units should have direct access to private patios. Garden multifamily is encouraged to be well connected to both the streetscape and surrounding units. The following design guidelines and standards will apply to all garden multifamily buildings within the development:

Auto Access and Parking: Garden multifamily buildings can be served by surface parking lots and individual parking garages. Off-street parking for

buildings in the MF-2(A) district must be located behind the front building line and no parking can be within the required front yard. Tuck-under individual garages will be surface-level and architecturally integrated into the overall building. Tuck-under garages should not be visible from public streets.

Building Height: Garden multifamily buildings will not exceed a height of 36 feet in the MF-2(A) district and 90 feet in the MF-3(A) district. Changes in volume, sloping roofs, and porches are encouraged to help provide seamless transitions from the adjacent single-family structures.

Front Yard Setbacks: The front yard must be setback a minimum of 15 feet in the MF-2(A) and MF-3(A) district, or 20 feet if the structure is over 45 feet in height in the MF-3(A) district, from the front lot line or existing right-of-way.



Garden multifamily buildings will incorporate unique landscaping and areas to gather within their open spaces.

Side Yard Setbacks: The side yard of the garden multifamily buildings must be setback a minimum of 10 feet from the side lot line or existing right-of-way. In the MF-3(A) district, the side yard setback minimum increases to 20 feet when adjacent to a less dense zoning district.

Rear Yard Setbacks: The rear yard of the garden multifamily buildings must be setback a minimum of 10 feet in the MF-2(A) district. The minimum rear yard setback in the MF-3(A) district is 10 feet, but increases to 20 feet when adjacent to a less dense zoning district. Rear yards must be open and unobstructed except for fences.

Projections: Projections of window sills, belt courses, cornices, or other architectural features are allowed to encroach no more than 12 inches into the front yard, side yard, or rear yard. A fireplace chimney may encroach no more than two feet into the front yard, side yard, or rear yard if the encroachment is no more than 12 square feet. Cantilevered roof eaves and balconies may encroach within five feet of the front yard. Roof eaves may encroach three feet into the side yard or rear yard.

Dwelling Unit Density: The maximum dwelling unit density is 42 dwelling units per acre.

Lot Coverage: The maximum lot coverage is 60 percent for garden multifamily.

Corner Buildings: The portion of garden multifamily buildings that are built on the corner of a street should incorporate interesting design and architectural elements to create attractive elevations on both streets.

Accessory Uses: Any permitted uses in the main zoning district are allowed as an accessory use, including accessory dwelling units. Accessory uses are incidental to a main use, and they will be located on the same lot as the main use.

Landscaping: Garden multifamily landscaping is encouraged to exceed City of Dallas minimums by providing additional vegetation and trees to meet the Comprehensive Environmental and Climate Action Plan (CECAP) goals and standards. A street buffer zone, the landscape area along the length of the lot adjacent to the right-of-way, must be a minimum of five feet wide unless the buffer zone is less than 10,000 square feet, then the minimum depth will increase until the total square footage is 10,000. One large or medium street buffer tree is required for every 30 feet of street frontage. The large or medium street buffer tree must have a minimum caliper of three inches. One tree with a caliper of at least two inches is required for each 4,000 square feet of lot area. In all parking lots, a landscape area must be provided at the end of each parking row or after every 10 parking spaces. The landscape area must contain a minimum of one large or medium tree with a minimum caliper of three inches. For each building site, a minimum number of landscape design option points are required by the City of Dallas which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, surface parking lot screening, building facade planting areas, pedestrian amenities, enhanced pavement, conservation areas, low-impact development, and parking lot enhancement.

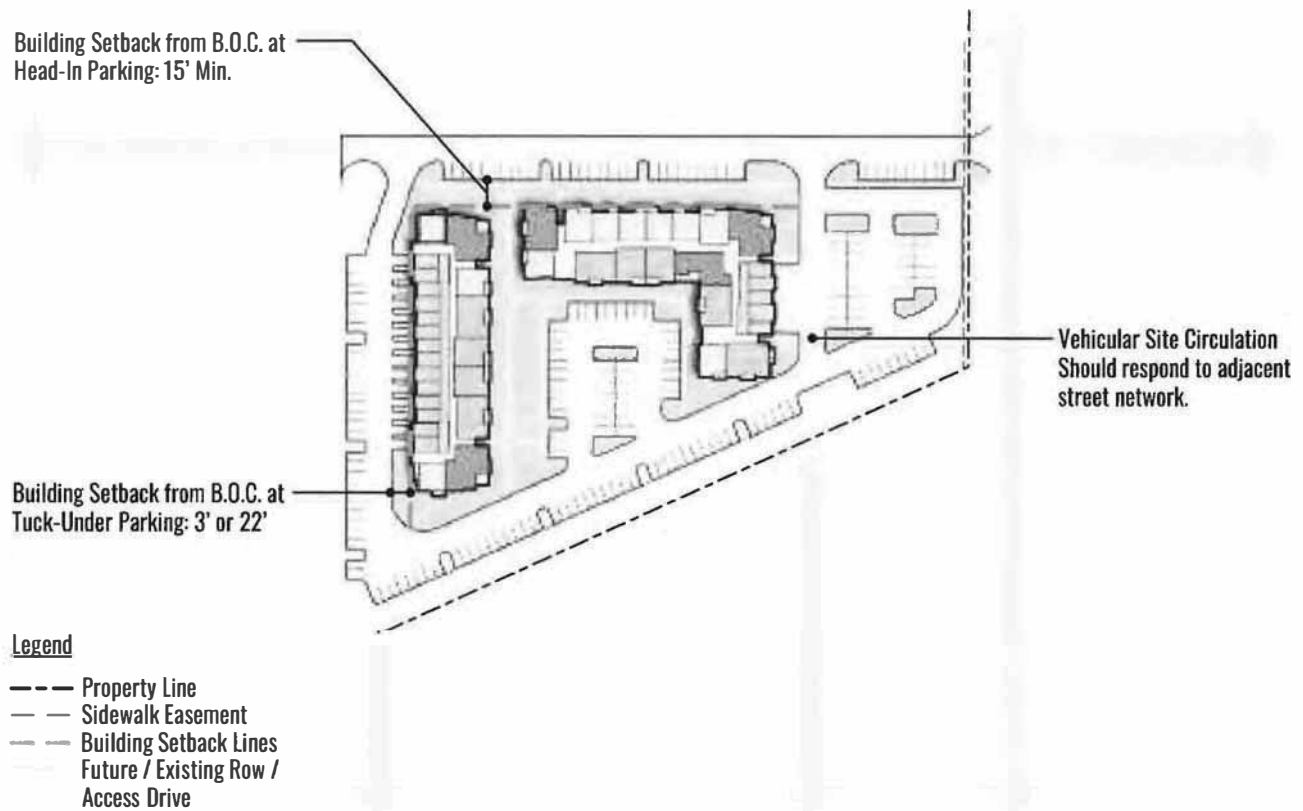


Figure 4.6: Walk-Up Garden Multifamily Lot Requirements

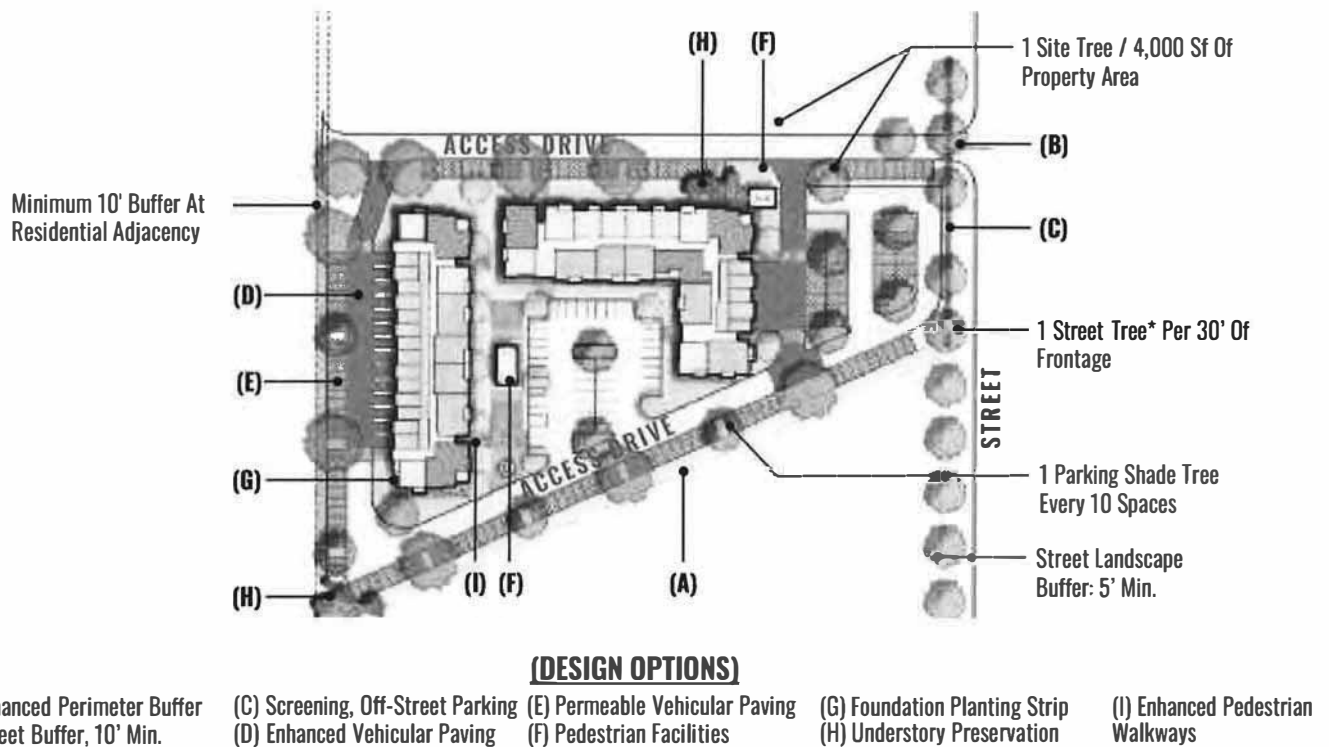


Figure 4.7: Walk-Up Garden Multifamily Landscape Requirements

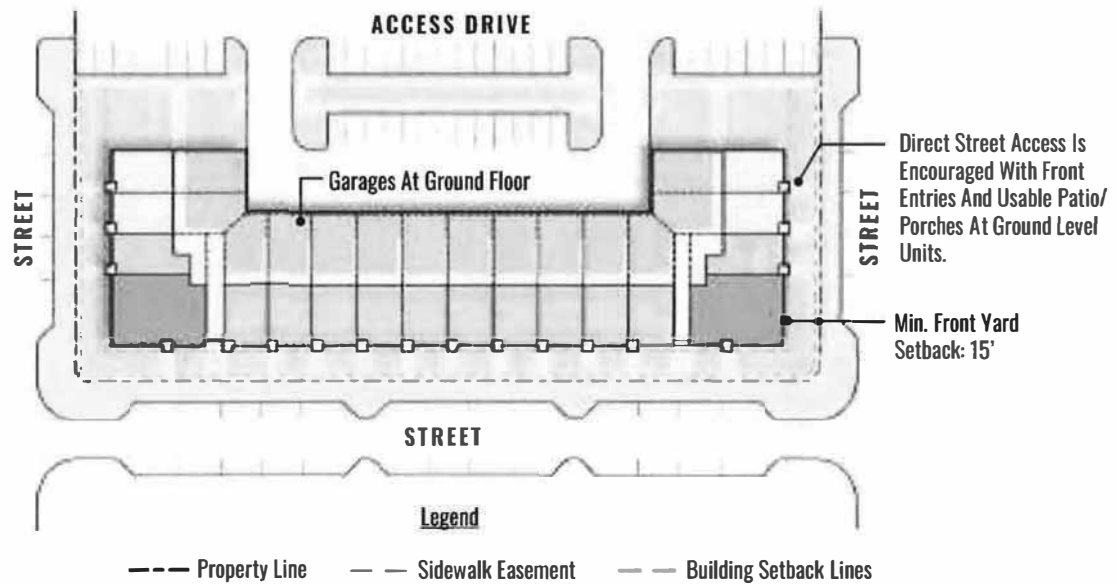


Figure 4.8: Tuck-Under Garden Multifamily Lot Requirements

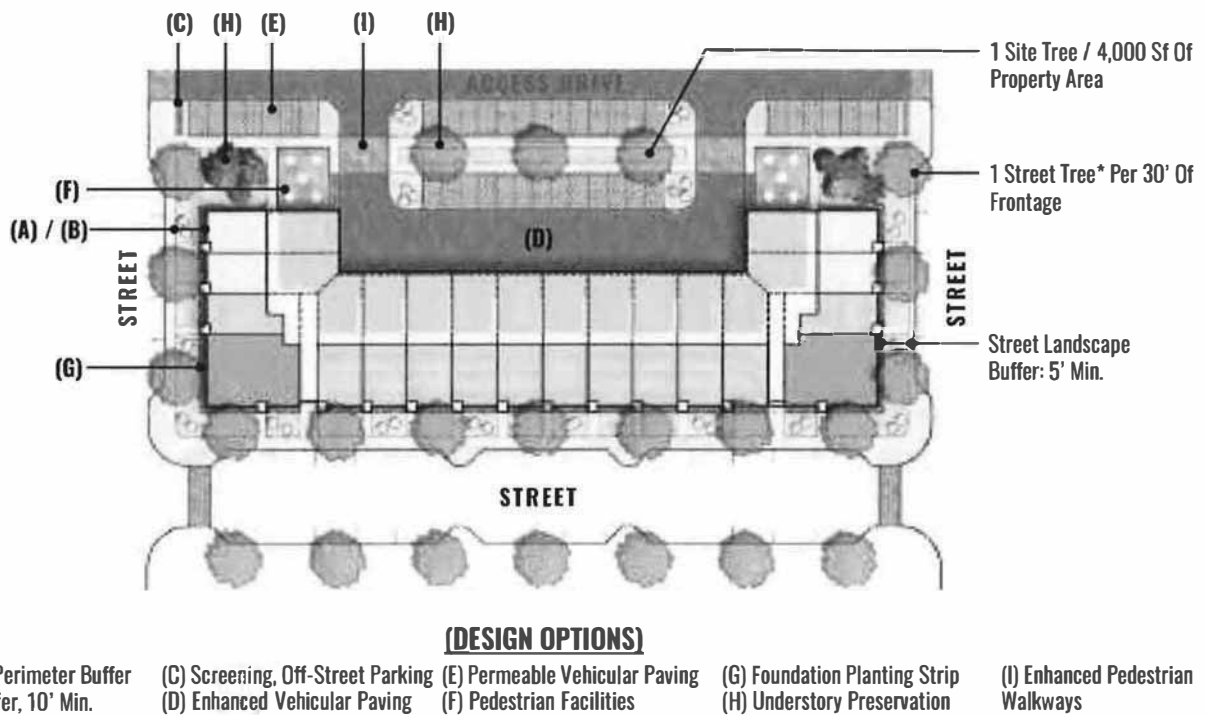


Figure 4.9: Tuck-Under Garden Multifamily Landscape Requirements

4.4

ARCHITECTURAL STANDARDS

These design guidelines pertain to all buildings and development within The Neighborhoods:

Character: The neighborhoods should be designed in the spirit of Southern Dallas architecture. Traditional and farmhouse style architecture is encouraged with elements such as projecting eaves, porches, and patios to add outdoor space and minimize solar impact.

Sustainability: Houses and apartments within the Neighborhood will align with the City of Dallas' sustainability goals. High quality building materials and appliances that are energy efficient are preferred. South sloping roofs should be designed with the intent for solar panel installation.

Building Materials: Locally sourced materials are encouraged in keeping with the character and style of the buildings. Materials used should be complimentary to the surrounding neighborhoods and UNT Dallas campus. Encouraged materials include, but are not limited to, brick, siding, Hardie® Plank, or stone.

Material Changes: Material changes should occur when a change in volume or plane occurs. The material change should continue to wrap around the sides of the building.

Roof Materials: Metal roofs are encouraged due to their resiliency to bad weather events. The metal roofs should be a natural galvanized finished or a cool color which absorbs less sunlight than darker colors. Other acceptable roof materials include concrete tile, slate, asphalt, and clay or ceramic tile which also align with the developments sustainability goals in energy efficiency.

Noise Reduction: Residential units that include shared walls or ceiling should incorporate construction methods and materials to minimize noise and vibration transfer between units.

Windows: Windows are key features of the neighborhood buildings. Thoughtful design and detailing should be given, adhering to the architecture of the development. Windows are encouraged to have projecting trim or shutters to provide interest or be inset to provide solar shading and weather protection.

Doors: Doors are to be designed in character and scale of the building. Acceptable door materials include painted or stained wood, hardboard, and fiberglass or metal. Sliding doors are only permitted in rear or interior side yards.

Fencing and Walls: Fences above eight feet in height are not permitted in a required rear or side yard. Fences in required front yards should not be over three and a half feet. Access should be provided to the side and rear yards of the building for fire purposes. The character of fences should align with the design of the building in terms of color, materials, and scale. Stained or painted wood and metal fencing are encouraged. Retaining walls should be constructed with similar materials as the building which includes stone, brick, or architectural concrete.

Access Ramps: Provision should be made to allow accessible ramps to be constructed from the sidewalk to the entryway of the home.



EXHIBIT G
241812



COMMERCIAL FRONTAGE

5

Commercial buildings will line the frontage of Interstate Highway 20 and State Highway 342/Lancaster Road. Community Retail buildings are found along State Highway 342/Lancaster Road and are small-scale and compatible with the adjacent neighborhoods. Regional Retail buildings are located on Interstate Highway 20 and are larger in scale. This district will be more car-centric, a place for travelers to stop along the highways, and a place for residents to still be able to easily access by foot or bicycle. Local businesses and those that have sustainability values that align with the plan are encouraged in this district. The community retail buildings will still align with the accessible and pedestrian-oriented goals of the development. Screening of these buildings is important to provide privacy, noise reduction, and a visual buffer to the neighboring multifamily building and the Town Center.

5.1 COMMUNITY RETAIL

Community retail buildings will be located along the frontage of State Highway 342/Lancaster Road. These buildings will be smaller in scale and intensity due to their proximity to the adjacent residential buildings. The vision for this area includes a neighborly and welcoming retail district with uses that could be easily accessible and desirable to the residents of the neighborhoods. Quality landscaping and street furniture should be provided in this district. Sidewalks, bike racks, and bus stops in this area will promote sustainable transportation options and a pedestrian-friendly environment. The following design guidelines and standards will apply to the community retail buildings in University Hills:

Proposed Uses: Neighborhood services are desired uses of the district. Examples of neighborhood services that can be incorporated in this area include catering service, a child-care facility, a library, an art gallery, a museum, a financial institution, a medical clinic, dry cleaning, small general merchandise or food store, office building, and a nursery. Flexible open space should be provided for community events and temporary retail opportunities.



Plant nursery

Auto Access and Parking: Community retail buildings will be auto, pedestrian, and bike accessible from within the development. Access to the buildings will also be provided from State Highway 342/Lancaster Road, and off-street parking will be provided.

Building Height: The maximum building height of community retail buildings is 54 feet. If any portion of a building is over 26 feet, that portion may not be located above a residential proximity slope.

Front Yard Setbacks: The minimum front yard setback is 15 feet from the front lot line or existing right-of-way.

Side Yard Setbacks: The minimum side yard setback is 20 feet from the side lot line or existing right-of-way when adjacent to a less dense zoning district and 0 feet in other instances.



Urgent care

Rear Yard Setbacks: The minimum rear yard setback is 20 feet from the rear lot line when adjacent to a less dense zoning district and 0 feet in other instances. Rear yards must be open and unobstructed except for fences. A rear yard setback for an accessory use to the residential use is not required if the structure does not exceed 15 feet in height.

Lot Coverage: The maximum lot coverage is 60 percent.

Accessory Uses: Any permitted uses in the main zoning district are allowed as an accessory use. Accessory uses are incidental to a main use, and they will be located on the same lot as the main use.

Landscaping: Commercial frontage landscaping is encouraged to exceed City of Dallas minimums by providing additional vegetation and trees to meet the Comprehensive Environmental and Climate Action Plan (CECAP) goals and standards. A street buffer zone, the landscape area along the length of the lot adjacent to the right-of-way,

must be a minimum of five feet wide unless the buffer zone is less than 10,000 square feet, then the minimum depth will increase until the total square footage is 10,000. One large or medium street buffer tree is required for every 30 feet of frontage. The large or medium street buffer tree must have a minimum caliper of three inches. One tree with a caliper of at least two inches is required for each 4,000 square



Financial Institution



Community retail

feet of lot area. In all parking lots, a landscape area must be provided at the end of each parking row or after every 10 parking spaces. The landscape area must contain a minimum of one large or medium tree with a minimum caliper of three inches. For each building site, a minimum number of landscape design option points are required by the City of Dallas which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, surface parking lot screening, building facade planting areas, pedestrian amenities, enhanced pavement, conservation areas, low-impact development, and parking lot enhancement.

Screening: Required screening must not be less than six feet in height and constructed with either brick, stone, concrete masonry, concrete, wood, earthen berm planted with turf grass or ground cover, or evergreen plant materials. When using plant materials, a solid appearance must be maintained, and the required screening height must be reached within three years after the initial planting. Access through screening can be provided by a gate equal in height. Screening with plant materials must be irrigated with an automatic irrigation system and be in healthy growing conditions at all times.

Open Spaces: A minimum of 10 percent of the site will be reserved as open space. These spaces will allow for community gatherings and special events. Enhanced landscaping and amenities such as benches, fountains, shade structures, and playground areas are encouraged.



Community retail

5.2 REGIONAL RETAIL

Regional retail buildings are located along the Interstate Highway 20 frontage, directly south of the Town Center. These buildings will be larger scale than the community retail building, but they will still be easily accessible and pedestrian friendly. The commercial buildings will provide goods and services to a larger and more diverse audience due to their location on Interstate Highway 20. Quality landscaping and street furniture should be provided in this district. Sidewalks, bike racks, and a bus stop in the area will provide visitors and residents with sustainable transportation options. The following design guidelines and standards apply to regional retail buildings:

▪ **Proposed Uses:** Uses in this district should serve consumers in development and surrounding area. Examples that could be incorporated include a museum, a financial institution, a medical clinic, an office, a liquor store, a furniture store, a motor vehicle fueling station, a theater, police or fire station, post office, hotel, office building, restaurant, home improvement center, and a general merchandise or food store.

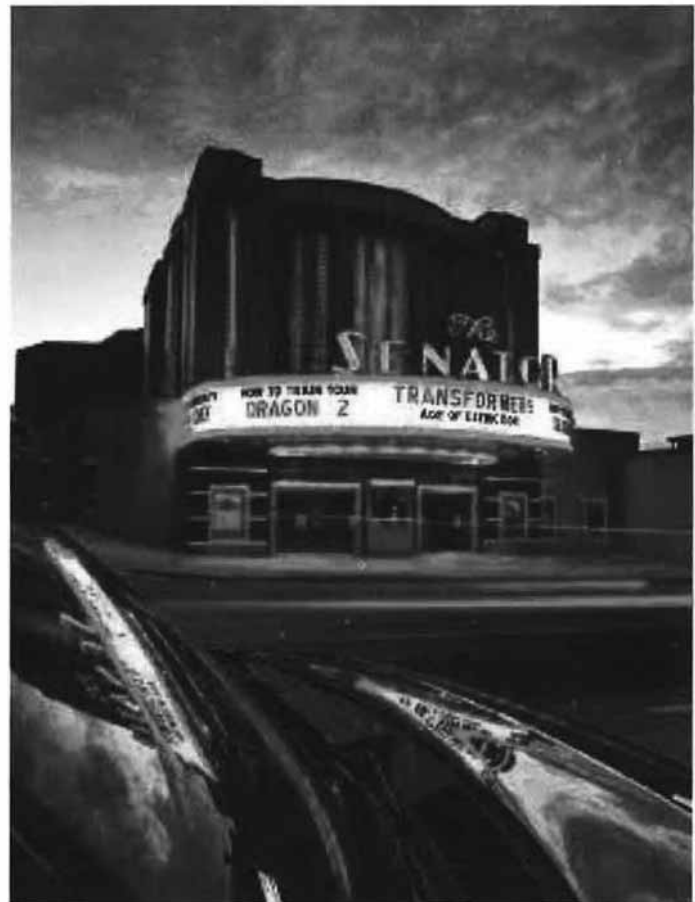
▪ **Auto Access and Parking:** buildings will be auto, pedestrian, and bike accessible from within the development. Access to the buildings will also be provided from Interstate Highway 20, and off-street parking will be provided.

▪ **Building Height:** The maximum building height of community retail buildings is 54 feet. If any portion of a building is over 26 feet, that portion may not be located above a residential proximity slope.

▪ **Front Yard Setback:** The minimum front yard setback is 15 feet from the front lot line or existing right-of-way.

▪ **Side Yard Setback:** The minimum side yard setback is 20 feet from the side lot line or existing right-of-way when adjacent to a less dense zoning district and 0 feet in other instances.

▪ **Rear Yard Setback:** The minimum rear yard setback is 20 feet from the rear lot line when adjacent to a less dense zoning district and 0 feet in other instances. Rear yards must be open and unobstructed except for fences. A rear yard setback for an accessory use to the residential use is not required if the structure does not exceed 15 feet in height.



Theater

Lot Coverage: The maximum lot coverage is 60 percent.

Accessory Uses: Accessory uses must be a use customarily incidental to a main use, and they are to be located on the same lot as the main use. An accessory use is permitted in any district where the main use is permitted.

Landscaping: Commercial frontage landscaping is encouraged to exceed City of Dallas minimums by providing additional vegetation and trees to meet the Comprehensive Environmental and Climate Action Plan (CECAP) goals and standards. A street buffer zone, the landscape area along the length of the lot adjacent to the right-of-way,

must be a minimum of five feet wide unless the buffer zone is less than 10,000 square feet, then the minimum depth will increase until the total square footage is 10,000. One large or medium street buffer tree is required for every 30 feet of street frontage. The large or medium street buffer tree must have a minimum caliper of three inches. One tree with a caliper of at least two inches is required for each 4,000 square feet of lot area. In all parking lots, a landscape area must be provided at the end of each parking row or after every 10 parking spaces. The landscape area must contain a minimum of one large or medium tree with a minimum caliper of three inches. For each building site, a minimum number of landscape design option



Grocery Store

points are required by the City of Dallas which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, surface parking lot screening, building facade planting areas, pedestrian amenities, enhanced pavement, conservation areas, low-impact development, and parking lot enhancement.

Screening: Required screening must not be less than six feet in height and constructed with either brick, stone, concrete masonry, concrete, wood, earthen berm planted with turf grass or ground cover, or evergreen plant materials. When using plant materials, a solid appearance must be maintained, and the required screening height must be reached within three years after the initial planting. Access through screening can be provided by a gate equal in height. Screening with plant materials must be irrigated with an automatic irrigation system and be in healthy growing conditions at all times.

Open Spaces: A minimum of 10 percent of the site will be reserved as open space. These spaces will allow for community gatherings and special events. Enhanced landscaping and amenities such as benches, fountains, shade structures, and playground areas are encouraged.



Retail and pharmacy



Mid-size retail

5.3

ARCHITECTURAL STANDARDS

These design guidelines pertain to all Commercial Frontage buildings:

Surface Parking: Parking lots should be designed thoughtfully and intentionally. Landscape islands with shade trees and light colored paving material are encouraged to reduce urban heat islands. Pedestrian walkways through and around parking lots from sidewalks leading from Lancaster and the development is encouraged.

Sustainability: Commercial frontage buildings will align with the City of Dallas' sustainability goals in its Comprehensive Environmental and Climate Action Plan (CECAP). High quality building materials and appliances that are energy efficient are preferred.

Building Materials: Locally sourced materials are encouraged in keeping with the character and style of the buildings. Materials used should be complimentary to the surrounding neighborhoods and UNT Dallas campus. Acceptable materials include brick, siding, stone, Hardie® Plank, architectural metals, light colored pre-cast concrete, architectural masonry units, or other similar materials.

Material Changes: Material changes should occur when a change in volume or plane occurs. The material change should continue to wrap around the sides of the building.

Roofing: Flat or south sloping roofs are preferred in the Commercial Frontage district. Parapets are encouraged for flat roofs, and exposed beams, projecting eaves, and decorative brackets should be incorporated into the design of sloping roofs.

Noise Reduction: Buildings that include shared walls or ceiling should incorporate construction methods and materials to minimize noise and vibration transfer between units.

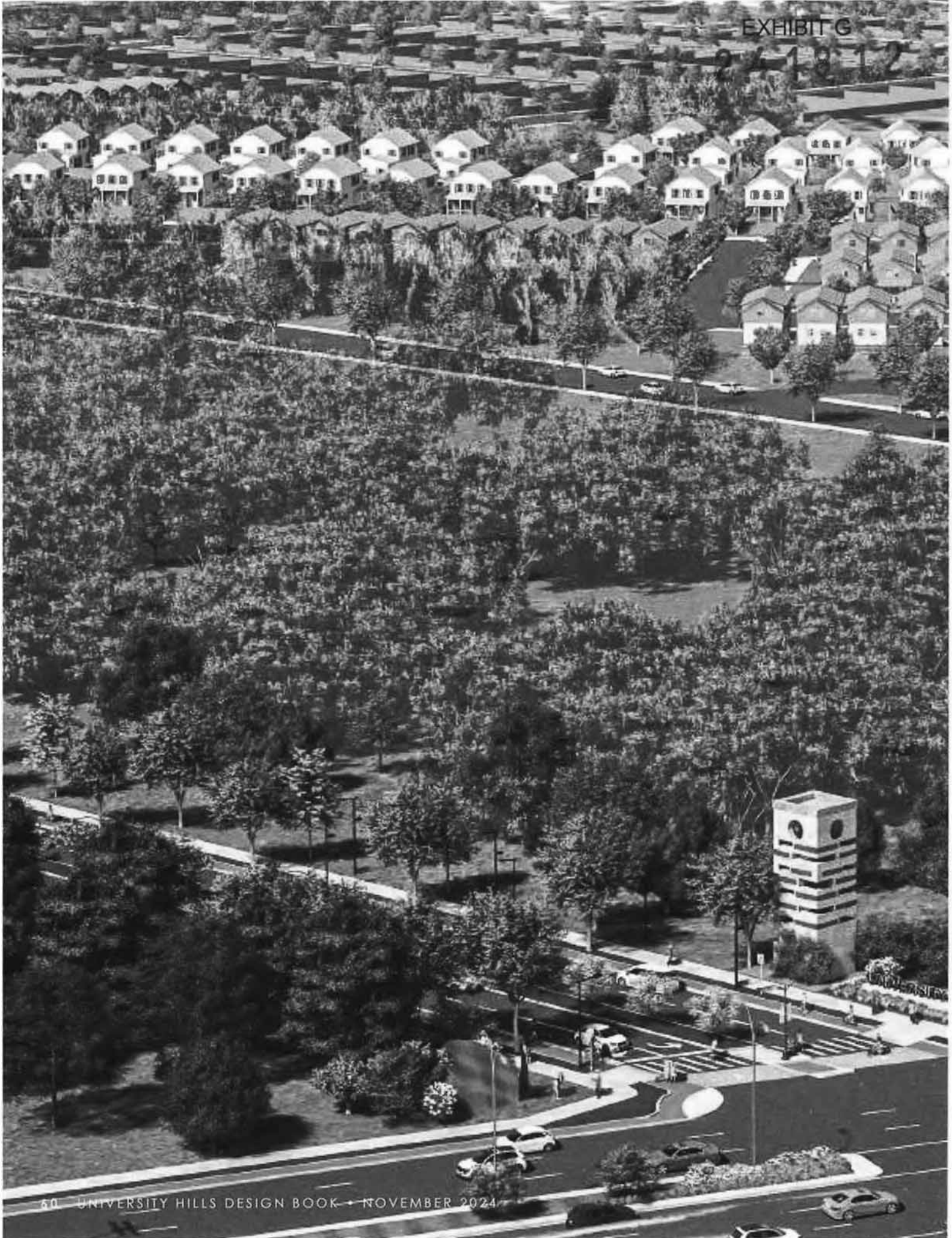
Windows: Windows are key features of the commercial frontage buildings and contribute to an active public frontage; therefore, they should be proportioned well. Thoughtful design and detailing should be given, adhering to the architecture of the development.

Service Areas: Service areas should be architecturally integrated into the building or screened from public areas and pedestrian view. Garbage facilities and pickup routes should not be located within the right-of-way. Shared service facilities and alleys are encouraged.

Open Spaces: Flexible space for special events and outdoor dining is encouraged for each retail/commercial development area. Enhanced landscaping and amenities such as benches, fountains, shade structures, and playground areas are encouraged and will aide in meeting CECAP's goals.

Lighting: Lighting standards should aim to reduce light pollution by using techniques such as shielding, advanced controls, and light detection.





OPEN SPACE, PARKS, AND TRAILS



University Hills has placed priority on leveraging the existing topography, creeks, and natural beauty of the site. The tributaries and drainage ways, and ponds will create areas of tranquility within the development. Vibrant pocket parks and a recreation center are thoughtfully designed to provide residents with green spaces and amenities within a short distance of their homes or apartments. A two acre Central Park will be the focal point of the community providing a place of gathering with space for events, celebrations, and markets. Trails will meander through the neighborhoods along the detention ponds offering a course of tranquil recreation.



6.1 GREENBELT

The greenbelt traverses through the middle of the neighborhoods. Capitalizing on its existing natural features, the greenbelt intends to be a tranquil strip of land adorned with meandering trails. Engineered detention ponds will enhance the character of the greenbelt, providing unique topography opportunities and overlooks. Non-vehicular movement is encouraged within this area to foster a sustainable and community-centric lifestyle. The greenbelt will include the following elements:

Vegetation: The University Hills development intends to preserve the existing natural vegetation as provided by the tree survey. A dense tree cover is preferred in this open space to create a quiet and secluded space for people to enjoy. Dense vegetation will also add privacy to the single-family homes that back the greenbelt.

Access Points: Many access points will be provided to the greenbelt. Neighborhood streets will have openings leading directly to the greenbelt. Street parking and entry signage should be provided at the greenbelt access points to lead citizens on the correct path. Homes backing the greenbelt are required to have open fencing, screened garage doors, and direct access to the amenity.

Trails: Hike and bike trails will be developed along the course of the greenbelt. The trail will provide citizens with a chance to see the natural features and detention ponds University Hills holds. Smaller trail systems will branch off of the main greenbelt trail, providing a connection to the neighborhood pocket parks. Trail access points will be marked with signage, and other amenities such as benches, water fountains, public art, and exercise equipment are encouraged at trailheads. Trailheads should be large enough for groups to gather.



Overlooks and bridges crossing the detention pond will add character and visual appeal to the greenbelt.

Recreational Uses: The greenbelt intends to be a space for all citizens to utilize. Walking, jogging, biking, picnicking, and playing are all encouraged uses of this area. People of all ages and physical capabilities will be able to enjoy the greenbelt and its amenities.

Ecological Function: The greenbelt provides a vital role in the drainage and flood mitigation of University Hills. The drainage way should be contoured naturally, and sustainable engineering practices should be incorporated. Informational signage should be used around these features to highlight their environmental importance in University Hills.



Trailheads with a gathering area and informational signage create an inviting access point.

241812



6.2 RECREATION CENTER

The recreation center lies within the neighborhoods and is a private amenity to residents. Active recreation and resident gathering opportunities will be present within this area. The recreation center should be designed to be an inviting focal point of the neighborhoods. The following elements should be included in the design of the recreation center.

- **Landscape Character:** Trees should be planted to encourage a welcoming environment to the recreation center. Screening with trees and other vegetation should be provided around the perimeter of the facility for privacy.
- **Recreational Uses:** Various active recreational activities can be offered at the recreational center including tennis, pickleball, lawn games, picnicking, and barbecuing.
- **Amenities:** The neighborhood recreation center should include amenities the future residents would utilize and enjoy. Example include a splash pad, a pavilion, picnic tables with umbrellas and benches, barbeque and fire pits, lawn games such as cornhole, bocce, and life-size checkers, sport courts such as a tennis, pickleball, or basketball courts, and a structure with restrooms and drinking fountains.
- **Lighting:** Lighting may be provided within the recreation center for residents to utilize during shorter daylight hours. Timers should be put on these lights to not exceed recreation center closing times, and cut-off lighting should also be utilized to keep glare out of neighboring houses and reduce light pollution.
- **Parking:** Off-street parking will be provided at the recreation center but minimized to encourage alternate modes of travel.



Tennis courts



Bocce

6.3 NEIGHBORHOOD POCKET PARKS



Children play area



Playground

Neighborhood pocket parks will be small in size, but easily accessible to residents of the neighborhoods. These parks will include a variety of active and passive recreational facilities. Pocket parks are intended to be a gathering space for the adults and children of University Hills, within a short walking distance from households. Neighborhood pocket parks will include the following elements within their design:

- **Landscape Character:** Native canopy trees should be planted along the park edges and within the parks to provide shade. Native plant species with deep root systems should be considered to help prevent erosion and mitigate flooding. Existing tree canopy should be preserved where possible to provide mature shade. Open areas to enjoy the sunshine are also encouraged.
- **Recreational Uses:** Pocket parks are intended for various forms of recreational use. Neighborhood gatherings, picnicking, and children's play are some of the uses of pocket parks.
- **Amenities:** Each neighborhood pocket park will have a unique design with different amenities to accompany it. Amenities can include playgrounds, benches, picnic tables, splash pads, sports courts, nature play, community gardens, public art, and sculptures.
- **Lighting:** Lighting may be provided within these parks for residents to utilize during shorter daylight hours. Timers should be put on these lights to not exceed recreation center closing times, and cut-off lighting should also be utilized to keep glare out of neighboring houses and reduce light pollution.

6.4 MULTIFAMILY AMENITY CENTER



Playscape

Residents of multifamily buildings will also be within reach of a private amenity center. The amenity center will include a network of walkable paths leading to the parks that utilize the existing trees and natural topography of the land. Areas for community gathering, dog walking, and children's play will also be incorporated. The multifamily amenity center will incorporate the following elements:

- **Landscape Character:** The multifamily pocket parks will be aligned with trees along the edges of the park and within to provide shade. Open pockets without trees are encouraged for residents to enjoy the sunshine.
- **Recreational Uses:** These parks can be used for picnicking, small gatherings, children's play, and leisure.
- **Amenities:** Some of the amenities encouraged in the multifamily pocket parks include benches, picnic tables, playscapes, community gardens, dog park, and pavilions.

6.5 CENTRAL PARK

Central Park is included as a central amenity and gateway to the University Hills development. As the heart of University Hills, the Central Park intends to be a destination for visitors and residents to gather and enjoy each other's company. The Central Park will incorporate the following:

- ✦ **Landscape Character:** Native canopy trees should be planted along the park edges and within the parks to provide shade. Native plant species with deep root systems should be considered to help prevent erosion and mitigate flooding. Existing tree canopy should be preserved where possible to provide mature shade.
- ✦ **Recreational Uses:** The park will provide a diverse array of activities. Passive and active recreation will be implemented into its design. Uses that could be held include community gatherings, outdoor events and performances, walking, jogging, picnicking, and playing.
- ✦ **Structures:** A structure to house restrooms and drinking fountains is encouraged. A covered open or enclosed space would allow for events, celebrations, and a farmer's market. Retail kiosks for vendors and utility hookups for food trucks are encouraged.
- ✦ **Parking:** Off-street parking will be provided around the perimeters of the park to encourage visitors of surrounding communities to enjoy what the park has to offer. Bike racks will also be provided and conveniently located.



Landscaped lawn area

6.6 TRAIL SYSTEM

University Hills is comprised of multiple types of trails. Trails can be used for walking, jogging, or biking, and electric vehicles such as scooters will be prohibited. Trail systems can be used to link communities, and they can promote the importance of physical activity. University Hills' trails can be classified into the following two categories:

Nature Trails: The nature trail within the greenbelt will provide educational opportunities with informational signage along the natural drainageway and other natural features. The greenbelt will extend from the north site boundary to the Town Center and will be at least 10 feet wide. University Hills supports the idea and has provided space for connection of the natural trail to the Runyon Creek Trail just north of the site. This connection would lead to the DART Station and the Glendale Park Loop Trail. The

existing tree cover will create a secluded and quiet environment while on this trail. Overlook opportunities will be present along the detention ponds, creating intriguing vantage points.

Neighborhood Trails: These trails include the branches of the greenbelt nature trail and other small trails within the neighborhoods. Neighborhood trails are considered more of an amenity than a way of travel and are no wider than eight feet. These trails will meander around neighborhood pocket parks and open spaces. This will create an inviting avenue to explore the open space, encouraging a healthy and active lifestyle.

The nature trail and neighborhood trails are designed to enhance the existing vegetation, topography, and creeks.



Trails will meander along the top edges of the detention ponds.



Informational signage will highlight the existing flora, fauna, and drainageways.





STREETSCAPE AND MOBILITY

7

University Hills provides a multimodal transportation network within its plan. Street layout patterns and walking paths are designed to create a walkable transit-oriented neighborhood with a direct connection to daily amenities, shopping, and recreational uses. The street network facilitates smooth traffic flow and weaves a tapestry of connectivity throughout the development. Walking and bike paths provide residents and visitors with inviting avenues to explore the area and promote an active and healthy lifestyle. Entryway signage and monumentation located at the gateways of the development will give University Hills a dominant presence and show the vision for the site.

7.1

STREET NETWORK AND CONNECTIVITY

The implementation of the street network within the University Hills project is poised to significantly enhance overall connectivity, not only for the diverse array of uses within the site but also for neighboring areas within the broader fabric of Dallas. University Hills incorporates sidewalks and bike lanes into every streetscape within the development, embracing the principles outlined in the Connect Dallas Strategic Mobility Plan, the updated Dallas Bike Plan, and the Vision Zero Plan, fostering a multimodal transportation environment.

University Hills will embrace the natural topography and slopes of the site. Handrails in the right-of-way are discouraged, but alternate methods for approaching the grading behind the curb is encouraged.

One notable enhancement is the transformation of E Wheatland Road into a Primary Street, boasting an 80' right-of-way (ROW) and generously proportioned sidewalks and bike lanes exceeding 10', thereby facilitating seamless access to and from the site. Additionally, the introduction of a new primary street, aligned along the north/south axis of the site, will bolster accessibility to the University Hills project from various points in Dallas, while concurrently promoting multi-modal transportation between residential and commercial zones within the development.

Complementing the primary streets, the project will feature secondary streets spanning 56' ROW, strategically positioned to cater to the internal circulation needs of the site's diverse functions, ensuring convenient access for visitors and occupants alike. The inclusion of mixed-use streets, also spanning 56' ROW, will serve as vital arteries within the project, focusing on connectivity within different land uses and facilitating seamless navigation between residential areas.

Furthermore, neighborhood access streets, spanning 53' ROW, will intricately weave through the internal fabric of the development, seamlessly linking each distinct neighborhood enclave. By establishing a clear hierarchy of street types, the design not only optimizes navigation throughout the site but also encourages a diverse range of transportation modes, promoting a vibrant and sustainable urban environment.

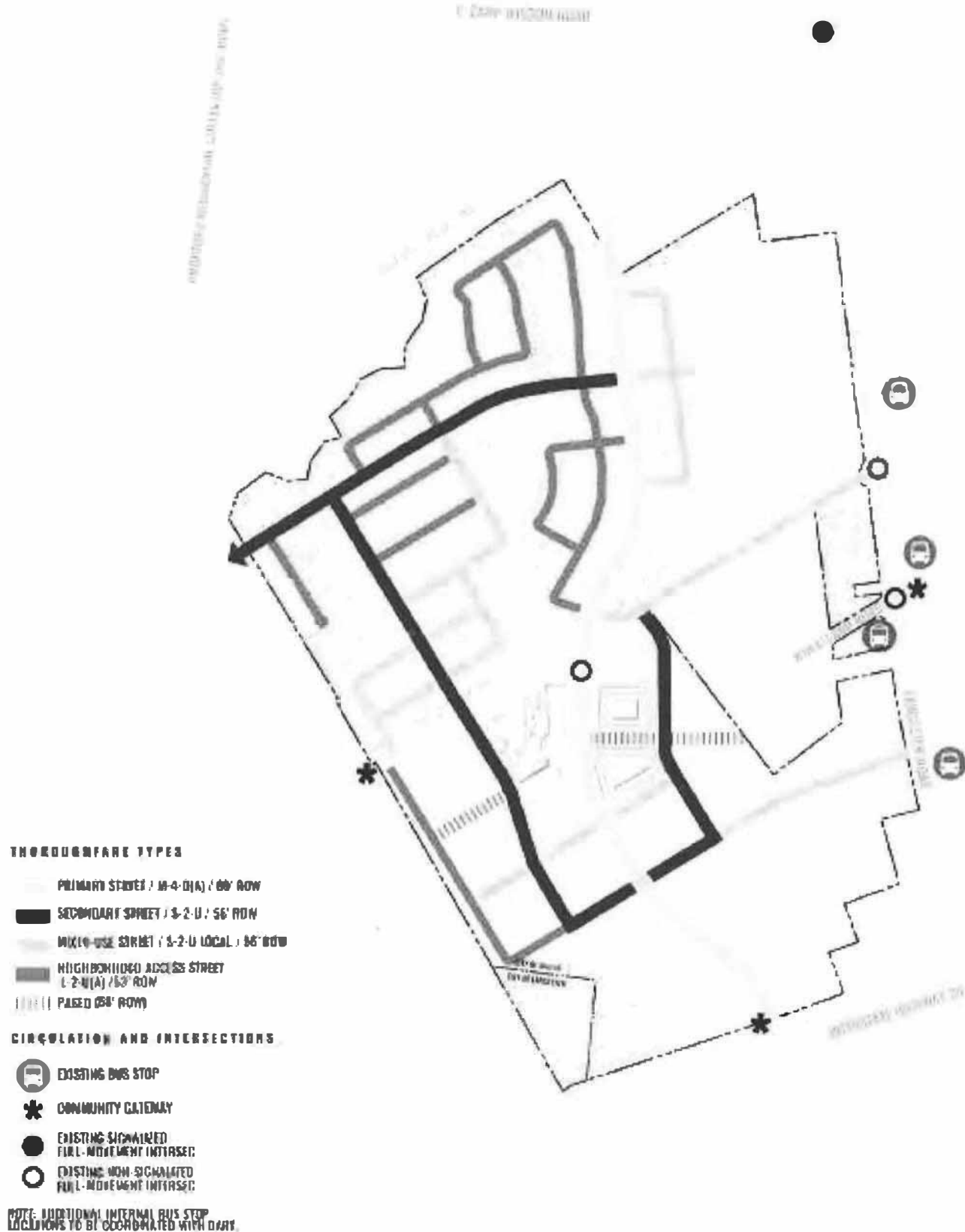


Figure 7.1: Transportation Framework Plan

7.2 TRANSIT

Dallas remains committed to fostering a diverse transportation landscape, evident through ongoing initiatives such as the light rail system, streetcar projects, and enhancements to existing rail and bus routes. Within this framework, the University Hills development emerges as a strategic focal point for integrating various modes of transportation within a defined district. Situated adjacent to the University of North Texas at Dallas campus, the inclusion of bus routes within the University Hills site assumes paramount importance. Our meticulously planned primary streets offer ample opportunities for strategically positioned public transit stops and routes, ensuring seamless connectivity and accessibility for residents, visitors, and students alike. Bus stops should incorporate covered shelters in the event of rain or hot weather to provide comfort for those utilizing transit services.



Covered bus stops with benches provide comfort to users.



Locating bus stops within the development will promote sustainable travel options.

7.3 BIKE LANES

As a multifaceted urban development poised to accommodate diverse functions, University Hills presents an ideal canvas for the integration of enhanced raised bikeway designs, aligning seamlessly with Dallas's overarching vision for a comprehensive and elevated bicycle network. Bike lanes are incorporated in the Primary and Secondary Streets, and a shared-use path is used in the Mixed-Use Street. Leveraging a blend of physical barriers like bollards and visual delineators such as raised tracks and landscaped pathways, University Hills endeavors to epitomize the city's strategic blueprint for enhanced cycling infrastructure.

These meticulously crafted bikeways not only prioritize the safety of cyclists by offering protection from vehicular traffic but also contribute to the aesthetic appeal and livability of the community. By addressing the "last mile" challenge, these bikeways serve as a pivotal solution, facilitating seamless connectivity between residential, commercial, and recreational nodes, thereby offering residents and workers diverse transportation options within proximity to their residences, workplaces, DART Stations, UNT Dallas, and nearby amenities.



Protected bike lanes ensure safety for cyclists.



Raised bike lanes help protect cyclists, motorists, and pedestrians.

7.4 PEDESTRIAN PATHWAYS

As a vibrant urban community poised to become a south-central Dallas destination, University Hills will prioritize active mobility through the implementation of complete street design principles. This aligns with the City of Dallas's future transportation goals and is crucial for the project's success.

Generous sidewalks, with a minimum width of five feet on all streets and expanding to ten feet on major thoroughfares, will encourage pedestrian activity. Street trees should be used to provide shade and interest, and streets and sidewalks should be well lit to accommodate pedestrians. Complete street principles will be further integrated by incorporating elements like landscaped curb extensions and median refuge islands. These features not only enhance pedestrian safety but also serve as green infrastructure elements, contributing to stormwater management and urban heat island mitigation.

By embracing a boulevard concept instead of a high-volume vehicular corridor, University Hills will prioritize pedestrian movement throughout the site. Boulevards typically feature wider sidewalks, street trees, and landscaping, creating a more attractive and pedestrian-friendly environment.



Sidewalks within neighborhoods protect children and adults, and they create a friendly and neighborly community.

7.5 STREET CROSS-SECTIONS

University Hills incorporates bike lanes, sidewalks, transit opportunities, and signage into its street cross-sections. The back-of-curb can be adjusted for unique conditions, grading, trees, constraints, and required parking. Five cross-sections accompany University Hills' design:

- **Promenade:** Located in the Town Center, the promenades serve as a paved public walk for gatherings or leisurely strolls.
- **Primary Street:** The largest street section in University Hills that traverses north-south and provides access to different districts in the development.
- **Secondary Street:** A smaller cross-section with multiple transportation options, promoting safe and sustainable travel through the site.
- **Mixed-Use Street:** Located with the neighborhoods and the Town Center, these streets provide direct access to homes and retail buildings with safe pedestrian corridors.
- **Neighborhood Access Street:** Solely located in the neighborhoods to provide access to homes with space for on-street parking.

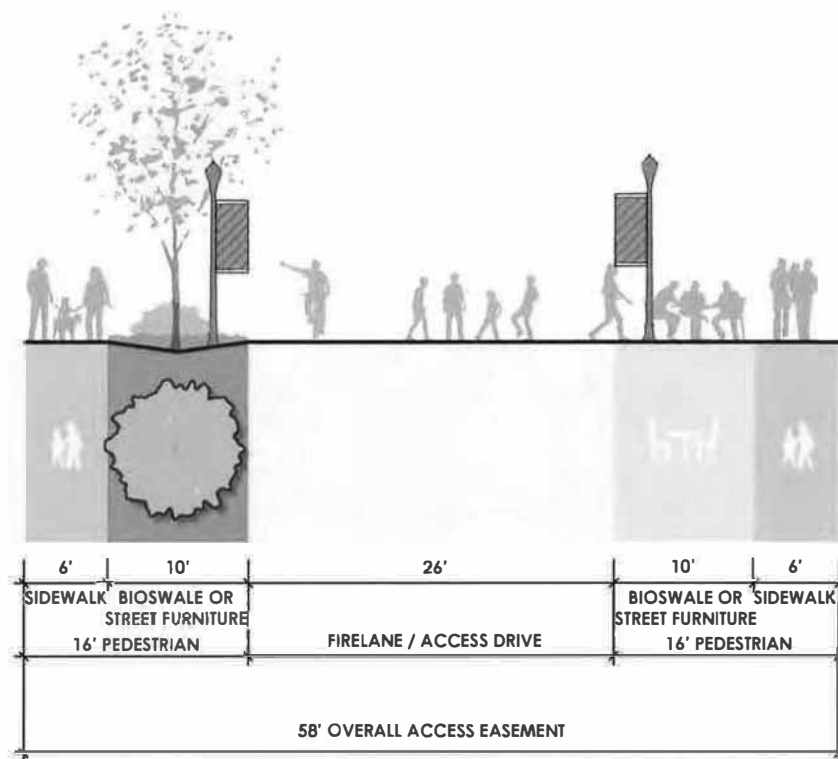


Figure 7.2: Promenade

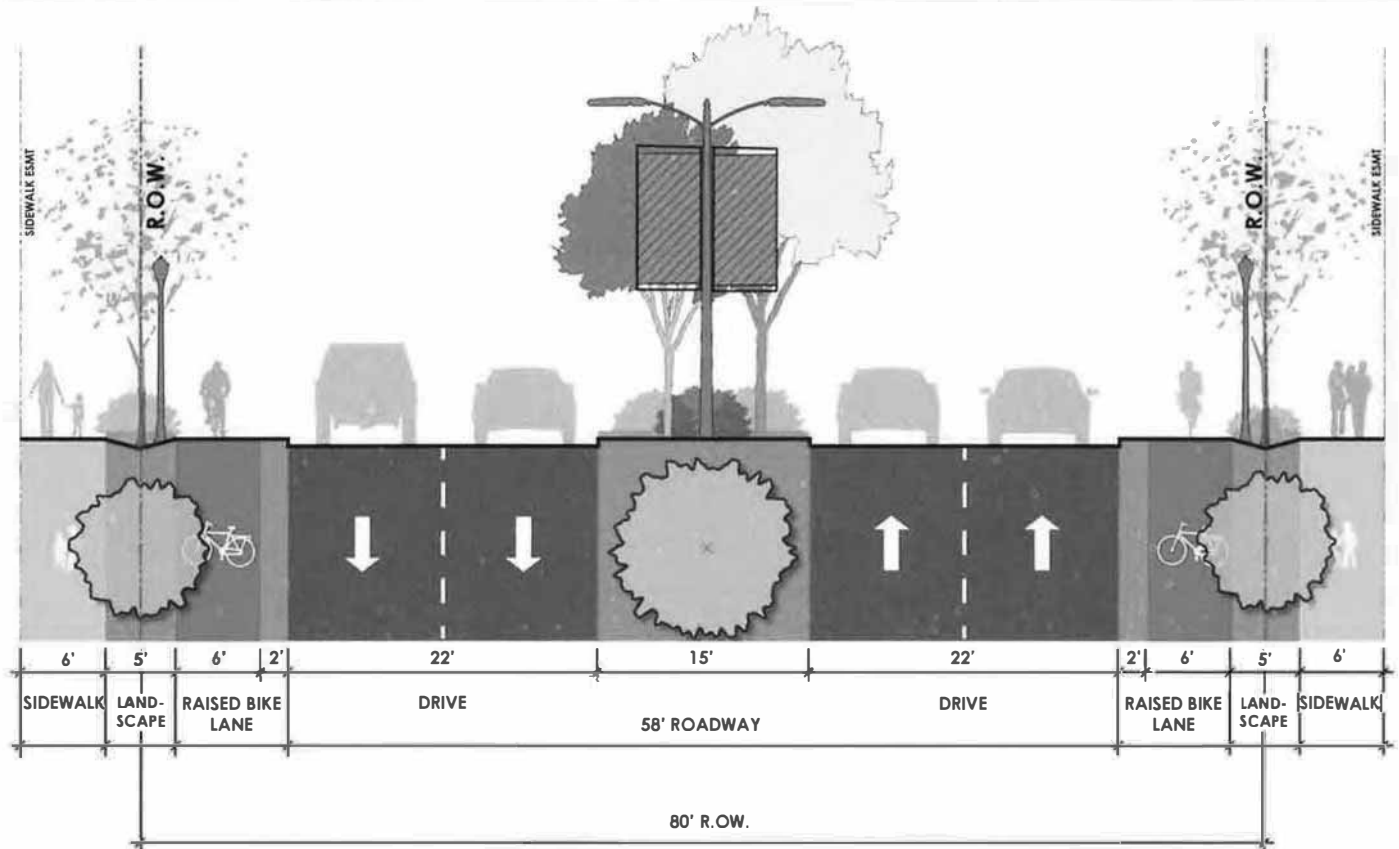


Figure 7.3: Primary Street (M-4-D(A))

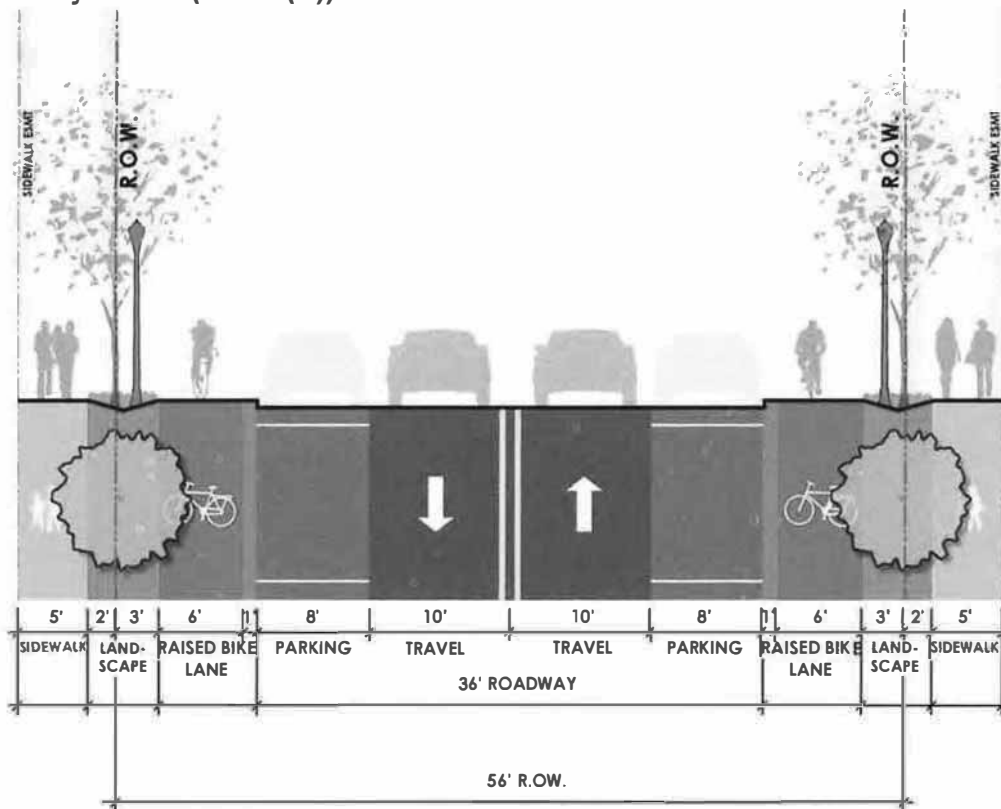


Figure 7.4: Secondary Street (S-2-U)

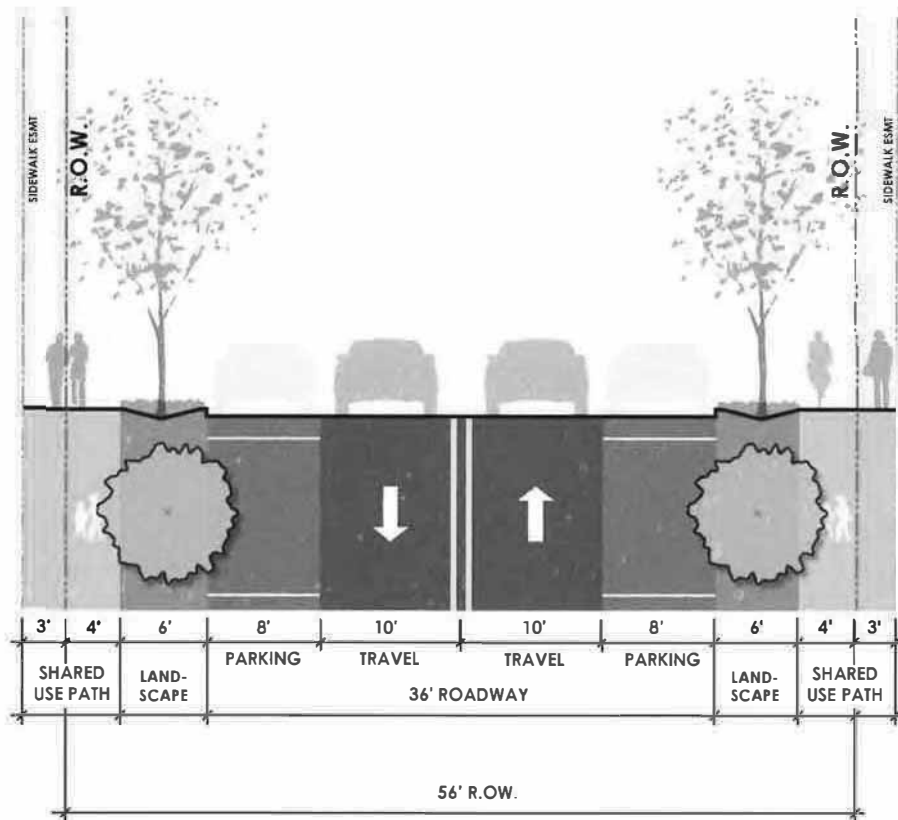


Figure 7.5: Mixed-Use Street (S-2-U)

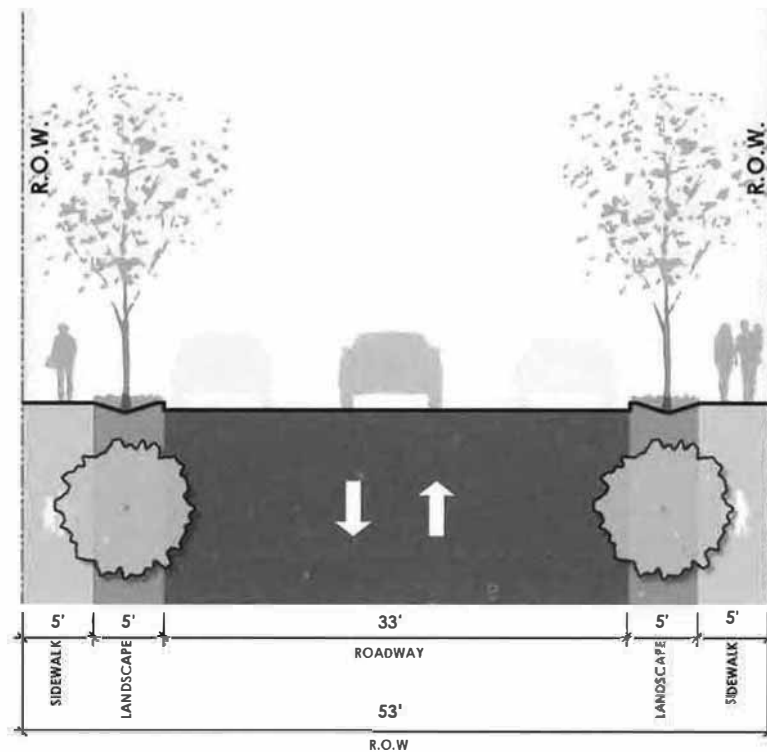


Figure 7.6: Neighborhood Access Street (L-2-U(A))

7.6 FIRE ACCESS

University Hills will be a vibrant hub with busy streets and areas of dense infrastructure. This can create challenging environments for emergency management, but University Hills has devised a plan for effective fire apparatus travel along its narrower street sections.

Fire department access can be classified into two categories: travel access and operational access. Travel access is the path a fire apparatus takes to their destination while operational access is the access area a fire apparatus must have while operating stationary. Roads are often able to serve as travel and operational access.

A 26 foot by 50 foot clearance is needed for operational access. The 26 feet can encompass elements such as bike lanes and load-bearing medians. On streets where 26 feet of clearance is not available, operational access can be obtained by driveway curb cuts, no parking zones, fire hydrant no parking zones, and street intersections.

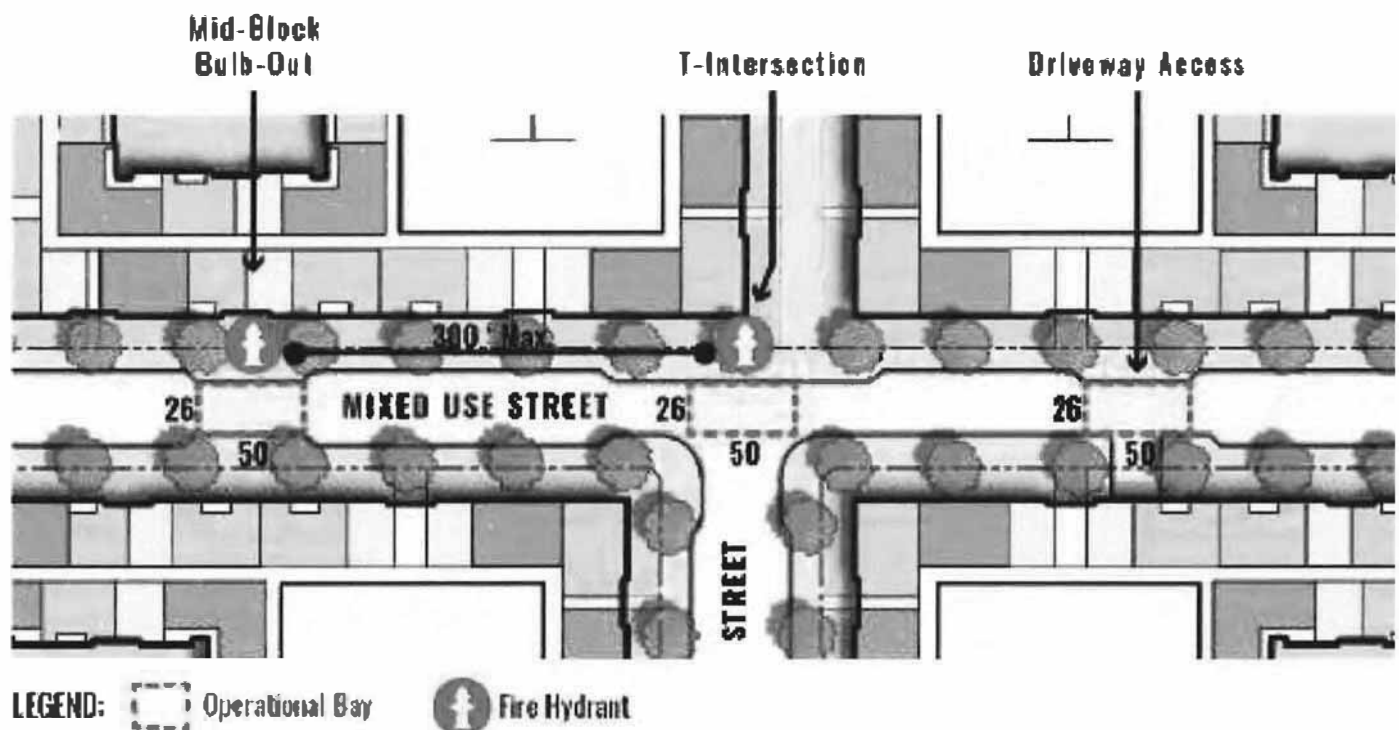
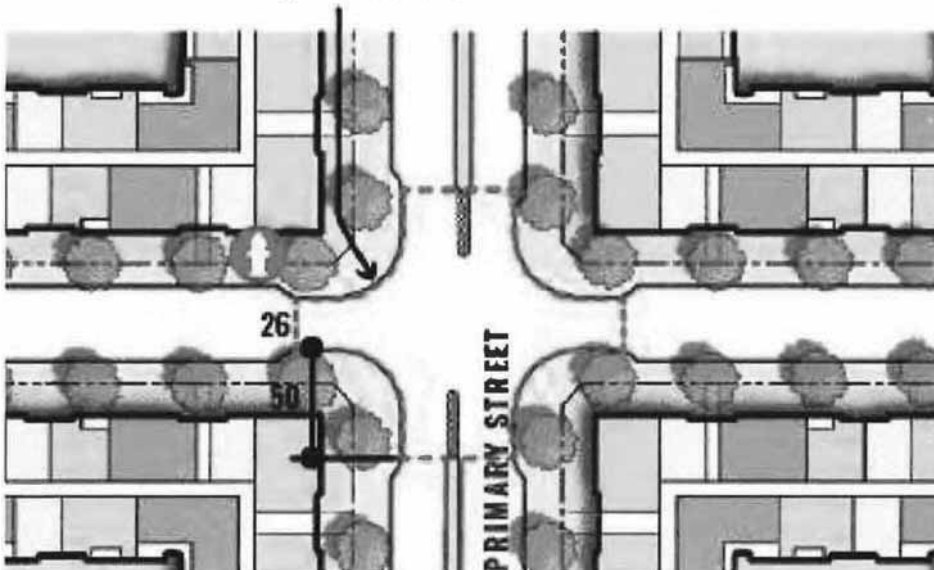


Figure 7.7: Fire Access

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4-Way Intersection





SIGNAGE

8

University Hills will utilize different types of signage to promote the development and the businesses within. The types of signage include entryway monumentation, wall-mounted signage, blade signage, window and door-mounted signage, exterior menu boards, and sandwich boards. The signage within University Hills should be cohesive and align with the architectural vision for its buildings.

8.1 GATEWAY MONUMENTATION



University Hills, strategically situated east of the University of North Texas Dallas (UNT) campus, aims to cultivate its own unique identity while fostering a sense of connection with the esteemed institution. Recognizing the inspirational presence of the iconic Ryan Tower on the UNT campus, University Hills will incorporate a modern entry tower as its entrance landmark on Wheatland Road. This new clock tower will serve as a visual symbol of hope and opportunity, echoing the spirit of Ryan Tower but with a distinct, contemporary design.

Furthermore, University Hills will establish its individuality through additional elements. A visually striking title sign will serve as a distinct identifier for the district, while an artistic monument will provide a unique focal point and conversation starter. Together, these features will create a cohesive and memorable arrival experience that acknowledges the university connection while celebrating the distinct character of University Hills.

Within the commercial districts, entryway signage showing the businesses within the site is beneficial for travelers to easily identify and locate their destination. These monuments should align with the architecture of the commercial buildings and create a cohesive community.

Allowed:

- High quality and durable materials
- Cohesive colors
- Signage at an appropriate scale to what it is advertising
- Enhanced landscaping surrounding signage structure



Allowed

SIGNAGE

**Not Allowed:**

- ✗ Retail signage with clashing colors
- ✗ Low quality and/or plastic materials
- ✗ Signage either too large or too small for what it is advertising

8.2

WALL-MOUNTED SIGNAGE



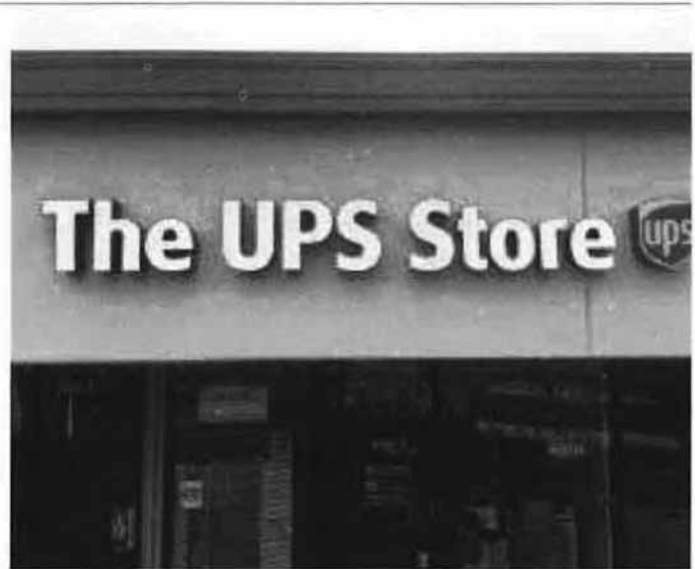
Wall-mounted signs are signs that are fixed directly to a wall. These are usually the largest signs the business uses and can be seen from farther distances. Wall-mounted signs typically include the name of the business and the building number.

Allowed:

- High quality and durable materials such as painted or polished metals, finished woods, and glass
- Illuminated lighting
- Content should be limited to the name of the business, the business logo, and the building number.
- Signage is an integral part of the business and should adhere to the overall aesthetic of the building and surrounding buildings

2 4 1 8 1 2

**Allowed**



Not Allowed:

- Electronic signs
- Plastic box signs
- Signage that does not enhance the building storefront
- Flashing or face-illuminated signage

8.3 BLADE SIGNAGE



Blade signs are hanging, projecting, or protruding signs that are mounted perpendicular to the facade of the building. They are beneficial to attract pedestrians as they are easily seen as you walk along sidewalks in front of the business. Blades signs should be relatively smaller in the Town Center compared to the commercial frontage buildings.

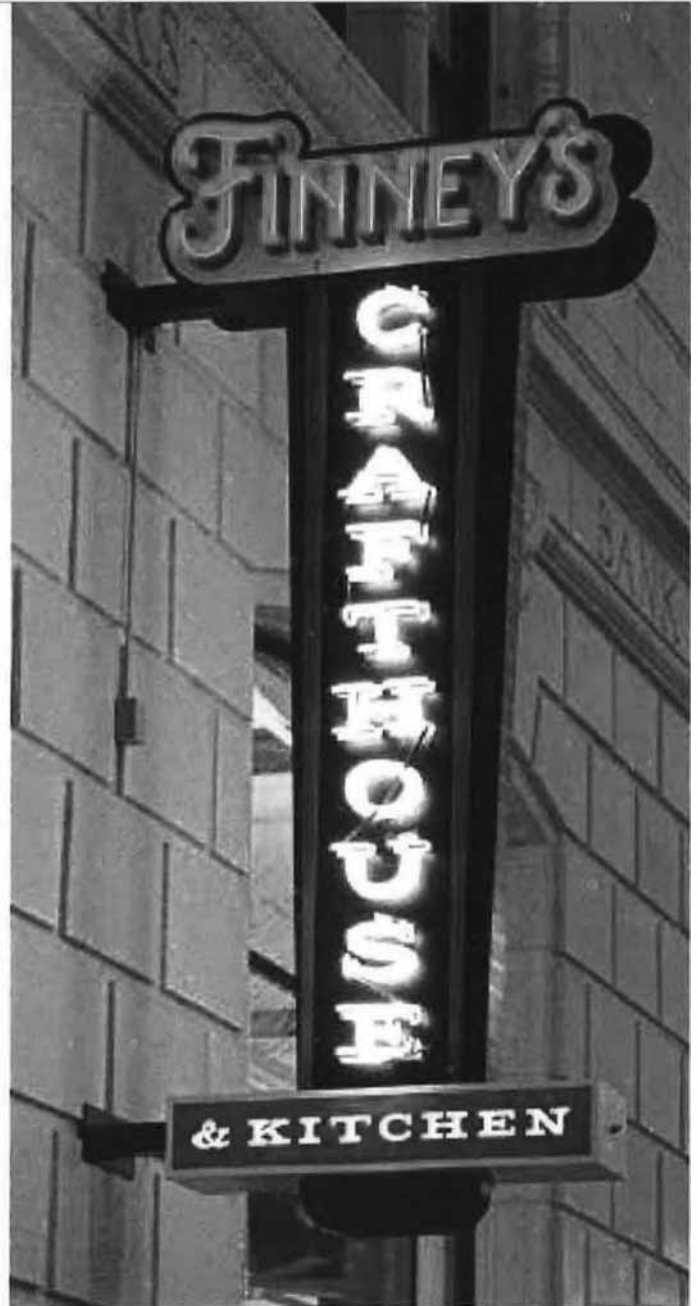
Allowed:

- Content should be limited to the name of the business and/or the business logo, principal product or service offered, or iconographic shapes that describes the business.
- High quality and durable materials such as painted or polished metals, finished woods, and glass
- May be affixed to the underside of an awning or building face



Allowed

SIGNAGE

**Not Allowed:**

- ❌ Electronic signs
- ❌ Flashing or face-illuminated signage
- ❌ Signage that does not create enhance or create a cohesive storefront
- ❌ Noise producing signage

8.4 WINDOW AND DOOR-MOUNTED SIGNAGE

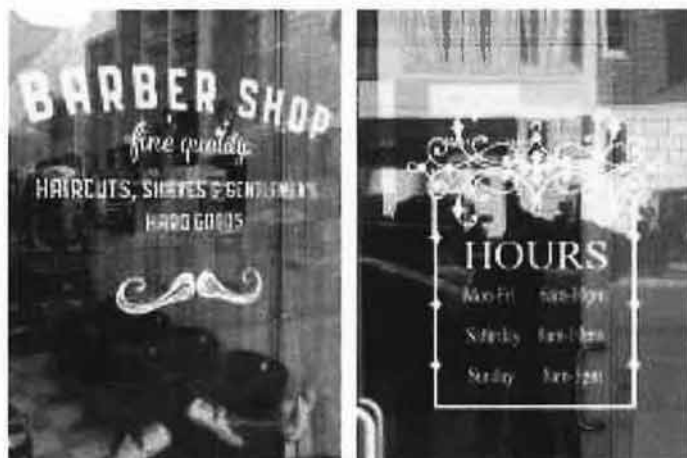


Window signage is attached directly to the window or door and enhances the exterior of the business. They can supply important information about the business or be used to create visual interest.

Allowed:

- Content should be limited to the name of the business and/or business logo, hours of operation, phone number, address, services offered, and graphics related to the products or services offered
- Hand-lettering or graphics designed by a professional
- Signage that can be easily removed without damaging the glass

SIGNAGE



Allowed



Not Allowed:

- Signage covering the majority of the window
- Permanent advertising or promotional signage
- Signage that does not adhere to the architecture and aesthetic of the building or neighboring buildings

8.5 EXTERIOR MENU BOARD



Exterior menu boards display and/or hold the menu of the restaurant. These are useful for citizens to read the menu beforehand and decide whether or not the restaurant fits their desires. Guests will be more satisfied with their experience because they are aware of the food offered beforehand.

Allowed:

- Integrated lighting so the menu can be seen at night
- Ability to easily change the menu and/or any specials offered
- Cohesive with the overall storefront and architecture of the building



Allowed

SIGNAGE



Not Allowed:

- ❌ Digital display screens
- ❌ Colors and/or graphics that distract from the business storefront
- ❌ Menu boards that are difficult to remove or replace

8.6 SANDWICH BOARD



A sandwich board is an advertisement tool composed of two boards that forms a triangle and is hinged along the top. These boards can be easily moved and carried from one place to another. Sandwich boards can advertise in both directions, and they are typically placed outside the building.

Allowed:

- Boards must be displayed during operating hours only
- High quality and durable materials like finished wood.
- Hand-written words or graphics
- Content such as the business name and/or business logo, hours of operation, sales or specials, and services or products offered.

**Allowed**



Not Allowed:

- ❑ Plastic material
- ❑ Colors or graphics that do not enhance the business storefront
- ❑ Electronic or flashing signs



SUSTAINABILITY

9

University Hills plans to conform to the goals outlined in the Dallas Comprehensive Environmental and Climate Action Plan and the City of Dallas Green Ordinance. The goals include building efficiency, energy efficiency, sustainable transportation, producing zero waste, flooding and drought protection, enhancing ecosystems, access to healthy local food, and clean air. Following these goals will be cost-saving in the future and improve public health for the community. University Hills intends to set an example of sustainability for other citizens, businesses, and developments to follow. High standards for design, construction, and implementation of sustainable practices have been set for University Hills.

9.1

BUILDING EFFICIENCY

University Hills plans to introduce energy-efficient buildings into its design. The City of Dallas Green Building Code provides standards for energy efficient single-family, multifamily, and commercial buildings.

Energy-Efficient Programs: Homeowners should be provided with comprehensive information about existing energy efficiency programs the City of Dallas offers including the Dallas County Health and Human Services' Weatherization Assistance Program, the Federal Low Income Home Energy Assistance Program, and the DFW Solar Tour. Low-income, senior, and non-native English households and business owners should receive specialized assistance on these programs, ensuring everyone has equal access and understanding of the information and programs provided. Businesses should also be aware of energy-efficiency programs such as the PACE Financing Program, the Fannie Mae Green Initiative, and the Commercial Solutions Program.

Building Design Elements: University Hills will incorporate energy-efficient design elements into its buildings for future use. Buildings will be constructed with the intention of solar panels to be installed in the future, and the ability to install electric vehicle charging stations. Installing the necessary wiring and piping will encourage owners to utilize these energy-efficient opportunities.

Consumer Awareness: Homeowners and business owners in University Hills should be informed of the energy rating of the building before buying. Informing the consumer will let them know potential utility costs and repairs that will be needed. Submetering is also encouraged to accurately bill tenants for their individual energy consumption. This will bring awareness to the consumers on their energy use habits and lead them to make informed decisions in the future.



Knowledgeable contractors can install energy saving devices such as solar panels and insulation.

9.2 ENERGY EFFICIENCY

Dallas has experienced many events that have left the city with torn power lines and citizens without power for days. University Hills plans to capitalize on opportunities for renewable, reliable, and affordable energy to keep the power on for its residents and businesses.

The City of Dallas experiences many days of sunshine that can be turned into energy. Residents and business owners at University Hills should be informed about the Solar Residential and Basic Commercial Program that helps with the initial cost of installing solar panels.

University Hills will also inform its residents and specifically business and commercial building owners about energy storing technologies. They can be used in the event of an emergency, or they can be taken advantage of by buying energy when rates are low at night and using them when rates are high during the day.



Solar panels can lower electricity costs and be useful in power outages for families.

9.3

SUSTAINABLE TRANSPORTATION

As touched on in Chapter Seven, University Hills is incorporating a multimodal transportation network into its design. Affordable and sustainable modes of travel will be offered in the University Hills development.

Other than just personal vehicle travel lanes, University Hills will add scooter and bike lanes into its streets providing an affordable and safe way of travel. Bus routes should also connect residents to the major employment centers of University Hills. Bus stops should be adorned with covered shelters to provide shade and cover from precipitation. Well-lit streets and sidewalks will be provided to encourage citizens to walk, bike, or scooter to their destination when shorter daylight hours are in effect. LED streetlights are required in University Hills for energy and cost-saving opportunities. Multimodal forms of travel will be incorporated throughout all of University Hills for equal opportunities to all residents.

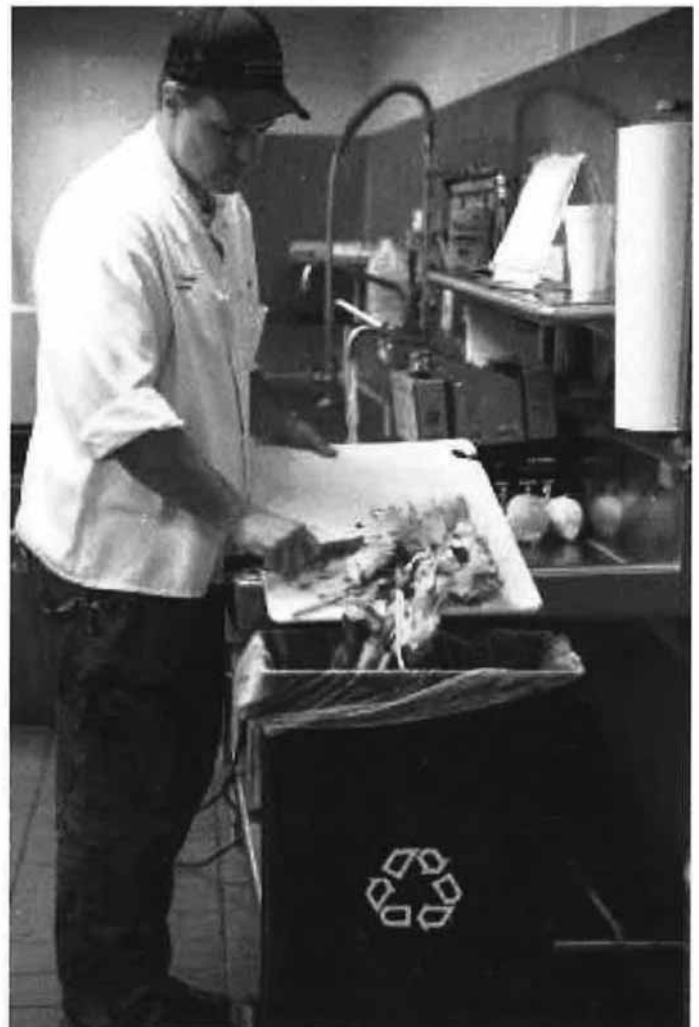


Multimodal streets

9.4

ZERO WASTE

Waste reduction is a priority of University Hills. Recycling and compost bins are encouraged to be used by both businesses and homeowners. Business owners in University Hills are recommended to become Green Business Certified which promotes eco-friendly business practices and recognizes efforts to reduce waste and recycle.



Restaurants utilizing compost bins

9.5

FLOOD AND DROUGHT RESISTANCE

University Hills intends to protect its water resources and plan for future environmental events such as flooding and drought. The City of Dallas will work with potential customers to evaluate the financial feasibility of supplying recycled water from wastewater treatment facilities, and potentially share the cost of necessary infrastructure for the required facilities. Non-potable water can be used for irrigation purposes and be sold to large water users like golf

courses and medical and educational campuses for cost-saving opportunities. Drought tolerant and native vegetation will be used in University Hills' landscaping to reduce the amount of water needed for irrigation. University Hills will also take measures to minimize erosion along its tributaries to protect water quality and property. Flood protection measures and green infrastructure opportunities will be incorporated into University Hills' design.



Native vegetation



Recycled water used for irrigation

9.6 ENHANCING ECOSYSTEMS

University Hills will protect its natural resources and enhance the existing ecosystems and green space. Every resident of University Hills will be within a short walking distance to a park and green space. These green spaces will prioritize preserving existing trees and canopy cover; however, invasive species should be removed and replanted with native and drought-resistant trees to mitigate canopy cover. Not only will parks be adorned with trees, but street trees will be planted along University Hills' streets. Surface parking lots of all sizes will include trees to provide shade and screening opportunities. Increasing canopy cover lost from the development of the site will provide cooler temperatures and comfort for citizens.



Tree-lined streets

9.7 ACCESSIBLE LOCAL FOOD

Access to local and healthy food for University Hills' residents will be incorporated into its plan. University Hills will encourage the establishment of restaurants that use local food and produce. Restaurants and hotels are encouraged to donate food surplus to communities in need and compost food waste. The Central Park is encouraged to host a local Farmer's Market as well to give more opportunities for residents to purchase healthy and local food.



Local produce

9.8 CLEAN AIR

University Hills residents and visitors should be able to breathe clean air. Offering alternate modes of transportation such as taking the bus or train, walking, biking, or scootering can help improve the air quality.

EXAMPLES OF DEVELOPMENT STRATEGIES AT DIFFERENT PROJECT SCALES

SCALE	ENERGY	LANDSCAPE	HYDROLOGY	MATERIALS
Building / Lot Scale	Building orientation, thermally protected foundation, soil heat / cool storage.	Roof, patio, wall vegetative systems for climatic and hydrologic control.	Rainwater harvesting, rain gardens, native plant landscapes, pervious paving to increase site infiltration.	Durable, non-toxic, low maintenance, pre-manufactured building elements.
Neighborhood Scale	Distributed renewable energy utility systems. Roadway infrastructure and shorter block lengths promote walking/cycling over car use for shorter trips.	Streetscape, park systems, and parking fields linked as continuous shade and light attenuating strategies.	Connected pervious surfaces; coordinated stormwater management strategies.	Non-toxic surface treatments (pavements, roofs, walls) with high reflectance and high emissivity.
Development Scale	LED street lamps; modular district energy systems.	Interspersed vegetation to reduce heat island and take advantage of cooling southeasterly breezes over water features.	Necklaced water collecting systems around entire development.	Non-heat absorbing materials for streets and sidewalks; minimal impervious surfaces.

Figure 9.1: Development Strategies & Project Scales Chart



EXHIBIT G

241012

Exhibit A

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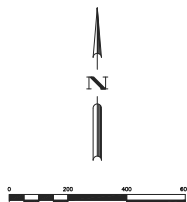
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1801 WHEATLAND ROAD
LOT 1, BLK 7613

1801 WHEATLAND ROAD
LOT 1, BLK 7613

NOTE: HATCHED AREA REPRESENTS EXISTING ZONE "CR" AND IS NOT INCLUDED IN THIS ZONING APPLICATION.



BGE, Inc.
2595 Dallas Parkway, Suite 204, Frisco, TX 75034
Tel: 972-464-4800 • www.bgeinc.com
TBLPS Licensed Surveying Firm No. 10193953

BOUNDARY EXHIBIT
UNIVERSITY HILLS ADDITION
BEING 281.112 ACRES
SITUATED IN THE
CITY OF DALLAS, DALLAS COUNTY, TEXAS

PARTY ORDER:	ISSUE DATE:	SHEET 1 OF 2
TECHNICIAN:	SCALE:	
R.P.L.S.:	JOB NUMBER:	
FIELD BOOK NAME:	BOOK:	
BASE FILE:	FILE:	

Exhibit B: Conceptual Master Plan



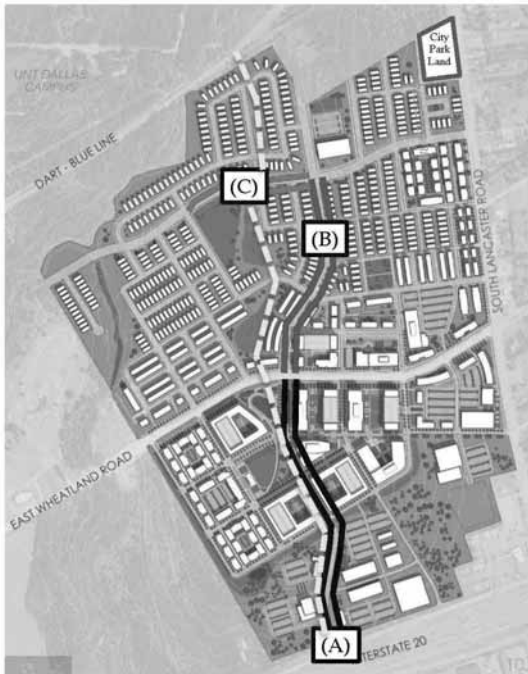
The conceptual master plan for the 250+ acreage bounded by Interstate Highway 20 (Lyndon B. Johnson Freeway), Lancaster Road, and the DART rail line in City Council District 8 in the University Hills Sub-district of the University TIF District



Exhibit B – Phase I Conceptual Site Plan



Exhibit B: Proposed Public Infrastructure



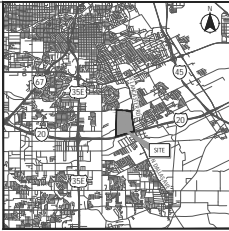
- Major Onsite Improvements:
 - Sanitary Sewer from DART to I-20 (\$2.8m)
 - Mass Grading for Detention – Entire Site (\$1.866m)
 - (A) N-S (A) Collector Road Wheatland to I-20 (\$4.153m)
 - (B) N-S Collector Road Wheatland to Future Killough (\$4.277m)
 - (C) E-W Collector (Killough) within Phase I (\$2.386m)



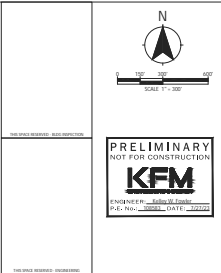
Phase I
Direct Improvements






















Major infrastructure improvements include sanitary sewer and street improvements on collector roads. Direct public improvements include water, wastewater, storm, and street improvements on residential roads.

Exhibit C-1



VICINITY MAP
NTS
MAPSCO NO. 65Y, 65Z, 75C, & 7



DWG LEGEND	
EXISTING	PROPOSED
	
	
	
	
	
	
	
	
	
	
	
	WASTE WATER LINE
	WASTE WATER MANHOLE
	WATER LINE
	WATER METER
	WATER VALVE
	FIRE HYDRANT
	STORM DRAIN GRATE INLET
	STORM DRAIN JUNCTION BOX
	STORM DRAIN INLET
	STORM DRAIN AREA DRAIN
	STORM DRAIN WALL
	STORM DRAIN SLOPED
	HEADWALL

NOTES:
• REFER TO SHEET C03.01 FOR GENERAL CONSTRUCTION NOTES.

Line Table			Line Table		
Line #	Length	Direction	Line #	Length	Direction
L1	22.156	S08° 47' 43.97" W	L21	68.000	S07° 25' 36.05" E
L2	17.960	N62° 50' 25.25" E	L22	150.000	N02° 35' 23.62" E
L3	154.490	N16° 55' 41.31" E	L23	21.499	S07° 25' 36.05" E
L4	203.000	N02° 35' 23.62" E	L24	362.528	S77° 23' 57.46" E
L5	122.260	N02° 35' 23.62" E	L25	228.890	N02° 22' 53.79" W
L6	11.100	N86° 01' 31.31" E	L26	225.250	N87° 27' 57.46" E
L7	107.150	N00° 30' 31.31" E	L27	225.250	S33° 35' 19.47" W
L8	141.000	N20° 30' 31.31" E	L28	89.680	S33° 35' 15.47" E
L9	97.050	N20° 30' 31.31" E	L29	299.661	S07° 25' 36.05" E
L10	145.010	N26° 28.203" W	L30	21.265	S02° 26.455" E
L11	150.870	N47° 07' 41.31" E	L31	181.863	S67° 48' 38.97" E
L12	130.565	N31° 11' 31.31" E	L32	250.112	S07° 21' 21.05" E
L13	134.950	N36° 35' 05" E			
L14	129.100	N07° 41' 01.31" E			
L15	132.260	N02° 35' 23.62" E			
L16	124.100	N30° 35' 01.31" E			
L17	129.000	N21° 51' 51.31" E			
L18	137.980	N27° 47' 50.03" W			
L19	276.864	S07° 25' 36.05" E			
L20	150.440	S02° 35' 23.62" E			

Curve Table			
Curve #	Length	Radius	Delta
C1	829.730	8654.000	005.4338

CAUTION!		<div style="border: 1px solid black; padding: 5px; text-align: center;">  811 Texas One-Call <i>One call does it all.</i> </div>			
CONTRACTOR TO CONTACT THE TEXAS ONE-CALL SYSTEM AT 800-875-8299 AT LEAST 48 HOURS BEFORE ANY EXCAVATION. CONTRACTOR SHALL BE RESPONSIBLE FOR PROVIDING ALL INFORMATION NECESSARY TO COMPLETE THE REQUEST. THE CONTRACTOR SHALL CONTACT THE PROJECT AREA OFFICE TO PROCEDURE OF EXCAVATION.					
REVISIONS					
REV NO.	DATE	DESCRIPTION	BY		
KFM ENGINEERING & DESIGN 3801 CYPARIUS BLVD, SUITE 100 DALLAS, TX 75219 (P: 972) 711-0022					
PLAN NO.	BLDG PERMIT NO.	SOC. ENGINEERING TRACKING NOS.			
2234-10	NA	WW24-534	EP24-20		
2234-11					
2234-10					
OVERALL WATER & WASTEWATER PLANT UNIVERSITY HILLS NW CORNER OF LANCASTER ROAD AND IH-20 DALLAS WATER UTILITIES CITY OF DALLAS, DALLAS COUNTY, TEXAS					
PLAT NO.	ISSUE DATE	DATE	FILE NO.	NUMBER	SHEET
DRAWN BY	KDF	2024/04/03	411Q	XXXX	C10.01

CONTRACT INFORMATION	
CONTRACT NO.	DATE
CONTRACTOR	

Project Name: University Hills
 Client Name: Hoque Global
 City: Dallas, Texas

Date: 9/4/2024
 Project Number: 01.0195.001

CONSTRUCTION COST ESTIMATE - M.I. WASTEWATER LINE

Wastewater System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
18" C-905 PVC PIPE	LF	906	\$350.00	\$317,100.00
15" C-905 PVC PIPE	LF	1,818	\$275.00	\$499,950.00
30" ENCASEMENT PIPE	LF	240	\$500.00	\$120,000.00
4' WW MANHOLE	EA	8	\$30,000.00	\$240,000.00
4' WW DROP MANHOLE	EA	6	\$45,000.00	\$270,000.00
MANHOLE VACUUM TESTING	EA	14	\$550.00	\$7,700.00
TESTING & T.V. MAINS	LF	2,724	\$2.75	\$7,491.00
TRENCH SAFETY	LF	2,724	\$10.00	\$27,240.00
SUB-TOTAL				\$1,489,481.00

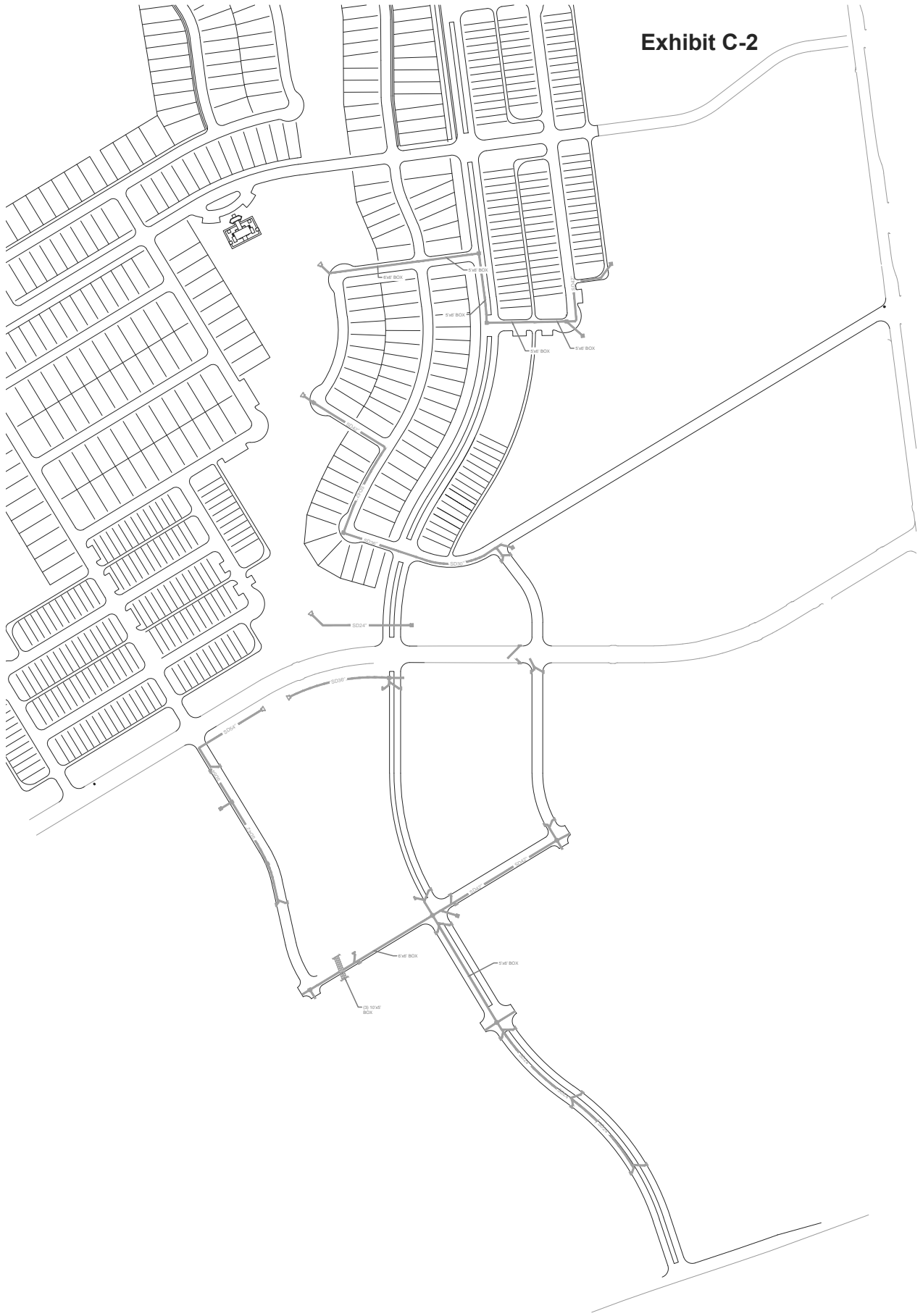
Miscellaneous

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
TREE CLEARING, CHIPPING, HAULING	EA	1	\$120,000.00	\$120,000.00
CONNECT TO EXISTING MANHOLE W/ 18" MAIN	EA	1	\$12,000.00	\$12,000.00
MOBILIZATION	EA	1	\$20,000.00	\$20,000.00
3-WAY CONTRACT & BONDS	EA	1	\$30,000.00	\$30,000.00
SUB-TOTAL				\$182,000.00

SUMMARY

SUM OF CONSTRUCTION COSTS		\$1,671,481.00
CONTINGENCY	20%	\$334,296.20
SUB-TOTAL		\$2,005,777.20
ENGINEERING, CM/PM, GEOTECH, & MATERIAL TESTING FEES	20%	\$401,155.44
INSPECTION FEE, BONDS, ETC.	5%	\$100,288.86
TOTAL CONSTRUCTION COST		\$2,507,221.50

Exhibit C-2



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3501 OLYMPUS BLVD, SUITE 100
DALLAS, TEXAS 75019
PHONE: (469) 899-0536
WWW.KFM-LLC.COM
TBPE #: F-20821

TITLE OPC EXHIBIT MI STORM

PROJECT
UNIVERSITY HILLS
DALLAS, TX

CLIENT
HOQUE GLOBAL



0 150 300 600
SCALE 1"=300'

PROJECT NUMBER:
010195001
DRAWN BY:

DATE:
2024/10/17
SHEET:

EXH 01

Exhibit C-2



OPINION OF PROBABLE COST

Project Name: University Hills Ph I
Client Name: Hoque Global
City: Dallas
County: Dallas

Date: October 17, 2024
Project Number: 01.0195.001
Acreage: 130
Units: 573

CONSTRUCTION COST ESTIMATE - MASTER INFRASTRUCTURE - STORM

Storm Drain System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
24" R.C.P.	LF	2,300	\$115.00	\$264,500.00
30" R.C.P.	LF	300	\$140.00	\$42,000.00
36" R.C.P.	LF	900	\$190.00	\$171,000.00
42" R.C.P.	LF	1,900	\$240.00	\$456,000.00
48" R.C.P.	LF	200	\$280.00	\$56,000.00
54" R.C.P.	LF	600	\$365.00	\$219,000.00
5'x6' BOX CULVERT	LF	1,120	\$605.00	\$677,600.00
6'x6' BOX CULVERT	LF	690	\$660.00	\$455,400.00
10'x5' BOX CULVERT	LF	230	\$1,400.00	\$322,000.00
4' X 4' JUNCTION BOX	EA	10	\$6,450.00	\$64,500.00
JUNCTION BOX LARGE	EA	2	\$15,750.00	\$31,500.00
10' CURB INLET	EA	30	\$5,850.00	\$175,500.00
4' x 4' "Y" INLET	EA	6	\$6,850.00	\$41,100.00
24" SLOPED HEADWALL	EA	1	\$3,650.00	\$3,650.00
36" SLOPED HEADWALL	EA	1	\$7,500.00	\$7,500.00
42" SLOPED HEADWALL	EA	1	\$9,000.00	\$9,000.00
54" HEADWALL	EA	1	\$12,000.00	\$12,000.00
6' X 6' HEADWALL W/ FLARED WINGWALLS	EA	1	\$15,000.00	\$15,000.00
10' X 5' PARALLEL HEADWALL	EA	2	\$22,500.00	\$45,000.00
ROCK RIP-RAP	SY	800	\$118.00	\$94,400.00
REMOVE & REPLACE CONC. PVMT.	SY	225	\$275.00	\$61,875.00
REMOVE EX. STORM LINE	LF	100	\$35.00	\$3,500.00
TESTING & TV INSPECTION	LF	8,240	\$3.50	\$28,840.00
TRENCH SAFETY	LF	8,240	\$0.25	\$2,060.00
SUB-TOTAL				\$3,258,925.00

SUMMARY

SUM OF CONSTRUCTION COSTS		\$3,258,925.00
CONTINGENCY	10%	\$325,892.50
SUB-TOTAL		\$3,584,817.50

ENGINEER, SURVEY, CM/PM, & GEOTECH FEES	8%	\$286,785.40
INSPECTION FEE, BONDS, ETC.	4%	\$143,392.70
PID FORMATION FEE	0%	\$0.00

TOTAL CONSTRUCTION COST		\$4,014,995.60
--------------------------------	--	-----------------------

Exhibit D - Project Budget

Uses	Amount	Percent	Investment Expenditure (eligible toward minimum investment requirement)
Acquisition	\$21,500,000	33.0%	\$21,500,000
Improvements (Private)	\$11,292,313	17.3%	\$11,292,313
Infrastructure (Public)	\$25,976,542	39.8%	\$25,976,542
Contingency	\$2,383,120	3.7%	
Professional Fees	\$2,383,120	3.7%	\$2,383,120
Soft Costs	\$1,668,184	2.6%	\$1,668,184
Total Uses	\$65,203,279	100.0%	\$62,820,158



UNIVERSITY HILLS DESIGN BOOK

DALLAS, TEXAS

KFM

KFM Engineering and Design

NOVEMBER 2024

1st Edition

UNIVERSITY HILLS DESIGN BOOK



KFM

Prepared by KFM Engineering and Design

NOVEMBER 2024

1st Edition

University Hills Design Book Administration:

Developers must submit Concept Plans and Elevations to the University Hills MMD for approval. Once approved, a letter will be issued that will be included with the submittal for City Staff review. Coordination with the City and the Developer will occur to find the best path forward. The Design Book is a guideline for the Master Developer and future builders to use as a template to deliver a consistent and thoughtfully designed product to the community. Each application, prior to being submitted to the City for permit, should obtain a letter from the District Engineer that the project is in compliance with the Design Guidelines prior to submittal.

University Hills Design Book Disclaimer:

The University Hills Design Book will continue to change as the project moves forward. New market conditions, and lessons learned in the early phases of development may require adjustments to these guidelines. The District Engineer, KFM Engineering & Design, will provide a current copy of the University Hills Design Book upon request.

Parties interested in property at University Hills for purchase, lease, etc. should rely upon their own property research and acknowledge that they are obtaining that information independently without any statement or warranty made by KFM Engineering & Design or the City of Dallas.

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INTRODUCTION

1

Consisting of nearly 275 acres of undeveloped land, University Hills sits at the northwest corner of State Highway 342/Lancaster Road and Interstate Highway 20. The vision of University Hills is to create an expansive mixed-use development with various housing types, retail, restaurants, entertainment, office, and recreational uses. The unique topography and tributaries allow University Hills an opportunity to design superior open spaces and parks. Located southeast of the University of North Texas at Dallas Campus and the Dallas Area Rapid Transit Station, University Hills seeks to create a unified development by providing a multimodal transportation network and educational opportunities for its students. University Hills is envisioned as a sustainable and walkable community, attracting visitors from surrounding areas to partake in the vibrant community development.



Figure 1.1: University Hills Context

1.1 SITE CONTEXT

University Hills is 275 acre site located in both the City of Dallas and the City of Lancaster. Downtown Dallas is a 10 miles north of the site. Residential neighborhoods and undeveloped land surround the north, east, and west sides of the property while industrial sites make up the majority to the south of Interstate Highway 20. The Trinity River lies east of the development, and Barney Branch and Runyon Springs Branch, tributaries to Fivemile Creek, flow through the site from the south to the north. Approximately seven acres of floodplain lie in the northwest portion of the property.

Interstate Highway 20 borders the south side of the property, and Texas State Highway 342/Lancaster Road, a six-lane divided roadway, borders the east

side of the property. Both roadways are maintained by the Texas Department of Transportation. Wheatland Road, a 4-lane undivided roadway which traverses east-west through the middle of the site, was recently constructed in 2018 and is maintained by the City of Dallas. University Hills will have easy access and visibility provided by the major roadways that front the development.

The Dallas Area Rapid Transit (DART) UNT Dallas Station, located on the Blue Line, is positioned northwest of University Hills and terminates at the Downtown Rowlett Station in central Dallas.



University Hills is located in Southern Dallas along IH 20 and Hwy 342/Lancaster Road.



The site topography and tributaries allow University Hills the opportunity to provide superior open spaces and parks.

1.2 THE VISION FOR UNIVERSITY HILLS

The vision for University Hills has been underway since the inception of the University Tax Increment Finance (TIF) District in 2017. The TIF District was established to reinvest tax revenue back into the development of the site and encourage the implementation of the City of Dallas UNT Dallas Area Plan. University Hills aims to leverage its existing site conditions to provide vibrant and unique natural open spaces, manicured green space, various residential options, hotel, office, and retail opportunities. Eight goals have been set forth to ensure the development of University Hills carries out the intention of the UNT Dallas Area Plan and the TIF District.



The Rim in San Antonio, TX offers a mix of retail, restaurant, entertainment, and multifamily housing within the development.

Goals:

- ' **Connectivity:** Explore the possibility of a future connection to the adjacent City of Dallas trail system.
- ' **Mixed-Use:** Create the opportunity for citizens to access jobs, entertainment, shopping, recreation, housing, and leisure all within reach.
- ' **Open Space:** Enhance the existing features of the site to create thoughtful open space with amenities for residents, students, and visitors of the development to utilize within walking distance.
- ' **Enhancement:** Capitalize on the natural features and existing conditions of the site by enhancing them, thus nurturing the established landscape and its unique character .
- ' **Diversity:** Implement a mix of residential housing types within the development to ensure the needs of various citizens are met and promote a diverse and inclusive community.
- ' **Sustainability:** Comply with the City's Comprehensive Environmental & Climate Action Plan and include the addition of bike lanes on several street sections, pedestrian paths, and a local shuttle service to reduce auto dependency in the development.
- ' **History:** Celebrate the area's unique history and culture and provide an informative environment.
- ' **Education:** Incorporate a hotel and event center into the development to provide an educational benefit to students within the hospitality management program at UNT Dallas.



The Clayton Hotel in Denver, CO offers a luxury place to stay, multiple dining options, and gathering rooms for its guests.



Horscroft Place Pocket Park in Moorabbin, Australia provides a small community park for residents to enjoy with picnic tables, garden beds, and an open lawn.



Raised Bike Lanes in Austin, TX foster a safe environment for cyclists, reducing conflicts with vehicles and pedestrians.



Buses provide transportation to the residents of the community in Lafayette, La, promoting sustainable travel options.

1.3 PLANNING CONTEXT

The plan for University Hills capitalizes on the existing comprehensive plans and public policy that include University Hills. More specifically:

Forward Dallas, the City of Dallas' Comprehensive Plan, adopted in 2006, includes University Hills in their "Campus District." The Campus District identifies as a mixed-use community that offers a variety of services and housing options. Convenient transit options and an abundance of employment opportunities are a vital part of the district. Over time, the vision for this district will transform it into a "university town" as it develops and the college expands.

University Tax Increment Finance District, created in 2017, consists of 458 acres (161 acres in the University Center Sub-District and 297 acres in the University Hills Sub-District). The TIF District will provide public open space, connections to the university and DART Rail Station, and a diverse mixed-use development.

City of Dallas Zoning: The current zoning for the development coincides with the mixed-use vision for University Hills. The current zoning districts within the site includes Townhouse 2 District, Multifamily 2 District, Multifamily 3 District, Mixed-Use 2 District, Community Retail District, Limited-Office 1 District, and Urban Corridor 2 District.



Figure 1.2: Forward Dallas! Vision Illustration

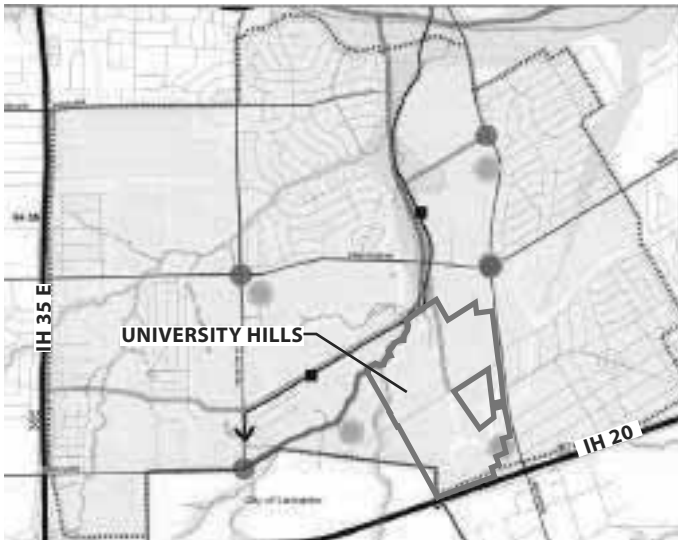


Figure 1.3: UNT Dallas Area Plan: Consensus Vision-Future Circulation Vision

The UNT Dallas Area Plan, adopted in 2009 by the City of Dallas, is a strategic area plan that encompasses a total of 3,482 acres, including all of University Hills. The vision of this plan includes a multimodal transportation network, preserving established neighborhoods, promoting new development patterns, and utilizing the DART Station as an opportunity area.

A thoroughfare and trail are proposed through the University Hills site in the Future Circulation Vision.

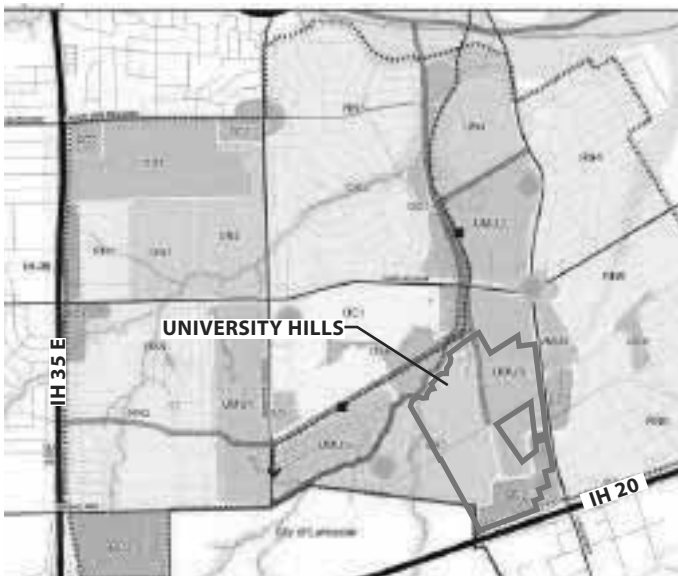


Figure 1.4: UNT Dallas Area Plan: Consensus Vision-Future Development Vision

The Future Land Development Vision includes Urban Neighborhood, Urban Mixed-Use, and Business Center in the University Hills development.

1.4 ORGANIZATION OF THE DESIGN BOOK

This represents the first edition of the University Hills Design Book, a guide to assist those involved in the design and construction of the development including developers, architects, landscape architects, and builders. The guidelines set forth in this book intend to supplement those already established in the City of Dallas Zoning Ordinance, the Forward Dallas Comprehensive Plan, The UNT Dallas Area Plan, and the University TIF District.

The development and design guidelines are created to fabricate a unified and cohesive development that exemplifies the City of Dallas' vision for this community. The guidelines are intended to promote a high quality of life and an active lifestyle. These are not intended to be a highly restrictive set of standards, but rather a way to educate and encourage diversity, sustainability, and connectivity within the development. This Design Book is organized into eight subsequent chapters:

- ' **Chapter Two:** The Plan for University Hills outlines the key elements that make up the University Hills development that will be described in further detail in the following chapters.
- ' **Chapter Three:** Town Center highlights the mixed-use buildings, the maker's district, hotel, and multifamily buildings found in the Town Center. Parking garages will provide easy access to the town center and give visitors the opportunity to utilize what this district has to offer.
- ' **Chapter Four:** The Neighborhoods describes the different residential housing options within the development and expands on the required lot dimensions, setbacks, parking and access, and landscaping of each housing type.
- ' **Chapter Five:** Commercial Frontage describes the commercial buildings that will front the major highways adjacent to the development. These buildings will be less walkable and provide a buffer to the Town Center.
- ' **Chapter Six:** Open Space, Parks, and Trails describes the greenbelts, recreation center, neighborhood and multifamily parks, Central Park, and the trail system throughout the development.
- ' **Chapter Seven:** Streetscape and Mobility shows the multi-modal thoroughfare network with corresponding cross sections to each street type showing the dimensions of lanes, sidewalks, bike lanes, and buffers provided in the right-of-way.
- ' **Chapter Eight:** Signage elaborates on the different types of signage that are encouraged in University Hills.
- ' **Chapter Nine:** Sustainability discusses how University Hills will adhere to the core goals of the Dallas Comprehensive Environmental and Climate Action Plan and preserve existing natural features of the site.



Paseos are utilized in the Mueller development in Austin, TX to offer a safe environment to shop, dine, and explore.



THE PLAN FOR UNIVERSITY HILLS

2

The development of University Hills focuses on six different aspects: the neighborhoods, Town Center, open space, parks, and trails, streetscape and mobility, and sustainability. In order to be a thriving mixed-use community, attention to these parts of the plan is crucial. A cohesive development will create a community with distinct character and culture. The plan for University Hills has taken into account the comprehensive plans and public policies that encompass the area. This plan intends to leave University Hills a prosperous region of Southern Dallas.

2.1 TOWN CENTER



Figure 2.1: Town Center

The Town Center lies in the middle of the University Hills development. Town Center will be a vibrant mixed-use district with an urban and dense environment. Shopping, entertainment, restaurants, cafes, workspaces, apartments, parks, and a hotel will all be incorporated into the Town Center. The Town Center will provide pedestrian-friendly streets by the inclusion of sidewalks, landscape buffers, and bike lanes to encourage a multimodal district. Parking garages will be provided to manage parking demands with appropriate screening and access drive locations. The Maker District, located in the east portion of the Town Center comprises space for entrepreneurs, hobbyists, makers, and inventors to put their ideas into motion. Whether it be stimulating children's imagination, allowing entrepreneurs to invent, make, and sell their goods, or receiving training for trade careers, the Maker's District will provide the resources for people to achieve their goals. A hotel and event center will attract visitors to the development and provide an educational opportunity for students who are part of the hospitality management degree program at UNT Dallas. More dense options of multifamily buildings including wraps, podium, and tuck-under buildings will be incorporated into the Town Center. Chapter Four expands of the design guidelines of this district.



Paseo lined with trees and benches for sitting



Mixed-use buildings with ground floor retail space

2.2 THE NEIGHBORHOODS

North of the Town Center lies the Neighborhoods, a mix of residential housing types including single-family attached homes, cottage houses and townhomes, and garden style multifamily apartments. Alleys will accompany the townhome neighborhood to create a more visually pleasing street front, allowing uninterrupted sidewalks for comfortable and safe walking and biking. Detached single-family homes can include optional front porches at the discretion of the developer to foster a socially interactive community by enticing residents to utilize their front yards. The multifamily garden district includes walk-up and tuck-under multifamily units with a variety of amenities. These apartment units provide a less urban take on multifamily buildings by prioritizing green space and utilizing surface-level parking with options for garages and covered parking while still being walkable and connected to the streetscape and surrounding neighborhoods. The mix of housing types available in the neighborhoods allows for residents of various income levels, lifestyle preferences, and age groups to come together and create a dynamic community. Chapter three expands on the design guidelines of the housing options in the neighborhoods.



Figure 2.2: The Neighborhoods



Cottage House



Townhome

2.3 COMMERCIAL FRONTAGE

The University Hills plan has set aside space for commercial and retail buildings along Interstate Highway 20 and Texas State Highway 342/Lancaster Road. The community retail district along State Highway 342/Lancaster Road will be composed of retail buildings and businesses that serve the community. The regional retail buildings along Interstate Highway 20 will be larger in scale and provide a buffer to the Town Center. Local businesses and those that have sustainability values that align with the plan are encouraged in these districts. The commercial buildings will still align with the accessible and pedestrian-oriented goals of the development by prioritizing alternate modes of travel. Open spaces will be reserved in this plan for outdoor recreation and enhanced landscaping. Chapter five expands on the design guidelines of the commercial frontage buildings of this district.



Figure 2.3: Commercial Frontage



Strip retail buildings

2.4 OPEN SPACE, PARKS, AND TRAILS



Open space is being dedicated for residents, visitors, and their pets to enjoy. The open space and recreational system includes a greenbelt, pocket parks, recreational center, an expansive Central Park, amenity center, and a trail system. The greenbelt is a continuous strip of open space through the neighborhoods while the pocket parks are small parks adorned with benches and picnic tables for small gatherings of the community. Residents of the single-family homes within the development can utilize a private recreational center, and residents of the multifamily buildings will have access to a private amenity center and courtyards. The Central Park provides a central open space for the development for informal gatherings and events. All Southern Dallas citizens can take advantage of this space and be in close proximity to the other uses Town Center has to offer. Chapter Six expands on the open space design guidelines in University Hills.

Figure 2.4: Open Space, Parks, and Trails



Open lawn area for picnics and gatherings

2.5 STREETSCAPE AND MOBILITY

Streets provide the connectivity of the University Hills development. The streets in University Hills have been designed with the intention of creating pedestrian-friendly spaces. A multi-modal network of streets provides the opportunity for citizens to choose their choice of travel. This will lessen vehicular congestion and promote more sustainable and active ways of transit. A hierarchy of streets gives structure and efficient circulation throughout University Hills. Major points of entry into the development from Interstate Highway 20 and Texas State Highway 342/Lancaster Road will be provided with appropriate signage to establish the development. The network of streets will distribute traffic efficiently to all districts of the site. A comprehensive network of bike lanes is included in the design of the Primary and Secondary Streets, as well as pedestrian pathways in all street sections. Each level of street will have a distinct cross-section that responds to the context of its location and surrounding developments. Refer to Chapter 7 for the Transportation Framework Plan and Street Cross-Sections. Appropriate landscaping for each street will also be included to ensure proper buffering, provide shade for pedestrians, and be a visually pleasing element to the streetscape. The University Hills' development team is in close collaboration with UNT Dallas to explore opportunities for various modes of connectivity between the two sites.



Raised bike lanes protect cyclists and provide an easy path of travel.



Multiple modes of transportation lessen traffic congestion and encourage an active and healthy lifestyle.

2.6 SUSTAINABILITY

The University Hills plan intends to conform with the City of Dallas Comprehensive Environmental Climate Action Plan (CECAP). Established in 2020, CECAP outlines actions to take in order to improve quality of life, reduce greenhouse gas emissions, prepare for climate change, and create a healthier community. Implementing net zero energy buildings, solar panels, recycling bins, healthy and accessible groceries, local produce, sustainable transportation options, and park and trail access into the development will align with CECAP's goals. Sustainability is in the forefront of the University Hills design and development through incorporation of elements such as native and drought-resistant vegetation.



Placement of recycling bins near benches and paths of travel will encourage citizens to be more sustainable.



Farmer's Markets provide fresh and local food, a place of gathering, and a chance for local vendors to sell their products to a wide audience.

THE PLAN FOR UNIVERSITY HILLS



Figure 2.5: Conceptual Site Plan

2.7

CONCEPTUAL SITE PLAN

The conceptual site plan in Figure 2.5 indicates how the University Hills community could potentially be built out. As shown, the community could develop approximately 2,700 housing units and 1.1 million square feet of commercial and office uses.

The exact program and configuration of the development will vary as new opportunities present themselves. Street cross-sections can change as demand for additional bike paths, bus lanes, or other modes of travel increase or decrease. Uses outlined in the City of Dallas Code of Ordinances for each zoning district are permitted. The intent of the conceptual site plan is to provide the design guidelines to those who will work on development including architects, engineers, landscape architects, builders, and city staff.

LAND USE LEGEND

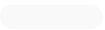
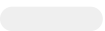








	SINGLE FAMILY - 50 FT LOTS
	SINGLE FAMILY - 40 FT LOTS
	TOWNHOMES
	MULTI-FAMILY
	MIXED USE
	RETAIL
	HOTEL
	LIFE SCIENCE
	OFFICE
	OPEN SPACE

Figure 2.6: Land Use Legend

The following table provides a view of the number of housing units, square footage of commercial, hotel, office buildings, and open space per each district.

TOTAL SITE DEVELOPMENT PROGRAM

PARCEL	ACRES (±)	COMM (±SF)	RES. (±DU)
1	101.1	0	453
2	13.4	0	120
3	21	5,000	370
4	17.4	10,000	542
5	5.3	10,000	0
6	1.6	0	0
7	15.2	100,000	0
8	2.2	0	0
9	4.8	0	120
10	4.2	0	105
11	4	0	100
12	1.9	0	48
13	7.7	0	150
14	5.1	300,000	0
15	4.5	65,000	148
16	4.0	25,000	132
17	4.0	70,000	132
18	21.7	447,500	0
19	8.4	100,000	277
20	2.4	150,000	63
21	4.9	300,000	130
22	6.9	15,000	0

Figure 2.7: Development Program



TOWN CENTER

3

The Town Center's goal is providing a vast mixed-use development with opportunities for shopping, entertainment, dining, housing, work, and recreation all in one walkable space. This dense development will be accompanied by pedestrian and cyclist-friendly streets, promoting alternate modes of transportation. Transit stops are also encouraged in the development which contributes to University Hills' sustainability goals and leads to less traffic congestion in the development. Town Center serves as a vibrant central focal point that fosters a sense of community and connectivity.

3.1 PASEOS

Town Center Street will serve as the heart of the University Hills Town Center, functioning as a vibrant and pedestrian-oriented paseo. This pedestrian section will serve as a community gathering space, attracting residents and visitors alike. The paseo, while primarily pedestrian access only, will serve as fire access in emergency situations. A diverse mix of shops, restaurants, creative spaces, offices, and apartments will line the street, fostering a lively and walkable environment.

To cultivate a thriving environment, the paseo prioritizes pedestrian activity over the use of automobiles. Town Center Street will transform into a paseo, prioritizing walkers over cars. Wayfinding will be a key element, employing a unique combination of visual signage, audible cues, and even tactile elements to clearly delineate the Town Center portion of the street. Vibrant crosswalks with clear markings,

textured paving to designate different zones and improve accessibility for all, and auditory cues at crosswalks will elevate Town Center Street into a model for urban streets in Dallas.

Landscape architecture, planning, and urban design will play an important role in enhancing aesthetics and creating a pleasant community. Intermediate curb extensions at crosswalks, intersections, and major driveways with landscaping will physically narrow streets, creating a traffic calming effect that encourages vehicles to travel at lower speeds. Rain gardens along the street will act as natural filters, absorbing rainwater runoff and slowing the flow of water into storm drains. Planters placed along the street can provide additional seating opportunities for pedestrians. They can also act as bollards, providing a physical and visual barrier between pedestrians and traffic.



Paseos prioritize pedestrian activities and safety by excluding vehicle travel lanes.

3.2 MIXED-USE BUILDINGS

This area of the Town Center will be a dynamic mixed-use district serving as the beating heart of the community. Aligned with Dallas's Cultural, Economic, and Resiliency plan, this district will foster a lively and diverse environment catering to both residents and visitors.

Functional Diversity and Connectivity: The area will integrate a variety of uses, including residential, commercial, office, and civic spaces. This intentional mix encourages interaction between residents, workers, and visitors, fostering a sense of community. The high density allows for a walkable environment with easy access to public transportation and green infrastructure, minimizing reliance on cars.

Walkability as a Priority: The design prioritizes walkability with a focus on pedestrian-friendly features. Ground-floor commercial spaces will offer a vibrant mix of shops, restaurants, medical services, and recreational facilities, catering to the daily needs of residents while attracting visitors. Residential units, including apartments and condos, will be situated above these commercial areas, creating a convenient live-work-play environment. Strategic landscaping, including street trees and planting areas, will provide shade, visual interest, and a buffer from traffic and parking.

The Promenade: A Pedestrian Oasis: The centerpiece of the district will be the Promenade, a pedestrian-only street. This vibrant walkway will feature street furniture from local businesses, adding a unique character and encouraging outdoor activity. While the Promenade can



Mixed-use buildings provide an opportunity for ground-level retail or office space with housing above.

accommodate emergency vehicle access, its primary function is to provide a safe and enjoyable experience for pedestrians.

' ***Ecological Design Principles:*** The Town Center embodies Dallas's commitment to sustainability. The mixed-use layout reduces car dependency, lowering emissions. Ecological design principles incorporates key urban planning and landscape architecture best practices, highlighting the walkability, connectivity, and ecological sensibility at the heart of the University Hills Town Center vision.

' ***Parking Garages:*** University Hills will utilize shared parking garages in the Town Center to address parking needs and maximize space. A thorough analysis will be conducted to determine the appropriate amount of space needed and not build excess infrastructure. This approach will reduce the visual impact of surface parking lots, enhancing the aesthetics of the district. To reduce visual impact of parking garages, developers are encouraged to provide enhanced screening and street facing businesses along the garage. University Hills will design intentional pedestrian pathways to and from the garages with visually pleasing landscaping. Parking garages should be well integrated into the design of the Town Center and aesthetically pleasing.



Mixed-use buildings can include parking garages for residents and users of the retail or office space.

3.3 MULTIFAMILY BUILDINGS

Multifamily buildings will be incorporated into the mixed-use design of the Town Center. “Tuck-under,” “wrap,” and “podium” multifamily buildings are styles that could be utilized. Wrap and podium multifamily buildings can include ground level retail and office space or residential units with above ground parking garages for residents and guests. Tuck-under multifamily buildings are reserved for the western side of the Town Center in the less dense MF-2(A) zoning district. A mix of one, two, and three-bedroom apartments should be integrated into the buildings to provide a diverse array of housing types. Ground floor units are encouraged to have direct patio access to the street. The following provides the design guidelines and standards for wrap multifamily buildings, and standards for tuck-under buildings will be further discussed in Chapter 4.

- ‘ **Auto Access and Parking:** These buildings will use above ground parking garages that are accessible to residents and guests. Parking will meet City code or market conditions if there is no City code requirement.
- ‘ **Building Height:** In the MU-2 zoning district, the maximum building height is 135 feet with 10 maximum stories. If the building qualifies as a mixed-use project and incorporates retail, the maximum building height is 180 feet with 14 maximum stories. In the MF-2(A) zoning district, the maximum building height is 36 feet. However, no portion of the building can be over 26 feet in height in a residential proximity slope.
- ‘ **Front Yard Setback:** Per the City of Dallas code, the minimum front yard setback is 15 feet. An additional 20 feet of setback is required for the portion of the building over 45 feet in height in the MU-2 zoning district.



Amenities such as pools and lounging chairs can be included in multifamily courtyards.



Balconies can give residents a lovely view of the Town Center.

- ' **Side and Rear Yard Setback:** A 20 foot side and rear yard setback is required when adjacent to an alley in a less dense zoning district. A 0 foot minimum is allowed in all other instances; however, an additional foot of setback is required for each two feet in height above 45 feet.
- ' **Lot Coverage:** The maximum lot coverage is 80%, including above ground parking structures. Surface parking and underground parking structures are not included.
- ' **Landscaping:** A street buffer zone, the landscape area along the length of the lot adjacent to the right-of-way, must be a minimum of five feet wide unless the buffer zone is less than 10,000 square feet, then the minimum depth will increase till the total square footage is 10,000. One large or medium street buffer tree is required for every 30 feet of street frontage. The large or medium street buffer tree must have a minimum caliper of three inches. One tree with a caliper of at least two inches is required for each 4,000 square feet of lot area. Existing protected trees can be used to satisfy the site tree requirement. In all parking lots, a landscape area must be provided at the end of each parking row or after every 10 parking spaces. The landscape area must contain a minimum of one large or medium tree with a minimum caliper of three inches. For each building site, a minimum number of landscape design option points are required which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, surface parking lot screening, building facade planting areas, pedestrian amenities, enhanced pavement, conservation areas, low-impact development, and parking lot enhancement.

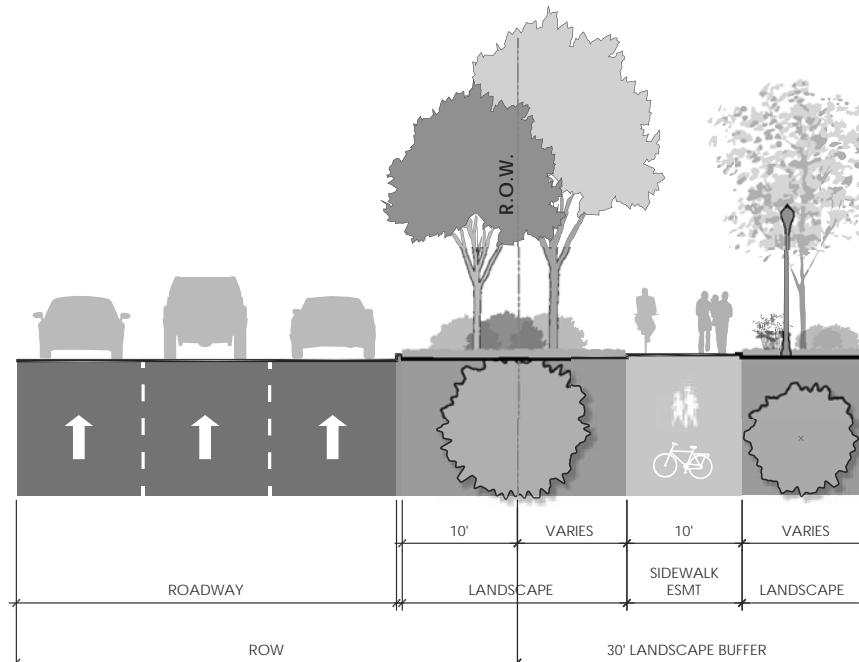


Figure 3.1: Landscape Buffer

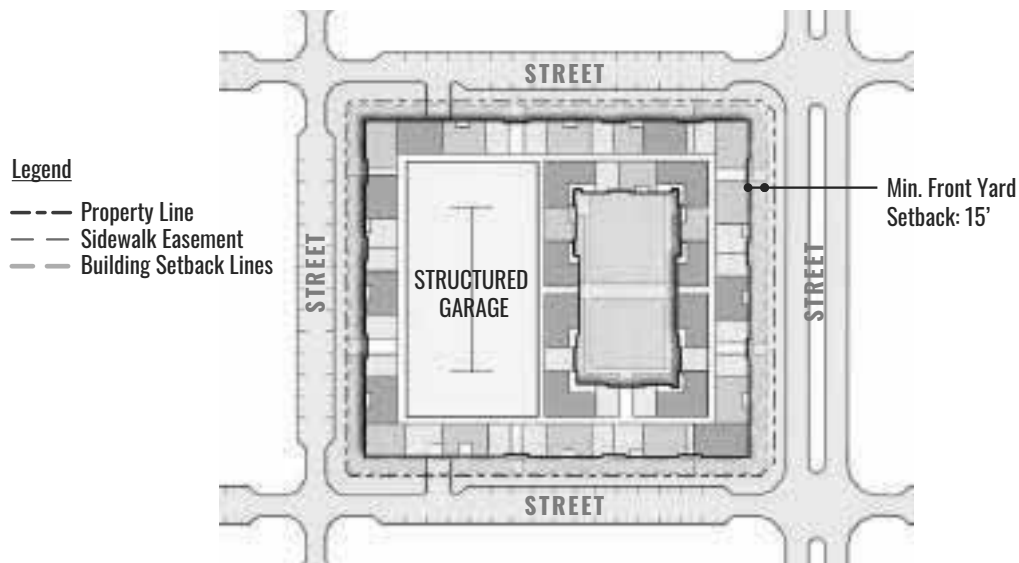
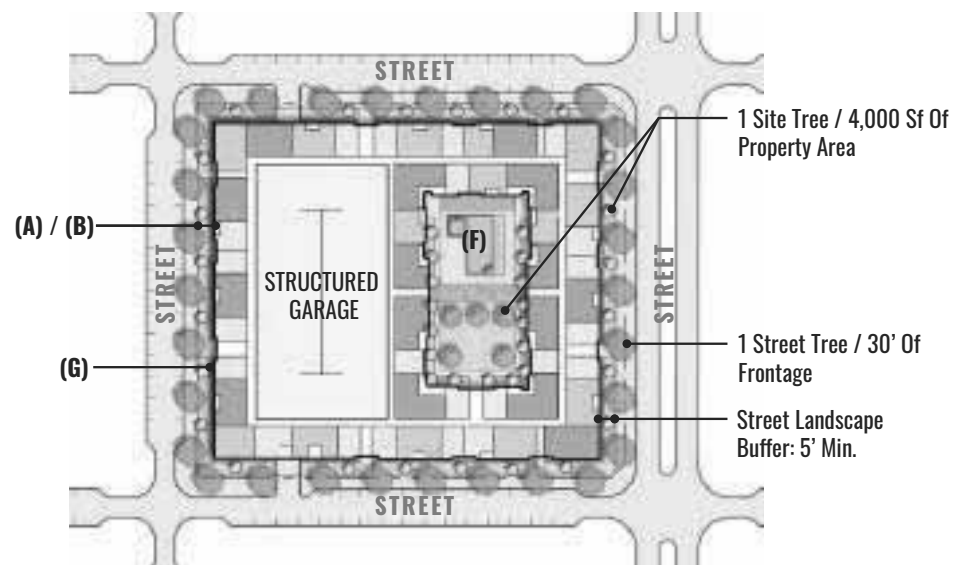


Figure 3.2: Wrap Multifamily Lot Requirements

**(DESIGN OPTIONS)**

- | | | | | |
|-------------------------------|-----------------------------------|--------------------------------|-------------------------------|----------------------------------|
| (A) Enhanced Perimeter Buffer | (C) Screening, Off-Street Parking | (E) Permeable Vehicular Paving | (G) Foundation Planting Strip | (I) Enhanced Pedestrian Walkways |
| (B) Street Buffer, 10' Min. | (D) Enhanced Vehicular Paving | (F) Pedestrian Facilities | (H) Understory Preservation | |

Figure 3.3: Wrap Multifamily Landscape Requirements

3.4 MAKER'S DISTRICT

The Maker's District within University Hills' Town Center aligns with Dallas's Citywide Strategic Plan, which prioritizes accessibility to Cultural, Arts, Recreation, and Education (CARE) experiences. Providing such a district also aligns with the Strategic Plan's goal to close existing gaps in accessibility to CARE programs throughout the city. Located in the heart of the Town Center, the Maker's District will be a hub for both residents and visitors to explore and engage with creativity and culture. These spaces can be incorporated into a mixed-use building.

The Maker's District will provide the community with the tools, space, and technology needed to cultivate a vibrant ecosystem of creative businesses and educational opportunities. With modern warehouse-like buildings providing large open spaces, this inclusive environment will cater to a diverse range of users, dismantling existing inaccessibility in the area.



Professionals in trade careers can utilize the Maker's District to master their skills

By ensuring ease of access for all, the Maker's District cultivates the creative spirit of Dallas's diverse population. It fosters community engagement and broadens access to cultural and arts education. The collaborative space will empower individuals, ignite innovation, and contribute to the city's vibrant cultural landscape.



The Maker's District will offer educational programs for children interested in STEM.

3.5

HOTEL AND EVENT CENTER

The Hotel and Event Center within the Town Center at University Hills provides a premiere lodging and meeting space, attracting visitors from near and far to experience the development. The rear side of the hotel features an extensive outdoor area with plazas and opportunities for recreation. Collaboration with the UNT Dallas Hospitality Program allows an educational opportunity for students interested in the industry. Guests are within walking distance of the shopping, entertainment, and restaurants the Town Center offers. The following design guidelines and standards apply to the Hotel and Event Center:

- ' **Access and Parking:** A parking garage is offered for guests of the hotel. Parking will meet City code or market conditions if there is no City code requirement. A bus stop is encouraged near the

hotel, allowing guests to avoid car rentals and rideshares.

- ' **Building Height:** The maximum building height is 135 feet with 10 maximum stories. If the hotel qualifies as a mixed-use project and includes retail, the maximum building height is 180 feet with 14 maximum stories. However, no portion of the building can be over 26 feet in height in a residential proximity slope.

- ' **Front Yard Setback:** The minimum front yard setback is 15 feet. An additional 20 feet of setback is required for the portion of the building over 45 feet in height.



The hotel and event center will provide views overlooking the Town Center.

- ' **Side and Rear Yard Setback:** A 20 foot side and rear yard setback is required when adjacent to an alley in a less dense zoning district. There is no minimum setback in all other instances; however, an additional foot of setback is required for each two feet in height above 45 feet.
- ' **Lot Coverage:** The maximum lot coverage is 80%, including above ground parking structures. Surface parking and underground parking structures are not included.
- ' **Landscaping:** Hotel landscaping is encouraged to exceed City of Dallas minimums by providing additional vegetation and trees to meet the Comprehensive Environmental and Climate Action Plan (CECAP) goals and standards. Per City of Dallas code, a street buffer zone, the landscape area along the length of the lot adjacent to the right-of-way, must be a minimum of five feet wide unless the buffer zone is less than 10,000 square feet, then the minimum depth will increase until the total square footage is 10,000. One large or medium street buffer tree is required for every 30 feet of street frontage. The large or medium street buffer tree must have a minimum caliper

of three inches. One tree with a caliper of at least two inches is required for each 4,000 square feet of lot area. Existing protected trees can be used to satisfy the site tree requirement. In all parking lots, a landscape area must be provided at the end of each parking row or after every 10 parking spaces. The landscape area must contain a minimum of one large or medium tree with a minimum caliper of three inches. For each building site, a minimum number of landscape design option points are required by the City of Dallas which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, surface parking lot screening, building facade planting areas, pedestrian amenities, enhanced pavement, conservation areas, low-impact development, and parking lot enhancement.



Outdoor patios will provide guests areas to gather and enjoy their stay.



An inviting entry with easy pedestrian access to the Town Center will attract visitors.

3.6

ARCHITECTURAL STANDARDS

These design guidelines pertain to all buildings and development within The Town Center:

- ' **Character:** The Town Center should incorporate diverse architecture elements throughout the buildings while still creating a cohesive and urban framework. Modern and traditional architecture styles are encouraged that align with Southern Dallas characteristics. Projecting eaves, courtyards, and paseos are elements that can be utilized to add outdoor space and minimize solar impact.
- ' **Street Orientation:** All buildings within the Town Center should be oriented to face the streets on which they front. Consideration should be made between adjacent parcels and uses to create cohesive and continuous retail frontage as well as continuous alley/service drive aisles.
- ' **Parking:** Surface parking lots are discouraged in the Town Center. Shared parking garages should be provided and architecturally integrated into the design of the development. Developers are encouraged to provide enhanced screening and street-facing businesses along the garage.
- ' **Corner Elements:** Buildings located on street corners should use special architectural features, massing, and building articulation to create prominence. Elements such as towers, cupolas, gables, dormers, and balconies can be used to enhance the Town Center.
- ' **Sustainability:** The Town Center will align with the City of Dallas' sustainability goals. High quality building materials and appliances that are energy efficient are preferred.
- ' **Roofing:** Flat or south sloping roofs are preferred in the Town Center to allow for efficient solar panel placement, and green roofs are also encouraged for energy efficiency to meet University Hills' sustainability goals. Parapets are encouraged for flat roofs, and exposed beams, exposed rafters, projecting eaves, and decorative brackets should be incorporated into the design of sloping roofs. Mechanical equipment placed on roofs must be screened from ground level and views of adjacent building's upper level floors if possible.
- ' **Building Materials:** Locally sourced materials are encouraged in keeping with the character and style of the buildings. Materials used should be complimentary to the surrounding neighborhoods and UNT Dallas campus. Encouraged materials include, but are not limited to, brick, siding, stone, architectural metals, light colored pre-cast concrete, architectural masonry units, or other similar materials.
- ' **Accent Materials:** Accents materials such as stone, tile, terra cotta, metals, and wood are encouraged along ground-level retail.
- ' **Material Changes:** Materials should continue to wrap around the same plane of the building to the inside corners, and changes of material should not occur on the same plane or at outside corners .
- ' **Noise Reduction:** Mixed-use buildings that include shared walls or ceilings should incorporate construction methods and materials to minimize noise and vibration transfer between units.

- ' **Lighting:** Lighting standards should aim to reduce light pollution by using techniques such as shielding, advanced controls, and light detection.
- ' **Windows:** Windows are key features of the mixed-use buildings. Thoughtful design in the detailing, orientation, and placement of windows should be given to help make the area a more welcoming and pedestrian friendly place while adhering to the architecture of the Town Center.
- ' **Service Areas:** Service areas should be architecturally integrated into the building or screened from public areas and pedestrian view. Garbage facilities and pickup routes should not be located within the right-of-way. Shared service facilities and alleys are encouraged. Dumpster enclosures and utility boxes should be screened with architectural elements or evergreen landscaping from public areas.



TOWN CENTER





THE NEIGHBORHOODS 4

The University Hills development includes three different housing types in the neighborhoods: cottage houses, townhomes, and garden multifamily apartments. All housing options are within walking distance of the Town Center, parks, and greenbelt. The neighborhoods are a welcoming community, inviting residents to interact and socialize with each other. Quiet and safe streets are incorporated into the design of the neighborhoods with accessible walking and biking opportunities. All buildings within the neighborhoods are designed to be neighborly, safe, sustainable, and diverse.

4.1 COTTAGE HOUSE

The University Hills Cottage Houses are single-family detached homes. These homes range in lot sizes from approximately 4,600 square feet (40' x 115') to 5,750 square feet (50' x 115'), providing multiple housing opportunities. A mix of floor plans and one- and two-story houses will be incorporated. See the exhibit, Building Elevations, for all single-family elevations. The following design guidelines and standards will apply to all Cottage Houses within the development:

Auto Access and Parking: Where front-facing garages occur, windows on garage doors are encouraged at the discretion of the developer to add transparency and positively contribute to the public life of the street. Garage door hardware is also encouraged and will enhance the face of the home. One off-street parking space is required per dwelling unit. Driveway widths should be a minimum of 16 feet and a maximum of 18 feet to reduce impervious cover and prioritize the sidewalk and pedestrian experience.

Variation and Diversity: Cottage Houses will use a mix of colors and materials such as brick, stone, or Hardie® Plank to promote diversity and visual interest in the neighborhoods. A mix of one or two story houses with varied floor plans will also be incorporated.

Porches: Porches are encouraged on all Cottage Houses at the discretion of the developer. If porches are used, they must be a minimum four feet deep and eight feet wide to create a socially welcoming environment.

Roof Forms: Cottage Houses require pitched roofs, and flat or shed roofs should not be used except over porches, entryways, windows, and small building bump-outs. South sloping roofs should be incorporated when possible to allow for the efficient use of solar panels.

Building Height and Massing: The building structure will not exceed a height of 36 feet to the mid point, roughly 3 stories. The massing of cottage houses should be concentrated in the front of the lot. Changes in volume, plane, and height can provide interest and break the overall scale.



Cottage Houses



Side Yard Setbacks: The side yard setback is a minimum of five feet from the side property line. Corner lots will have a minimum side yard setback of ten feet from the existing right-of-way.

Front Yard Setbacks: Front-facing garages will be setback a minimum of 20 feet from the back of sidewalk which allows for parking in front of the garage.

Rear Yard Setbacks: The minimum rear yard setback is 10 feet. Rear yards must be open and unobstructed except for fences. A rear yard setback for an accessory use to the residential use is not required if the structure does not exceed 15 feet in height. Open fencing is required when facing a greenbelt or park to promote safety and add to the home's visual connection to nature. Continuous fencing with uniform design and character along greenbelts and parks will enhance open spaces and provide continuity.

Projections: Projections are encouraged to add unique character, architectural design, scale, and interest to the cottage house. Typical projections include room or floor plate projections, window sills, belt courses, cornices, a fireplace chimney, cantilevered roof eaves, balconies, and porches.



Cottage Houses

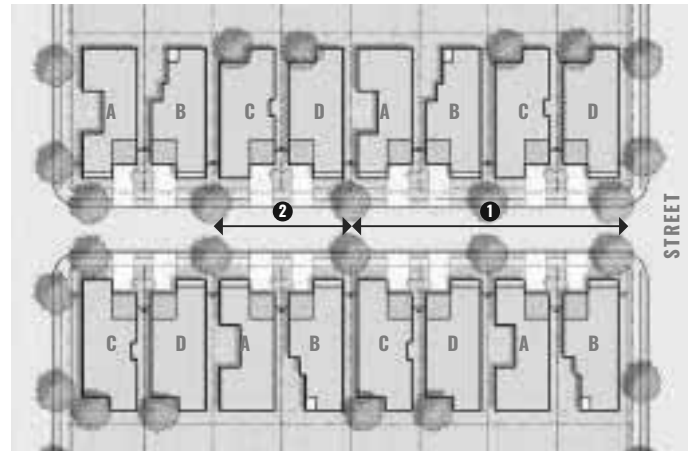
Corner Lots: Cottage Houses on corner lots are designed to present a pleasing appearance to both streets the house fronts. Blank walls are prohibited, and a minimum of two windows must be used on corner lots. Wrap-around porches, additional glazing, architectural projections, enhanced materials, and other design strategies are encouraged to create attractive facades.

Lot Coverage: The maximum lot coverage, which only includes the building footprint and excludes driveways, patios, and landscape improvements, is 60 percent for Cottage Houses. If the lot coverage of the entire development is a maximum of 60 percent with at least 40 percent reserved for open space, an individual lot coverage can increase to 80 percent.

Accessory Uses: Any permitted uses in the main zoning district are allowed as an accessory use, including accessory dwelling units. Accessory uses are incidental to a main use, and they will be located on the same lot as the main use.



Landscaping: A minimum of two large or medium nursery stock trees are required per lot for Cottage Houses. At least one nursery stock tree must be located in the front yard. Large nursery stock trees are to have a minimum caliper of four inches, and medium nursery stock trees are to have a minimum caliper of three inches. If overhead electric lines are present, large nursery stock trees are to be planted a minimum of 20 feet on center from the nearest line. An existing and healthy tree may be preserved and counted as a required tree if it is not a boundary tree neighboring adjacent property. For each building site, a minimum number of landscape design option points are required by the City of Dallas which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, and building facade planting areas.



Floor Plan Model & Design Scheme Repetition:

- ① Four-lot separation required between front elevations on same block face.
- ② Two-lot separation required between front elevations on block face across street.

Figure 4.1: Floor Plan Mix



Cottage Houses



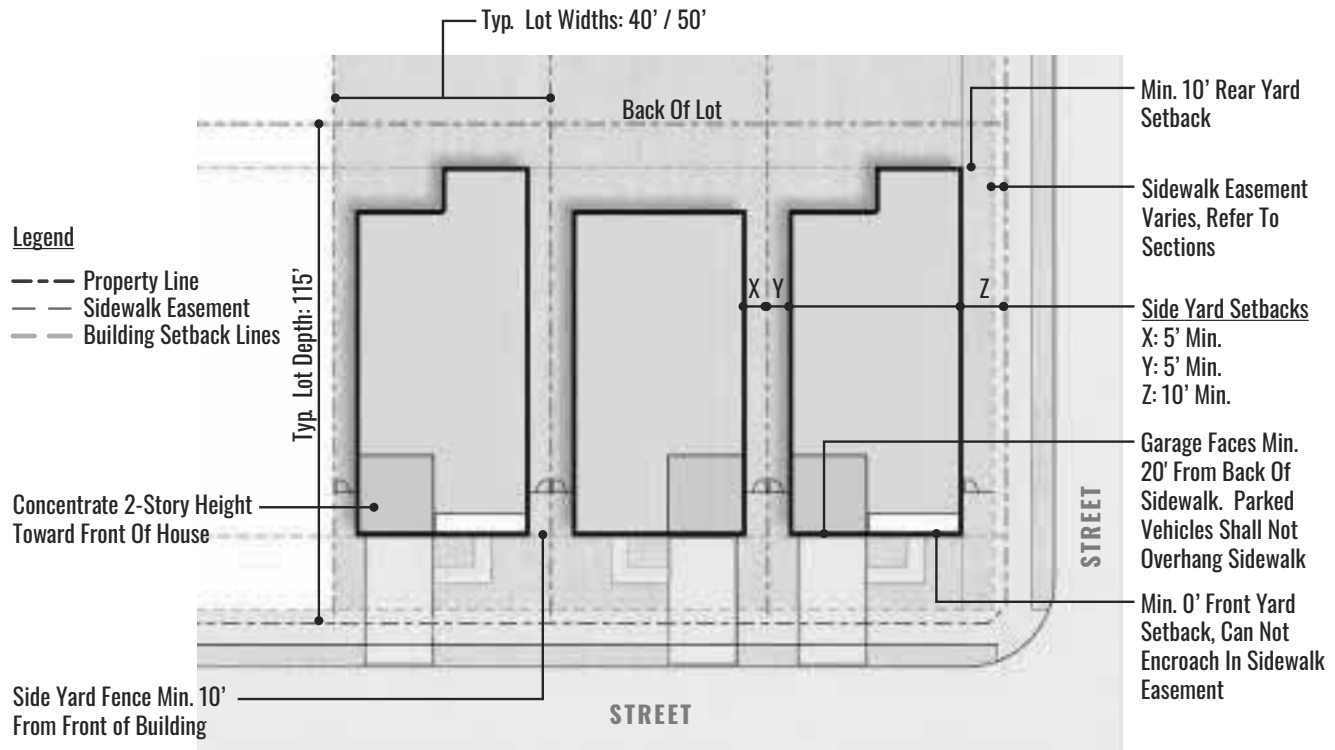


Figure 4.2: Cottage House Lot Requirements

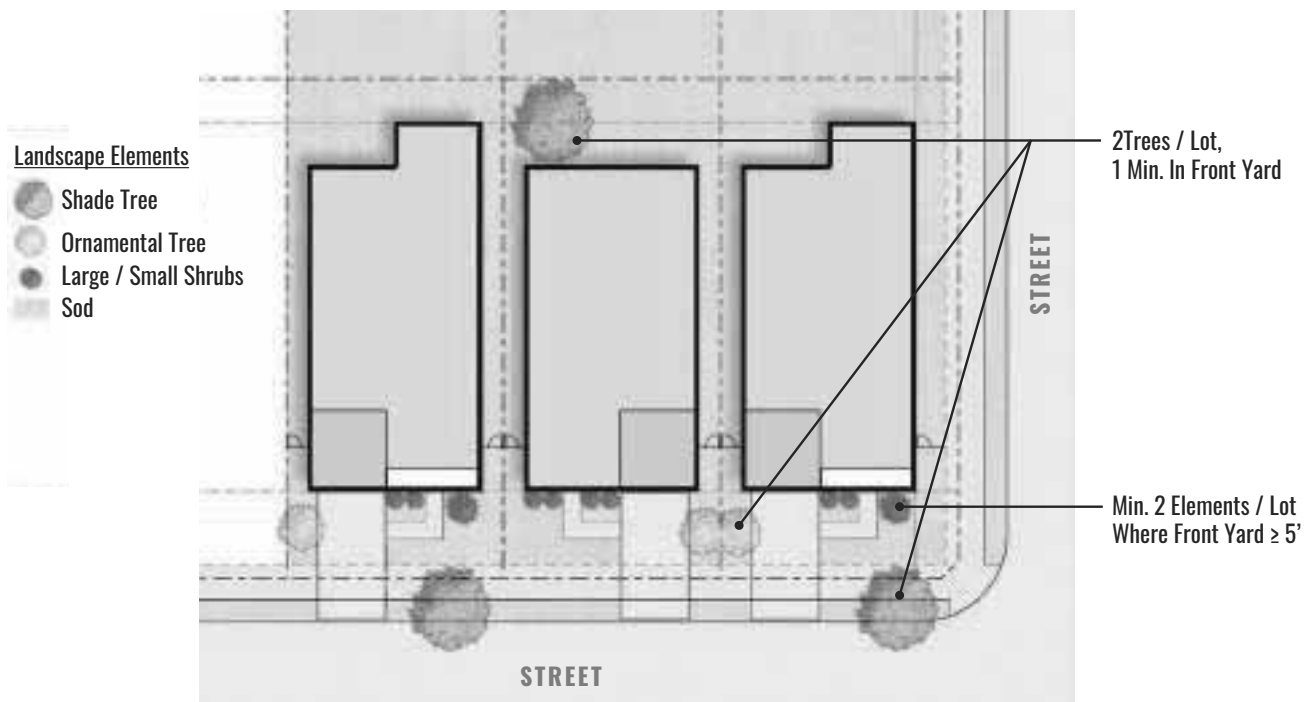


Figure 4.3: Cottage House Landscape Requirements

4.2 TOWNHOMES

Townhomes in University Hills are detached dwelling units with a small lot width and side yard. Alleys are utilized to create a more urban and dense front facing environment. This devises a more pedestrian friendly street with less interruptions. Townhomes lots will be approximately 2,160 square feet (24' x 90'). See the exhibit, Building Elevations, for all single-family elevations. The following design guidelines and standards will apply to all townhomes within the development:

Auto Access and Parking: Townhomes will be served by rear alleys with access to rear-facing garages. Garage door hardware is also encouraged and will enhance the exterior of the home. One off-street parking space is required per dwelling unit. Driveway widths should be a minimum of 16 feet and a maximum of 18 feet to reduce impervious cover.

Variation and Diversity: Townhomes will use a mix of colors and materials such as brick, rock, or Hardie® Plank to promote diversity and visual interest in the neighborhoods. Varied front elevations and floor plans will also be incorporated.

Porches: Porches are encouraged and on all Townhomes at the discretion of the developer. If porches are used in the design, they should be usable and covered.

Roof Forms: Townhomes require pitched roofs, and flat or shed roofs should not be used except over porches, entryways, windows, and small building bump-outs. South sloping roofs should be incorporated when possible to allow for the efficient use of solar panels.



Townhome

Building Height and Massing: The building structure will not exceed a height of 36 feet to the mid point, roughly 3 stories. The massing of Townhomes should be concentrated in the front of the lot. Changes in volume, plane, and height can provide interest and break the overall scale.

Front Yard Setbacks: The front yard setback is a minimum of 0 feet; however, the front yard can not encroach a sidewalk easement.

Side Yard Setbacks: The side yard setback is a minimum of 0 feet from one side property line and three feet from the other side property line. Corner lots will have a six foot minimum side yard setback.

Rear Yard Setbacks: The rear yard setback is a minimum of 0 feet, but there is a 20 foot setback for rear-facing garages for alley loaded townhomes. Rear yards must be open and unobstructed except for fences.

Projections: Projections are encouraged to add unique character, architectural design, scale, and interest to the Townhome. Typical projections include room or floor plate projections, window sills, belt courses, cornices, a fireplace chimney, cantilevered roof eaves, balconies, and porches.

Lot Coverage: The maximum lot coverage, which only includes the building footprint and excludes driveways, patios, and landscape improvements, is 80 percent for Townhomes.

Corner Lots: Townhomes on corner lots are designed to present a pleasing appearance to both streets the house fronts. Blank walls are prohibited, and a minimum of two windows must be used on corner lots. Wrap-around porches, additional glazing, architectural projections, enhanced materials, and other design strategies are encouraged to create attractive facades.

Accessory Uses: Any permitted uses in the main zoning district are allowed as an accessory use, including accessory dwelling units. Accessory uses are incidental to a main use, and they will be located on the same lot as the main use.

Landscaping: A minimum of one large or medium nursery stock trees is required per lot for townhomes. Large nursery stock trees are to have a minimum caliper of four inches, and medium nursery stock trees are to have a minimum caliper of three inches. If overhead electric lines are present, large nursery stock trees are to be planted a minimum of 20 feet on center from the nearest line. An existing and healthy tree may be preserved and counted as a required tree if it is not a boundary tree neighboring adjacent property. For each building site, a minimum number of landscape design option points are required by the City of Dallas which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, building facade planting areas, pedestrian amenities, enhanced pavement, conservation areas, and low-impact development.



Townhome



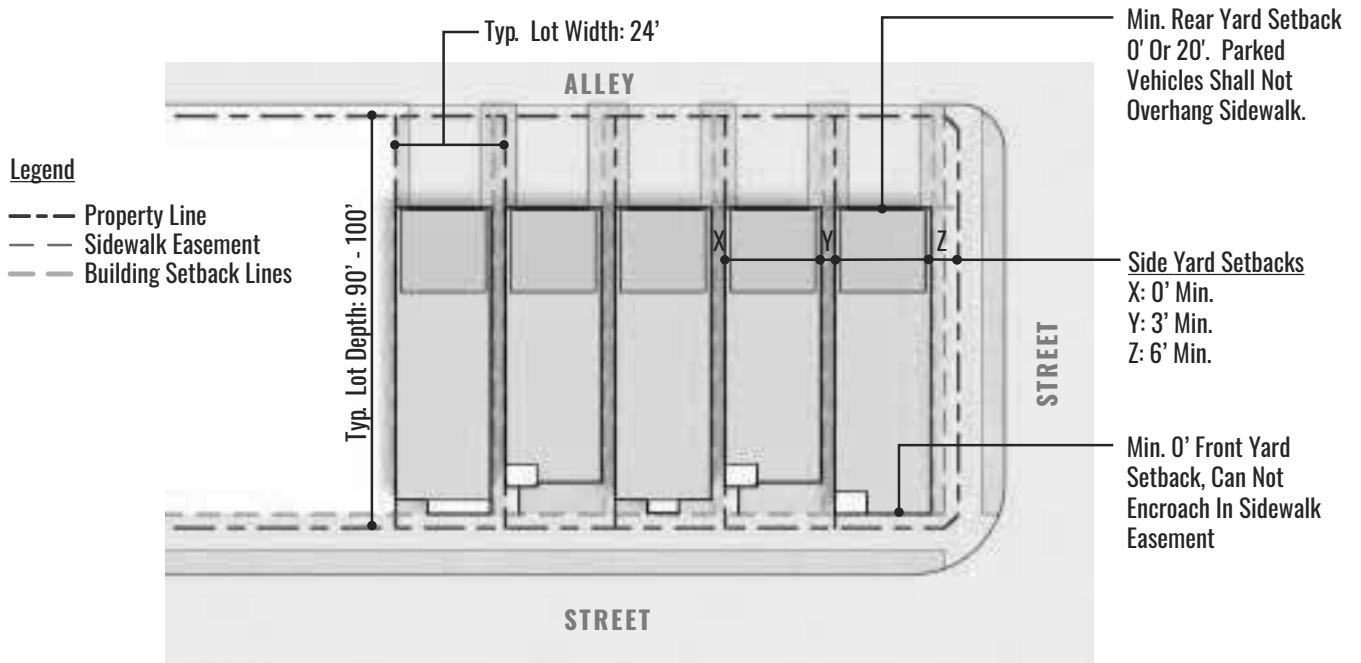


Figure 4.4: Townhome Lot Requirements

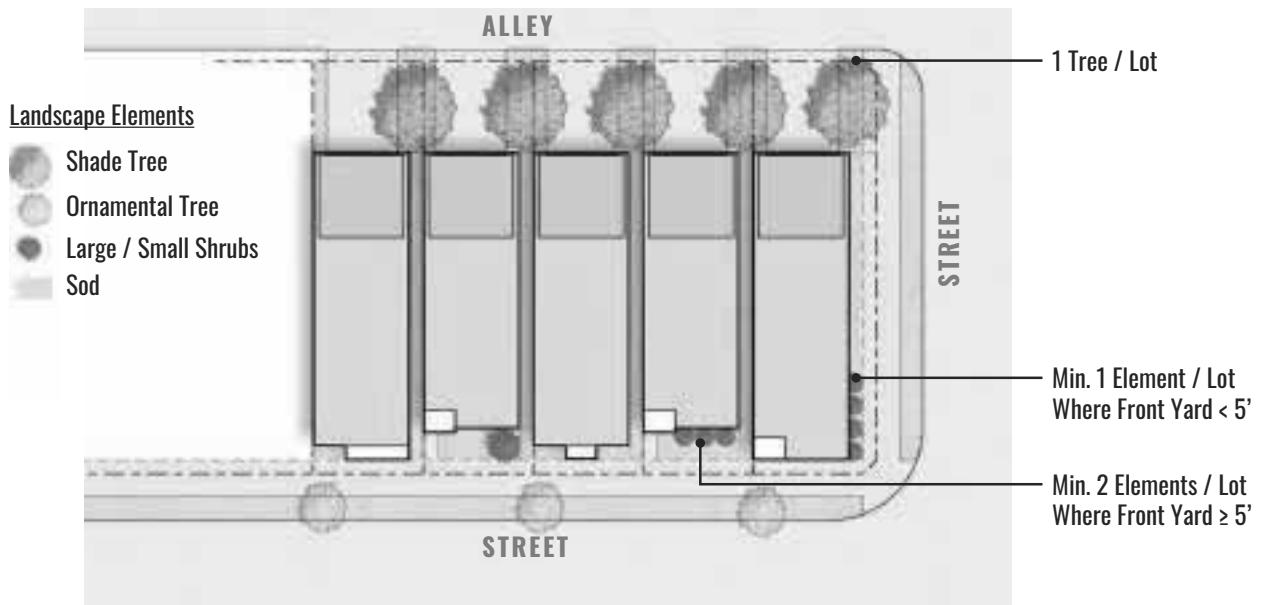


Figure 4.5: Townhome Landscape Requirements



4.3 GARDEN MULTIFAMILY

Garden multifamily buildings are located in the Garden District neighborhood. This district is meant to be medium density and compatible with the surrounding single-family homes. These garden multifamily buildings will include “walk-up” and “tuck-under” buildings where apartments are constructed around surface-level parking lots and above individual garages. Elements such as porches, patios, and entry features should be incorporated into the buildings. Ground-floor units should have direct access to private patios. Garden multifamily is encouraged to be well connected to both the streetscape and surrounding units. The following design guidelines and standards will apply to all garden multifamily buildings within the development:

Auto Access and Parking: Garden multifamily buildings can be served by surface parking lots and individual parking garages. Off-street parking for

buildings in the MF-2(A) district must be located behind the front building line and no parking can be within the required front yard. Tuck-under individual garages will be surface-level and architecturally integrated into the overall building. Tuck-under garages should not be visible from public streets.

Building Height: Garden multifamily buildings will not exceed a height of 36 feet in the MF-2(A) district and 90 feet in the MF-3(A) district. Changes in volume, sloping roofs, and porches are encouraged to help provide seamless transitions from the adjacent single-family structures.

Front Yard Setbacks: The front yard must be setback a minimum of 15 feet in the MF-2(A) and MF-3(A) district, or 20 feet if the structure is over 45 feet in height in the MF-3(A) district, from the front lot line or existing right-of-way.



Garden multifamily buildings will incorporate unique landscaping and areas to gather within their open spaces.

Side Yard Setbacks: The side yard of the garden multifamily buildings must be setback a minimum of 10 feet from the side lot line or existing right-of-way. In the MF-3(A) district, the side yard setback minimum increases to 20 feet when adjacent to a less dense zoning district.

Rear Yard Setbacks: The rear yard of the garden multifamily buildings must be setback a minimum of 10 feet in the MF-2(A) district. The minimum rear yard setback in the MF-3(A) district is 10 feet, but increases to 20 feet when adjacent to a less dense zoning district. Rear yards must be open and unobstructed except for fences.

Projections: Projections of window sills, belt courses, cornices, or other architectural features are allowed to encroach no more than 12 inches into the front yard, side yard, or rear yard. A fireplace chimney may encroach no more than two feet into the front yard, side yard, or rear yard if the encroachment is no more than 12 square feet. Cantilevered roof eaves and balconies may encroach within five feet of the front yard. Roof eaves may encroach three feet into the side yard or rear yard.

Dwelling Unit Density: The maximum dwelling unit density is 42 dwelling units per acre.

Lot Coverage: The maximum lot coverage is 60 percent for garden multifamily.

Corner Buildings: The portion of garden multifamily buildings that are built on the corner of a street should incorporate interesting design and architectural elements to create attractive elevations on both streets.

Accessory Uses: Any permitted uses in the main zoning district are allowed as an accessory use, including accessory dwelling units. Accessory uses are incidental to a main use, and they will be located on the same lot as the main use.

Landscaping: Garden multifamily landscaping is encouraged to exceed City of Dallas minimums by providing additional vegetation and trees to meet the Comprehensive Environmental and Climate Action Plan (CECAP) goals and standards. A street buffer zone, the landscape area along the length of the lot adjacent to the right-of-way, must be a minimum of five feet wide unless the buffer zone is less than 10,000 square feet, then the minimum depth will increase until the total square footage is 10,000. One large or medium street buffer tree is required for every 30 feet of street frontage. The large or medium street buffer tree must have a minimum caliper of three inches. One tree with a caliper of at least two inches is required for each 4,000 square feet of lot area. In all parking lots, a landscape area must be provided at the end of each parking row or after every 10 parking spaces. The landscape area must contain a minimum of one large or medium tree with a minimum caliper of three inches. For each building site, a minimum number of landscape design option points are required by the City of Dallas which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, surface parking lot screening, building facade planting areas, pedestrian amenities, enhanced pavement, conservation areas, low-impact development, and parking lot enhancement.

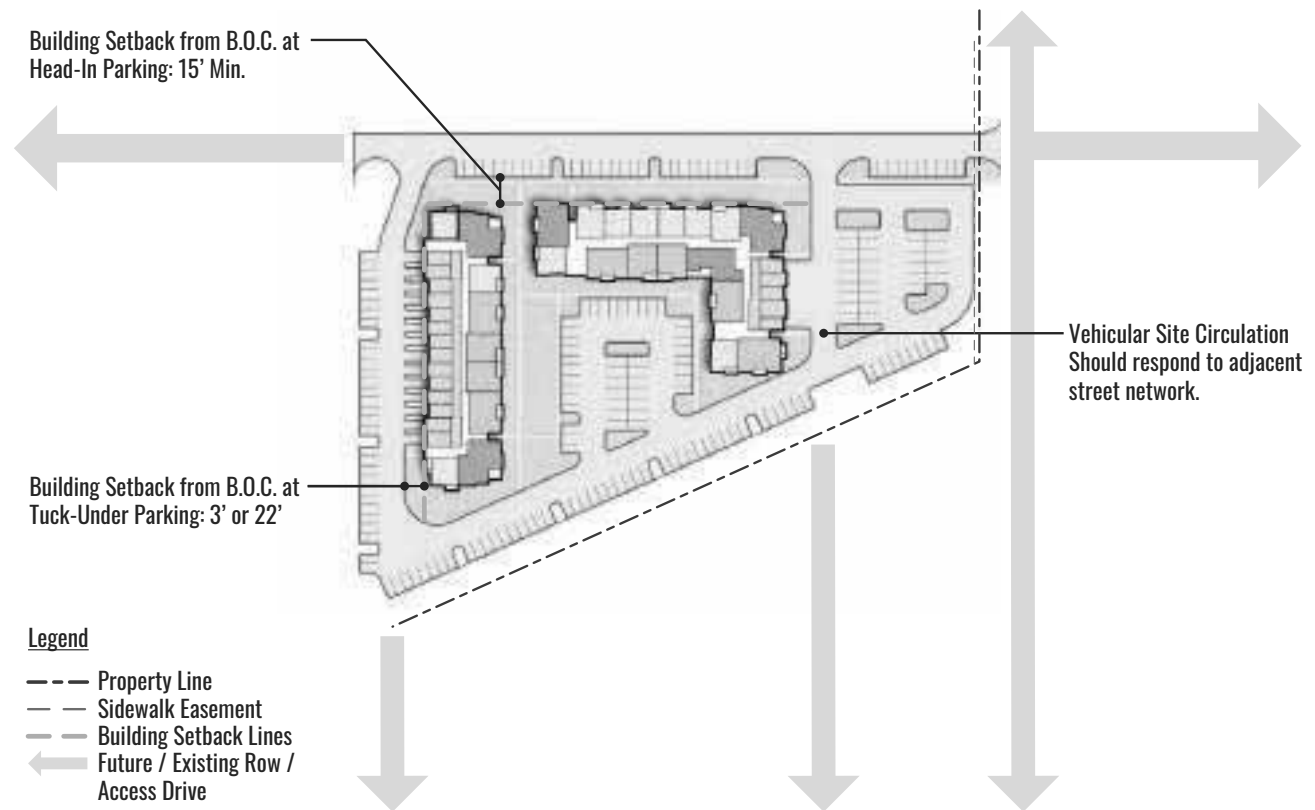


Figure 4.6: Walk-Up Garden Multifamily Lot Requirements

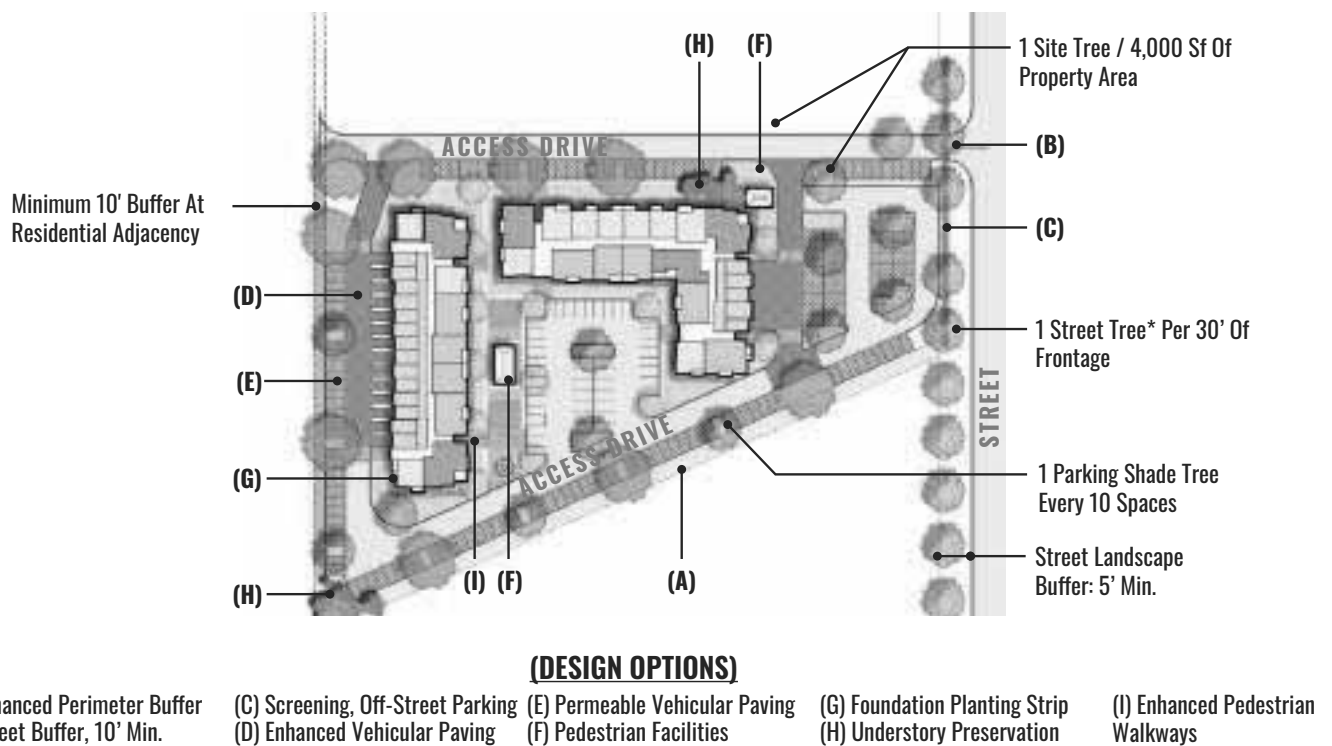


Figure 4.7: Walk-Up Garden Multifamily Landscape Requirements

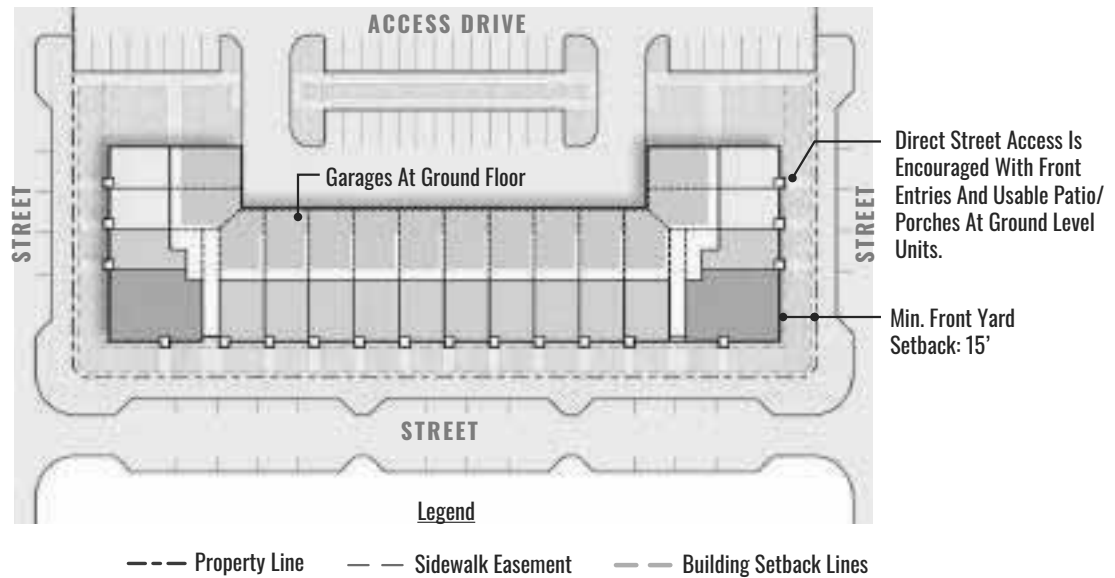


Figure 4.8: Tuck-Under Garden Multifamily Lot Requirements

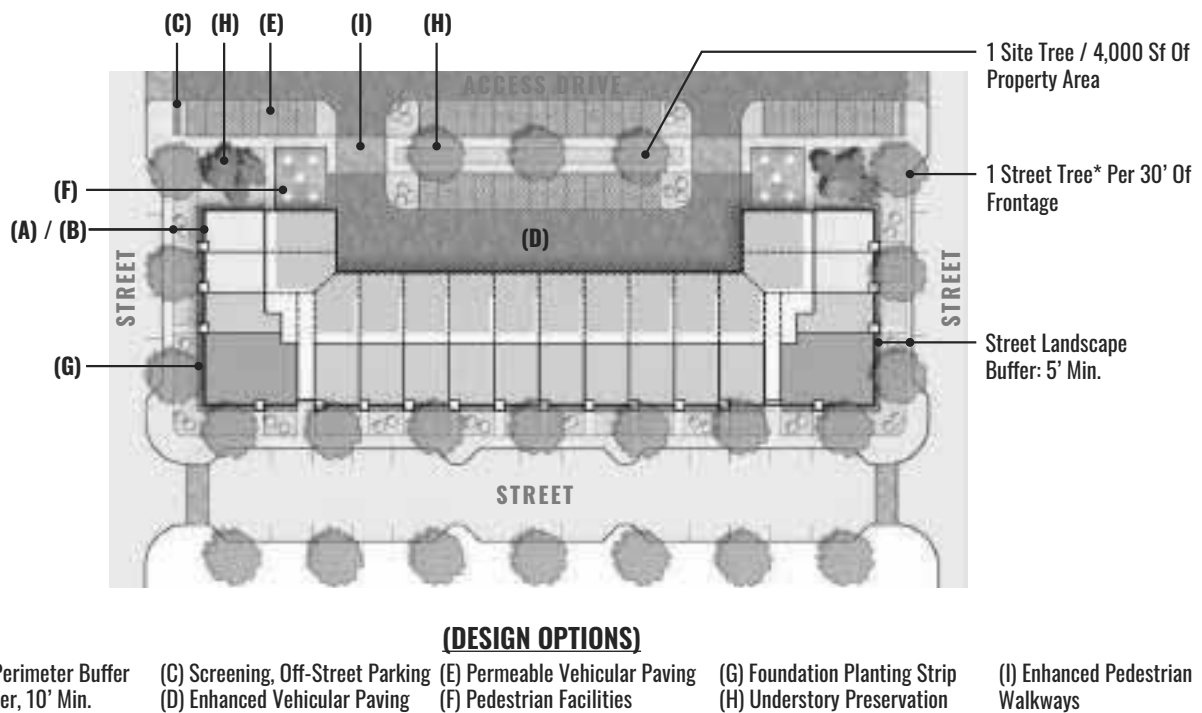


Figure 4.9: Tuck-Under Garden Multifamily Landscape Requirements

4.4

ARCHITECTURAL STANDARDS

These design guidelines pertain to all buildings and development within The Neighborhoods:

- ' **Character:** The neighborhoods should be designed in the spirit of Southern Dallas architecture. Traditional and farmhouse style architecture is encouraged with elements such as projecting eaves, porches, and patios to add outdoor space and minimize solar impact.
- ' **Sustainability:** Houses and apartments within the Neighborhood will align with the City of Dallas' sustainability goals. High quality building materials and appliances that are energy efficient are preferred. South sloping roofs should be designed with the intent for solar panel installation.
- ' **Building Materials:** Locally sourced materials are encouraged in keeping with the character and style of the buildings. Materials used should be complimentary to the surrounding neighborhoods and UNT Dallas campus. Encouraged materials include, but are not limited to, brick, siding, Hardie® Plank, or stone.
- ' **Material Changes:** Material changes should occur when a change in volume or plane occurs. The material change should continue to wrap around the sides of the building.
- ' **Roof Materials:** Metal roofs are encouraged due to their resiliency to bad weather events. The metal roofs should be a natural galvanized finished or a cool color which absorbs less sunlight than darker colors. Other acceptable roof materials include concrete tile, slate, asphalt, and clay or ceramic tile which also align with the developments sustainability goals in energy efficiency.
- ' **Noise Reduction:** Residential units that include shared walls or ceiling should incorporate construction methods and materials to minimize noise and vibration transfer between units.
- ' **Windows:** Windows are key features of the neighborhood buildings. Thoughtful design and detailing should be given, adhering to the architecture of the development. Windows are encouraged to have projecting trim or shutters to provide interest or be inset to provide solar shading and weather protection.
- ' **Doors:** Doors are to be designed in character and scale of the building. Acceptable door materials include painted or stained wood, hardboard, and fiberglass or metal. Sliding doors are only permitted in rear or interior side yards.
- ' **Fencing and Walls:** Fences above eight feet in height are not permitted in a required rear or side yard. Fences in required front yards should not be over three and a half feet. Access should be provided to the side and rear yards of the building for fire purposes. The character of fences should align with the design of the building in terms of color, materials, and scale. Stained or painted wood and metal fencing are encouraged. Retaining walls should be constructed with similar materials as the building which includes stone, brick, or architectural concrete.
- ' **Access Ramps:** Provision should be made to allow accessible ramps to be constructed from the sidewalk to the entryway of the home.





COMMERCIAL FRONTAGE

5

Commercial buildings will line the frontage of Interstate Highway 20 and State Highway 342/Lancaster Road. Community Retail buildings are found along State Highway 342/Lancaster Road and are small-scale and compatible with the adjacent neighborhoods. Regional Retail buildings are located on Interstate Highway 20 and are larger in scale. This district will be more car-centric, a place for travelers to stop along the highways, and a place for residents to still be able to easily access by foot or bicycle. Local businesses and those that have sustainability values that align with the plan are encouraged in this district. The community retail buildings will still align with the accessible and pedestrian-oriented goals of the development. Screening of these buildings is important to provide privacy, noise reduction, and a visual buffer to the neighboring multifamily building and the Town Center.

5.1 COMMUNITY RETAIL

Community retail buildings will be located along the frontage of State Highway 342/Lancaster Road. These buildings will be smaller in scale and intensity due to their proximity to the adjacent residential buildings. The vision for this area includes a neighborly and welcoming retail district with uses that could be easily accessible and desirable to the residents of the neighborhoods. Quality landscaping and street furniture should be provided in this district. Sidewalks, bike racks, and bus stops in this area will promote sustainable transportation options and a pedestrian-friendly environment. The following design guidelines and standards will apply to the community retail buildings in University Hills:

- **Proposed Uses:** Neighborhood services are desired uses of the district. Examples of neighborhood services that can be incorporated in this area include catering service, a child-care facility, a library, an art gallery, a museum, a financial institution, a medical clinic, dry cleaning, small general merchandise or food store, office building, and a nursery. Flexible open space should be provided for community events and temporary retail opportunities.



Plant nursery

- **Auto Access and Parking:** Community retail buildings will be auto, pedestrian, and bike accessible from within the development. Access to the buildings will also be provided from State Highway 342/Lancaster Road, and off-street parking will be provided.
- **Building Height:** The maximum building height of community retail buildings is 54 feet. If any portion of a building is over 26 feet, that portion may not be located above a residential proximity slope.
- **Front Yard Setbacks:** The minimum front yard setback is 15 feet from the front lot line or existing right-of-way.
- **Side Yard Setbacks:** The minimum side yard setback is 20 feet from the side lot line or existing right-of-way when adjacent to a less dense zoning district and 0 feet in other instances.



Urgent care

- ' **Rear Yard Setbacks:** The minimum rear yard setback is 20 feet from the rear lot line when adjacent to a less dense zoning district and 0 feet in other instances. Rear yards must be open and unobstructed except for fences. A rear yard setback for an accessory use to the residential use is not required if the structure does not exceed 15 feet in height.
- ' **Lot Coverage:** The maximum lot coverage is 60 percent.
- ' **Accessory Uses:** Any permitted uses in the main zoning district are allowed as an accessory use. Accessory uses are incidental to a main use, and they will be located on the same lot as the main use.
- ' **Landscaping:** Commercial frontage landscaping is encouraged to exceed City of Dallas minimums by providing additional vegetation and trees to meet the Comprehensive Environmental and Climate Action Plan (CECAP) goals and standards. A street buffer zone, the landscape area along the length of the lot adjacent to the right-of-way,

must be a minimum of five feet wide unless the buffer zone is less than 10,000 square feet, then the minimum depth will increase until the total square footage is 10,000. One large or medium street buffer tree is required for every 30 feet of frontage. The large or medium street buffer tree must have a minimum caliper of three inches. One tree with a caliper of at least two inches is required for each 4,000 square



Financial Institution



Community retail

feet of lot area. In all parking lots, a landscape area must be provided at the end of each parking row or after every 10 parking spaces. The landscape area must contain a minimum of one large or medium tree with a minimum caliper of three inches. For each building site, a minimum number of landscape design option points are required by the City of Dallas which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, surface parking lot screening, building facade planting areas, pedestrian amenities, enhanced pavement, conservation areas, low-impact development, and parking lot enhancement.

Screening: Required screening must not be less than six feet in height and constructed with either brick, stone, concrete masonry, concrete, wood, earthen berm planted with turf grass or ground cover, or evergreen plant materials. When using plant materials, a solid appearance must be maintained, and the required screening height must be reached within three years after the initial planting. Access through screening can be provided by a gate equal in height. Screening with plant materials must be irrigated with an automatic irrigation system and be in healthy growing conditions at all times.

Open Spaces: A minimum of 10 percent of the site will be reserved as open space. These spaces will allow for community gatherings and special events. Enhanced landscaping and amenities such as benches, fountains, shade structures, and playground areas are encouraged.



Community retail

5.2 REGIONAL RETAIL

Regional retail buildings are located along the Interstate Highway 20 frontage, directly south of the Town Center. These buildings will be larger scale than the community retail building, but they will still be easily accessible and pedestrian friendly. The commercial buildings will provide goods and services to a larger and more diverse audience due to their location on Interstate Highway 20. Quality landscaping and street furniture should be provided in this district. Sidewalks, bike racks, and a bus stop in the area will provide visitors and residents with sustainable transportation options. The following design guidelines and standards apply to regional retail buildings:

- ' **Proposed Uses:** Uses in this district should serve consumers in development and surrounding area. Examples that could be incorporated include a museum, a financial institution, a medical clinic, an office, a liquor store, a furniture store, a motor vehicle fueling station, a theater, police or fire station, post office, hotel, office building, restaurant, home improvement center, and a general merchandise or food store.
- ' **Auto Access and Parking:** buildings will be auto, pedestrian, and bike accessible from within the development. Access to the buildings will also be provided from Interstate Highway 20, and off-street parking will be provided.
- ' **Building Height:** The maximum building height of community retail buildings is 54 feet. If any portion of a building is over 26 feet, that portion may not be located above a residential proximity slope.
- ' **Front Yard Setback:** The minimum front yard setback is 15 feet from the front lot line or existing right-of-way.

' **Side Yard Setback:** The minimum side yard setback is 20 feet from the side lot line or existing right-of-way when adjacent to a less dense zoning district and 0 feet in other instances.

' **Rear Yard Setback:** The minimum rear yard setback is 20 feet from the rear lot line when adjacent to a less dense zoning district and 0 feet in other instances. Rear yards must be open and unobstructed except for fences. A rear yard setback for an accessory use to the residential use is not required if the structure does not exceed 15 feet in height.



Theater

- ' **Lot Coverage:** The maximum lot coverage is 60 percent.
- ' **Accessory Uses:** Accessory uses must be a use customarily incidental to a main use, and they are to be located on the same lot as the main use. An accessory use is permitted in any district where the main use is permitted.
- ' **Landscaping:** Commercial frontage landscaping is encouraged to exceed City of Dallas minimums by providing additional vegetation and trees to meet the Comprehensive Environmental and Climate Action Plan (CECAP) goals and standards. A street buffer zone, the landscape area along the length of the lot adjacent to the right-of-way, must be a minimum of five feet wide unless the buffer zone is less than 10,000 square feet, then the minimum depth will increase until the total square footage is 10,000. One large or medium street buffer tree is required for every 30 feet of street frontage. The large or medium street buffer tree must have a minimum caliper of three inches. One tree with a caliper of at least two inches is required for each 4,000 square feet of lot area. In all parking lots, a landscape area must be provided at the end of each parking row or after every 10 parking spaces. The landscape area must contain a minimum of one large or medium tree with a minimum caliper of three inches. For each building site, a minimum number of landscape design option



Grocery Store

points are required by the City of Dallas which is dependent on the lot size. Points are obtained by incorporating enhanced landscape design options into the development. Design options include additional plant material, enhanced buffer zones, application of engineered solutions for soil volume, surface parking lot screening, building facade planting areas, pedestrian amenities, enhanced pavement, conservation areas, low-impact development, and parking lot enhancement.

' **Screening:** Required screening must not be less than six feet in height and constructed with either brick, stone, concrete masonry, concrete, wood, earthen berm planted with turf grass or ground cover, or evergreen plant materials. When using plant materials, a solid appearance must be maintained, and the required screening height must be reached within three years after the initial planting. Access through screening can be provided by a gate equal in height. Screening with plant materials must be irrigated with an automatic irrigation system and be in healthy growing conditions at all times.

' **Open Spaces:** A minimum of 10 percent of the site will be reserved as open space. These spaces will allow for community gatherings and special events. Enhanced landscaping and amenities such as benches, fountains, shade structures, and playground areas are encouraged.



Retail and pharmacy



Mid-size retail

5.3

ARCHITECTURAL STANDARDS

These design guidelines pertain to all Commercial Frontage buildings:

- ' **Surface Parking:** Parking lots should be designed thoughtfully and intentionally. Landscape islands with shade trees and light colored paving material are encouraged to reduce urban heat islands. Pedestrian walkways through and around parking lots from sidewalks leading from Lancaster and the development is encouraged.
- ' **Sustainability:** Commercial frontage buildings will align with the City of Dallas' sustainability goals in its Comprehensive Environmental and Climate Action Plan (CECAP). High quality building materials and appliances that are energy efficient are preferred.
- ' **Building Materials:** Locally sourced materials are encouraged in keeping with the character and style of the buildings. Materials used should be complimentary to the surrounding neighborhoods and UNT Dallas campus. Acceptable materials include brick, siding, stone, Hardie® Plank, architectural metals, light colored pre-cast concrete, architectural masonry units, or other similar materials.
- ' **Material Changes:** Material changes should occur when a change in volume or plane occurs. The material change should continue to wrap around the sides of the building.
- ' **Roofing:** Flat or south sloping roofs are preferred in the Commercial Frontage district. Parapets are encouraged for flat roofs, and exposed beams, projecting eaves, and decorative brackets should be incorporated into the design of sloping roofs.
- ' **Noise Reduction:** Buildings that include shared walls or ceiling should incorporate construction methods and materials to minimize noise and vibration transfer between units.
- ' **Windows:** Windows are key features of the commercial frontage buildings and contribute to an active public frontage; therefore, they should be proportioned well. Thoughtful design and detailing should be given, adhering to the architecture of the development.
- ' **Service Areas:** Service areas should be architecturally integrated into the building or screened from public areas and pedestrian view. Garbage facilities and pickup routes should not be located within the right-of-way. Shared service facilities and alleys are encouraged.
- ' **Open Spaces:** Flexible space for special events and outdoor dining is encouraged for each retail/commercial development area. Enhanced landscaping and amenities such as benches, fountains, shade structures, and playground areas are encouraged and will aide in meeting CECAP's goals.
- ' **Lighting:** Lighting standards should aim to reduce light pollution by using techniques such as shielding, advanced controls, and light detection.





OPEN SPACE, PARKS, AND TRAILS

6

University Hills has placed priority on leveraging the existing topography, creeks, and natural beauty of the site. The tributaries and drainage ways, and ponds will create areas of tranquility within the development. Vibrant pocket parks and a recreation center are thoughtfully designed to provide residents with green spaces and amenities within a short distance of their homes or apartments. A two acre Central Park will be the focal point of the community providing a place of gathering with space for events, celebrations, and markets. Trails will meander through the neighborhoods along the detention ponds offering a course of tranquil recreation.

OPEN SPACE, PARKS, AND TRAILS

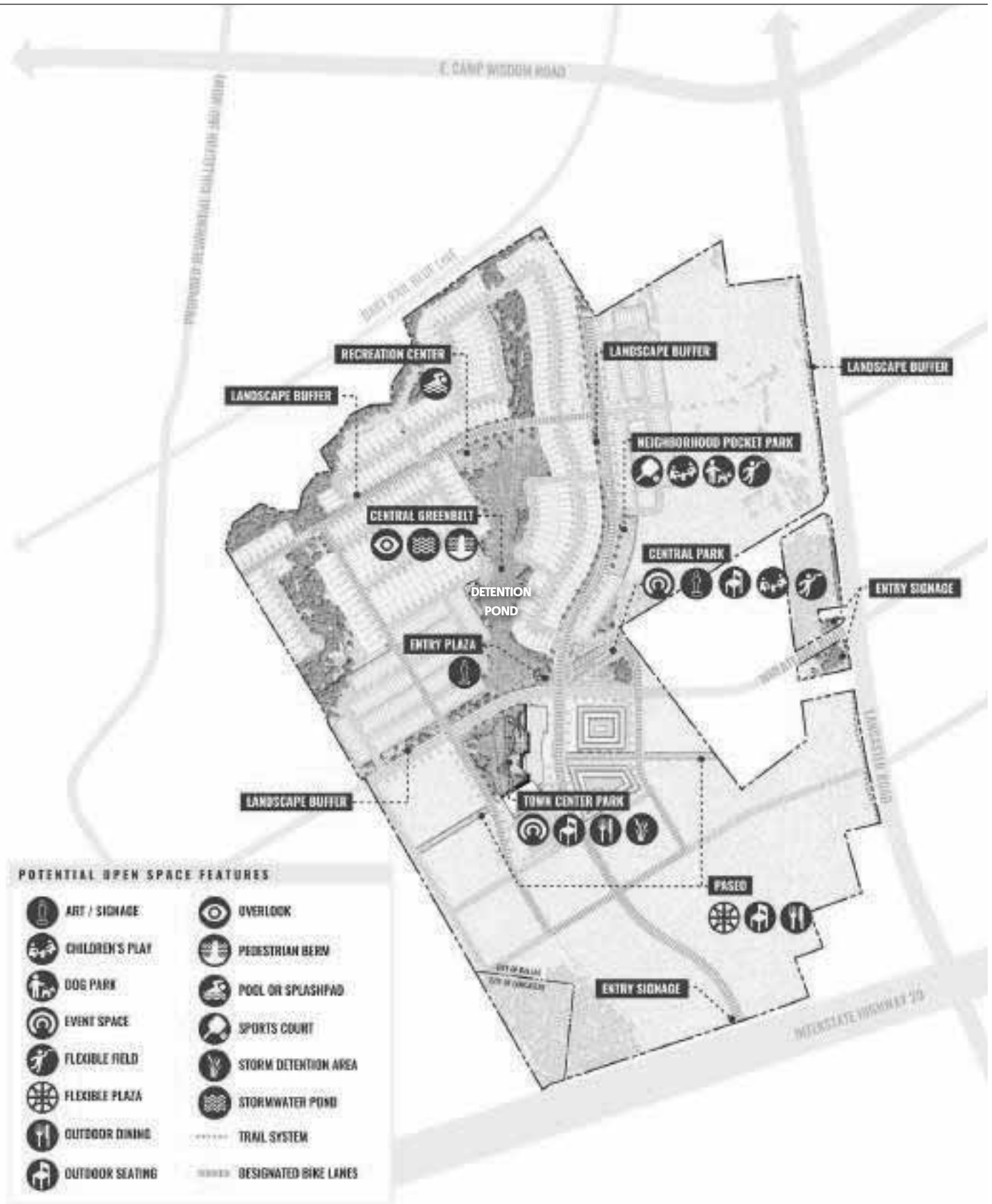


Figure 6.1: Open Space Plan

6.1 GREENBELT

The greenbelt traverses through the middle of the neighborhoods. Capitalizing on its existing natural features, the greenbelt intends to be a tranquil strip of land adorned with meandering trails. Engineered detention ponds will enhance the character of the greenbelt, providing unique topography opportunities and overlooks. Non-vehicular movement is encouraged within this area to foster a sustainable and community-centric lifestyle. The greenbelt will include the following elements:

- ' **Vegetation:** The University Hills development intends to preserve the existing natural vegetation as provided by the tree survey. A dense tree cover is preferred in this open space to create a quiet and secluded space for people to enjoy. Dense vegetation will also add privacy to the single-family homes that back the greenbelt.
- ' **Access Points:** Many access points will be provided to the greenbelt. Neighborhood streets will have openings leading directly to the greenbelt. Street parking and entry signage should be provided at the greenbelt access points to lead citizens on the correct path. Homes backing the greenbelt are required to have open fencing, screened garage doors, and direct access to the amenity.
- ' **Trails:** Hike and bike trails will be developed along the course of the greenbelt. The trail will provide citizens with a chance to see the natural features and detention ponds University Hills holds. Smaller trail systems will branch off of the main greenbelt trail, providing a connection to the neighborhood pocket parks. Trail access points will be marked with signage, and other amenities such as benches, water fountains, public art, and exercise equipment are encouraged at trailheads. Trailheads should be large enough for groups to gather.



Overlooks and bridges crossing the detention pond will add character and visual appeal to the greenbelt.

- ' **Recreational Uses:** The greenbelt intends to be a space for all citizens to utilize. Walking, jogging, biking, picnicking, and playing are all encouraged uses of this area. People of all ages and physical capabilities will be able to enjoy the greenbelt and its amenities.
- ' **Ecological Function:** The greenbelt provides a vital role in the drainage and flood mitigation of University Hills. The drainage way should be contoured naturally, and sustainable engineering practices should be incorporated. Informational signage should be used around these features to highlight their environmental importance in University Hills.



Trailheads with a gathering area and informational signage create an inviting access point.



6.2 RECREATION CENTER

The recreation center lies within the neighborhoods and is a private amenity to residents. Active recreation and resident gathering opportunities will be present within this area. The recreation center should be designed to be an inviting focal point of the neighborhoods. The following elements should be included in the design of the recreation center.

- ' **Landscape Character:** Trees should be planted to encourage a welcoming environment to the recreation center. Screening with trees and other vegetation should be provided around the perimeter of the facility for privacy.
- ' **Recreational Uses:** Various active recreational activities can be offered at the recreational center including tennis, pickleball, lawn games, picnicking, and barbecuing.
- ' **Amenities:** The neighborhood recreation center should include amenities the future residents would utilize and enjoy. Example include a splash pad, a pavilion, picnic tables with umbrellas and benches, barbeque and fire pits, lawn games such as cornhole, bocce, and life-size checkers, sport courts such as a tennis, pickleball, or basketball courts, and a structure with restrooms and drinking fountains.
- ' **Lighting:** Lighting may be provided within the recreation center for residents to utilize during shorter daylight hours. Timers should be put on these lights to not exceed recreation center closing times, and cut-off lighting should also be utilized to keep glare out of neighboring houses and reduce light pollution.
- ' **Parking:** Off-street parking will be provided at the recreation center but minimized to encourage alternate modes of travel.



Tennis courts



Bocce

6.3 NEIGHBORHOOD POCKET PARKS



Children play area



Playground

Neighborhood pocket parks will be small in size, but easily accessible to residents of the neighborhoods. These parks will include a variety of active and passive recreational facilities. Pocket parks are intended to be a gathering space for the adults and children of University Hills, within a short walking distance from households. Neighborhood pocket parks will include the following elements within their design:

- ' ***Landscape Character:*** Native canopy trees should be planted along the park edges and within the parks to provide shade. Native plant species with deep root systems should be considered to help prevent erosion and mitigate flooding. Existing tree canopy should be preserved where possible to provide mature shade. Open areas to enjoy the sunshine are also encouraged.
- ' ***Recreational Uses:*** Pocket parks are intended for various forms of recreational use. Neighborhood gatherings, picnicking, and children's play are some of the uses of pocket parks.
- ' ***Amenities:*** Each neighborhood pocket park will have a unique design with different amenities to accompany it. Amenities can include playgrounds, benches, picnic tables, splash pads, sports courts, nature play, community gardens, public art, and sculptures.
- ' ***Lighting:*** Lighting may be provided within these parks for residents to utilize during shorter daylight hours. Timers should be put on these lights to not exceed recreation center closing times, and cut-off lighting should also be utilized to keep glare out of neighboring houses and reduce light pollution.

6.4 MULTIFAMILY AMENITY CENTER



Playscape

Residents of multifamily buildings will also be within reach of a private amenity center. The amenity center will include a network of walkable paths leading to the parks that utilize the existing trees and natural topography of the land. Areas for community gathering, dog walking, and children's play will also be incorporated. The multifamily amenity center will incorporate the following elements:

- ' ***Landscape Character:*** The multifamily pocket parks will be aligned with trees along the edges of the park and within to provide shade. Open pockets without trees are encouraged for residents to enjoy the sunshine.
- ' ***Recreational Uses:*** These parks can be used for picnicking, small gatherings, children's play, and leisure.
- ' ***Amenities:*** Some of the amenities encouraged in the multifamily pocket parks include benches, picnic tables, playscapes, community gardens, dog park, and pavilions.

6.5 CENTRAL PARK

Central Park is included as a central amenity and gateway to the University Hills development. As the heart of University Hills, the Central Park intends to be a destination for visitors and residents to gather and enjoy each other's company. The Central Park will incorporate the following:

- ' **Landscape Character:** Native canopy trees should be planted along the park edges and within the parks to provide shade. Native plant species with deep root systems should be considered to help prevent erosion and mitigate flooding. Existing tree canopy should be preserved where possible to provide mature shade.
- ' **Recreational Uses:** The park will provide a diverse array of activities. Passive and active recreation will be implemented into its design. Uses that could be held include community gatherings, outdoor events and performances, walking, jogging, picnicking, and playing.
- ' **Structures:** A structure to house restrooms and drinking fountains is encouraged. A covered open or enclosed space would allow for events, celebrations, and a farmer's market. Retail kiosks for vendors and utility hookups for food trucks are encouraged.
- ' **Parking:** Off-street parking will be provided around the perimeters of the park to encourage visitors of surrounding communities to enjoy what the park has to offer. Bike racks will also be provided and conveniently located.



Landscaped lawn area

6.6 TRAIL SYSTEM

University Hills is comprised of multiple types of trails. Trails can be used for walking, jogging, or biking, and electric vehicles such as scooters will be prohibited. Trail systems can be used to link communities, and they can promote the importance of physical activity. University Hills' trails can be classified into the following two categories:

- ' ***Nature Trails:*** The nature trail within the greenbelt will provide educational opportunities with informational signage along the natural drainageway and other natural features. The greenbelt will extend from the north site boundary to the Town Center and will be at least 10 feet wide. University Hills supports the idea and has provided space for connection of the natural trail to the Runyon Creek Trail just north of the site. This connection would lead to the DART Station and the Glendale Park Loop Trail. The

existing tree cover will create a secluded and quiet environment while on this trail. Overlook opportunities will be present along the detention ponds, creating intriguing vantage points.

- ' ***Neighborhood Trails:*** These trails include the branches of the greenbelt nature trail and other small trails within the neighborhoods. Neighborhood trails are considered more of an amenity than a way of travel and are no wider than eight feet. These trails will meander around neighborhood pocket parks and open spaces. This will create an inviting avenue to explore the open space, encouraging a healthy and active lifestyle.

The nature trail and neighborhood trails are designed to enhance the existing vegetation, topography, and creeks.



Trails will meander along the top edges of the detention ponds.



Informational signage will highlight the existing flora, fauna, and drainageways.





STREETSCAPE AND MOBILITY

7

University Hills provides a multimodal transportation network within its plan. Street layout patterns and walking paths are designed to create a walkable transit-oriented neighborhood with a direct connection to daily amenities, shopping, and recreational uses. The street network facilitates smooth traffic flow and weaves a tapestry of connectivity throughout the development. Walking and bike paths provide residents and visitors with inviting avenues to explore the area and promote an active and healthy lifestyle. Entryway signage and monументation located at the gateways of the development will give University Hills a dominant presence and show the vision for the site.

7.1

STREET NETWORK AND CONNECTIVITY

The implementation of the street network within the University Hills project is poised to significantly enhance overall connectivity, not only for the diverse array of uses within the site but also for neighboring areas within the broader fabric of Dallas. University Hills incorporates sidewalks and bike lanes into every streetscape within the development, embracing the principles outlined in the Connect Dallas Strategic Mobility Plan, the updated Dallas Bike Plan, and the Vision Zero Plan, fostering a multimodal transportation environment.

University Hills will embrace the natural topography and slopes of the site. Handrails in the right-of-way are discouraged, but alternate methods for approaching the grading behind the curb is encouraged.

One notable enhancement is the transformation of E Wheatland Road into a Primary Street, boasting an 80' right-of-way (ROW) and generously proportioned sidewalks and bike lanes exceeding 10', thereby facilitating seamless access to and from the site. Additionally, the introduction of a new primary street, aligned along the north/south axis of the site, will bolster accessibility to the University Hills project from various points in Dallas, while concurrently promoting multi-modal transportation between residential and commercial zones within the development.

Complementing the primary streets, the project will feature secondary streets spanning 56' ROW, strategically positioned to cater to the internal circulation needs of the site's diverse functions, ensuring convenient access for visitors and occupants alike. The inclusion of mixed-use streets, also spanning 56' ROW, will serve as vital arteries within the project, focusing on connectivity within different land uses and facilitating seamless navigation between residential areas.

Furthermore, neighborhood access streets, spanning 53' ROW, will intricately weave through the internal fabric of the development, seamlessly linking each distinct neighborhood enclave. By establishing a clear hierarchy of street types, the design not only optimizes navigation throughout the site but also encourages a diverse range of transportation modes, promoting a vibrant and sustainable urban environment.

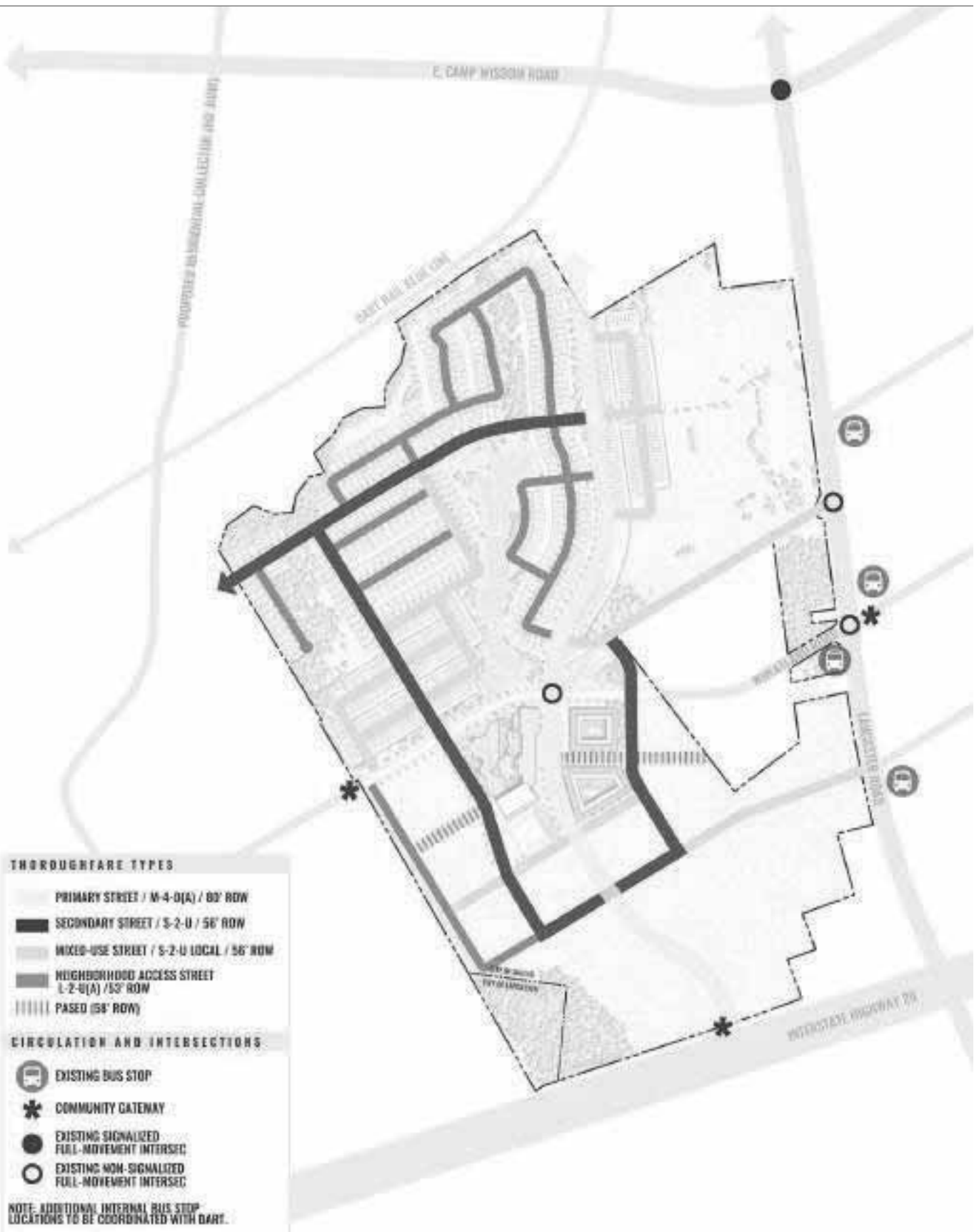


Figure 7.1: Transportation Framework Plan

7.2 TRANSIT

Dallas remains committed to fostering a diverse transportation landscape, evident through ongoing initiatives such as the light rail system, streetcar projects, and enhancements to existing rail and bus routes. Within this framework, the University Hills development emerges as a strategic focal point for integrating various modes of transportation within a defined district. Situated adjacent to the University of North Texas at Dallas campus, the inclusion of bus routes within the University Hills site assumes paramount importance. Our meticulously planned primary streets offer ample opportunities for strategically positioned public transit stops and routes, ensuring seamless connectivity and accessibility for residents, visitors, and students alike. Bus stops should incorporate covered shelters in the event of rain or hot weather to provide comfort for those utilizing transit services.



Covered bus stops with benches provide comfort to users.



Locating bus stops within the development will promote sustainable travel options.

7.3 BIKE LANES

As a multifaceted urban development poised to accommodate diverse functions, University Hills presents an ideal canvas for the integration of enhanced raised bikeway designs, aligning seamlessly with Dallas's overarching vision for a comprehensive and elevated bicycle network. Bike lanes are incorporated in the Primary and Secondary Streets, and a shared-use path is used in the Mixed-Use Street. Leveraging a blend of physical barriers like bollards and visual delineators such as raised tracks and landscaped pathways, University Hills endeavors to epitomize the city's strategic blueprint for enhanced cycling infrastructure.

These meticulously crafted bikeways not only prioritize the safety of cyclists by offering protection from vehicular traffic but also contribute to the aesthetic appeal and livability of the community. By addressing the "last mile" challenge, these bikeways serve as a pivotal solution, facilitating seamless connectivity between residential, commercial, and recreational nodes, thereby offering residents and workers diverse transportation options within proximity to their residences, workplaces, DART Stations, UNT Dallas, and nearby amenities.



Protected bike lanes ensure safety for cyclists.



Raised bike lanes help protect cyclists, motorists, and pedestrians.

7.4 PEDESTRIAN PATHWAYS

As a vibrant urban community poised to become a south-central Dallas destination, University Hills will prioritize active mobility through the implementation of complete street design principles. This aligns with the City of Dallas's future transportation goals and is crucial for the project's success.

Generous sidewalks, with a minimum width of five feet on all streets and expanding to ten feet on major thoroughfares, will encourage pedestrian activity. Street trees should be used to provide shade and interest, and streets and sidewalks should be well lit to accommodate pedestrians. Complete street principles will be further integrated by incorporating elements like landscaped curb extensions and median refuge islands. These features not only enhance pedestrian safety but also serve as green infrastructure elements, contributing to stormwater management and urban heat island mitigation.

By embracing a boulevard concept instead of a high-volume vehicular corridor, University Hills will prioritize pedestrian movement throughout the site. Boulevards typically feature wider sidewalks, street trees, and landscaping, creating a more attractive and pedestrian-friendly environment.



Sidewalks within neighborhoods protect children and adults, and they create a friendly and neighborly community.

7.5 STREET CROSS-SECTIONS

University Hills incorporates bike lanes, sidewalks, transit opportunities, and signage into its street cross-sections. The back-of-curb can be adjusted for unique conditions, grading, trees, constraints, and required parking. Five cross-sections accompany University Hills' design:

- ' **Promenade:** Located in the Town Center, the promenades serve as a paved public walk for gatherings or leisurely strolls.
- ' **Primary Street:** The largest street section in University Hills that traverses north-south and provides access to different districts in the development.
- ' **Secondary Street:** A smaller cross-section with multiple transportation options, promoting safe and sustainable travel through the site.
- ' **Mixed-Use Street:** Located with the neighborhoods and the Town Center, these streets provide direct access to homes and retail buildings with safe pedestrian corridors.
- ' **Neighborhood Access Street:** Solely located in the neighborhoods to provide access to homes with space for on-street parking.

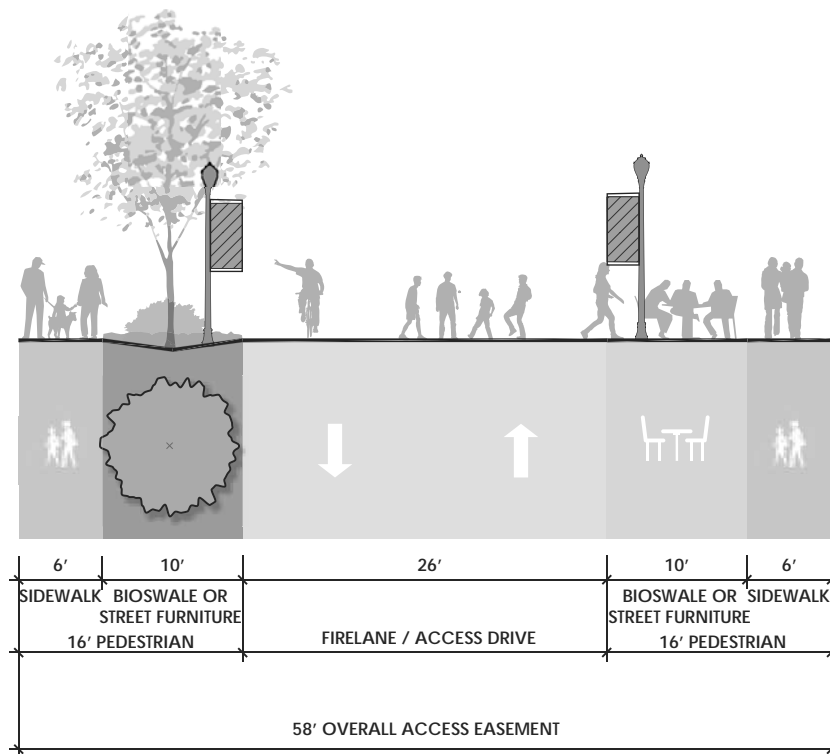


Figure 7.2: Promenade

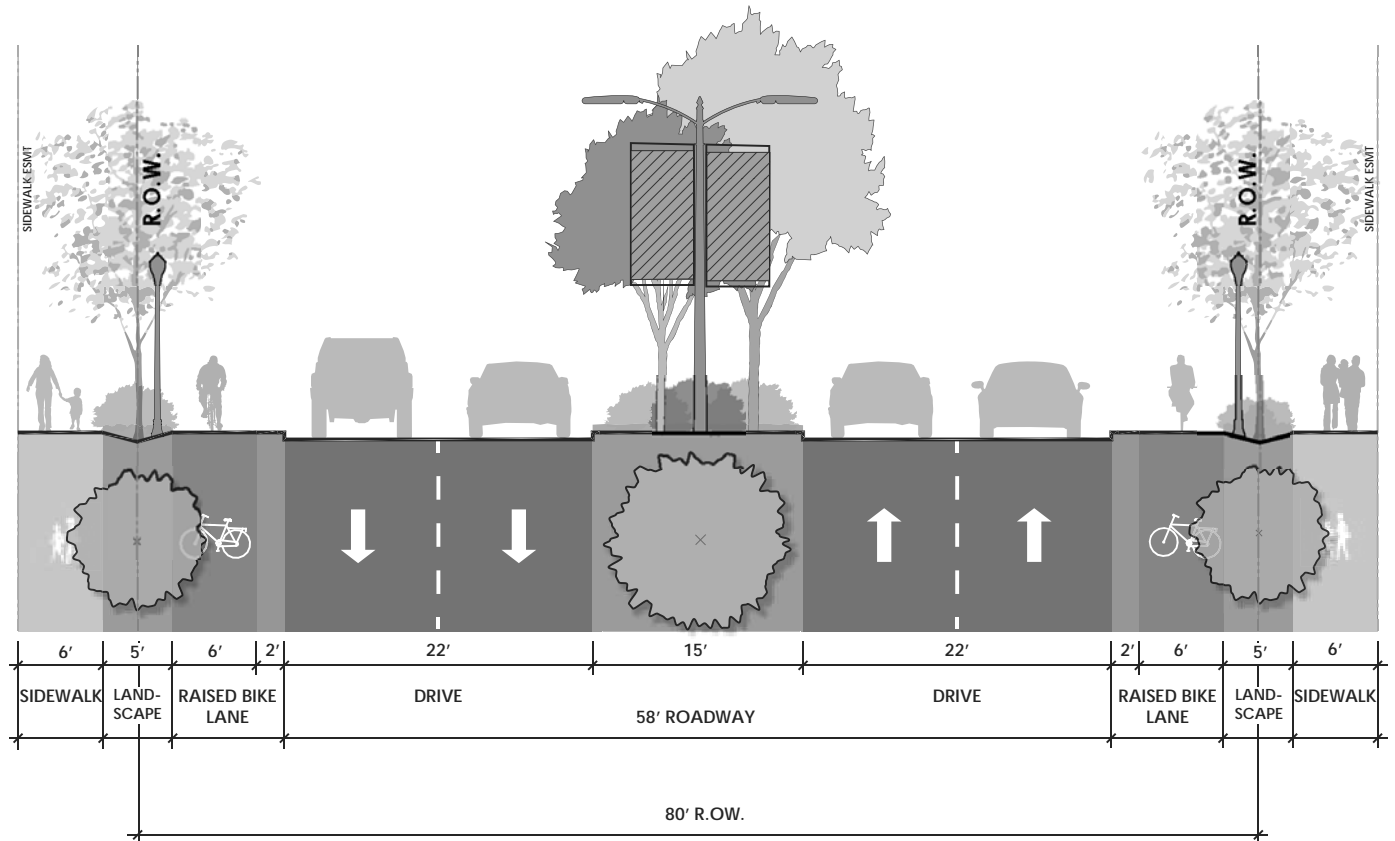


Figure 7.3: Primary Street (M-4-D(A))

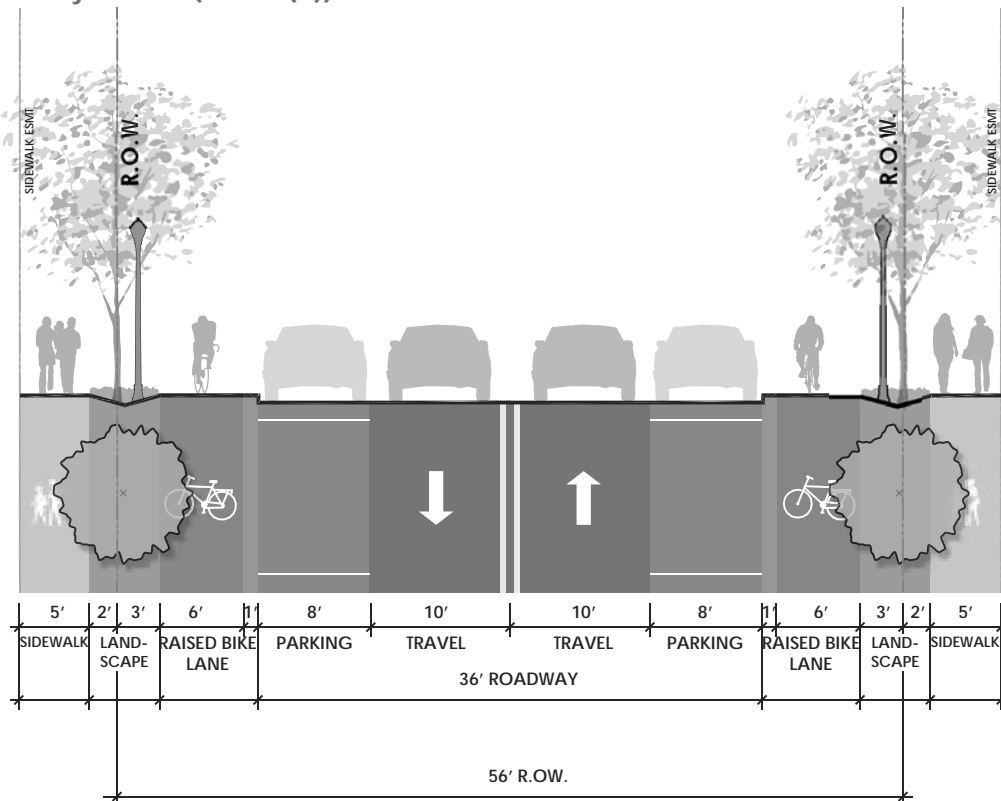


Figure 7.4: Secondary Street (S-2-U)

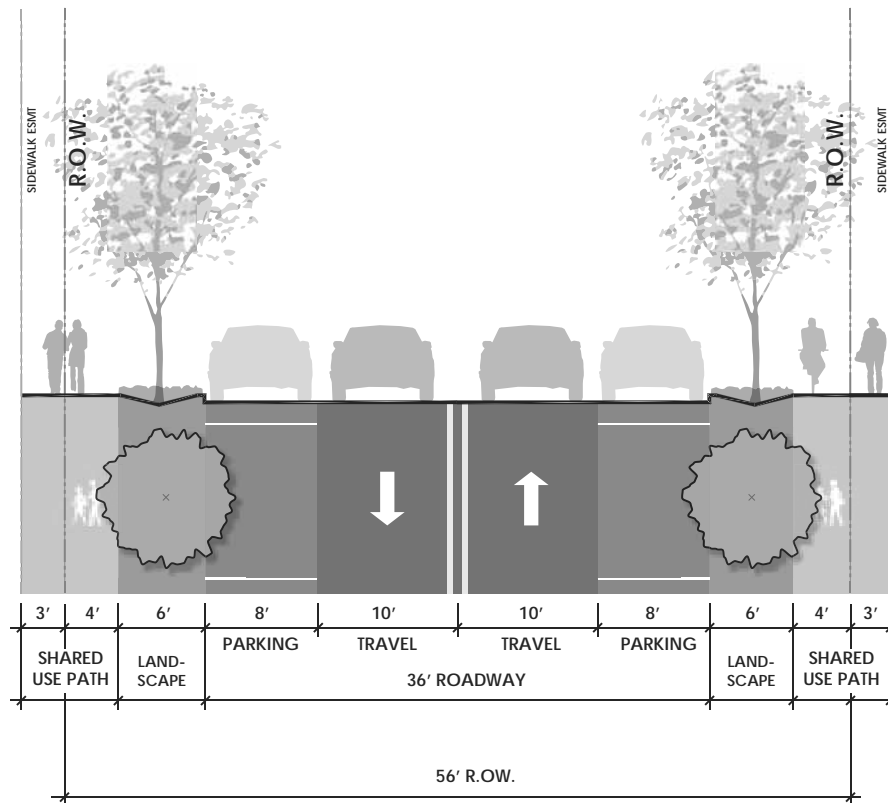


Figure 7.5: Mixed-Use Street (S-2-U)

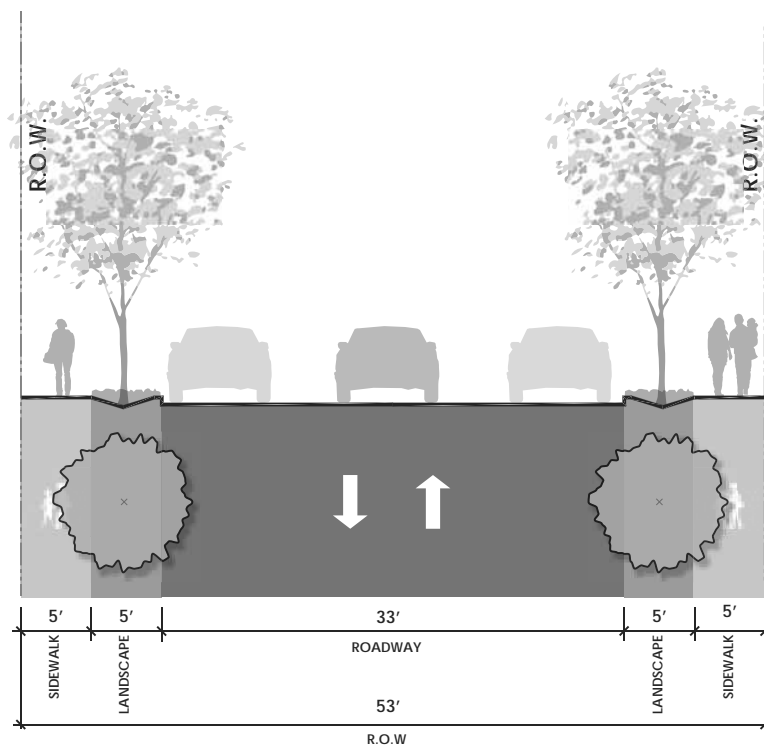


Figure 7.6: Neighborhood Access Street (L-2-U(A))

7.6 FIRE ACCESS

University Hills will be a vibrant hub with busy streets and areas of dense infrastructure. This can create challenging environments for emergency management, but University Hills has devised a plan for effective fire apparatus travel along its narrower street sections.

Fire department access can be classified into two categories: travel access and operational access. Travel access is the path a fire apparatus takes to their destination while operational access is the access area a fire apparatus must have while operating stationary. Roads are often able to serve as travel and operational access.

A 26 foot by 50 foot clearance is needed for operational access. The 26 feet can encompass elements such as bike lanes and load-bearing medians. On streets where 26 feet of clearance is not available, operational access can be obtained by driveway curb cuts, no parking zones, fire hydrant no parking zones, and street intersections.

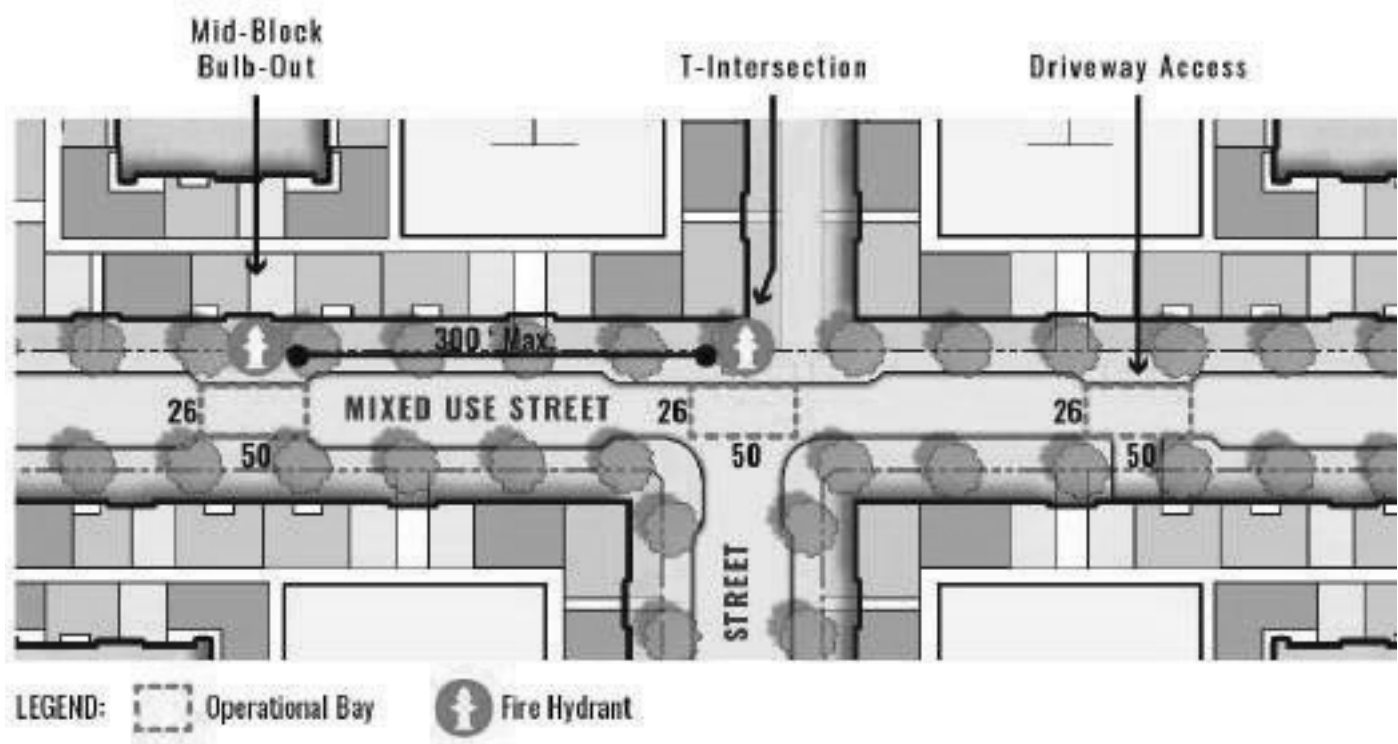
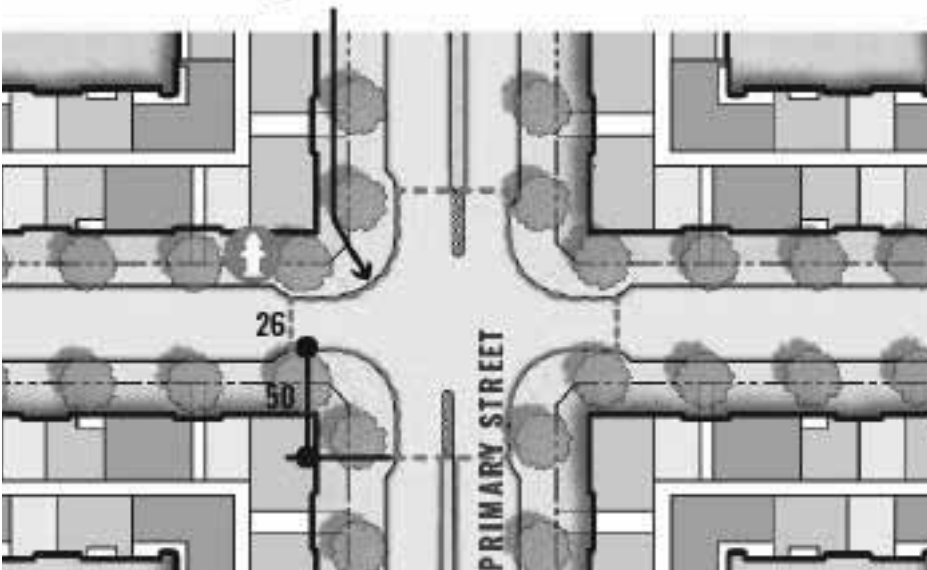


Figure 7.7: Fire Access



4-Way Intersection





SIGNAGE

8

University Hills will utilize different types of signage to promote the development and the businesses within. The types of signage include entryway monumentation, wall-mounted signage, blade signage, window and door-mounted signage, exterior menu boards, and sandwich boards. The signage within University Hills should be cohesive and align with the architectural vision for its buildings.

8.1 GATEWAY MONUMENTATION



University Hills, strategically situated east of the University of North Texas Dallas (UNT) campus, aims to cultivate its own unique identity while fostering a sense of connection with the esteemed institution. Recognizing the inspirational presence of the iconic Ryan Tower on the UNT campus, University Hills will incorporate a modern entry tower as its entrance landmark on Wheatland Road. This new clock tower will serve as a visual symbol of hope and opportunity, echoing the spirit of Ryan Tower but with a distinct, contemporary design.

Furthermore, University Hills will establish its individuality through additional elements. A visually striking title sign will serve as a distinct identifier for the district, while an artistic monument will provide a unique focal point and conversation starter. Together, these features will create a cohesive and memorable arrival experience that acknowledges the university connection while celebrating the distinct character of University Hills.

Within the commercial districts, entryway signage showing the businesses within the site is beneficial for travelers to easily identify and locate their destination. These monuments should align with the architecture of the commercial buildings and create a cohesive community.

Allowed:

- ' High quality and durable materials
- ' Cohesive colors
- ' Signage at an appropriate scale to what it is advertising
- ' Enhanced landscaping surrounding signage structure



Allowed

SIGNAGE



Not Allowed:

- ' Retail signage with clashing colors
- ' Low quality and/or plastic materials
- ' Signage either too large or too small for what it is advertising

8.2 WALL-MOUNTED SIGNAGE



Wall-mounted signs are signs that are fixed directly to a wall. These are usually the largest signs the business uses and can be seen from farther distances. Wall-mounted signs typically include the name of the business and the building number.

Allowed:

- ' High quality and durable materials such as painted or polished metals, finished woods, and glass
- ' Illuminated lighting
- ' Content should be limited to the name of the business, the business logo, and the building number.
- ' Signage is an integral part of the business and should adhere to the overall aesthetic of the building and surrounding buildings

SIGNAGE



Allowed



Not Allowed:

- ' Electronic signs
- ' Plastic box signs
- ' Signage that does not enhance the building storefront
- ' Flashing or face-illuminated signage

8.3

BLADE SIGNAGE



Blade signs are hanging, projecting, or protruding signs that are mounted perpendicular to the facade of the building. They are beneficial to attract pedestrians as they are easily seen as you walk along sidewalks in front of the business. Blades signs should be relatively smaller in the Town Center compared to the commercial frontage buildings.

Allowed:

- ' Content should be limited to the name of the business and/or the business logo, principal product or service offered, or iconographic shapes that describes the business.
- ' High quality and durable materials such as painted or polished metals, finished woods, and glass
- ' May be affixed to the underside of an awning or building face



Allowed

SIGNAGE

**Not Allowed:**

- ' Electronic signs
- ' Flashing or face-illuminated signage
- ' Signage that does not create enhance or create a cohesive storefront
- ' Noise producing signage

8.4

WINDOW AND DOOR-MOUNTED SIGNAGE



Window signage is attached directly to the window or door and enhances the exterior of the business. They can supply important information about the business or be used to create visual interest.

Allowed:

- ' Content should be limited to the name of the business and/or business logo, hours of operation, phone number, address, services offered, and graphics related to the products or services offered
- ' Hand-lettering or graphics designed by a professional
- ' Signage that can be easily removed without damaging the glass

SIGNAGE



Allowed



Not Allowed:

- ' Signage covering the majority of the window
- ' Permanent advertising or promotional signage
- ' Signage that does not adhere to the architecture and aesthetic of the building or neighboring buildings

8.5 EXTERIOR MENU BOARD



Exterior menu boards display and/or hold the menu of the restaurant. These are useful for citizens to read the menu beforehand and decide whether or not the restaurant fits their desires. Guests will be more satisfied with their experience because they are aware of the food offered beforehand.

Allowed:

- ' Integrated lighting so the menu can be seen at night
- ' Ability to easily change the menu and/or any specials offered
- ' Cohesive with the overall storefront and architecture of the building



Allowed

SIGNAGE

**Not Allowed:**

- ' Digital display screens
- ' Colors and/or graphics that distract from the business storefront
- ' Menu boards that are difficult to remove or replace

8.6 SANDWICH BOARD



A sandwich board is an advertisement tool composed of two boards that forms a triangle and is hinged along the top. These boards can be easily moved and carried from one place to another. Sandwich boards can advertise in both directions, and they are typically placed outside the building.

Allowed:

- ' Boards must be displayed during operating hours only
- ' High quality and durable materials like finished wood.
- ' Hand-written words or graphics
- ' Content such as the business name and/or business logo, hours of operation, sales or specials, and services or products offered.

SIGNAGE



Allowed



Not Allowed:

- ' Plastic material
- ' Colors or graphics that do not enhance the business storefront
- ' Electronic or flashing signs



SUSTAINABILITY

9

University Hills plans to conform to the goals outlined in the Dallas Comprehensive Environmental and Climate Action Plan and the City of Dallas Green Ordinance. The goals include building efficiency, energy efficiency, sustainable transportation, producing zero waste, flooding and drought protection, enhancing ecosystems, access to healthy local food, and clean air. Following these goals will be cost-saving in the future and improve public health for the community. University Hills intends to set an example of sustainability for other citizens, businesses, and developments to follow. High standards for design, construction, and implementation of sustainable practices have been set for University Hills.

9.1 BUILDING EFFICIENCY

University Hills plans to introduce energy-efficient buildings into its design. The City of Dallas Green Building Code provides standards for energy efficient single-family, multifamily, and commercial buildings.

Energy-Efficient Programs: Homeowners should be provided with comprehensive information about existing energy efficiency programs the City of Dallas offers including the Dallas County Health and Human Services' Weatherization Assistance Program, the Federal Low Income Home Energy Assistance Program, and the DFW Solar Tour. Low-income, senior, and non-native English households and business owners should receive specialized assistance on these programs, ensuring everyone has equal access and understanding of the information and programs provided. Businesses should also be aware of energy-efficiency programs such as the PACE Financing Program, the Fannie Mae Green Initiative, and the Commercial Solutions Program.

Building Design Elements: University Hills will incorporate energy-efficient design elements into its buildings for future use. Buildings will be constructed with the intention of solar panels to be installed in the future, and the ability to install electric vehicle charging stations. Installing the necessary wiring and piping will encourage owners to utilize these energy-efficient opportunities.

Consumer Awareness: Homeowners and business owners in University Hills should be informed of the energy rating of the building before buying. Informing the consumer will let them know potential utility costs and repairs that will be needed. Submetering is also encouraged to accurately bill tenants for their individual energy consumption. This will bring awareness to the consumers on their energy use habits and lead them to make informed decisions in the future.



Knowledgeable contractors can install energy saving devices such as solar panels and insulation.

9.2 ENERGY EFFICIENCY

Dallas has experienced many events that have left the city with torn power lines and citizens without power for days. University Hills plans to capitalize on opportunities for renewable, reliable, and affordable energy to keep the power on for its residents and businesses.

The City of Dallas experiences many days of sunshine that can be turned into energy. Residents and business owners at University Hills should be informed about the Solar Residential and Basic Commercial Program that helps with the initial cost of installing solar panels.

University Hills will also inform its residents and specifically business and commercial building owners about energy storing technologies. They can be used in the event of an emergency, or they can be taken advantage of by buying energy when rates are low at night and using them when rates are high during the day.



Solar panels can lower electricity costs and be useful in power outages for families.

9.3 SUSTAINABLE TRANSPORTATION

As touched on in Chapter Seven, University Hills is incorporating a multimodal transportation network into its design. Affordable and sustainable modes of travel will be offered in the University Hills development.

Other than just personal vehicle travel lanes, University Hills will add scooter and bike lanes into its streets providing an affordable and safe way of travel. Bus routes should also connect residents to the major employment centers of University Hills. Bus stops should be adorned with covered shelters to provide shade and cover from precipitation. Well-lit streets and sidewalks will be provided to encourage citizens to walk, bike, or scooter to their destination when shorter daylight hours are in effect. LED streetlights are required in University Hills for energy and cost-saving opportunities. Multimodal forms of travel will be incorporated throughout all of University Hills for equal opportunities to all residents.



Multimodal streets

9.4 ZERO WASTE

Waste reduction is a priority of University Hills. Recycling and compost bins are encouraged to be used by both businesses and homeowners. Business owners in University Hills are recommended to become Green Business Certified which promotes eco-friendly business practices and recognizes efforts to reduce waste and recycle.



Restaurants utilizing compost bins

9.5 FLOOD AND DROUGHT RESISTANCE

University Hills intends to protect its water resources and plan for future environmental events such as flooding and drought. The City of Dallas will work with potential customers to evaluate the financial feasibility of supplying recycled water from wastewater treatment facilities, and potentially share the cost of necessary infrastructure for the required facilities. Non-potable water can be used for irrigation purposes and be sold to large water users like golf

courses and medical and educational campuses for cost-saving opportunities. Drought tolerant and native vegetation will be used in University Hills' landscaping to reduce the amount of water needed for irrigation. University Hills will also take measures to minimize erosion along its tributaries to protect water quality and property. Flood protection measures and green infrastructure opportunities will be incorporated into University Hills' design.



Native vegetation



Recycled water used for irrigation

9.6 ENHANCING ECOSYSTEMS

University Hills will protect its natural resources and enhance the existing ecosystems and green space. Every resident of University Hills will be within a short walking distance to a park and green space. These green spaces will prioritize preserving existing trees and canopy cover; however, invasive species should be removed and replanted with native and drought-resistant trees to mitigate canopy cover. Not only will parks be adorned with trees, but street trees will be planted along University Hills' streets. Surface parking lots of all sizes will include trees to provide shade and screening opportunities. Increasing canopy cover lost from the development of the site will provide cooler temperatures and comfort for citizens.



Tree-lined streets

9.7 ACCESSIBLE LOCAL FOOD

Access to local and healthy food for University Hills' residents will be incorporated into its plan. University Hills will encourage the establishment of restaurants that use local food and produce. Restaurants and hotels are encouraged to donate food surplus to communities in need and compost food waste. The Central Park is encouraged to host a local Farmer's Market as well to give more opportunities for residents to purchase healthy and local food.



Local produce

9.8 CLEAN AIR

University Hills residents and visitors should be able to breathe clean air. Offering alternate modes of transportation such as taking the bus or train, walking, biking, or scootering can help improve the air quality.

EXAMPLES OF DEVELOPMENT STRATEGIES AT DIFFERENT PROJECT SCALES

SCALE	ENERGY	LANDSCAPE	HYDROLOGY	MATERIALS
Building / Lot Scale	Building orientation, thermally protected foundation, soil heat / cool storage.	Roof, patio, wall vegetative systems for climatic and hydrologic control.	Rainwater harvesting, rain gardens, native plant landscapes, pervious paving to increase site infiltration.	Durable, non-toxic, low maintenance, pre-manufactured building elements.
Neighborhood Scale	Distributed renewable energy utility systems. Roadway infrastructure and shorter block lengths promote walking/cycling over car use for shorter trips.	Streetscape, park systems, and parking fields linked as continuous shade and light attenuating strategies.	Connected pervious surfaces; coordinated stormwater management strategies.	Non-toxic surface treatments (pavements, roofs, walls) with high reflectance and high emissivity.
Development Scale	LED street lamps; modular district energy systems.	Interspersed vegetation to reduce heat island and take advantage of cooling southeasterly breezes over water features.	Necklaced water collecting systems around entire development.	Non-heat absorbing materials for streets and sidewalks; minimal impervious surfaces.

Figure 9.1: Development Strategies & Project Scales Chart



City of Dallas

UDPRP Review Summary

Urban Design Peer Review Panel

DATE: 7.28.23

TIME: 8:30am

PROJECT: University Hills Master Plan

LOCATION: City Hall 5ES

Overview

Below is a summary of the Urban Design Peer Review Panel's design recommendations for the University Hills Master Plan (and Phase 1 development) as derived from the July 28th Peer Review session.

Design Recommendations Summary

- [1] At this stage of site planning, the Panel advises the development team to respond to and capitalize on opportunities for unique sites, vistas, and street layout patterns afforded by the existing topography, creeks, and natural beauty of the site.

(Applicant Response 9.19.23) - It is a priority for our team to leverage the existing topography, creeks, and natural beauty of the site. In our plans, we are harnessing the potential of the creeks, transforming them into a captivating water feature at the heart of the district. Our design thoughtfully integrates the natural topography, ensuring that the layout of streets, sidewalks, and overall residential/commercial areas are harmonious and sensitive to the environment. Pedestrian movement has been a central consideration as we aim to create a pedestrian-friendly landscape where people can traverse comfortably and safely.

In reference to the creeks, we highlight their presence by strategically locating places of respite and tranquility along their course. By encouraging non-vehicular movement, we foster a more sustainable and community-centric lifestyle. Moreover, our architecture and design teams take great care to work with the existing topography, preserving as many trees and natural features as possible, thus nurturing the established landscape and its unique character.

The vibrant green areas, reflected in Exhibit A, have been thoughtfully designated as the prime locations for the integration of greenery within our community. These spaces are positioned to harmonize seamlessly with the site's natural topography, meandering creeks, and the innate beauty that graces our surroundings. As we delve into our neighborhood guidelines, we will underscore the significance of preserving and nurturing these oases, recognizing their pivotal role in enhancing the overall quality of life at University Hills. Much like our dedication to greenery, our approach to street layout patterns and walking paths has taken the same amount of consideration as we have designed a walkable transit-oriented neighborhood with direct connection to daily amenities, shopping, education, and healthcare facilities that are planned. We have carefully crafted a street network that not only facilitates smooth traffic flow, but also weaves a tapestry of connectivity throughout the neighborhood. Our walking paths provide residents and visitors with inviting avenues to explore the area, encouraging a healthy and active lifestyle. Together, our curated green spaces and productive street grid form the cornerstone of our commitment to create a vibrant and sustainable community that reflects the very best.

For a deeper understanding our planning process, please refer to Exhibits B and C. These exhibits provide a comprehensive look at the extensive studies our dedicated team conducted on the existing site conditions, which served as the foundation for our community design. Exhibit B showcases the invaluable insight we gathered from these site studies. Through detailed visual representation and

UDPRP Review Summary

Urban Design Peer Review Panel

data-driven analysis, it elucidates how we meticulously assessed the topography, soil quality, water features, and existing vegetation. Our team's dedication to understanding the site's intricacies laid the groundwork for an informed decision-making process.

Moving forward to Exhibit C, you will see how we used this valuable information to determine the optimal gride layout for our community. Every street, green spaces, and walking path has been drafted to maximize functionality, aesthetics, and sustainability. The studies conducted, combined with our commitment to enhancing the site's natural beauty have culminated a well-planned community grid.

The visuals presented in Exhibit D offer a glimpse into our approach for community development and illustrate our commitment to incorporating a myriad of features that will transform our vision into a living reality. These visuals show how we envision integrating the green areas, thoughtfully designed street layouts, and welcoming walking paths into the fabric of our neighborhood. We invite you to explore Exhibit D and share in our excitement as we translate our vision into a vibrant reality.

(City Response 9.25.23) – Thank you for the additional reference to Exhibits A, B, and C and clarification related to the site layout's response to existing topography and the site's natural features. Your response satisfies the Panel's recommendation but will be contingent on the following: The Panel's recommendations and the applicant's response will be included in the Traditional Neighborhood Guidelines/ pattern book required per Council Resolution, reviewable and approved by the Planning and Urban Design Department before incorporation into the University TIF District Master Design Guidelines to be approved by the University TIF District Board.

- [2] **The Panel recommends additional thought be given to the garden apartment district and focus on reducing block sizes and improving opportunities for walkability.**

(Applicant Response 9.19.23) - We have diligently explored locations to introduce additional green spaces, envisioning a network of interconnected mini parks adorned with inviting and walkable paths. The development will unfold in phases, allowing us to preserve the breadth of existing trees and embrace the natural topography, enriching the living experience for the community over the long-term. Our commitment to detail is reflected in the comprehensive study of the sectional quality, ensuring that every aspect of the design compliments the surroundings.

Enhancing walkability and creating an efficient garden apartment district are a priority for our team. As mentioned in our response to the previous question, we are dedicated to finding ways to optimize these aspects while adhering to the existing topography, ensuring that all aspects of the development integrate with the natural features of the site. As a garden apartment district, the area will have more walkable segments, crosswalks, and pedestrian-friendly signage to enhance safety and convenience for residents. By keeping the Panel's recommendations in mind, we aim to transform this feedback into tangible improvements that will enhance pedestrian activity.

As depicted in the visuals presented in Exhibit D, it is evident that careful attention has been dedicated to the garden apartment district, with a primary emphasis on elevating both walkability and safety standard for its residents.

(City Response 9.25.23) – Thank you for the additional reference to Exhibit D and clarification related to the team's dedication to design of the garden apartment district as a pedestrian-friendly neighborhood enhanced by taking advantage of the existing topography and natural features. Your response satisfies the Panel's recommendation but will be contingent on the following: The Panel's recommendations and the applicant's response will be included in the Traditional Neighborhood Guidelines/ pattern book required per Council Resolution, reviewable and approved by the Planning

UDPRP Review Summary

Urban Design Peer Review Panel

and Urban Design Department before incorporation into the University TIF District Master Design Guidelines to be approved by the University TIF District Board.

- [3] **The Panel recommends greater attention be given to providing pedestrian engagement opportunities and improving access to the parks, open spaces, the central square and across the DART track to the UNT campus open space and trail network.**

(Applicant Response 9.19.23) - Our team is collaborating with the University (UNT) to help program the parcel of land that is adjacent to the DART track. Our objective is to enhance connectivity and establish a seamless link between the two developments. This initiative is earmarked for a future phase, and the developer will continue to engage with stakeholders to pursue its implementation. For further details, please refer to our response provided for earlier item number one, which outlines our vision for more greenspaces, connected mini parks with walkable paths, and how we aim to leverage the existing natural elements for the benefit of the community.

Exhibit E comprehensively delineates the various street categories, including primary, secondary, mixed-use, neighborhood access, courtesy passing, and limited access streets. This breakdown underscores our commitment to fostering pedestrian engagement opportunities and enhancing accessibility to parks and open spaces within the district. The exhibit notably emphasizes the multitude of connections that are established. Our team has already initiated collaboration with UNT Dallas and is poised to work closely with DART to ensure seamless connectivity among all stakeholders.

Exhibit E also provides an overview of the bike and low-speed mobility network within the district. This network encompasses shared-use paths, dedicated bike facilities existing trails, planned bikeways, and promenades. Notably, the plans include a level of detail that delineates designated emergency vehicle access routes. These plans incorporate fire lanes, specifying both their length and width, and illustrate how each of these pathways converges toward the UNT Dallas site. This design ensures a robust connection to external resources and convenient access to the outlining service road/highway, further enhancing the site's overall connectivity.

(City Response 9.25.23) – Thank you for the additional reference to Exhibit E delineating a mobility network including a low-speed network and additional assurance close collaboration and regular discussions with DART and UNT will continue throughout the University's and the University Hill's development timelines. Your response satisfies the Panel's recommendation but will be contingent on the following: The Panel's recommendations and the applicant's response will be included in the Traditional Neighborhood Guidelines/ pattern book required per Council Resolution, reviewable and approved by the Planning and Urban Design Department before incorporation into the University TIF District Master Design Guidelines to be approved by the University TIF District Board.

- [4] **The Panel advises closer study of future flood risk potential, natural systems inventory, and conformance with the City's Comprehensive Environmental Climate Action Plan (CECAP) goals.**

(Applicant Response 9.19.23) - We are aligned with CECAP goals and remain steadfast in our commitment to incorporating them into our final design. The street sections in our plan feature innovative bioswales seamlessly integrated within them. This strategic implementation ensures that water is effectively filtered before it reaches the creek system, thereby safeguarding the water quality and contributing to the overall ecological health of the area. A drainage study for the development will be conducted, encompassing an assessment of potential flood risks and mitigation measures for the future.

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Our unwavering commitment to establishing a thorough multimodal network is evident through the meticulous level of detail present in all our exhibits. As we progress further into the planning and execution phases, we are dedicated to ensuring the provision of a shuttle service for residents, tenants, and visitors, enhancing accessibility and navigation through the district. A core element of our neighborhood guidelines revolves around fostering connectivity and inclusivity. Through the implementation of shuttle services and innovative connectivity solutions, we are actively working to create a community that prioritizes accessibility for everyone.

(City Response 9.25.23) – Thank you for the additional reference to Exhibit E delineating a mobility network including a low-speed network and additional assurance close collaboration and regular discussions with DART and UNT will continue throughout the University's and the University Hill's development timelines. Your response satisfies the Panel's recommendation but will be contingent on the following: The Panel's recommendations and the applicant's response will be included in the Traditional Neighborhood Guidelines/ pattern book required per Council Resolution, reviewable and approved by Planning and Urban Design Department before incorporation into the University TIF District Master Design Guidelines to be approved by the University TIF District Board.

- [5] **The Panel recommends closer attention be given to matching the proposed road section typologies to how the proposed buildings and parking facilities front and address them. This consideration will help establish a more walkable development that may also include consolidation of surface parking into strategic shared structured parking.**

(Applicant Response 9.19.23) - We recognize the significance of addressing parking needs in the area and are dedicated to strengthening the provisions for parking. As part of our commitment to sustainability and efficient land use, we are open to collaborating with the office of economic development to explore opportunities for shared parking garages. By joining forces with them, we aim to identify suitable resources and create shared parking solutions that benefit both the community and the environment. This approach will not only maximize available space, but also promote a more pedestrian friendly and eco-conscious environment in the development.

Our parking strategy involves the concept of consolidating surface parking into strategically placed shared structure parking facilities. This approach not only maximizes land use, but also reduces the visual impact of surface parking lots, enhancing the aesthetics of the district. Moreover, we recognize the importance of integrating parking facilities harmoniously with the buildings and roadways. We are committed to aligning parking design with the overall urban design principles of the development, ensuring that parking structure are well integrated and aesthetically pleasing. This may include architectural features, landscaping, and pedestrian-friendly pathways to and from the parking areas. Exhibit F provides a visual representation of our allocation of parking spaces and shows how we plan on distributing our parking resources within the development. It helps ensure that our parking plans are strategically places to meet the needs of the community while minimizing any unnecessary or excessive parking capacity. This thoughtful approach contributes to a more efficient and sustainable development.

We are committed to providing an appropriate amount of parking to meet the diverse needs of the development while also ensuring response land use and avoiding excessive parking capacity. Our goal is to strike a balance that accommodates various uses within the district without being wasteful to create an unnecessary surplus of parking spaces. To achieve this balance, we will continue to conduct a thorough analysis of parking demand based on the specific uses and anticipated traffic patterns within the development. This analysis will enable use to right-size the parking infrastructure, allocating spaces efficiently to align with the needs of resident, tenants, and visitors. Additionally, we are open to exploring innovative parking management solutions such as shared parking arrangements and dynamic pricing to further optimize parking usage and reduce wastage. By carefully considering parking demand and

UDPRP Review Summary

Urban Design Peer Review Panel

implement efficient strategies, we aim to create functional and sustainable parking solution that benefits both the community and the environment.

(City Response 9.25.23) – With additional clarification related to a parking strategy that consolidates parking, visually buffers it from public streets as to not affect walkability, and reference to Exhibit F satisfies the Panel's recommendation but will be contingent on the following: The Panel's recommendations and the applicant's response will be included in the Traditional Neighborhood Guidelines/ pattern book required per Council Resolution, reviewable and approved by Planning and Urban Design Department before incorporation into the University TIF District Master Design Guidelines to be approved by the University TIF District Board.

- [6] **The Panel advises further study on how the University Hills Master Plan responds to the UNT Dallas campus master plan, and how it can establish optimal building patterns for this development and surrounding future development.**

(Applicant Response 9.19.23) - We Our aim is to create a seamless integration that not only connects the two entities physically, but also aligns with the campus mission and enhances its academic objectives.

For instance, we are exploring the possibility of cooperative ventures with the campus, such as incorporating an entertainment/hotel property to support their hospitality program. By creating uses that complement and bolster the campus's academic pursuit, we aim to establish a synergistic relationship that benefits both the community and the education institution.

Moreover, we intend to ensure that our masterplan includes provisions for a trail system that integrates with the trail systems presented in the UNT Campus masterplan. This will not only encourage physical connectivity between the two areas, but also promote a cohesive and unified experience for students, faculty, and residents alike.

Through these collaborative efforts, we seek to create a development that not only supports the campus's missions, but also fosters a vibrant and thriving community that enriches the overall experience of living, working, and learning in the area.

(City Response 9.25.23) – Your response of a coordinated effort with UNT that ensures connectivity across properties and explores opportunities for partnerships with the university satisfies the Panel's recommendation but will be contingent on the following: The Panel's recommendations and the applicant's response will be included in the Traditional Neighborhood Guidelines/ pattern book required per Council Resolution, reviewable and approved by Planning and Urban Design Department before incorporation into the University TIF District Master Design Guidelines to be approved by the University TIF District Board.

- [7] **The Panel recommends the University Hills Master Plan maximize opportunities to integrate identifiable development nodes, open space, density, and natural features of the site along with a phasing strategy that allows a first phase to stand on its own, regardless of changing markets. Land uses in Phase 1 should be chosen to secure the highest potential for future growth and success of the overall development.**

(Applicant Response 9.19.23) - Phase one serves as the foundational stage of the development, where key components come together to lay the groundwork for subsequent phases. At the heart of phase one is the mixed-use town center, designed to be a vibrant hub that fosters a sense of community and connectivity. This central focal point serves as the launch pad for the entire project,

UDPRP Review Summary

Urban Design Peer Review Panel

setting the tone for the overall development. One of the central features in phase one is the striking water element, a centerpiece that spans across the development and becomes an iconic feature for the entire area. This water feature not only enhances the aesthetic appeal of the development, but also plays a functional role in promoting sustainability and managing water resources. The incorporation of green spaces adjacent to the retail and housing areas further enhances the sense of harmony between the urban amenities and nature. These greenspaces offer residents and visitors the opportunities for relaxation, recreation, and communing with nature, creating a balanced and inviting environment.

The mix of single-family housing and other residential units in phase one ensures diversity in the types of housing options available, catering to various lifestyle preferences, age groups, and needs. By providing a range of housing choices, the development fosters a cohesive and inclusive community. Phase one's careful design and thoughtful combination of features create a strong foundation upon which subsequent phases will build. As the town center thrives and the water features and green spaces become cherished community assets, the development gains momentum and serves as an attractive destination for residents, businesses, and visitors alike. The success of phase one paves the way for integration of future phases, fostering a dynamic and sustainable living environment that fulfills the vision of the entire development.

(City Response 9.25.23) – A strategic mix of uses including residential typologies centered around an amenity-rich outdoor feature meets the Panel's recommendation but will be contingent on the following: The Panel's recommendations and the applicant's response will be included in the Traditional Neighborhood Guidelines/ pattern book required per Council Resolution, reviewable and approved by Planning and Urban Design Department before incorporation into the University TIF District Master Design Guidelines to be approved by the University TIF District Board.

- [8] The Panel advises additional thought be given to how the development addresses edge conditions along the creeks in a consistent manner and in a way that elevates opportunities for recreation, access, and overall success of the development.

Embracing mixed-edge conditions in the development allows for a balanced and democratic approach to the creek area. By incorporating both public and private spaces, we ensure that everyone in the community can enjoy access to the creek, fostering a sense of inclusivity and shared ownership of this natural asset. The public areas along the creek create welcoming spaces for all residents and visitors, promoting community engagement and recreational opportunities. These spaces may include walking paths, seating areas, and gathering spots that encourage people to come together and enjoy the beauty of the creek.

At the same time, the inclusion of private spaces provides homeowners with the opportunity to appreciate the creek's beauty from their own homes and potentially have private access points to the creek. This approach strikes a balance between individual enjoyment and communal benefits, ensuring that the creek area remains a cherished and valued feature for everyone. By avoiding the privatization of the creek, we promote equitable access to natural amenities. This approach fosters a strong sense of community and connection to the environment, contributing to the overall well-being and satisfaction of the residents. In doing so, we create a development that not only offers a high quality of life for its inhabitants, but also embodies the values of inclusivity and sustainability.

Ensuring public access along the creek is a fundamental aspect of our development plan, and we are committed to providing safe and welcoming access points for the community to enjoy this natural amenity. Our approach to public access along the creek involves several key elements such as pedestrian pathways, rest areas and amenities, safety measures, environmental preservation, community engagement, and implementation of maintenance and monitoring. We have positioned

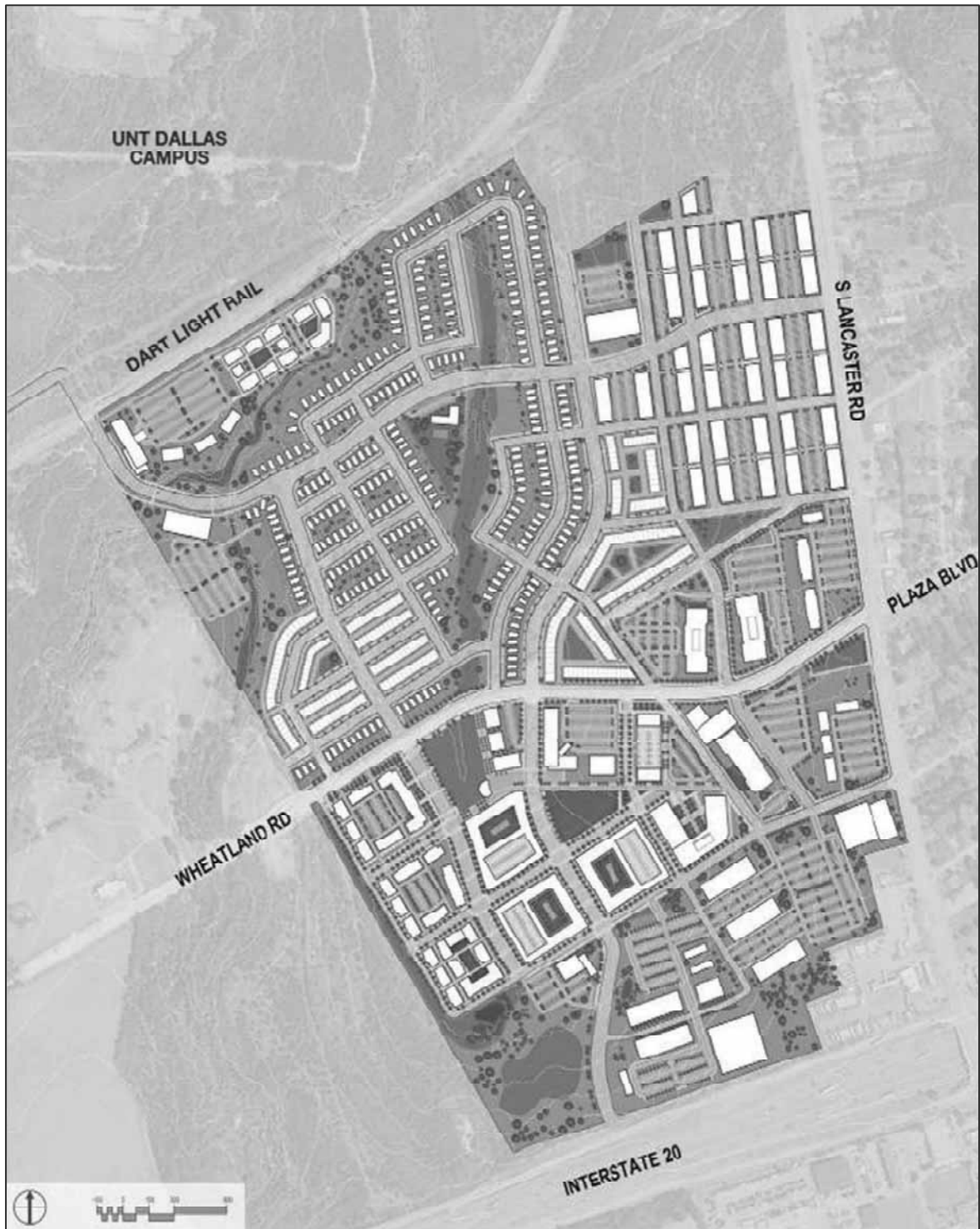
UDPRP Review Summary

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primary and secondary streets around the creek and have positioned a public use building in its direct proximity. The strategic advantage of nestling the creek between these uses is the naturally facilitated public access. Exhibit A underscore this advantageous location, demonstrating how the creek is well integrated into the surrounding urban fabric. The accessibility of the creek is a priority in our development, and we will ensure that it becomes an inviting and enjoyable space for the community. This access will enhance the overall appeal of the district, fostering a sense of connection between the residents, vision, and this this valuable natural feature.

(City Response 9.25.23) – Ensuring various connections to and public access along the creek and water feature edges as a fundamental component of the University Hills Master Plan meets the Panel's recommendation but will be contingent on the following: The Panel's recommendations and the applicant's response will be included in the Traditional Neighborhood Guidelines/ pattern book required per Council Resolution, reviewable and approved by Planning and Urban Design Department before incorporation into the University TIF District Master Design Guidelines to be approved by the University TIF District Board.

Exhibit A



Primary Building Use

1. **Town Center**
A walkable, mixed-use campus development
2. **Retail Gateway**
Creates presence along Lancaster Rd
3. **Multi-Family Housing**
Creates options beyond single family housing
4. **Single Family Lots (40' & 50')**
5. **Single Family Townhomes**
6. **Makerspace/Adv. Manufacturing**



Exhibit B



Site Conditions



Existing terrain



Recent Wheatland Rd improvement

Exhibit C

Primary Through Streets



Secondary Through Streets



Secondary Access Streets



Exhibit D

Open Space Town Center

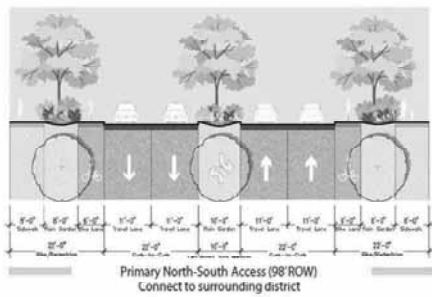
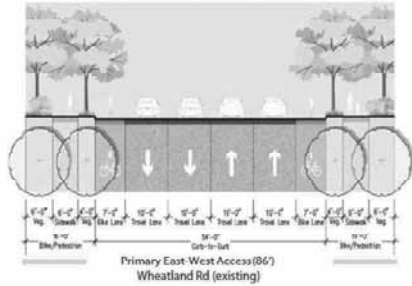


Open Space Residential

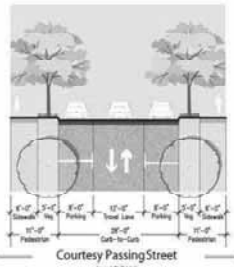
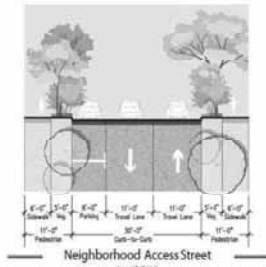
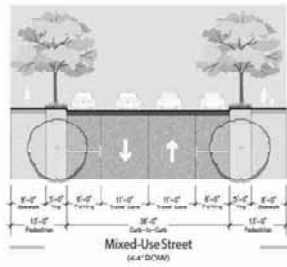
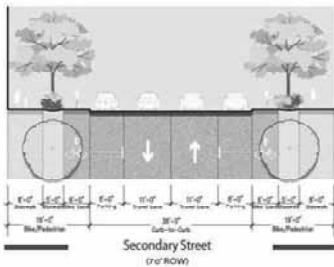


Exhibit E

Circulation: Primary Streets



Circulation: Secondary Streets



Circulation: Bike/Low-Speed Mobility Network

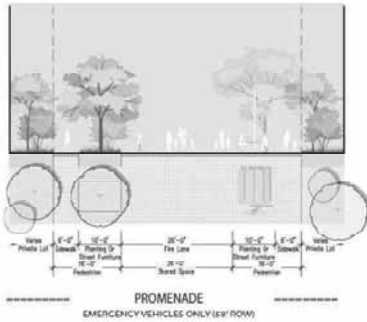
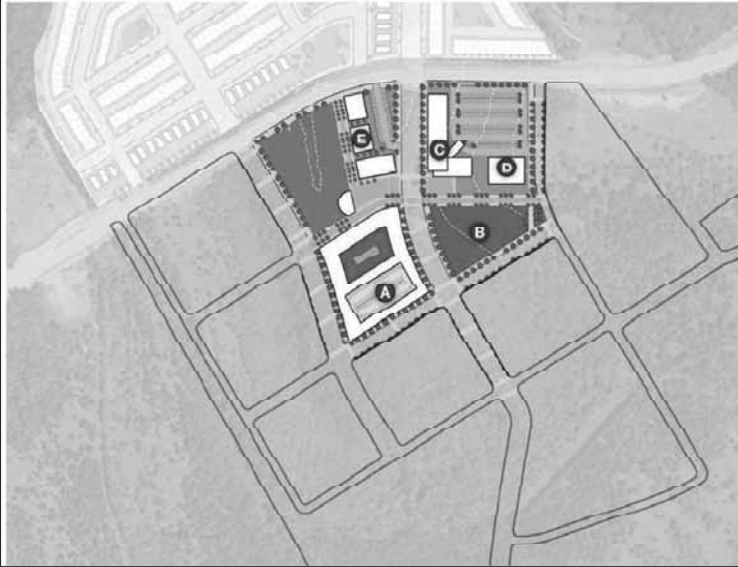


Exhibit F

Phase-1A Development



A. MIXED-USE
40,000 SF RETAIL
260 UNITS
320 SPACES (GARAGE)

B. OPEN SPACE

C. HOTEL
200 SPACES

D. OFFICE
130,000 GSF
20,000 SF RETAIL
170 SPACES

E. RETAIL
100,000 GSF
170 SPACES

Phase-1B Development

33 UNITS/ACRE



A. RESIDENTIAL-MULTIPLEX
260 UNITS

B. LIVE-WORK-MULTIPLEX
20,000 SF RETAIL
60 UNITS

C. RESIDENTIAL MULTIPLEX
100 UNITS

D. RESIDENTIAL-MIXEDUSE
200,000 GSF
260 UNITS
20,000 SF RETAIL
460 SPACES (GARAGE)

E. RESIDENTIAL-MIXEDUSE
200,000 GSF
250 UNITS
20,000 SF RETAIL
460 SPACES (GARAGE)

F. OFFICE
120,000 GSF

G. OFFICE/PARKING GARAGE
40,000 GSF
10,000 SF RETAIL
980 SPACES (GARAGE)

Exhibit F
University Hills Phase I Project
TIF Subsidy Budget

University TIF District Project Plan Budget	
Category	TIF Budget
University Hills Sub-District:	
Public infrastructure improvements	\$31,410,966*
Public open space/parks	
Economic Development Grants	

* TIF Subsidy portion of City Subsidy is an amount not to exceed \$31,410,966 plus a grant in lieu of interest on the principal amount. The TIF Subsidy to the Project could be less if final (actual documented) costs for the public infrastructure improvements are less or if adequate increment does not accrue to the TIF fund

Exhibit G

Quarterly Project Status Report Form

Prepared by:

Project name:

Report period:

Required project start date:

Actual project start date:
(attach permits as applicable)

Required completion date:

Current expected completion date:
(attach Certificate of Occupancy and/or Certificates of Acceptance as applicable)

Square Footage and/or number of rooms completed:

Briefly describe project progress during this period:

Which documents did you submit to the City of Dallas Business Development & Procurement Services? When? (attach copies as applicable)

Which documents did you submit to the City of Dallas Fair Housing Department? When? (attach copies as applicable)

Exhibit G: Quarterly Status Report

Describe any issues of concern with City of Dallas departments (such as Office of Economic Development, Business Development & Procurement Services, Fair Housing, Development Services, Public Works and Transportation, etc.)

Additional required attachments:

- **4-8 current construction progress pictures from four sides of the project.**
- **Updated private and public improvement cost schedules if there are significant changes from original submittal.**

Submitted by:

Signature:_____

Printed name:_____

Date:_____

Exhibit H

Mixed Income Housing Certification Letter

Letter Head

[Date]

To Whom It May Concern:

This mixed income housing certification letter is for the timeframe of [INSERT 6 MONTH TIMEFRAME HERE]. [INSERT NAME OF RESIDENTIAL PROJECT/COMPLEX] consists of [TOTAL NUMBER OF RESIDENTIAL UNITS], with [TOTAL NUMBER OF AFFORDABLE UNITS PROVIDED] to be leased as units meeting maximum affordable rent and income levels set annually, based on HUD's calculations for Area Median Family Income (AMFI), utility expenses, and Market Rent for the Dallas Area. Maximum rents are set each year at 30% of 80% of AMFI, including a utility allowance.

As of [INSERT DATE OF LETTER], [INSERT NAME OF RESIDENTIAL PROJECT/COMPLEX] has [INSERT NUMBER OF UNITS] occupied apartments and [INSERT NUMBER OF UNITS] vacant apartments. [NUMBER OF AFFORDABLE UNITS PROVIDED] have been provided and of those, [NUMBER OF OCCUPIED AFFORDABLE UNITS] are occupied with qualifying "moderate income" households.

Documentation verifying occupied affordable units is attached.

Submitted by:

Apartment Manager:

Insert Name
Insert Management Company Name

Developer:

Insert Name, Title
Insert Entity Name

Exhibit H

Mixed Income Housing Certification Letter

Name of Project/Complex:

Address of Project/Complex:

Reporting Timeframe:

Date:

	Unit #	# of Bedrooms	# of Occupants*	Rent	Income
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

*Person(s) on the lease of the unit.

EXHIBIT I

Approved Builders

1. D.R. Horton
2. Pulte Homes
3. Mattamy
4. Beazer
5. M/I Homes
6. Ashton Woods
7. First Texas
8. Gehan Homes
9. Pacesetter Homes
10. Lennar
11. CB Jeni

Exhibit J

CITY OF DALLAS AFFIRMATIVE FAIR HOUSING MARKETING PLAN



**COMPLETE FORM AND SUBMIT TO:
FAIR HOUSING OFFICE**

**CITY HALL • 1500 MARILLA ST., RM 1BN • DALLAS, TEXAS 75201
Ph. (214) 670-3247 • Fax (214) 670-0665**

1. INTRODUCTION

The Affirmative Fair Housing Marketing Program requires that each City Assisted Housing Provider carry out an affirmative program to attract prospective buyers or tenants of all minority and non-minority groups to the housing that the applicant is providing. These groups include Whites (Non-Hispanic) and members of minority groups: African-American, Hispanics and others in the Dallas, Texas area who may be subject to housing discrimination on the basis of race, color, religion, sex, national origin, handicap or familial status.

2. APPLICATION AND PROJECT IDENTIFICATION

A. APPLICANTS:

B. PROJECT OR APPLICATION NUMBER

NAME:

NUMBER OF UNITS AVAILABLE: _____

ADDRESS (include city, state and zip code):

NUMBER OF UNITS LEASED OR SOLD: _____

PRICE OR RENTAL RANGE OF UNITS:

TELEPHONE NUMBER:

FROM \$ _____ TO: \$ _____

C. PROJECT NAME:

D. FOR MULTIFAMILY HOUSING ONLY:

☐ ELDERLY

☐ NON-ELDERLY

PROJECT ADDRESS:

E. APPROXIMATE STARTING DATE:

ADVERTISING: _____ OCCUPANCY: _____

F. NAME OF MANAGING AGENT:

CENSUS TRACT: _____

ADDRESS (include city, state and zip code):

3. TYPE OF AFFIRMATIVE MARKETING PLAN

☐ Project Plan

☐ Annual Plan (For single family scattered site units)

NOTE: a separate Annual Plan must be developed for each type of census tract in which the house is to be built.

☐ Minority Area

☐ White (non-minority area)

☐ Mixed Area (with _____% minority residents)

4. DIRECTION OF MARKETING ACTIVITY

Indicate below which group(s) in the housing market area are least likely to apply for the housing because of its location and other factors without special outreach efforts.

☐ White

☐ African-American

☐ Hispanic

☐ Other

5. MARKETING PROGRAM

A. COMMERCIAL MEDIA

Check the media to be used to advertise the availability of the housing.

☐ Newspaper(s)/Publication(s)

☐ Radio

☐ TV

☐ Billboard(s)

☐ Other (Specify) _____

NAME OF NEWSPAPER RADIO OR TV STATION (1)	RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE (2)	SIZE/DURATION OF ADVERTISING (3)

B. BROCHURES, SIGNS AND HUD'S FAIR HOUSING POSTER

(1) Will brochures, leaflets or handouts be used to advertise? ☐ Yes ☐ No If yes, attach a copy or submit when available. (2) For project site sign; indicate sign size ____ x ____; Logotype size ____ x _____. Attach a photograph or project sign or submit when available. (3) HUD's Fair Housing Poster must be conspicuously displayed wherever sales/rentals and showings take place. Fair Housing Posters will be displayed in the ☐ Sales/Rental Office(s); ☐ Real Estate Office(s); ☐ Model Units; ☐ Other

C. COMMUNITY CONTACTS

To further inform the group(s) least likely to apply about the availability of the housing, the applicant agrees to establish and maintain contact with the groups/organization listed below that are located in the housing market area or SMSA. If more space is need attach an additional sheet. Notify FHO of any changes in this list. Attach a copy of correspondence to be mailed to these group/organizations. (Provide all requested information)

NAME OF GROUP/ ORGANIZATION (1)	RACIAL/ETHNIC IDENTIFICATION (2)	APPROXIMATE DATE OF CONTACT PROPOSED CONTACT (3)	PERSON CONTACTED OR TO BE CONTACTED (4)
ADDRESS AND TELEPHONE NUMBER (5)	METHOD OF CONTACTS (6)	INDICATE THE SPECIFIC FUNCTION GROUP/ORGANIZATION WILL UNDERTAKE IN IMPLEMENTING THE MARKETING PROGRAM (7)	

6. FUTURE MARKETING ACTIVITIES (Rental Units Only)

Check the block(s) that best describe future marketing activities to fill vacancies as they occur after the project has been initially occupied.

☐ Newspapers/Publications☐ Radio☐ TV☐ Brochures/Leaflets/Handouts☐ Site Signs☐ Others (Specify)

D. OCCUPANCY GOALS

Race/Ethnic Origin:	GOALS		Race/Ethnic Origin:	CURRENT STATUS	
	African-American	_____ %		African-American	_____ %
	Hispanic	_____ %		Hispanic	_____ %
	White	_____ %		White	_____ %
	Other	_____ %		Other	_____ %

7. EXPERIENCE AND STAFF INSTRUCTIONS (Attach description on separate sheet)

- A. Indicate any experience in marketing housing to the group(s) identified as least likely to apply ☐ Yes ☐ No
- B. Indicate training to be provided to staff on federal, state and local fair housing laws and regulations, as well as this AFHM Plan. Attach a copy of the instructions to staff regarding fair housing.

8. ADDITIONAL CONSIDERATIONS:

9. By signing this form, the applicant agrees, after appropriate consultation with FHO, to change any part of the plan covering a multifamily protest to assure continued compliance with the City of Dallas Affirmative Fair Housing Marketing Program.

FOR FHO'S USE ONLY		SIGNATURE OF PERSON SUBMITTING PLAN
APPROVAL BY:	DISAPPROVAL BY:	
SIGNATURE:	SIGNATURE:	NAME (Type or print):
NAME (Type or print):	NAME (Type or print):	TITLE:
TITLE:	TITLE:	COMPANY:
DATE:	DATE:	DATE:

Exhibit K-1
Payment Checklist for PPP Grant: Development Fees

Items required to be submitted with request for payment of PPP Grant: Development Fees:

- ☐ Documentation evidencing Project's development-related fees (e.g. plan review, permitting, inspections, etc.) incurred by Developer on or before December 31, 2027. Developer shall submit such reimbursement request no later than June 1, 2028.
- ☐ Compliance with all other terms of the Agreement.

Checklist completed by:

District Manager

Date

Verified by:

Financial Services Manager

Date

Approved by:

Assistant Director

Date

Exhibit K-2

Payment Checklist for PPP Grant: Specific Wastewater Infrastructure Improvement

Items required to be submitted with request for payment of PPP Grant: Specific Wastewater Infrastructure Improvement

- ☐ Documentation evidencing completion of construction and City acceptance of the specific wastewater infrastructure improvement described in Section 3.D(6) and depicted in Exhibit C-1.
- ☐ Documentation evidencing actual costs incurred for the design and construction of the specific wastewater infrastructure improvement described in Section 3.D(6) and depicted in Exhibit C-1.
- ☐ Documentation evidencing that all contractors have been paid by Developer and all contractor liens have been released.
- ☐ Compliance with all other terms of the Agreement.

Checklist completed by:

District Manager

Date

Verified by:

Financial Services Manager

Date

Approved by:

Assistant Director

Date

Exhibit L-1
Payment Checklist for TIF Subsidy: Specific Stormwater Infrastructure Improvement

Items required to be submitted:

- ☐ Documentation evidencing completion of construction and City acceptance of the specific stormwater infrastructure improvement described in Section 3.D(6) and depicted in Exhibit C-2.
- ☐ Documentation evidencing actual costs incurred for the design and construction of the specific stormwater infrastructure improvement described in Section 3.D(6) and depicted in Exhibit C-2.
- ☐ Documentation evidencing that all contractors have been paid by Developer and all contractor liens have been released.
- ☐ Documentation evidencing that Developer has either (i) executed a deed of trust in favor of the City encumbering the Property ("Performance DOT"), (ii) provided a Developer guaranty in a form acceptable to the City, or (iii) provided both items (i) and (ii); provided that such documents collectively demonstrate an asset valuation sufficient to secure the Repayment Obligation, as determined by the City Attorney (and, if executed, the Performance DOT shall be recorded in the Real Property Records of Dallas County against the Developer's interests in the Property) (pursuant to Section 3.Q of the Agreement).
- ☐ Documentation evidencing that Developer has provided a title policy for the Property (pursuant to Section 3.Q of the Agreement).
- ☐ Compliance with all other terms of the Agreement.

Checklist completed by:

District Manager

Date

Verified by:

Financial Services Manager

Date

Approved by:

Assistant Director

Date

Exhibit L-2
Payment Checklist for TIF Subsidy: Balance after all Agreement Obligations

Items required:

- ☐ Documentation evidencing that all requirements for TIF Subsidy: Specific Stormwater Infrastructure Improvement have been satisfied.
- ☐ Documentation evidencing that Developer performed all legally required environmental remediation and any demolition necessary to construct the Project by June 30, 2027.
- ☐ Documentation evidencing that Developer performed the Project Site Preparation Work and obtained City's written final acceptance (if necessary) of the Project Site Preparation Work by June 30, 2027.
- ☐ Documentation evidencing that Developer satisfied the POA Requirement by June 30, 2028.
- ☐ Documentation evidencing that Developer completed the Project Infrastructure Work and obtained City's written final acceptance of the Project Infrastructure Work by June 30, 2028.
- ☐ Documentation evidencing that Developer satisfied the required Minimum Investment by June 30, 2028.
- ☐ Documentation evidencing that Developer satisfied the Lot Sale Requirement and the Minimum Vertical Related Items by December 31, 2029.
- ☐ Documentation evidencing that all contractors have been paid by Developer and all contractor liens have been released.
- ☐ Documentation evidencing that, prior to permit approval and commencement of construction, Developer provided a set of permit drawings for the Project to the City's Planning and Development Department for internal review and approval to ensure compliance with the UDPRP recommendations and responses.
- ☐ Documentation evidencing that the restrictive covenants, as approved by Director and City Attorney, were filed in the Real Property Records of Dallas County ("Project Covenants").
- ☐ Documentation evidencing that an Operating and Maintenance Agreement for Non-Standard Public Improvements (if necessary) was executed by June 30, 2028 and a Notice of the Operating and Maintenance Agreement was filed for public record with the Dallas County Clerk.
- ☐ Documentation evidencing that a license from the City (if necessary) was executed by June 30, 2028 for the purpose of maintaining any improvements in the public right-of-way.
- ☐ Documentation evidencing that Developer provided the City with public access easements, deed restrictions, or other instruments required by the Director, in a form acceptable to the City Attorney, if any street and utility infrastructure improvements that are a part of the Project must remain privately owned.

- ☐ Documentation evidencing that Developer made Good Faith Effort to comply with the City's Business Inclusion and Development ("BID") goal of 32% participation by certified minority/women-owned business enterprises (M/WBE) for the hard construction expenditures related to the horizontal development component of the Project (i.e. Project Site Preparation Work and Project Infrastructure Work) and met all reporting requirements for each.
- ☐ Developer submitted quarterly status reports at the end of each calendar quarter following the execution of the Agreement and continued until the Project received full forgiveness of the Repayment Obligation.
- ☐ Documentation evidencing that Developer completed or caused the subsequent owner of the minimum 200 multi-family units to complete an Affirmative Fair Housing Marketing Plan ("AFHMP") specifically for the minimum 200 units of multi-family housing to be delivered as part of the Minimum Vertical Related Items and submitted it to the City's Office of Equity and Inclusion for approval.
- ☐ Documentation evidencing that Developer completed or caused the subsequent owner of the minimum 200 multi-family units to submit any applicable semi-annual mixed-income housing compliance reports.
- ☐ Compliance with all other terms of the Agreement.

Checklist completed by:

District Manager

Date

Verified by:

Financial Services Manager

Date

Approved by:

Assistant Director

Date

**Grant Program Guidelines
University TIF District
(Tax Increment Reinvestment Zone Number Twenty-One)
Adopted June 2022**

The City of Dallas hereby establishes an economic development grant program ("Grant Program") pursuant to Chapter 311 of the Texas Tax Code as necessary or convenient to implement the Project Plan and Reinvestment Zone Financing Plan ("Plan") for the University TIF District ("District").

Under the Grant Program, the City has the authority to make a grant of District funds ("Grant") for the public purpose of: (1) development and diversification of the economy, (2) elimination of unemployment or underemployment, and (3) development or expansion of transportation, business, and commercial activity within District.

The focus of the Grant Program will be to support projects and development in the University Hills Sub-District given its location in the underserved southern area of Dallas. The aggregate of all Grants from the District's tax increment fund shall not exceed the amount of tax increment produced by the City and paid into the tax increment fund for the District. No tax increment produced by Dallas County can be used to pay for grants; however, tax increment produced by Dallas County can be used as a direct pledge for TIF-eligible project costs.

Use of Funds:

All Grant awards must be recommended by the District's Board of Directors and approved by City Council. Nothing contained herein shall obligate the City to provide Grant awards as this Grant Program does not constitute an entitlement.

Projects seeking Grant funds must demonstrate that the project is not financially feasible *but for* the Grant.

Grants may be considered to offset the costs needed to develop vacant properties, redevelop obsolete properties, or accommodate mixed-use, higher density projects including structured parking. Grants may be considered to attract diverse commercial tenants that may not be accommodated under other TIF budget categories. Grants may be considered to offset the cost of providing mixed-income housing in residential developments within the District. Grants may also be considered to offset a developer's financial cost (i.e. interest on principal) of obligations incurred to provide a large-scale horizontal public infrastructure project that is necessary to make properties shovel-ready for vertical development.

Payment of Funds:

All Grants shall require a written agreement between the City and grantee to ensure that the predominant purpose of the Grant is to accomplish a public purpose and not to benefit private parties. The agreement shall place sufficient controls on the Grant funding to ensure that the public purposes are accomplished, the District's Plan achieves its

purpose, the City's investment is protected, and the City receives a return benefit. The agreement shall condition payment of the Grant funding upon specific performance of the grantee (e.g. the creation of jobs, construction of improvements, continued operations in the City for a stated period, or some other public consideration per these Grant Program Guidelines). Accordingly, no Grant funding shall be disbursed until all conditions of the agreement have been fulfilled. Grants are only payable during the term of the District, and the City's obligation to pay Grants expires with the expiration of the term of the District.

Eligible types of projects:

- Catalyst developments
- Housing developments that support the needs of students and staff at the University of North Texas-Dallas
- High volume retail anchors
- Mixed-use, transit-oriented developments
- Mixed-income housing developments
- Neighborhood serving commercial developments

Eligibility criteria:

A project's eligibility for Grant funding will be determined based on factors such as:

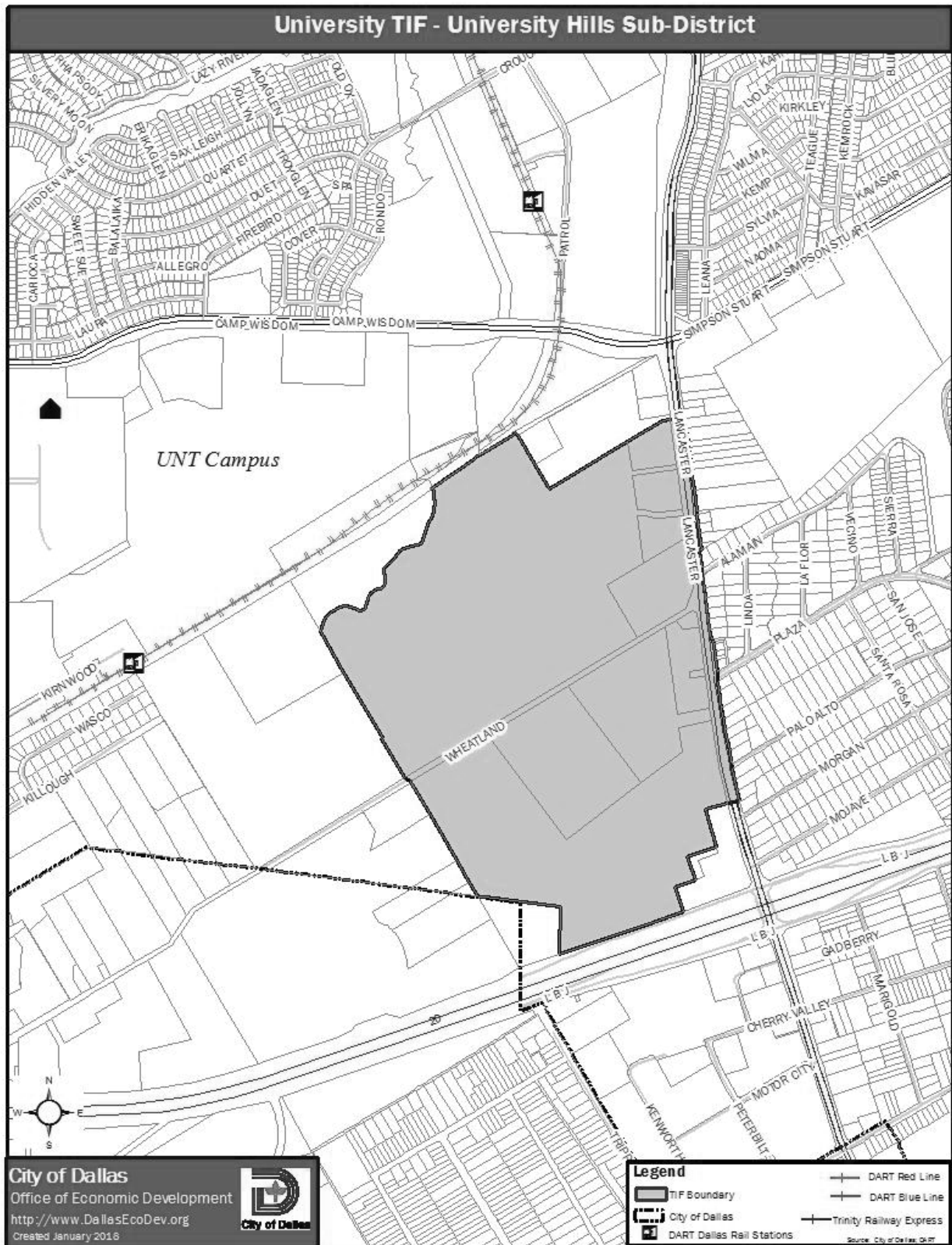
- The project's level of private investment creates sufficient tax increment to support the Grant amount
- The project creates jobs
- The project stimulates other investment in the District or leverages other funding sources for the District
- The project provides linkages with or improvements to alternative forms of transportation, including DART light rail
- The project accommodates higher density in an urban form
- The project mixes land uses vertically
- The project provides public parks, plazas, open space, trails, or pedestrian connections
- The project incorporates land uses that provide significant ground floor activation and pedestrian activity at the street level
- The project exerts a regional market influence and a competitive advantage for the City of Dallas over surrounding municipalities
- The project provides for public improvements that benefit the District as a whole

General requirements:

For projects with residential components, grantee must comply with mixed-income housing requirements of the District and any related City requirements

- Grantee must follow the City's M/WBE Business Inclusion and Development Plan (BID) Policy
- Grantee must promote hiring of local/neighborhood residents for any new jobs created
- Grantee must comply with established Design Guidelines for the District and the design review process

University TIF District Grant Program Area



**Increment Allocation Policy
University TIF District
(Tax Increment Reinvestment Zone Number Twenty One)
Adopted June 2022**

It is important for the City of Dallas to encourage comprehensive, orderly, and sustainable development in the University TIF District (“District”) to achieve the goals outlined in the Project Plan and Reinvestment Zone Financing Plan (“Plan”). Among these goals is to encourage the development of properties near mass transit and institutes of higher education and the creation of a 250-acre mixed-use development in the University Hills Sub-District. In that spirit, District funds will be allocated to help Developers close the gaps needed to achieve new development for the benefit of the District.

Although the University Hills Sub-District is the primary focus for the allocation of tax increment, the TIF Plan budget includes a category for affordable housing to assist in the provision of affordable for-sale and rental housing projects within the District (and potentially outside of the boundaries of the District). Additionally, the budget for the University Center Sub-District includes a category for landscape, parks, open space, and trails.

With the exception of the priority given to the University Hills Phase I catalyst project as described below, generally allocations will be made to Developers proportionally, based on the increment created by a Project (defined in a specific TIF development agreement) and potentially other Related Projects within the District by same Developer or affiliate (if not seeking separate additional District funds) and in accordance with any sub-district-wide set asides and inter-sub-district increment transfer arrangements as described below.

Definitions

Administrative Expenses: necessary costs incurred each year by the City for administration and implementation of the University TIF District Project Plan and Reinvestment Zone Financing Plan. The University Center Sub-District’s portion of the District’s Administrative Expenses will be based on the ratio of the University Center Sub-District Gross Increment to the Total Gross Increment. The University Hills Sub-District’s portion of the District’s Administrative Expenses will be based on the ratio of the University Hills Sub-District Gross Increment to the Total Gross Increment.

Available Cash: money in the District fund that is not already allocated, encumbered, or otherwise set aside for other purposes pursuant to the District’s Project Plan and Reinvestment Zone Financing Plan and pursuant to fully executed TIF development agreements.

Developer: a person or entity that has completed all requirements for a Project as set out in the fully executed TIF development agreement for the Project.

Individual Increment: the portion of a sub-district’s gross increment that a Project (or Related Project) creates each year.

Project (TIF-eligible): development, redevelopment, or rehabilitation that adds taxable real property value at a particular site, or is a space or facility of public benefit such as mixed-income housing, open space, a street, or a cultural facility. To be eligible, the Project must have been approved by City Council for District funds, and all requirements for payment set forth in the Project’s fully executed TIF development agreement must have been satisfied.

Exhibit N

Related Project/Developer: if a Developer or a Developer's affiliate(s) (as defined in a fully executed TIF development agreement) has ownership interest in other development or redevelopment projects in addition to an eligible Project, Developer may request that increment from those Related Project(s) be included in Individual Increment for TIF payment of the eligible Project expenses. These requirements will be further specified in a TIF development agreement where applicable. Related Projects must create new taxable real property value for the District based on the following criteria:

- New development on previously vacant land or in replacement of demolished structures.
- Redevelopment, rehabilitation, or major modification of an existing building if resulting in an increase of 50% or more in the taxable value of the original building.

Sub-District-Wide Public Infrastructure Improvements: improvements not specific to a single development site such as gateways, trails, parks/open space, public facilities, or utility/streetscape improvements benefitting multiple parcels or blocks, regardless of ownership.

Transfer to the Affordable Housing Budget Category: In accordance with the District's Project Plan and Reinvestment Zone Financing Plan, ten percent (10%) of the University Center Net Increment will be annually transferred to an affordable housing budget item that may be utilized both within the District and potentially for city-wide affordable housing programs. The TIF Board has the discretion to set aside available cash accrued to the TIF fund for advance funding of this budget item prior to payment eligibility for University Hills Phase I catalyst project with additional details provided for in a development agreement.

Transfer to the University Hills Sub-District: In accordance with the District's Project Plan and Reinvestment Zone Financing Plan, after the affordable housing transfer and any future Sub-District-Wide Public Improvement Set-Aside for the University Center Sub-District's open space category, the remainder of the University Center Sub-District Net Increment will be annually transferred to the University Hills Sub-District to help facilitate development of the 250-acre University Hills area.

Total Gross Increment: the total annual amount of increment generated within the University Center Sub-District and within the University Hills Sub-District and deposited into the District fund from the participating jurisdictions. Total Gross Increment includes increment attributed to new development as well as increment attributed to the appreciation of values of properties on which new development has not yet occurred.

University Center Sub-District Gross Increment: the annual amount of increment generated within the University Center Sub-District before the Montfort-IH 635 Sub-District's portion of Administrative Expenses has been deducted.

University Hills Sub-District Gross Increment: the annual amount of increment generated within the University Hills Sub-District before the University Hills Sub-District's portion of Administrative Expenses has been deducted.

University Center Sub-District Net Increment: the annual amount of increment generated within the University Center Sub-District after the University Center Sub-District's portion of Administrative Expenses has been deducted.

University Hills Sub-District Net Increment: the annual amount of increment generated within the University Hills Sub-District after the University Hills Sub-District's portion of Administrative Expenses has been deducted.

Exhibit N

University Hills Sub-District Shared Increment: the University Hills Sub-District Net Increment plus the amount transferred from the University Center Sub-District less the sum of the Individual Increments of all Developers of eligible Projects in the University Hills Sub-District.

Catalyst Priority Project – University Hills Phase I:

University Hills Phase I development project (as defined in the project's development agreement) is being viewed as an important seed project for the District and will be designated a catalyst priority project for the purposes of increment allocation and until the obligation is fully paid eligible to receive:

- I. 100% of University Hills Sub-District Net Increment if there are no other TIF eligible projects by non-direct affiliates of developer. Other non-affiliated projects will be eligible to receive their own net increment only until the TIF commitment to University Hills Phase I is fully paid.
- II. 90% of the University Center Sub-District Net Increment.

Note: this Project will not be eligible for TIF payments in a given year unless all contractual obligations of the development agreement are fulfilled by June 1st of that year. If there are delays with the Project start date, approval of other financing sources or project completion, staff and the District's Board of Directors may reconsider the priority status for increment allocation to the University Hills Phase I project.

University Center Sub-District-Wide Improvement Set-Aside:

After administrative expenses, the affordable housing increment transfer, and obligations to the catalyst priority project (described above) have been satisfied, the District's Board of Directors may consider a set-aside toward funding the Sub-District's landscape, parks, trails, and open space category. The potential Set-Aside may be reviewed annually based on updated financial projections and Sub-District needs or project opportunities.

Annual Process (University Center Sub-District)

First, the University Center Sub-District Gross Increment will pay:

- 1) Administrative Expenses: After the Total Gross Increment has been deposited into the District fund, the City's Administrative Expenses for the District will be reimbursed first in each year of the District. The University Center Sub-District's portion of the District's Administrative Expenses will be paid from the University Center Sub-District Gross Increment based on the ratio of the University Center Sub-District Gross Increment to the Total Gross Increment.

Then, the University Center Sub-District Net Increment will pay or set aside allocations as follows:

- 2) Transfer to the Affordable Housing Budget Category: Ten percent (10%) of the University Center Net Increment will be annually transferred to an affordable housing budget item. The TIF Board has the discretion to set aside available cash accrued to the TIF fund for advance funding of this budget item prior to payment eligibility for University Hills Phase I catalyst project with additional details provided for in a development agreement.

Exhibit N

- 3) Transfer to the University Hills Sub-District**: The remainder of the University Center Sub-District Net Increment will be annually transferred to the University Hills Sub-District to help facilitate development of the 250-acre University Hills area.

**Upon meeting the funding obligation for the University Hills Phase I catalyst project, the District's Board of Directors may evaluate whether to begin a Sub-District-Wide Set-Aside for the University Center Sub-District's landscape, parks, open space, and trails category

Annual Process (University Hills Sub-District)

First, the University Hills Sub-District Gross Increment will pay:

- 1) Administrative Expenses: After the Total Gross Increment has been deposited into the District fund, the City's Administrative Expenses for the District will be reimbursed first in each year of the District. The University Hills Sub-District's portion of the District's Administrative Expenses will be paid from the University Hills Sub-District Gross Increment based on the ratio of the University Hills Sub-District Gross Increment to the Total Gross Increment.

Then, the sum of the University Hills Sub-District Net Increment and the amount transferred from the University Sub-District will be available for disbursement to Developers of eligible Projects in proportion to their Individual Increments pursuant to fully executed TIF development agreements.

General Notes

1. In support of the Plan's goals, any shared increment in each Sub-District may be made available each year first to those Developers entering TIF development agreements to construct catalyst priority projects or to construct residential projects that advance the District's mixed income housing goals.
2. Dallas Central Appraisal District ("DCAD") certified values for each tax year will be the data source used to determine values for the annual increment allocation procedure. In general, the allocation of increment will be done annually, after each participating jurisdiction has deposited its annual increment into the District fund. No increment allocation will be made unless a total Project (or specific phase) is completed and all contractual obligations of the fully executed TIF development agreement are fulfilled by June 1 of a given year, as evidenced by City approval of all supporting documents required in the TIF development agreement. The City's Director of Economic Development will make the final determination in applying future available revenues in the District fund among Projects.
3. If the appraised value of the remaining property in the District decreases despite new development and as additional Projects are approved and completed, TIF funding assistance for Projects that year may be reduced or unpaid. Accrued Administrative Expenses will be reimbursed before increment allocations are made to the other categories. If there is no University Center Sub-District Net Increment remaining after the University Center Sub-District's portion of Administrative Expenses has been paid, then there will be no increment allocations in that sub-district in that year. If there is no University Hills Sub-District Net Increment remaining after the University Hills Sub-District's portion of Administrative Expenses has been paid, then there will be no increment allocations in that sub-district in that year.
4. At its discretion, the District's Board of Directors may make modifications or corrections to this Policy to increase its effectiveness.



Exhibit O

CITY OF DALLAS
Office of Economic Development – Business and Workforce Inclusion
Business Inclusion and Development Documentation Form (BWI-FRM-215)

(Note: Please use the Tab button, mouse or arrows to move from one section to the next. Please DO NOT use the "Enter" key.)

Project Name

Bid #:

Firm Name and Address:

1. Did you meet with a staff member of the Office of Economic Development Business and Workforce Inclusion (BWI)?

Please make a selection:

Name of staff member:

2. Did you utilize a current M/WBE directory provided by BWI staff for this project?

Please make a selection:

Date of Listing:

3. Did you provide plans and specifications, bids or proposals to potential M/WBEs or information regarding the location of plans and specifications, bids, or proposals for this project?

Please make a selection:

4. If M/WBE bids and proposals were received and rejected, you must attach documentation of the received bid and the reason for rejection. (i.e. letters, memos, telephone calls, meetings, etc.)

5. Complete the attached Documentation Form(s) to further explain good faith efforts to obtain M/WBE participation on this project. If there is written documentation of efforts with the M/WBEs who responded affirmatively to the bidder's written notice please attach documentation (i.e. quotes, or e-mails).



CITY OF DALLAS
Office of Economic Development – Business and Workforce Inclusion
Business Inclusion and Development Documentation Form (BWI-FRM-215)

(Note: Please use the Tab button, arrows or mouse to move from one section to the next. Please *DO NOT* use the “Enter” key.)

Project Name #: _____ **Bid #:** _____

Firm Name and M/WBE Certification Number	Person Contacted and Date	Telephone Number and Email Address	Type of Work	Method of Communication (Telephone/Email)	Response
		- -			
		- -			
		- -			
		- -			
		- -			
		- -			
		- -			

Please use the form(s) below if additional space is needed. Intentional misrepresentation could result in criminal prosecution.

Officer's Signature: _____ **Title:** _____ **Date:** _____

Printed Name: _____ **Date:** _____



CITY OF DALLAS
Office of Economic Development – Business and Workforce Inclusion
Business Inclusion and Development Documentation Form (BWI-FRM-215)

(Note: Please use the Tab button, arrows or mouse to move from one section to the next. Please *DO NOT* use the “Enter” key.)

Project Name & Bid/Contract #: _____ #: _____

Firm Name and M/WBE Certification Number	Person Contacted and Date	Telephone Number and Email Address	Type of Work	Method of Communication (Telephone/Email)	Response
		- -			
		- -			
		- -			
		- -			
		- -			
		- -			
		- -			

Please use the form below if additional space is needed. Intentional misrepresentation could result in criminal prosecution.

Officer's Signature: _____ Title: _____ Date: _____

Printed Name: _____ Date: _____



Sections II and III are worth 15 Total Points: Section II = 5 Points Maximum, Section III = 10 Points Maximum

Section I: Business Inclusion Affidavit

Construction - 32.00%, Architectural & Engineering - 34.00%, Professional Services - 38.00%, Other Services - N/A, Goods - 32.00%

Typed or Printed Name of Company's Certifying Official

Date _____

Entity Name Address, City, State, Zip	Contact Person, Title Phone Number	Month/Year of Project	Total Contract Amount	M/WBE Goal (%)	Project Name/ Contract Type	M/WBE Actual Participation (\$)	M/WBE Actual Participation (%)
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			\$ -			\$ -	#DIV/0!
			\$ -			\$ -	#DIV/0!

Section II = 5 Total Points: 3 Projects = 5 Points; 2 Projects = 3 Points; 1 Project = 1 Point

Company Name Address, City, State, Zip	Contact Person, Title Phone Number	M/WBE Certification # (if applicable)	Ethnicity/ Gender	Local or Non-Local	Scope of Work	Value of Work (\$)	Participation (%)
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					Total Contract Amount	\$ -	#DIV/0!

Section III = 10 Total Points: Meets Goal = 5 Points; Exceeds Goal, Additional 3 Points; Diverse Team Make-Up, Additional 2 Points



CITY OF DALLAS
Office of Economic Development – Business and Workforce Inclusion
Ethnic Workforce Composition Report (BWI-FRM-627)

(Note: Please use the Tab button, mouse or arrows to move from one section to the next. *Please DO NOT use the “Enter” key.*)

Company name: _____

Address: _____

Bid #: _____

Telephone Number: _____ - _____ - _____ Ext. _____

Email Address: _____

Please complete the following sections based on the ethnic composition of the (location) entity in the address line above.

Employee Classification	Total No. Employees		White		Black		Hispanic		Other	
	Male	Female	M	F	M	F	M	F	M	F
Administrative/ Managerial										
Professional										
Technical										
Office/Clerical										
Skilled										
Semiskilled										
Unskilled										
Seasonal										
Totals:										
# of employees living in Dallas:										
Total % of employees living in Dallas										

Officer's Signature

Title

Typed or Printed Name

Date



CITY OF DALLAS
Office of Economic Development – Business and Workforce Inclusion
Subcontractor Intent Form (BWI-FRM-214)

(Note: Please use the Tab button, mouse or arrows to move from one section to the next. Please DO NOT use the "Enter" key.)

TO: City of Dallas DATE: _____

Office of Economic Development - Business and Workforce Inclusion

Project Name: _____ Bid # _____

_____ will provide the following

_____ M/WBE Subcontractor on the project

good(s)/service(s): _____

to _____

_____ Prime Contractor on the project

MWBE subcontractor is currently certified by the following agency: _____

M/WBE Certification Number: # _____

Certification must be kept current / valid for the entire duration of this contract. Failure to comply with this provision could be subject to removal from contract.

For the purpose of M/WBE subcontracting participation, the City of Dallas does not include amounts paid to the prime by the sub-contractor.

Total Contract Amount for prime	\$ _____		_____ NCTRCA
			_____ DFWMSDC
MWBE/DBE Sub Participation Amount	\$ _____	% _____	_____ WBCSW

The undersigned intends to enter into a formal agreement with the subcontractor listed, conditioned upon being awarded the City of Dallas contract. The undersigned understands that, for the purpose of M/WBE subcontracting participation, any amounts paid to the prime from the sub contractor should not be included in the above listed participation amount. Finally, the prime contractor must submit a Change of M/WBE subcontractor/supplier form to the Business and Workforce Inclusion division for approval prior to any changes in the team make-up. Failure to comply with these provisions could result in termination of the contract, sanctions against the prime contractor, and/or ineligibility for future City contracts.

Officer's Signature (Prime Contractor)

Officer's Signature (M/WBE/DBE Subcontractor)

Printed Name (Prime Contractor)

Printed Name (M/WBE/DBE Subcontractor)

Title (Prime Contractor)

Title (M/WBE/DBE Subcontractor)

Date

Date

Please select or list all Chambers or Advocacy groups you are a member of:

	Prime	Sub		Prime	Sub
Greater Dallas Asian American Chamber of Commerce	<input type="checkbox"/>	<input type="checkbox"/>	Asian Contractors Association	<input type="checkbox"/>	<input type="checkbox"/>
Greater Dallas Black Chamber of Commerce	<input type="checkbox"/>	<input type="checkbox"/>	Regional Black Contractors Association	<input type="checkbox"/>	<input type="checkbox"/>
Greater Dallas Hispanic Chamber of Commerce	<input type="checkbox"/>	<input type="checkbox"/>	Regional Hispanic Contractors Association	<input type="checkbox"/>	<input type="checkbox"/>
U.S. Pan Asian American Chamber of Commerce	<input type="checkbox"/>	<input type="checkbox"/>			

Other _____



CITY OF DALLAS
Office of Economic Development - Business and Workforce Inclusion
Contractor's Affidavit - Schedule of Work and Actual Payment (BWI-FRM-213)

Project Name: _____ Bid/Contract #: _____

Instructions:

Column 1: List type of work to be performed by Prime and 1st tier subcontractors.

Column 2: City of Dallas Vendor Number for Prime and Subcontractors/Suppliers (If none, register online: www.bids.dallascityhall.org). ALL Prime and Subcontractors/Suppliers must be registered with the City of Dallas.

Column 3: List name of firm; M/WBE Certification Number (if applicable).

Column 4: List firm(s); contact name; address; telephone number.

Column 5: List ethnicity of firm(s) owner as B=African American; H=Hispanic; I=Asian Indian; N=Native American; P=Asian Pacific; W=Woman; NON=other than M/WBE.

Column 6: Indicate firm's location as L=local (within Dallas county limits); N=Non-local (Outside Dallas county limits).

Column 7: Indicate dollar amount of value of work for the Prime contractor, subcontractors, and suppliers.

Column 8: Indicate percentage of total contract amount.

Column 9: Indicate total payments to date.

Column 10: Indicate payments during current pay period.

Type of Work [1]	City of Dallas Vendor Number [2]	Name of Firm & M/WBE Certification (If Applicable) [3]	Contact Name Address, City, State, Zip & Tel. Number [4]	Type of Firm [5]	L or N [6]	Value of Work (\$) [7]	Percent (%) [8]	Payments to Date (\$) [9]	Payment this Period (\$) [10]
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Type of Work	City of Dallas Vendor Number	Name of Firm & M/WBE Certification (If Applicable)	Contact Name Address, City, State, Zip & Tel. Number	Type of Firm	L or N	Value of Work (\$)	Percent (%)	Payments to Date (\$)	Payment this Period (\$)	
							#DIV/0!			
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Notes:										
[Note: Totals and Percentages will automatically calculate.]						Total Bid Amount:	\$ -	#VALUE!	\$ -	\$ -

The undersigned intends to enter into a formal agreement with the subcontractors listed, conditioned upon being awarded the City of Dallas contract. If any changes are made to this list, the Prime contractor must submit to the City for approval a revised schedule with documented explanations for the changes and the Change of M/WBE Subcontractor Form. Failure to comply with this provision could result in termination of the contract, sanctions against the Prime contractor, and/or ineligibility for future City contracts.

Officer's Signature: _____ **Title:** _____
Printed Name: _____ **Date:** _____
Company Name: _____

Exhibit P

Certification Regarding Undocumented Workers

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) The business receiving any public subsidies provided pursuant to this agreement, or a branch, division, or department of the business, does not and will not knowingly employ undocumented workers. For purposes of this Certification, "Public Subsidies" means grants, loans, loan guarantees, benefits relating to an enterprise or empowerment zone, fee waivers or rebates, land price subsidies, infrastructure development and improvements designed to principally benefit a single business or defined group of businesses, matching funds, tax refunds, tax rebates, or tax abatements. For purposes of this Certification, "Undocumented worker" means an individual who, at the time of employment, is not:

- (A) lawfully admitted for permanent residence to the United State; or
- (B) authorized under law to be employed in that manner in the United States.

(2) If, after receiving the Public Subsidies provided herein, the business entity or a branch, division, or department of the business, is convicted of a violation under 8 U.S.C. Section 1324a(f), the business shall repay the amount of the Public Subsidy with interest, at the rate and according to the terms provided by this agreement under V.T.C.A. Government Code § 2264.053 (Vernon 2007), not later than the 120th day after the date the City notifies the business of the violation.

This certification is a material representation of fact upon which reliance was placed when this agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by V.T.C.A. Government Code § 2264 (Vernon 2007).

DEVELOPER:

By: Arthur Santa-Maria
Arthur Santa-Maria, Vice President
(Type Name and Title)

Date: February 11, 2025

APPENDIX E
APPRAISAL

Integra Realty Resources
Dallas

Appraisal of Real Property

University Hills

Single Family Lots and Excess Land
Northwest quadrant of IH-20 and S. Lancaster Road
Dallas, Dallas County, Texas 75241
Client Reference:

Prepared For:
SAMCO Capital Markets

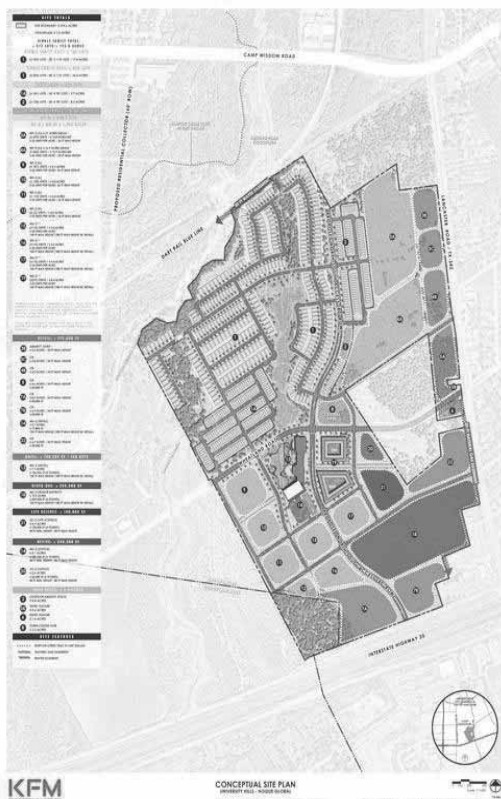
Date of the Report:
April 15, 2025

Report Format:
Appraisal Report

IRR - Dallas
File Number: 191-2025-0351



Subject Photographs



University Hills
Northwest quadrant of IH-20 and S. Lancaster Road
Dallas, Texas

Aerial Photograph





April 15, 2025

Mr. Michael Libera
SAMCO Capital Markets
1700 Pacific Avenue
Dallas, CA 75201

SUBJECT: Market Value Appraisal
 University Hills
 Northwest quadrant of IH-20 and S. Lancaster Road
 Dallas, Dallas County, Texas 75241
 IRR - Dallas File No. 191-2025-0351

Dear Mr. Libera:

Integra Realty Resources – Dallas is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the of the fee simple interest in the properties as of the effective date of the appraisal, March 1, 2027 for Phase 1 and October 1, 2027 for Phase 2. The following opinions of value are provided:

- Prospective Market Value of **Phase 1, Tract 1** (312 Residential Lots), upon completion of Phase 1 development
- Prospective Market Value of **Phase 1, Tract 1A** (141 Townhome Lots), upon completion of Phase 1 development
- Prospective Market Value of **Phase 1, Tract 2** (120 Townhome Lots), upon completion of Phase 1 development
- Prospective Market Value of **Phase 2, Tracts 3A/3B** (370± Units of Multi-Family), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 3C** (2.8 acres of Commercial/Retail) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 4A** (542± Units of Multi-Family), upon completion of Phase 2 development

- Prospective Market Value of **Phase 2, Tract 4B** (4.2 acres of Commercial/Retail), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 13** (7.7 acres of Mixed Use/Commercial), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 14** (5.1 acres of Mixed Use/Commercial), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 19** (277± Units of Multi-Family), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 5** (4.6 acres of Commercial/Retail) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 7A** (8.5 acres of Commercial/Retail) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 7B** (5.9 acres of Commercial/Retail) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tracts 9/10** (267± Units of Multi-Family), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tracts 11/15** (222± Units of Multi-Family), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tracts 12/16** (127± Units of Multi-Family) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 17** (112± Units of Multi-Family) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 18** (19.2 acres of Mixed-Use/Commercial) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tracts 20/21** (7.3 acres of Institutional/Office uses) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 22** (6.9 acres of Commercial/Retail) upon completion of Phase 2 development

The intended user of this report is SAMCO Capital Markets. The intended use of the report is for loan underwriting purposes. No other party(s) is intended to rely on the information, opinions, and conclusions contained in this report.

The subject is currently undeveloped and was originally assembled from five individual tracts of land that contain a gross land area of approximately 273.068 gross acres of which 6.16 is located within the Wheatland Road right-of-way. The property is generally located at the northwest quadrant of IH-20 and S. Lancaster Road and bisected by E. Wheatland Road. The overall assemblage will be developed under the name of University Hills, a proposed master planned community. At your request, we have valued the subject based upon two completion dates. Phase 1 development which is projected to begin in the second quarter 2025 is projected to be complete on or before March 1, of 2027 and will contain 573 attached and detached single family lots within three tracts/phases. The remaining development which is also projected to begin in the second quarter 2025 is projected to be complete on or before October 1, of 2027 and will contain 11 multi-family tracts (1,917 units) and 11 commercial/mixed-use tracts.

The overall property includes zoning districts TH-2(A), MF-2(A), MF-3(A), MU-2, CR, UC-2 and LO-1, which permits townhomes, multifamily, retail, commercial as well as mixed uses. Although a small portion of Phase 1 is in a flood zone, it is noted that this area is being developed with residential uses and is valued as developed lots which have no flood loss. After the completion of the remainder of development, the entire site will be activated for development. However, additional infrastructure may be required for four of the sites. Therefore, we have combined Tracts 9/10, 11/15, 12/16 and 20/21 for valuation purposes. It is noted that there may or may not be additional street development required to access Tracts 10, 11, 12 and 21 depending on the eventual buyer/user. This has been accounted for in our valuations.

The lot mix for the Tracts 1, 1A, and 2 follows:

University Hills							
Parcel	Acres	Density		Typical Lot Dimensions			Expected
		Per Acre	24' x 90'	40' x 115'	50' x 115'	Total Lots	Completion Date
Tract #1	43.8	7.1	0	204	108	312	March 1, 2027
Tract #1A	9.7	14.5	141	0	0	141	March 1, 2027
Tract #2	8.2	14.6	120	0	0	120	March 1, 2027

The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and applicable state appraisal regulations.



Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis that were used to develop the opinion of value.

Based upon the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded opinions of value are as follows:

Value Conclusions					
Parcel	Zoning/Proposed Use	Phase	Interest Appraised	Date of Value	Value Conclusion
Tract #1 (312 Developed Lots)	TH-2/Single family	1	Fee Simple	March 1, 2027	\$19,860,000
Tract #1A (141 Developed Townhome Lots)	TH-2/Townhome	1	Fee Simple	March 1, 2027	\$6,485,000
Tract #2 (120 Townhome Lots)	TH-2/Townhome	1	Fee Simple	March 1, 2027	\$5,615,000
Tract #3A/3B	MF-2 (Multi-family)	2	Fee Simple	October 1, 2027	\$8,880,000
Tract #3C	CR (Commercial/Retail)	2	Fee Simple	October 1, 2027	\$1,305,000
Tract #4A	MF-3 (Multi-Family)	2	Fee Simple	October 1, 2027	\$7,930,000
Tract #4B	CR (Commercial/Retail)	2	Fee Simple	October 1, 2027	\$1,060,000
Tract #13	MU-2 (Mixed-Use/Commercial)	2	Fee Simple	October 1, 2027	\$1,945,000
Tract #14	MU-2 (Mixed-Use/Commercial)	2	Fee Simple	October 1, 2027	\$1,290,000
Tract #19	MU-2 (Multi-Family)	2	Fee Simple	October 1, 2027	\$4,050,000
Tract #5	CR (Commercial/Retail)	2	Fee Simple	October 1, 2027	\$1,160,000
Tract #7A	CR (Commercial/Retail)	2	Fee Simple	October 1, 2027	\$2,350,000
Tract #7B	CR (Commercial/Retail)	2	Fee Simple	October 1, 2027	\$1,645,000
Tract #9/10	MF-2 (Multi-family)	2	Fee Simple	October 1, 2027	\$4,540,000
Tract #11/15	MF-2/MU-2 (Multi-family)	2	Fee Simple	October 1, 2027	\$3,685,000
Tract #12/16	MF-2/MU-2 (Multi-family)	2	Fee Simple	October 1, 2027	\$1,820,000
Tract #17	MF-2 (Multi-family)	2	Fee Simple	October 1, 2027	\$1,640,000
Tract #18	MU-2 (Mixed-Use/Commercial)	2	Fee Simple	October 1, 2027	\$4,810,000
Tract #20/21	UC-2 Institutional/Office	2	Fee Simple	October 1, 2027	\$1,650,000
Tract #22	CR (Commercial/Retail)	2	Fee Simple	October 1, 2027	\$1,740,000

The opinions of value expressed in this report are based on estimates and forecasts which are prospective in nature and subject to considerable risk and uncertainty. Events may occur which could cause the performance of the property to differ materially from the estimates contained herein, such as changes in the economy, interest rates, capitalization rates, financial strength of tenants, and behavior of investors, lenders, and consumers. Additionally, the concluded opinions and forecasts are based partly on data obtained from interviews and third-party sources, which are not always completely reliable. Although the findings are considered reasonable based on available evidence, IRR is not responsible for the effects of future, unforeseen occurrences.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. All information relative to the subject property including land areas, lot totals, lot sizes, and other pertinent data that was provided by KFM Engineering and Design (engineering/surveyors), I-20 Lancaster Development (developer), VM Fund I, LLC (owner), the city of Dallas, and the Dallas Central Appraisal District is assumed to be correct.
2. The subject is proposed construction. Therefore, this report contains a prospective opinions of value. As such, we have assumed that the market conditions as discussed and considered within this report will be similar on the prospective valuation dates. Further, we cannot be held responsible for unforeseeable events that alter market conditions prior to this prospective effective dates.
3. Our opinions of prospective market values at completion assumes that the proposed improvements are completed in accordance with plans and specifications as of March 1, 2027 and October 1, 2027, the effective appraisal dates.
4. The values presented within this report is prospective in nature. As such, we assume that local and regional lending institutions appear to remain active within the subject's market for specific projects. Therefore, we specifically assume that the financial markets will continue to function in a competitive, efficient fashion.
5. It is noted that the subject's zoning categories allow for a higher density of multi-family development than that described herein. In addition, some sites might have restrictions that cause for a lower density of development. However, our values are based on the number of units/densities found within this report. We assume the tracts can be developed as described herein.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

Integra Realty Resources - Dallas



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Quality Assurance

IRR Quality Assurance Program

At IRR, delivering a quality report is a top priority. Integra has an internal Quality Assurance Program in which managers review material and pass an exam in order to attain IRR Certified Reviewer status. By policy, every Integra valuation assignment is assessed by an IRR Certified Reviewer who holds the MAI designation, or is, at a minimum, a named Director with at least ten years of valuation experience.

This quality assurance assessment consists of reading the report and providing feedback on its quality and consistency. All feedback from the IRR Certified Reviewer is then addressed internally prior to delivery. The intent of this internal assessment process is to maintain report quality.

Designated IRR Certified Reviewer

The IRR Certified Reviewer who provided the quality assurance assessment for this assignment is Jimmy H. Jackson, MAI.

Executive Summary

Property Name	University Hills			
Address/Location	Northwest quadrant of IH-20 and S. Lancaster Road Dallas, Dallas County, Texas 75241			
Property Type	Land - Other			
Owner of Record	VM Fund I, LLC / CADG Property Holdings I, LLC			
Tax ID	00000756944000100, 00000756944000000, 00000755080000000, 00000754793600000, 00000754793500000, and 65127774010010000			
School District	Dallas ISD			
Land Area (Usable)	Phase			
Tract #1	1	43.8 acres; 1,907,928 SF		
Tract #1A	1	9.7 acres; 422,532 SF		
Tract #2	1	8.2 acres; 357,192 SF		
Tract #3A/3B	2	24.6 acres; 1,071,576 SF		
Tract #3C	2	2.8 acres; 121,968 SF		
Tract #4A	2	16.9 acres; 736,164 SF		
Tract #4B	2	4.2 acres; 182,952 SF		
Tract #13	2	7.7 acres; 335,412 SF		
Tract #14	2	5.1 acres; 222,156 SF		
Tract #19	2	8.4 acres; 365,904 SF		
Tract #5	2	4.6 acres; 200,376 SF		
Tract #7A	2	8.5 acres; 370,260 SF		
Tract #7B	2	5.9 acres; 257,004 SF		
Tract #9/10	2	10.7 acres; 466,092 SF		
Tract #11/15	2	7.8 acres; 339,768 SF		
Tract #12/16	2	4.0 acres; 174,240 SF		
Tract #17	2	3.4 acres; 148,104 SF		
Tract #18	2	19.2 acres; 836,352 SF		
Tract #20/21	2	7.3 acres; 317,988 SF		
Tract #22	2	6.9 acres; 300,564 SF		
Zoning Designation	TH-2(A), MF-2(A), MF-3(A), MU-2, CR and LO-1			
Highest and Best Use	Mixed use development			
Exposure Time; Marketing Period	6 - 12 months; 6 - 12 months			
Effective Date of the Appraisal	March 1, 2027	October 1, 2027		
Date of the Report	April 15, 2025			
Value Conclusions				
Parcel	Phase	Interest Appraised	Date of Value	Value Conclusion
Tract #1	1	Fee Simple	March 1, 2027	\$19,860,000
Tract #1A	1	Fee Simple	March 1, 2027	\$6,485,000
Tract #2	1	Fee Simple	March 1, 2027	\$5,615,000
Tract #3A/3B	2	Fee Simple	October 1, 2027	\$8,880,000
Tract #3C	2	Fee Simple	October 1, 2027	\$1,305,000
Tract #4A	2	Fee Simple	October 1, 2027	\$7,930,000
Tract #4B	2	Fee Simple	October 1, 2027	\$1,060,000
Tract #13	2	Fee Simple	October 1, 2027	\$1,945,000
Tract #14	2	Fee Simple	October 1, 2027	\$1,290,000
Tract #19	2	Fee Simple	October 1, 2027	\$4,050,000
Tract #5	2	Fee Simple	October 1, 2027	\$1,160,000
Tract #7A	2	Fee Simple	October 1, 2027	\$2,350,000
Tract #7B	2	Fee Simple	October 1, 2027	\$1,645,000
Tract #9/10	2	Fee Simple	October 1, 2027	\$4,540,000
Tract #11/15	2	Fee Simple	October 1, 2027	\$3,685,000
Tract #12/16	2	Fee Simple	October 1, 2027	\$1,820,000
Tract #17	2	Fee Simple	October 1, 2027	\$1,640,000
Tract #18	2	Fee Simple	October 1, 2027	\$4,810,000
Tract #20/21	2	Fee Simple	October 1, 2027	\$1,650,000
Tract #22	2	Fee Simple	October 1, 2027	\$1,740,000

The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than SAMCO Capital Markets may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. All information relative to the subject property including land areas, lot totals, lot sizes, and other pertinent data that was provided by KFM Engineering and Design (engineering/surveyors), I-20 Lancaster Development (developer), VM Fund I, LLC (owner), the city of Dallas, and the Dallas Central Appraisal District is assumed to be correct.
2. The subject is proposed construction. Therefore, this report contains a prospective opinions of value. As such, we have assumed that the market conditions as discussed and considered within this report will be similar on the prospective valuation dates. Further, we cannot be held responsible for unforeseeable events that alter market conditions prior to this prospective effective dates.
3. Our opinions of prospective market values at completion assumes that the proposed improvements are completed in accordance with plans and specifications as of March 1, 2027 and October 1, 2027, the effective appraisal dates.
4. The values presented within this report is prospective in nature. As such, we assume that local and regional lending institutions appear to remain active within the subject's market for specific projects. Therefore, we specifically assume that the financial markets will continue to function in a competitive, efficient fashion.
5. It is noted that the subject's zoning categories allow for a higher density of multi-family development than that described herein. In addition, some sites might have restrictions that cause for a lower density of development. However, our values are based on the number of units/densities found within this report. We assume the tracts can be developed as described herein.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Strengths, Weaknesses, Opportunities, Threats (SWOT Analysis)

The analyses presented in this report consider the internal strengths and weaknesses of the subject property, as well as opportunities and external threats. The overall valuation influences are summarized in the following table.

Valuation Influences

Strengths

- Limited amount of available developed lots in market area
- Limited amount of available land in market area
- Demand for residential lots in market area
- Easy access to major thoroughfares
- Close proximity to employment centers
- Continued demand for commercial land in market area
- Increasing population base

Weaknesses

- Potential competition from other developments
- Land loss to floodplain
- Lack of support facilities in close proximity
- Complicated development plan

Opportunities

- Profit from lot sales
- Profit from homebuilding
- Demand for new housing continues
- Demand for multi-family housing
- Development possibilities
- Demand for commercial properties

Threats

- Possible economic downturn/inflation pressures testing the U.S. and local economies
 - Higher than desired interest rates
 - In light of the progress on inflation and the balance of risks, at the January 2025 Federal Open Market Committee (FOMC) meeting, the Federal Reserve left the federal funds rate unchanged at 4 1/4 percent pausing the interest-rate-cutting cycle that started in September 2024. The Committee will continue to take into account a wide range of information including readings on labor market conditions, inflation pressures, inflation expectations, and financial and international developments. The Committee is strongly committed to supporting maximum employment and returning inflation to its 2 percent objective and will continue to monitor the implications of incoming information for the economic outlook. As such, depending on inflation factors/unemployment figures, there could still be emerging pressure on lending interest rates.
-

Identification of the Appraisal Problem

Subject Description

The subject is currently undeveloped and was originally assembled from five individual tracts of land that contain a gross land area of approximately 273.068 gross acres of which 6.16 is located within the Wheatland Road right-of-way. The property is generally located at the northwest quadrant of IH-20 and S. Lancaster Road and bisected by E. Wheatland Road. The overall assemblage will be developed under the name of University Hills, a proposed master planned community. At your request, we have valued the subject based upon two completion dates. Phase 1 development which is projected to begin in the second quarter 2025 is projected to be complete on or before March 1, of 2027 and will contain 573 attached and detached single family lots within three tracts/phases. The remaining development which is also projected to begin in the second quarter 2025 is projected to be complete on or before October 1, of 2027 and will contain 11 multi-family tracts (1,917 units) and 11 commercial/mixed-use tracts.

The overall property includes zoning districts TH-2(A), MF-2(A), MF-3(A), MU-2, CR, UC-2 and LO-1, which permits townhomes, multifamily, retail, commercial as well as mixed uses. Although a small portion of Phase 1 is in a flood zone, it is noted that this area is being developed with residential uses and is valued as developed lots which have no flood loss. After the completion of the remainder of development, the entire site will be activated for development. However, additional infrastructure may be required for four of the sites. Therefore, we have combined Tracts 9/10, 11/15, 12/16 and 20/21 for valuation purposes. It is noted that there may or may not be additional street development required to access Tracts 10, 11, 12 and 21 depending on the eventual buyer/user. This has been accounted for in our valuations.

A legal description of the property in its current undeveloped state is provided in the addenda.

Property Identification

Property Name	University Hills
Address	Northwest quadrant of IH-20 and S. Lancaster Road Dallas, Texas 75241
Tax ID	00000756944000100, 00000756944000000, 00000755080000000, 00000754793600000, 00000754793500000, and 65127774010010000
Owner of Record	VM Fund I, LLC / CADG Property Holdings I, LLC

Sale History

The most recent closed sale of the subject is summarized as follows:

Sale Date	March 1, 2021
Seller	CADG Property Holdings I, LLC
Buyer	VM Fund I, LLC (CADG Property Holdings I, LLC)
Sale Price	Internal Transfer
Recording Instrument Number	201600055916
Expenditures Since Purchase	Unknown

No known sales or transfers of ownership have taken place within a three-year period prior to the effective appraisal date. It is noted that this change of ownership was an internal transfer and not an arms-length transaction.

Pending Transactions

The property is under contract of sale as of the effective appraisal date. The contract is summarized as follows:

Contract Date	July 30, 2021
Seller	VM Fund I, LLC (CADG Property Holdings I, LLC)
Buyer	Hogue Global Properties, LLC
Sale Price	\$21,500,000
Comments	This site has been under contract for a prolonged period due to negotiations with the city of Dallas regarding zoning and development requirements

The seller, CADG Property Holdings I, LLC, confirmed that the property was not formally listed for sale but received an unsolicited offer from a close business associate. Since the contract was signed, a TIF agreement with the city has been negotiated and the site plan approved. However, as we are valuing the property assuming completion of the Phase 1 and Phase 2 development, the current contract has no bearing on the values found herein. However, in addition, it is noted that the proposed single family lots are contracted as follows:

Lot Contract Summary								
Home Builder	Total Lots	Lot Type	Typical Lot		Base Lot Price*	Base Price/FF	Absorption/ Month	Total Absorption Period (Months ±)
			Dimensions	Total SF				
DR Horton	246	TH	24' x 90'	2,160	\$50,000	\$2,083	16	15.4
DR Horton	102	40'	40' x 115'	4,600	\$62,000	\$1,550	16	6.4
DR Horton	54	50'	50' x 115'	5,750	\$75,000	\$1,500	16	3.4
Lennar	101	40'	40' x 115'	4,600	\$62,000	\$1,550	16	6.3
Lennar	55	50'	50' x 115'	5,750	\$75,000	\$1,500	16	3.4

*All lots are contracted with an annual 8% escalation with a \$1,500/lot amenity fee and a \$500/lot marketing fee.

It is noted that the lot contracts were signed prior to the most recent concept plan being completed. As such, the lot counts do not match. In addition, due to the timing of the original contract lot pricing the prospective lot values found herein are higher than the contract prices.

In addition to the preceding, Tracts 3A/B, 4A and 19 have been contracted to an apartment development group. A summary follows:

Contract Date	November 18, 2023
Seller	Hogue Global Properties, LLC
Buyer	Leon MF Acquisitions, LLC
Purchase Price	\$11,295,500
Comments	The contract states that the purchase is for Tracts 3A/3B, 4A, and 19 (1,189 units @ \$9,500/unit).

Based on the analyses found herein, this contract appears to be reasonable based on the purchase of 1,197 units.

Appraisal Purpose

The purpose of the appraisal is to develop the following opinion(s) of value:

- Prospective Market Value of **Phase 1, Tract 1** (312 Residential Lots), upon completion of Phase 1 development
- Prospective Market Value of **Phase 1, Tract 1A** (141 Townhome Lots), upon completion of Phase 1 development
- Prospective Market Value of **Phase 1, Tract 2** (120 Townhome Lots), upon completion of Phase 1 development
- Prospective Market Value of **Phase 2, Tracts 3A/3B** (370± Units of Multi-Family), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 3C** (2.8 acres of Commercial/Retail) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 4A** (542± Units of Multi-Family), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 4B** 4.2 acres of Commercial/Retail), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 13** (7.7 acres of Mixed Use/Commercial), upon completion of Phase 2 development

- Prospective Market Value of **Phase 2, Tract 14** (5.1 acres of Mixed Use/Commercial), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 19** (277± Units of Multi-Family), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 5** (4.6 acres of Commercial/Retail) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 7A** (8.5 acres of Commercial/Retail) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 7B** (5.9 acres of Commercial/Retail) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tracts 9/10** (267± Units of Multi-Family), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tracts 11/15** (222± Units of Multi-Family), upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tracts 12/16** (127± Units of Multi-Family) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 17** (112± Units of Multi-Family) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 18** (19.2 acres of Mixed-Use/Commercial) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tracts 20/21** (7.3 acres of Institutional/Office uses) upon completion of Phase 2 development
- Prospective Market Value of **Phase 2, Tract 22** (6.9 acres of Commercial/Retail) upon completion of Phase 2 development

The date of the report is April 15, 2025. The appraisal is valid only as of the stated effective date or dates.

Value Type Definitions

The definitions of the value types applicable to this assignment are summarized below.

Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and

assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

Appraisal Premise Definitions

The definitions of the appraisal premises applicable to this assignment are specified as follows.

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

(Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. [Chicago: Appraisal Institute, 2022])

Prospective Market Value As Completed

The market value of a property as of a future date when all construction is expected to be completed. It is based on market conditions forecasted to exist as of the completion date. This value premise assumes the project is complete and ready to lease to individual tenants.²

Property Rights Definitions

The property rights appraised which are applicable to this assignment are defined as follows.

Fee Simple Estate

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.³

¹ Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also, Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472

² Compiled and summarized from several industry sources

³ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

Client and Intended User(s)

The client and intended user is SAMCO Capital Markets. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

Intended Use

The intended use of the appraisal is for loan underwriting purposes. The appraisal is not intended for any other use.

Applicable Requirements

This appraisal report conforms to the following requirements and regulations:

- Uniform Standards of Professional Appraisal Practice (USPAP)
- Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute
- Applicable state appraisal regulations

Report Format

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis used to develop the opinion of value.

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have prepared numerous appraisals of the subject property for multiple clients over the past five years. We have provided no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

Appraiser Competency

No steps were necessary to meet the competency provisions established under USPAP. The assignment participants have appraised several properties similar to the subject in physical, locational, and economic characteristics, and are familiar with market conditions and trends; therefore, appraiser competency provisions are satisfied for this assignment. Appraiser qualifications and state credentials are included in the addenda of this report.

Scope of Work

Introduction

The appraisal development and reporting processes require gathering and analyzing information about the assignment elements necessary to properly identify the appraisal problem. The scope of work decision includes the research and analyses necessary to develop credible assignment results, given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

To determine the appropriate scope of work for the assignment, the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors were considered. The concluded scope of work is described below.

Research and Analysis

The type and extent of the research and analysis conducted are detailed in individual sections of the report. The steps taken to verify comparable data are disclosed in the addenda of this report. Although effort has been made to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

Subject Property Data Sources

The legal and physical features of the subject property, including size of the site, flood plain data, seismic zone designation, property zoning, existing easements and encumbrances, access and exposure were confirmed and analyzed.

Inspection

Details regarding the property inspection conducted as part of this appraisal assignment are summarized as follows:

Property Inspection		
Party	Inspection Type	Inspection Date
Ernest Gatewood	On-site	March 22, 2025
Jimmy H. Jackson, MAI	None	N/A

Valuation Methodology

Three approaches to value are typically considered when developing a market value opinion for real property. These are the cost approach, the sales comparison approach, and the income capitalization approach. Use of the approaches in this assignment is summarized as follows:

Approaches to Value		
Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach - (Subdivision Development Analysis)	Applicable	Utilized

The Sales Comparison Approach involves research, verification, and comparison of sales of other vacant lots. The sales are then adjusted for value-related differences. Because Texas is not a full disclosure state, sales prices must be obtained from grantors, grantees, brokers, lenders, other persons involved in the transaction, or other appraisers when the information is believed to be reliable. In many cases, the sources of the information wish to remain anonymous and are not included; however, the sale data is used only if the data is believed to be accurate, and the sources of the information are kept on file.

The Cost Approach involves research, verification, and comparison of sales of other vacant land with the subject land. The sales are then adjusted for value-related differences. Because Texas is not a full disclosure state, sales prices must be obtained from grantors, grantees, brokers, lenders, other persons involved in the transaction, or other appraisers when the information is believed to be reliable. In many cases, the sources of the information wish to remain anonymous and are not included; however, the sale data is used only if the data is believed to be accurate, and the sources of the information are kept on file. Cost figures were obtained from the developer and compared to cost figures on competing developments. The cost figures are based on actual costs provided by the developer. Developer's profit is based on profit expectations reported by developers as well as actual profit on similar developments.

In the Income Capitalization Approach, specific appraisal techniques are applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income.

In the Subdivision Development Approach, the retail value of the lots has been estimated. The individual lot values are based on lot sales in competing developments. The absorption rates, expenses, and discount rates are also based on competing developments. The indicated value by the Income Capitalization Approach is based on the sellout of the lots with deductions for holding costs and discounted to a net present value.

Economic Analysis

Dallas County Area Analysis

Dallas County is located in North Central Texas. It is 871 square miles in size and has a population density of 2,999 persons per square mile.

Population

Dallas County has an estimated 2024 population of 2,612,729, which represents little to no change from the 2020 census of 2,613,539. The population trend in Dallas County contrasts with that of the Dallas MSA which had a 1.6% average annual increase in population over this time.

Looking forward, Dallas County's population is projected to increase at a 0.1% annual rate from 2024-2029, equivalent to the addition of an average of 3,598 residents per year. Dallas County's growth rate is expected to lag that of the Dallas MSA, which is projected to be 1.0%.

Population Trends					
	Population			Compound Ann. % Chng	
	2020 Census	2024 Estimate	2029 Projection	2020 - 2024	2024 - 2029
Dallas County, TX	2,613,539	2,612,729	2,630,719	0.0%	0.1%
Dallas-Fort Worth-Arlington, TX	7,637,387	8,126,208	8,541,837	1.6%	1.0%
Texas	29,145,505	30,665,339	32,119,807	1.3%	0.9%
USA	331,449,281	336,157,119	344,209,992	0.4%	0.5%
Source: Claritas					



Employment

Total employment in Dallas County was estimated at 1,835,584 jobs as of June 2023. Between year-end 2013 and 2023, employment rose by 304,750 jobs, equivalent to a 19.9% increase over the entire period. There were gains in employment in eight out of the past ten years. Although Dallas County's employment rose over the last decade, it underperformed the Dallas MSA, which experienced an increase in employment of 27.3% or 854,880 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Dallas County unemployment rate has been consistently higher than that of the Dallas MSA, with an average unemployment rate of 4.8% in comparison to a 4.5% rate for the Dallas MSA. A higher unemployment rate is a negative indicator.

Recent data shows that the Dallas County unemployment rate is 4.4% in comparison to a 4.3% rate for the Dallas MSA, a negative sign that is consistent with the fact that Dallas County has underperformed the Dallas MSA in the rate of job growth over the past two years.

Employment Trends						
Year	Total Employment (Year End)				Unemployment Rate (Ann. Avg.)	
	Dallas County	% Change	Dallas MSA	% Change	Dallas County	Dallas MSA
2013	1,530,834		3,127,712		6.7%	6.2%
2014	1,592,969	4.1%	3,254,583	4.1%	5.5%	5.1%
2015	1,650,696	3.6%	3,360,668	3.3%	4.3%	4.1%
2016	1,689,422	2.3%	3,441,839	2.4%	4.0%	3.9%
2017	1,717,458	1.7%	3,526,930	2.5%	4.0%	3.7%
2018	1,742,213	1.4%	3,606,436	2.3%	3.8%	3.6%
2019	1,788,166	2.6%	3,719,023	3.1%	3.5%	3.3%
2020	1,704,984	-4.7%	3,595,494	-3.3%	7.9%	7.2%
2021	1,806,405	5.9%	3,829,259	6.5%	5.6%	5.1%
2022	1,840,907	1.9%	3,966,180	3.6%	3.7%	3.5%
2023*	1,835,584	-0.3%	3,982,592	0.4%	3.9%	3.8%
Overall Change 2013-2023	304,750	19.9%	854,880	27.3%		
Avg Unemp. Rate 2013-2023					4.8%	4.5%
Unemployment Rate - June 2024					4.4%	4.3%

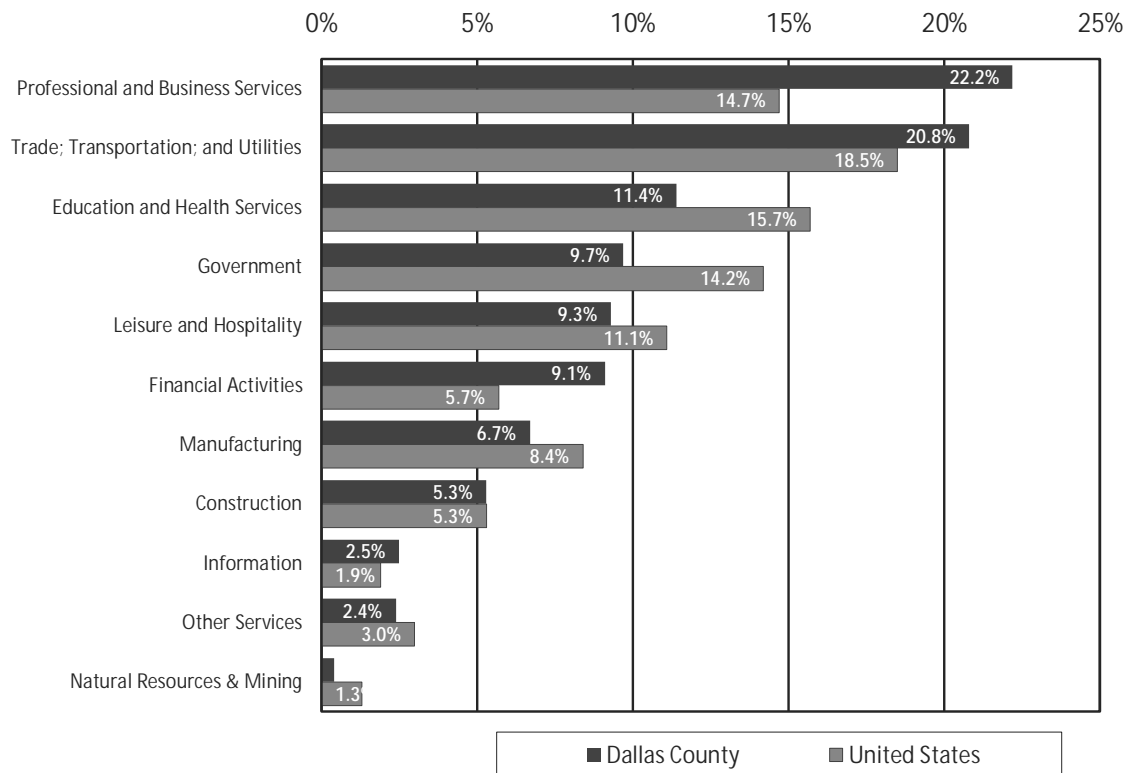
*Total employment data is as of June 2023.

Source: U.S. Bureau of Labor Statistics and Moody's Analytics. Employment figures are from the Quarterly Census of Employment and Wages (QCEW). Unemployment rates are from the Current Population Survey (CPS). The figures are not seasonally adjusted.

Employment Sectors

The composition of the Dallas County job market is depicted in the chart below. A complete data set is not available for the Dallas MSA, so Dallas County will be compared to the United States. Total employment for the two areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of Dallas County jobs in each category.

Employment Sectors - 2023



Source: U.S. Bureau of Labor Statistics and Moody's Analytics

Dallas County has greater concentrations than the United States in the following employment sectors:

1. Professional and Business Services, representing 22.2% of Dallas County payroll employment compared to 14.7% for the nation overall. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
2. Trade; Transportation; and Utilities, representing 20.8% of Dallas County payroll employment compared to 18.5% for the nation overall. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.
3. Financial Activities, representing 9.1% of Dallas County payroll employment compared to 5.7% for the nation overall. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.
4. Information, representing 2.5% of Dallas County payroll employment compared to 1.9% for the nation overall. Publishing, broadcasting, data processing, telecommunications, and software publishing are included in this sector.

Dallas County is underrepresented in the following sectors:

1. Education and Health Services, representing 11.4% of Dallas County payroll employment compared to 15.7% for the nation overall. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
2. Government, representing 9.7% of Dallas County payroll employment compared to 14.2% for the nation overall. This sector includes employment in local, state, and federal government agencies.
3. Leisure and Hospitality, representing 9.3% of Dallas County payroll employment compared to 11.1% for the nation overall. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.
4. Manufacturing, representing 6.7% of Dallas County payroll employment compared to 8.4% for the nation overall. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.

Major Employers

Major employers in the Dallas MSA are shown in the following table.

Major Employers - Dallas MSA		
	Name	Number of Employees
1	AMR Corporation	24,700
2	Bank of America Corporation	20,000
3	Texas Health Resources Inc.	19,230
4	Dallas ISD	18,314
5	Baylor Health Care System	17,097
6	AT&T	15,800
7	Lockheed Martin Aeronautics	14,126
8	JP Morgan Chase & Co.	13,500
9	UT-Southwestern Medical Center	13,122
10	City of Dallas	12,836

Gross Domestic Product

Gross Domestic Product (GDP) is a measure of economic activity based on the total value of goods and services produced in a defined geographic area, and annual changes in Gross Domestic Product (GDP) are a gauge of economic growth.

Economic growth, as measured by annual changes in GDP, has been somewhat lower in Dallas County than the Dallas MSA overall during the past five years. Dallas County has grown at a 3.9% average annual rate while the Dallas MSA has grown at a 4.1% rate. Dallas County has recently performed similarly to the Dallas MSA. GDP for Dallas County rose by 5.7% in 2022 while the Dallas MSA's GDP rose by 5.7%.

Dallas County has a per capita GDP of \$115,260, which is 55% greater than the Dallas MSA's GDP of \$74,582. This means that Dallas County industries and employers are adding relatively more value to the economy than their counterparts in the Dallas MSA.

Gross Domestic Product				
	(\$,000s)		(\$,000s)	
Year	Dallas County	% Change	Dallas MSA	% Change
2017	248,044,414	–	483,732,021	–
2018	258,127,596	4.1%	506,219,605	4.6%
2019	269,858,811	4.5%	525,852,321	3.9%
2020	263,514,185	-2.4%	519,282,910	-1.2%
2021	283,517,706	7.6%	560,290,164	7.9%
2022	299,773,355	5.7%	592,452,179	5.7%
Compound % Chg (2017-2022)		3.9%		4.1%
GDP Per Capita 2022	\$115,260		\$74,582	

Source: U.S. Bureau of Economic Analysis and Moody's Analytics; data released December 2023.

The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted ""real"" GDP stated in 2017 dollars.

Household Income

Dallas County has a considerably lower level of household income than the Dallas MSA. Median household income for Dallas County is \$69,306, which is 15.9% less than the corresponding figure for the Dallas MSA.

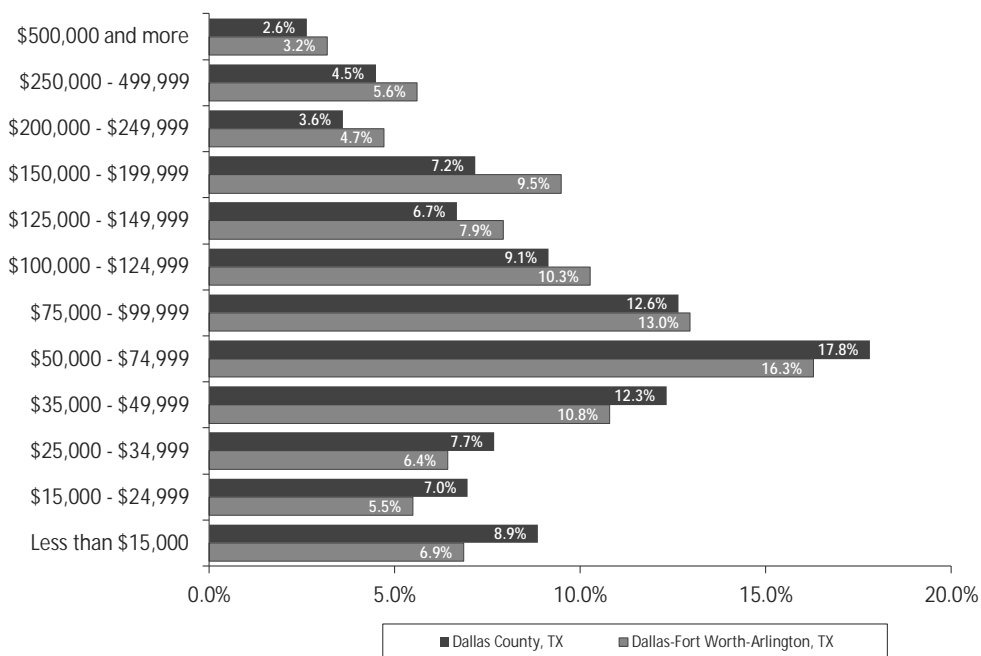
Median Household Income - 2024

	Median
Dallas County, TX	\$69,306
Dallas-Fort Worth-Arlington, TX	\$82,381
Comparison of Dallas County, TX to Dallas-Fort Worth-Arlington,	- 15.9%

Source: Claritas

The following chart shows the distribution of households across twelve income levels. Dallas County has a greater concentration of households in the lower income levels than the Dallas MSA. Specifically, 36% of Dallas County households are below the \$50,000 level in household income as compared to 30% of Dallas MSA households. A lesser concentration of households is apparent in the higher income levels, as 18% of Dallas County households are at the \$150,000 or greater levels in household income versus 23% of Dallas MSA households.

Household Income Distribution - 2024

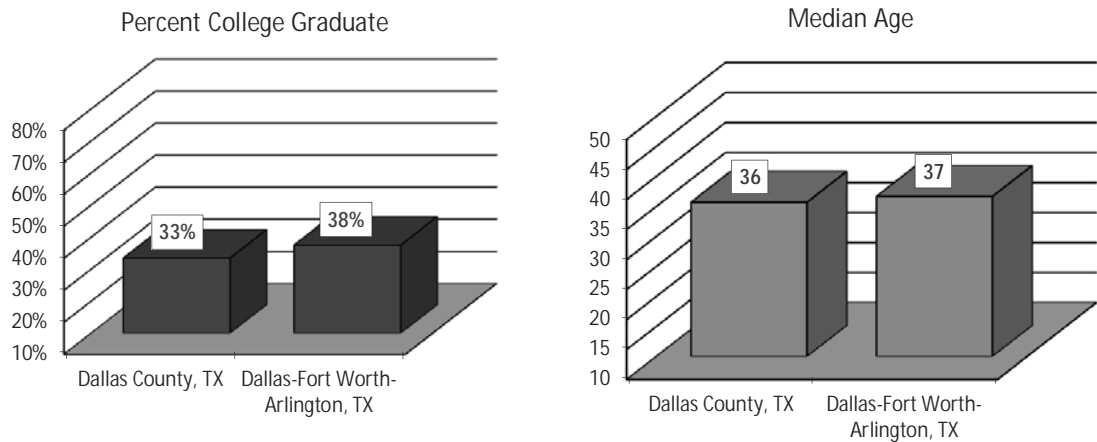


Source: Claritas

Education and Age

Residents of Dallas County have a lower level of educational attainment than those of the Dallas MSA. An estimated 33% of Dallas County residents are college graduates with four-year degrees, versus 38% of Dallas MSA residents. People in Dallas County are slightly younger than their Dallas MSA counterparts. The median age for Dallas County is 36 years, while the median age for the Dallas MSA is 37 years.

Education & Age - 2024



Source: Claritas

Conclusion

The Dallas County economy will be affected by a stable to slightly growing population base and lower income and education levels. Dallas County experienced growth in the number of jobs over the past decade, and it is reasonable to assume that employment growth will occur in the future. It is anticipated that the Dallas County economy will improve, and employment will grow, strengthening the demand for real estate.

Area Map



Surrounding Area Analysis

Boundaries – South Dallas

The South Dallas area is generally delineated as follows:

North	Loop 12
South	Dallas County Line
East	IH-45
West	IH-35E

A map identifying the location of the property follows this section.

Access and Linkages

Primary access to the area is provided by IH-35E, a major arterial that crosses the Dallas metro area in a north/south direction. Access to the subject from IH-35E is provided by E. Illinois Avenue and travel time from the major arterial to the subject is about five minutes. Overall, vehicular access is average.

Public transportation is provided by DART and provides access to the Dallas County area. There are numerous bus stops located on streets in the immediate area. The local market perceives public transportation as good compared to other areas in the region. However, the primary mode of transportation in this area is the automobile.

The DFW International Airport is located about 30 miles from the property; travel time is about 30 minutes, depending on traffic conditions.

Life Cycle

Real estate is affected by cycles involving development trends within a market area as well as market and economic forces. Trends in demand for development in a particular market are described by the Market Area Life Cycle, while market and economic trends are described by the Real Estate Cycle.

A Market Area Life Cycle typically evolves through four stages:⁴

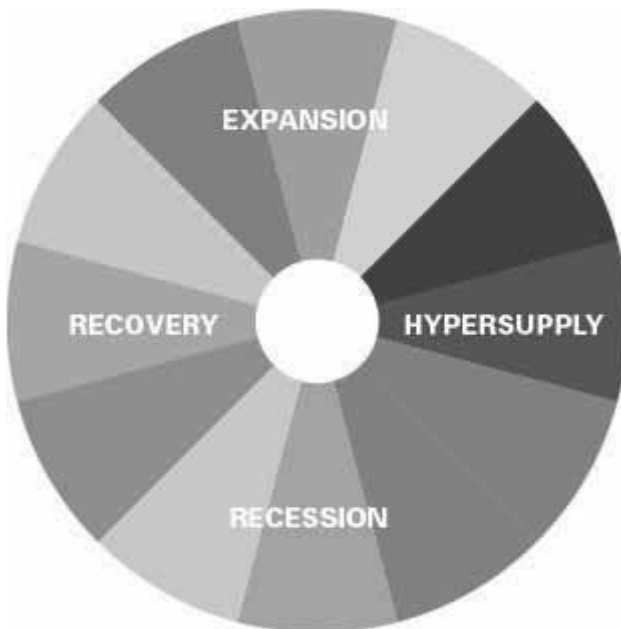
- Growth – a period during which the market area gains public favor and acceptance
- Stability – a period of equilibrium without marked gains or losses
- Decline – a period of diminishing demand
- Revitalization – a period of renewal, redevelopment, modernization, and increasing demand

The subject's market area is in the growth stage of the Market Area Life Cycle.

The Real Estate Cycle also impacts a neighborhood. The stages of the Real Estate Cycle include:

- Expansion – Sustained growth in demand, increasing construction
- Hypersupply – Positive but falling demand, increasing vacancy
- Recession – Falling demand, increasing vacancy
- Recovery – Increasing demand, decreasing vacancy

These stages are illustrated below, along with a summary of common characteristics of each stage of the Real Estate Cycle. The subject is in the expansion stage of the Real Estate Cycle.



⁴ Appraisal Institute, *The Appraisal of Real Estate*, 15th ed. (Chicago: Appraisal Institute, 2020)

EXPANSION

Decreasing Vacancy Rates
Moderate/High New Construction
High Absorption
Moderate/High Employment Growth
Med/High Rental Rate Growth

HYPERSUPPLY

Increasing Vacancy Rates
Moderate/High New Construction
Low/Negative Absorption
Moderate/Low Employment Growth
Med/Low Rental Rate Growth

RECESSION

Increasing Vacancy Rates
Moderate/Low New Construction
Low Absorption
Low/Negative Employment Growth
Low/Neg Rental Rate Growth

RECOVERY

Decreasing Vacancy Rates
Low New Construction
Moderate Absorption
Low/Moderate Employment Growth
Neg/Low Rental Rate Growth

Demographics

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

Surrounding Area Demographics

	5-Minute Drive Time	10-Minute Drive Time	15-Minute Drive Time	Dallas County, TX	Dallas-Fort Worth- Arlington, TX
2024 Estimates					
Population 2020	7,282	104,587	389,209	2,613,539	7,637,387
Population 2024	7,394	103,883	388,346	2,612,729	8,126,208
Population 2029	7,553	104,049	390,120	2,630,719	8,541,837
Compound % Change 2020-2024	0.4%	-0.2%	-0.1%	0.0%	1.6%
Compound % Change 2024-2029	0.4%	0.0%	0.1%	0.1%	1.0%
Households 2020	2,308	35,236	130,615	965,537	2,760,991
Households 2024	2,335	34,818	130,408	971,311	2,938,027
Households 2029	2,379	34,761	131,124	983,747	3,091,922
Compound % Change 2020-2024	0.3%	-0.3%	0.0%	0.1%	1.6%
Compound % Change 2024-2029	0.4%	0.0%	0.1%	0.3%	1.0%
Median Household Income 2024	\$50,367	\$42,193	\$50,734	\$69,306	\$82,381
Average Household Size	3.1	3.0	2.9	2.7	2.7
College Graduate %	16%	13%	17%	33%	38%
Median Age	36	35	36	36	37
Owner Occupied %	64%	53%	53%	48%	59%
Renter Occupied %	36%	47%	47%	52%	41%
Median Owner Occupied Housing Value	\$152,135	\$168,145	\$202,876	\$293,526	\$351,083
Median Year Structure Built	1977	1975	1977	1982	1992
Average Travel Time to Work in Minutes	35	33	32	30	30

Source: Claritas

As shown above, the current population within a 10-minute drive time of the subject is 103,883, and the average household size is 3.0. Population in the area has declined since the 2020 census, but the trend is projected to be flat over the next five years. This differs from the population of Dallas County, which is projected to grow, as discussed previously.

Median household income is \$42,193, which is lower than the household income for Dallas County. Residents within a 10-minute drive time have a considerably lower level of educational attainment than those of Dallas County, while median owner-occupied home values are considerably lower.

Development Activity and Trends

During the last five years, development has been predominantly single-family with supportive commercial along major thoroughfares. The pace of development has generally accelerated over this time. The subject neighborhood has several high-profile developments either within its boundaries, or afforded proximity to the boundaries. The most important are discussed as follows.

Paul Quinn College is a private, historically black college (HBCU) located on 144 acres just south of downtown Dallas, Texas. The college is affiliated with the African Methodist Episcopal Church (AME). Paul Quinn College is the oldest historically black college west of the Mississippi River and the nation's first urban work college. Paul Quinn is also home to the We/ Me Farm, which was created through a partnership with PepsiCo to bring healthy food to the food desert of Dallas. Paul Quinn College took the unusual step of converting the campus football field into a farm in 2010. Thirteen years later, the We/Me Farm has so far produced 30,000 pounds of organic produce and continues to provide an array of benefits to the campus and the surrounding community. In 2018, Paul Quinn broke ground on the first new campus building in over 40 years. The Trammel S. Crow Living and Learning Center will include a 30,000 square-foot dormitory and gym to hold up to 1,500 people. Also, in 2018, Paul Quinn opened a work program expansion site in Plano, Texas.

University of North Texas at Dallas is the only public, accredited four-year university in the City of Dallas located on a 264-acre campus. 2022 enrollment was 3,001. The university's first residence hall and a new \$63 million student center opened in 2019. The UNT Dallas College of Law's historic, the former Dallas City Hall at 106 S. Harwood Street recently completed a \$71 million renovation with a \$15 million exterior facelift in order to house the City's only public law school.

Dallas Baptist University is a Christian liberal arts university in Dallas, Texas. The main campus is located approximately 12 miles southwest of downtown Dallas overlooking Mountain Creek Lake. Other campuses are located in Plano and Hurst. In 2019, the university enrolled 4,487 students offering 73 undergraduate majors, 32 master's degree programs, over 70 dual master's programs, and two doctoral programs.

Dallas Zoo is located to east of IH-35E and north of S. Marsalis Avenue. Dallas Zoo is a 106-acre zoo located three miles south of downtown Dallas, Texas, in Marsalis Park. Established in 1888, it is the oldest and largest zoological park in Texas and is managed by the non-profit Dallas Zoological Society. It is home to over 2,000 animals representing 406 species.

Dallas VA Medical Center is located east of S. Lancaster Road and north of E. Ledbetter Drive. The Dallas VA Medical Center is part of the VA North Texas Health Care System and is the VA's second largest health care system, serving more than 117,000 veterans and delivering 1.4 million outpatient episodes of care each year. As of 2023, a new 30-bed long-term care facility for spinal cord injuries was currently under construction with a cost of \$293 million with a completion date of 2026.

Dallas National Golf Club is a Tom Fazio designed 18-hole golf course. In 2023, the golf course was ranked number two in Texas by Golf Digest's Top 100 Courses and top 61 in U.S.

FedEx Ground Expansion – FedEx Ground, a leading small-package ground carrier and an operating company of FedEx Corporation, opened a new sorting facility at 3900 Cedardale Road in November 2020. The 778,000 square foot facility handles each day up to 15,500 packages per hour. The company hired approximately 1,200 people to run the facility.

ADESA Auto Auction – ADESA's state-of-the-art auction facility opened in approximately August 2009. The facility is located on 175 acres on Lancaster-Hutchins Road near Wintergreen Road. The property contains three buildings totaling approximately 196,000 square feet of space for an auction arena, administrative and financial offices and reconditioning facilities. The new facility is expected to create 400 jobs.

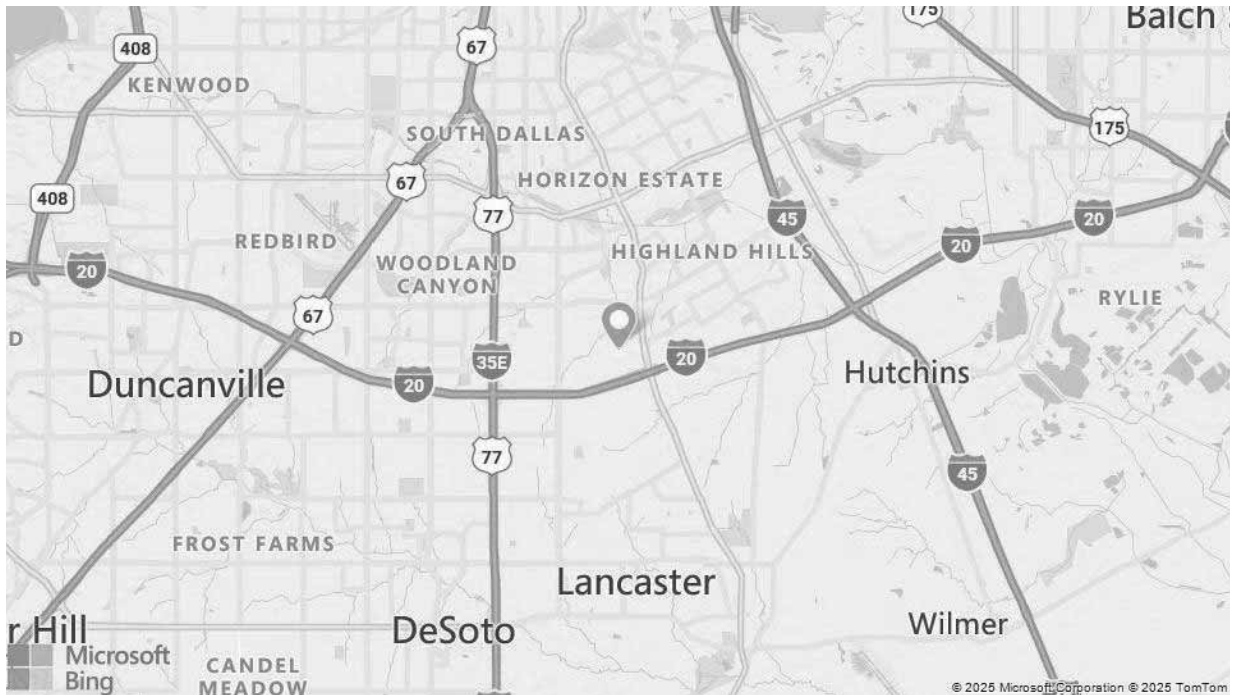
The **Dallas Logistics Hub** is the largest new logistics park in North America, with 6,000 acres master-planned for 60 million square feet of distribution, manufacturing, office and retail developments. The Hub will position Dallas as the number one trade hub in the Southwest region and serve as the primary gateway for the distribution of goods to the major population centers in the Central and Eastern United States. This premiere logistics park is adjacent to Union Pacific's Southern Dallas Intermodal Terminal, a potential BNSF intermodal facility, four major highway connectors (IH-20, IH-45, IH-35 and Loop 9/Trans-Texas Corridor) and a future air cargo facility at Lancaster Airport. The Dallas Logistics Hub, which spans across the communities of Dallas, Lancaster, Wilmer and Hutchins, will serve as a major Inland Port for regional and national distribution. Additional features:

- Located in the 4th largest industrial market in the United States.
- 2,000 master-planned acres
- 20 million SF of development potential
- Build-ready sites for distribution, manufacturing, office and retail Developments
- Adjacent to:
 - Union Pacific Southern Dallas Intermodal Facility
 - Four major highway connectors (IH-20, IH-45, IH-35, Loop 9)
 - Lancaster Airport
- Creation of 20,000 direct jobs and 20,000 indirect jobs in South Dallas County
- Foreign Trade Zone
- EB-5 Qualified
- Triple Freeport

Outlook and Conclusions

The area is in the growth stage of its life cycle. Given the history of the area and the growth trends, it is anticipated that property values will increase in the near future.

Surrounding Area Map



Office Market Analysis

Metro Area Overview

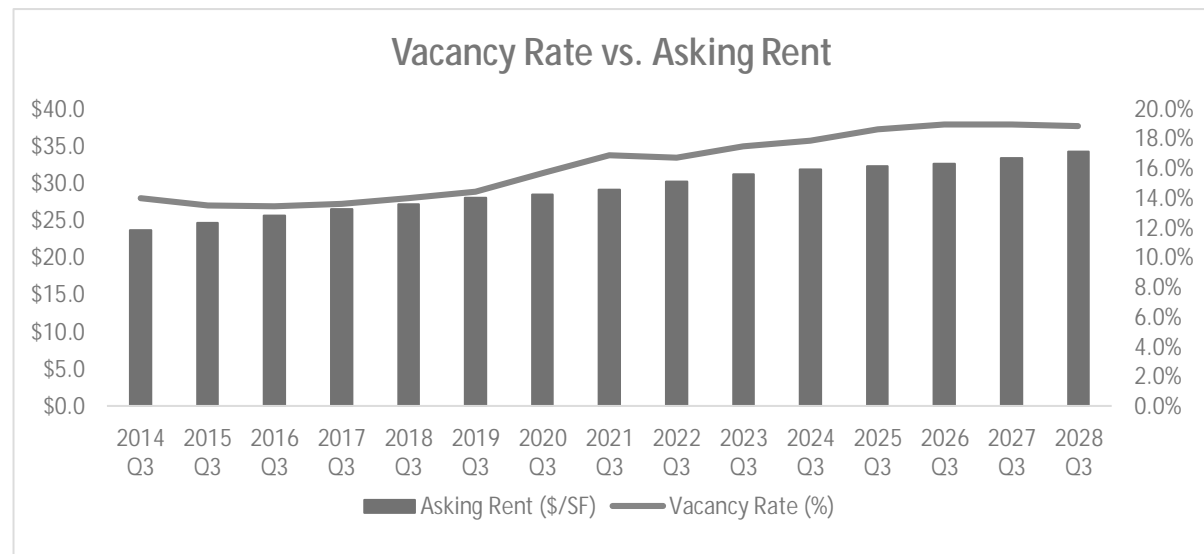
The subject is located in the Dallas-Fort Worth - TX USA metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

All Office Dallas-Fort Worth - TX USA Metro Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q3	374,427,424	321,983,552	14.01%	2,397,929	8,143,416	6,427,927	\$23.70	5.79%	9.36%	6.89%
2015 Q3	379,901,712	328,627,456	13.50%	5,429,881	7,894,180	6,620,849	\$24.66	4.08%	5.99%	6.87%
2016 Q3	384,596,435	332,910,592	13.44%	4,672,684	16,188,111	3,902,304	\$25.63	3.91%	6.57%	6.74%
2017 Q3	392,817,367	339,282,080	13.63%	8,188,422	15,550,469	6,397,236	\$26.51	3.47%	-1.87%	7.14%
2018 Q3	402,962,599	346,608,800	13.98%	10,018,617	9,077,589	7,144,283	\$27.21	2.62%	1.74%	7.31%
2019 Q3	409,173,632	350,100,192	14.44%	6,171,124	9,684,666	3,446,420	\$28.11	3.32%	3.47%	7.50%
2020 Q3	414,677,858	349,662,080	15.68%	5,504,226	8,469,439	-437,292	\$28.54	1.52%	5.02%	7.37%
2021 Q3	420,287,437	349,336,512	16.88%	5,605,579	6,277,162	-329,541	\$29.17	2.21%	5.83%	7.06%
2022 Q3	423,733,741	352,907,040	16.71%	3,446,304	7,656,521	3,570,866	\$30.29	3.84%	1.60%	7.37%
2023 Q3	426,058,434	351,535,552	17.49%	2,324,693	6,864,512	-1,369,581	\$31.21	3.03%	-7.78%	8.16%
2024 Q3	429,368,584	352,690,304	17.86%	3,310,150	6,373,475	1,155,150	\$31.87	2.12%	-5.01%	8.62%
2025 Q3	430,977,253	350,569,248	18.66%	1,608,669	0	-1,698,391	\$32.28	1.26%	0.16%	8.65%
2026 Q3	432,141,159	350,079,552	18.99%	1,163,906	0	-475,805	\$32.68	1.24%	3.97%	8.41%
2027 Q3	435,020,809	352,465,760	18.98%	2,879,650	0	2,399,235	\$33.40	2.20%	4.99%	8.19%
2028 Q3	437,445,185	354,919,104	18.87%	2,424,376	0	2,471,368	\$34.26	2.58%	5.60%	7.98%

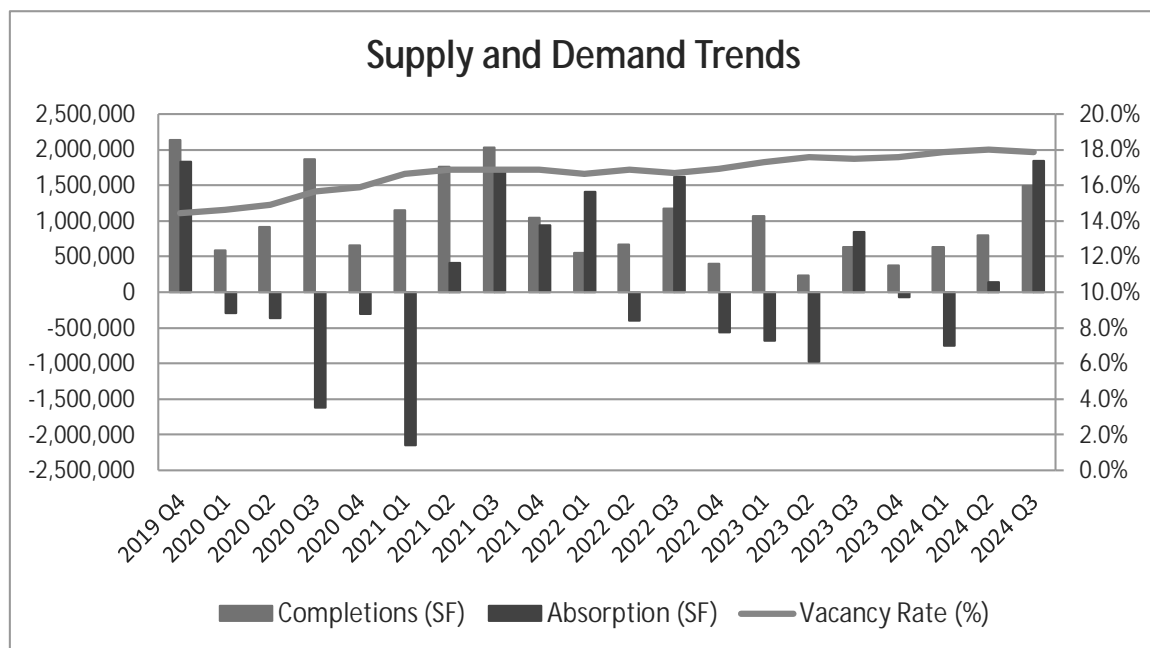
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Dallas-Fort Worth - TX USA Metro Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the metro area is 17.86%; the vacancy rate has increased by 114 bps from 2022 Q3.
- Two-year Base Case forecasts project a 18.99% vacancy rate in the metro area, representing an increase of 113 bps by 2026 Q3.
- Asking rent averages \$31.87/SF in the metro area, and values have increased by 5.22% from 2022 Q3.
- Two-year Base Case forecasts project a \$32.68/SF asking rent in the metro area, representing an increase of 2.54% by 2026 Q3.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has increased by 1.33% from 2022 Q3, while the demand has decreased by 0.06%.
- Between 2019 Q4 and 2024 Q3, net completions in the metro area have averaged 4,038,190 SF annually and reached a peak of 2,132,296 SF in 2019 Q4.
- Between 2019 Q4 and 2024 Q3, net absorption in the metro area has averaged 517,920 SF annually and reached a peak of 1,841,498 SF in 2024 Q3.

Submarket Overview

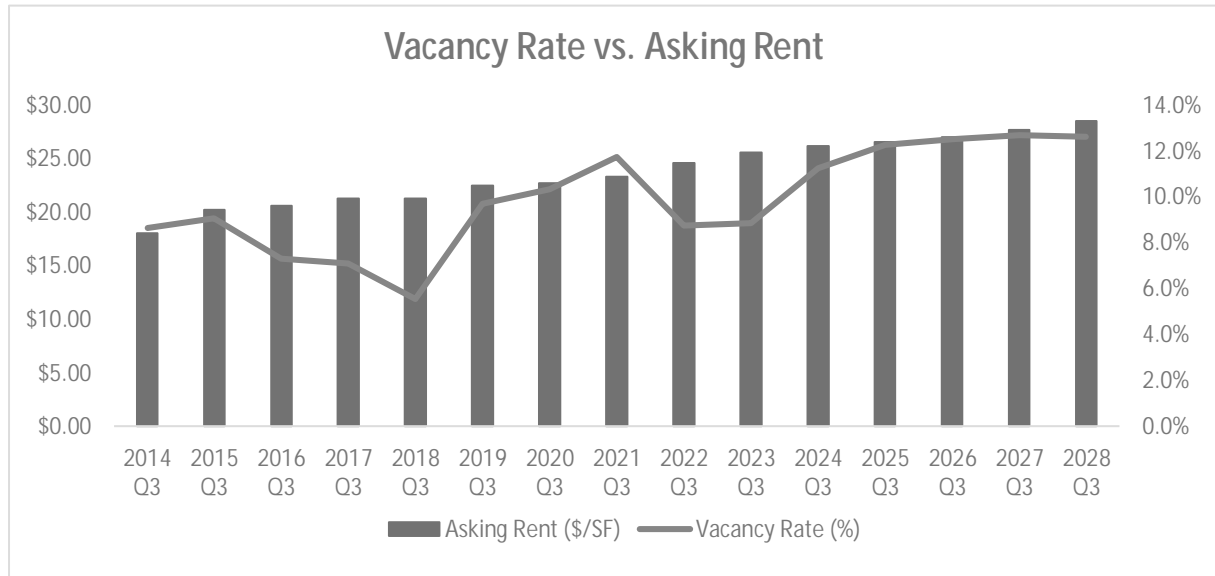
The subject is located in the Southwest Dallas submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

All Office Southwest Dallas Submarket Trends										
Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q3	6,347,749	5,799,462	8.64%	38,966	6,007	100,739	\$18.03	0.03%	9.44%	7.10%
2015 Q3	6,371,576	5,793,001	9.08%	23,827	51,677	-6,461	\$20.22	12.13%	4.21%	7.07%
2016 Q3	6,414,108	5,944,507	7.32%	42,532	0	151,506	\$20.62	1.98%	7.51%	6.94%
2017 Q3	6,417,279	5,962,506	7.09%	3,171	86,438	17,999	\$21.28	3.21%	0.26%	7.28%
2018 Q3	6,537,986	6,174,627	5.56%	113,407	11,939	150,621	\$21.26	-0.11%	-0.40%	7.55%
2019 Q3	6,864,925	6,198,345	9.71%	326,939	41,653	23,718	\$22.45	5.59%	1.85%	7.80%
2020 Q3	6,879,858	6,168,367	10.34%	14,933	32,588	-29,978	\$22.70	1.12%	1.90%	7.79%
2021 Q3	6,913,246	6,101,073	11.75%	33,388	30,708	-67,294	\$23.32	2.76%	7.73%	7.45%
2022 Q3	6,802,381	6,206,700	8.76%	-110,865	151,808	105,627	\$24.62	5.57%	3.11%	7.81%
2023 Q3	6,952,164	6,335,695	8.87%	149,783	46,200	128,995	\$25.53	3.68%	-6.36%	8.60%
2024 Q3	6,954,704	6,172,794	11.24%	2,540	43,660	-162,901	\$26.17	2.51%	-4.33%	9.07%
2025 Q3	6,989,006	6,131,879	12.26%	34,302	0	-40,330	\$26.57	1.53%	-0.30%	9.12%
2026 Q3	6,976,055	6,103,339	12.51%	-12,951	0	-27,758	\$27.01	1.63%	4.09%	8.88%
2027 Q3	6,988,856	6,102,459	12.68%	12,801	0	-121	\$27.71	2.59%	5.12%	8.66%
2028 Q3	7,016,501	6,132,533	12.60%	27,645	0	31,101	\$28.53	2.99%	5.74%	8.45%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

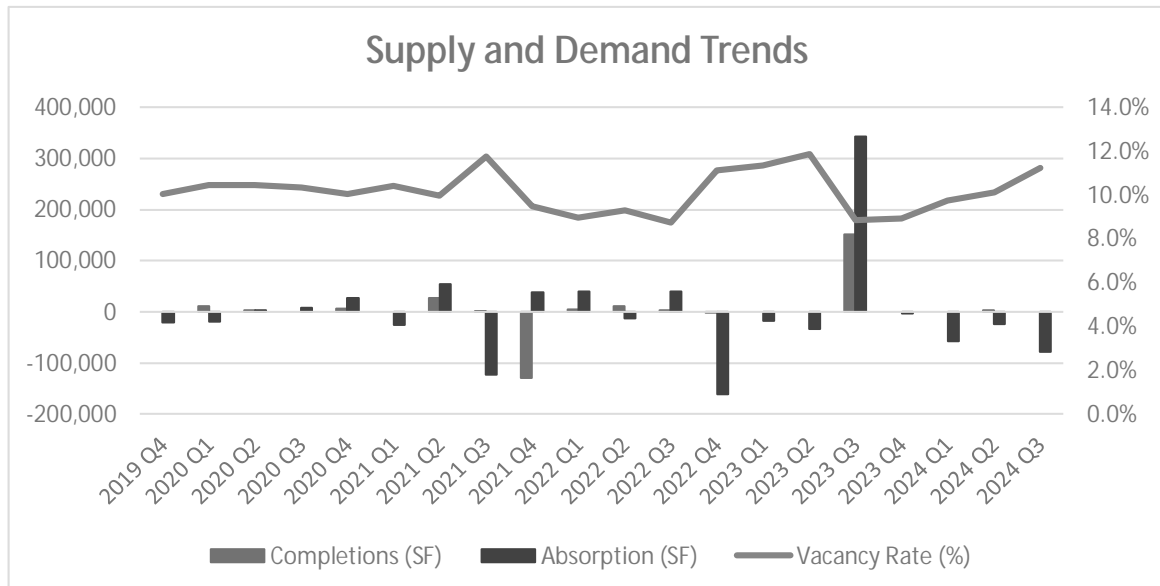
- The Southwest Dallas submarket comprises 1.6% of the metro building stock and 1.8% of the metro building demand.
- The vacancy rate in the Southwest Dallas submarket is 11.24%, which is less than the metro area's average of 17.86%.
- Southwest Dallas market rate is \$26.17/SF which is less than the metro area's average rate of \$31.87/SF.

Southwest Dallas Submarket Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

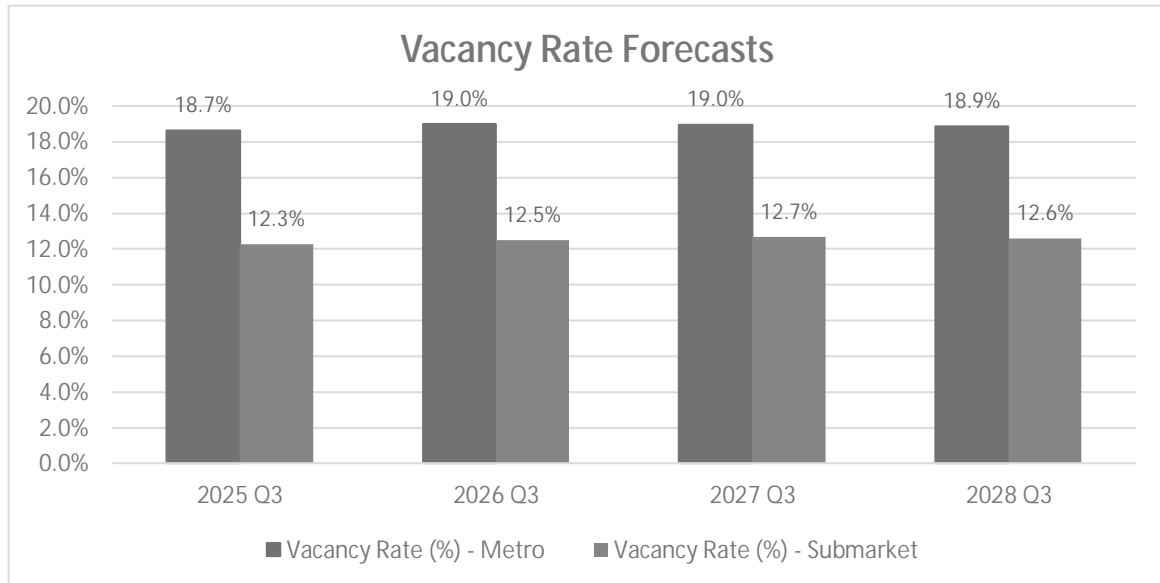
- The current vacancy rate in the submarket area is 11.24%; the vacancy rate has increased by 249 bps from 2022 Q3.
- Two-year Base Case forecasts project a 12.51% vacancy rate in the submarket area, representing an increase of 127 bps by 2026 Q3.
- Asking rent averages \$26.17/SF in the submarket area, and values have increased by 6.30% from 2022 Q3.
- Two-year Base Case forecasts project a \$27.01/SF asking rent in the submarket area, representing an increase of 3.21% by 2026 Q3.



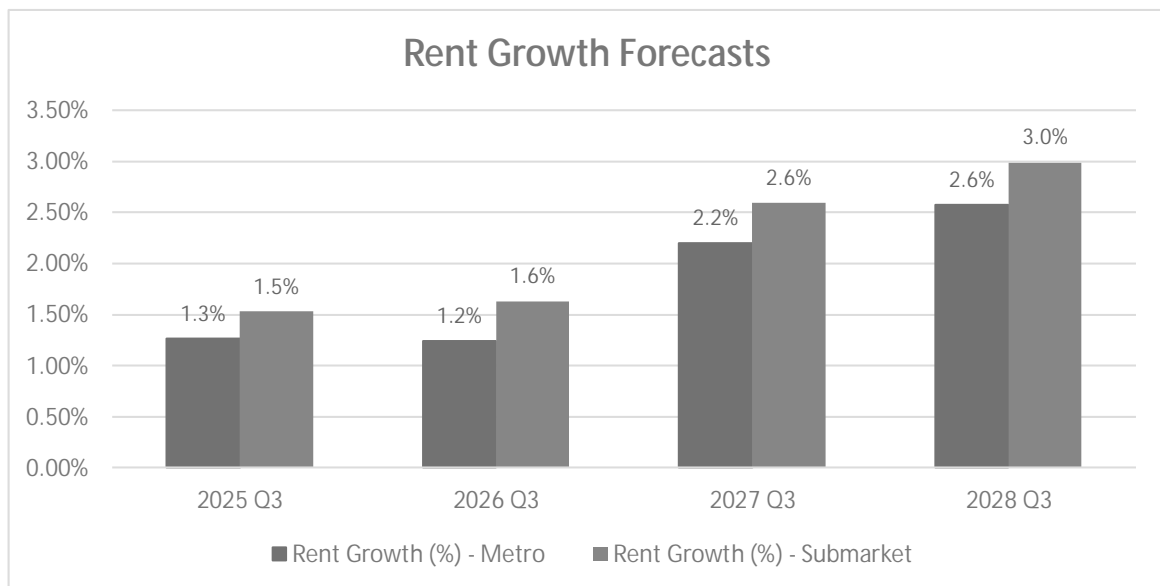
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has increased by 2.24% from 2022 Q3, while the demand has decreased by 0.55%.
- Between 2019 Q4 and 2024 Q3, net completions in the submarket area have averaged 17,956 SF annually and reached a peak of 151,808 SF in 2023 Q3.
- Between 2019 Q4 and 2024 Q3, net absorption in the submarket area has averaged -5,110 SF annually and reached a peak of 342,070 SF in 2023 Q3.

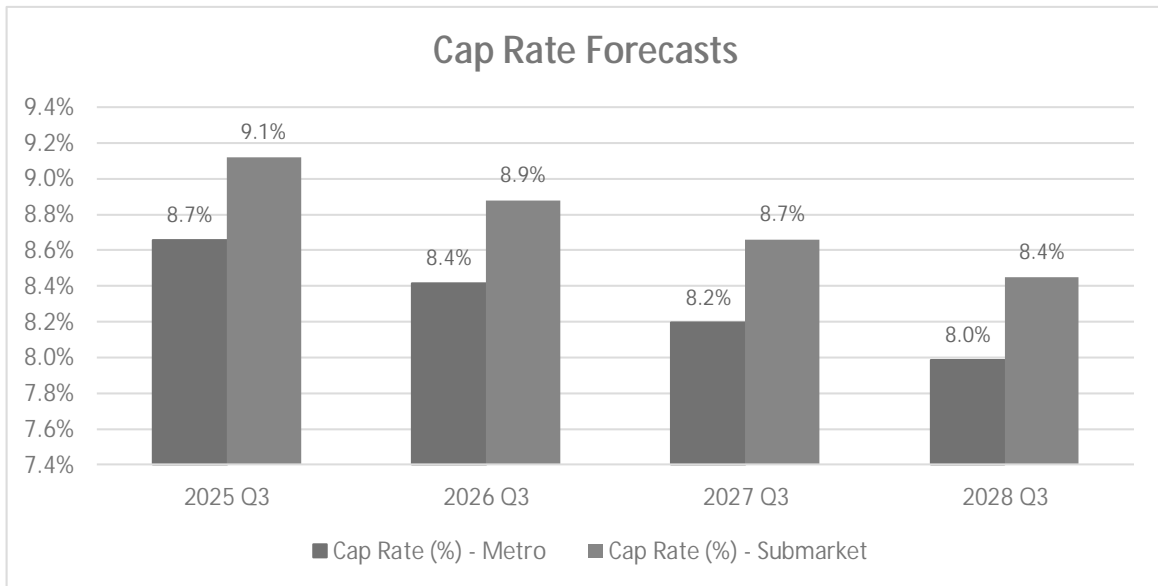
Office Market Forecast Comparisons



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Office Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the DFW metro area to have a positive impact on the subject property's performance in the near-term.

Retail Market Analysis

Metro Area Overview

The subject is located in the Dallas-Fort Worth - TX USA metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

All Retail Dallas-Fort Worth - TX USA Metro Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q3	426,267,549	400,083,200	6.14%	4,264,549	6,558,381	6,985,921	\$16.80	3.65%	10.17%	7.20%
2015 Q3	433,476,641	409,549,024	5.52%	7,191,535	4,525,346	9,451,189	\$17.35	3.24%	10.62%	6.86%
2016 Q3	439,342,134	418,840,864	4.67%	5,799,138	6,994,116	9,227,570	\$17.92	3.27%	2.93%	6.82%
2017 Q3	444,496,153	424,222,144	4.56%	5,110,776	6,698,640	5,522,872	\$18.47	3.11%	0.88%	6.90%
2018 Q3	451,712,043	432,387,072	4.28%	7,196,536	5,422,703	8,190,796	\$19.18	3.82%	3.08%	6.89%
2019 Q3	457,637,668	437,016,832	4.51%	5,909,865	4,976,257	4,633,742	\$19.79	3.17%	4.15%	6.80%
2020 Q3	463,195,791	437,067,840	5.64%	5,545,323	3,494,967	51,324	\$20.23	2.22%	4.98%	6.63%
2021 Q3	465,850,203	440,808,896	5.38%	2,633,496	3,573,448	3,684,637	\$20.90	3.34%	5.21%	6.49%
2022 Q3	467,544,760	445,709,984	4.67%	1,680,287	3,678,600	4,878,354	\$22.02	5.35%	5.51%	6.46%
2023 Q3	470,664,222	450,019,616	4.39%	3,119,462	5,152,526	4,311,655	\$23.14	5.10%	3.08%	6.52%
2024 Q3	475,051,982	454,033,312	4.42%	4,387,760	4,156,739	4,014,160	\$24.35	5.23%	3.08%	6.53%
2025 Q3	477,583,301	456,103,264	4.50%	2,531,319	0	2,092,499	\$25.18	3.38%	1.51%	6.67%
2026 Q3	480,937,348	459,423,840	4.47%	3,354,047	0	3,286,758	\$26.21	4.11%	5.86%	6.58%
2027 Q3	483,910,438	461,980,800	4.53%	2,973,090	0	2,489,389	\$27.09	3.34%	2.97%	6.61%
2028 Q3	486,878,959	464,398,144	4.62%	2,968,521	0	2,346,622	\$27.87	2.91%	2.86%	6.62%

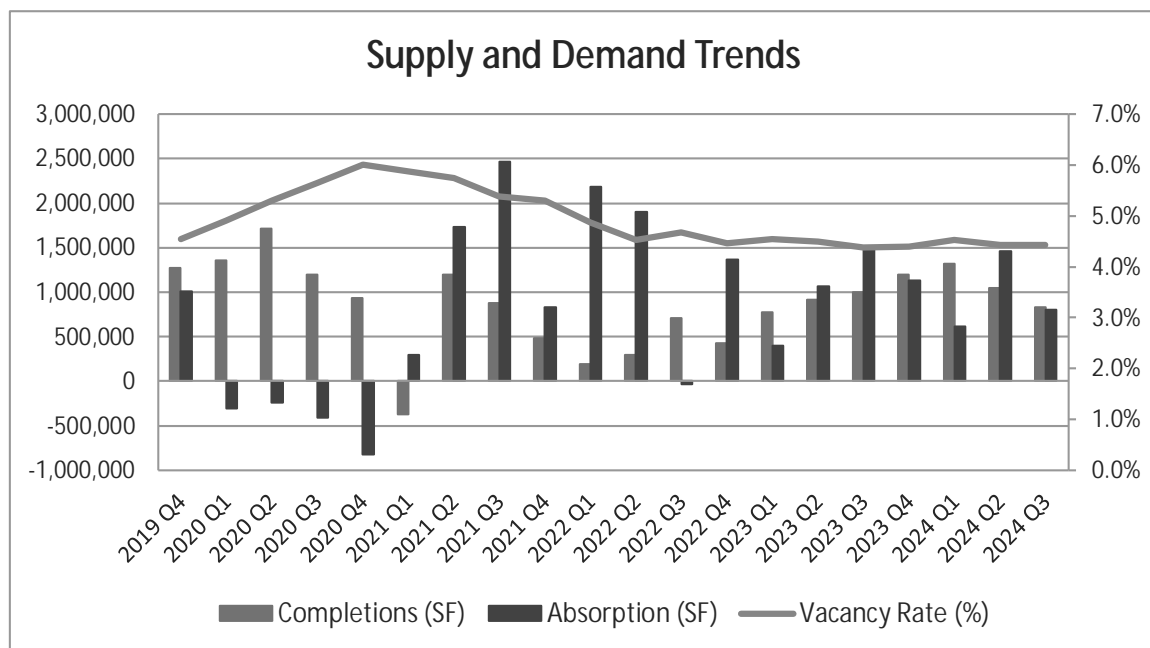
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Dallas-Fort Worth - TX USA Metro Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the metro area is 4.42%; the vacancy rate has decreased by 25 bps from 2022 Q3.
- Two-year Base Case forecasts project a 4.47% vacancy rate in the metro area, representing an increase of 5 bps by 2026 Q3.
- Asking rent averages \$24.35/SF in the metro area, and values have increased by 10.58% from 2022 Q3.
- Two-year Base Case forecasts project a \$26.21/SF asking rent in the metro area, representing an increase of 7.64% by 2026 Q3.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has increased by 1.61% from 2022 Q3, while the demand has increased by 1.87%.
- Between 2019 Q4 and 2024 Q3, net completions in the metro area have averaged 3,473,266 SF annually and reached a peak of 1,712,528 SF in 2020 Q2.
- Between 2019 Q4 and 2024 Q3, net absorption in the metro area has averaged 3,388,026 SF annually and reached a peak of 2,470,099 SF in 2021 Q3.

Submarket Overview

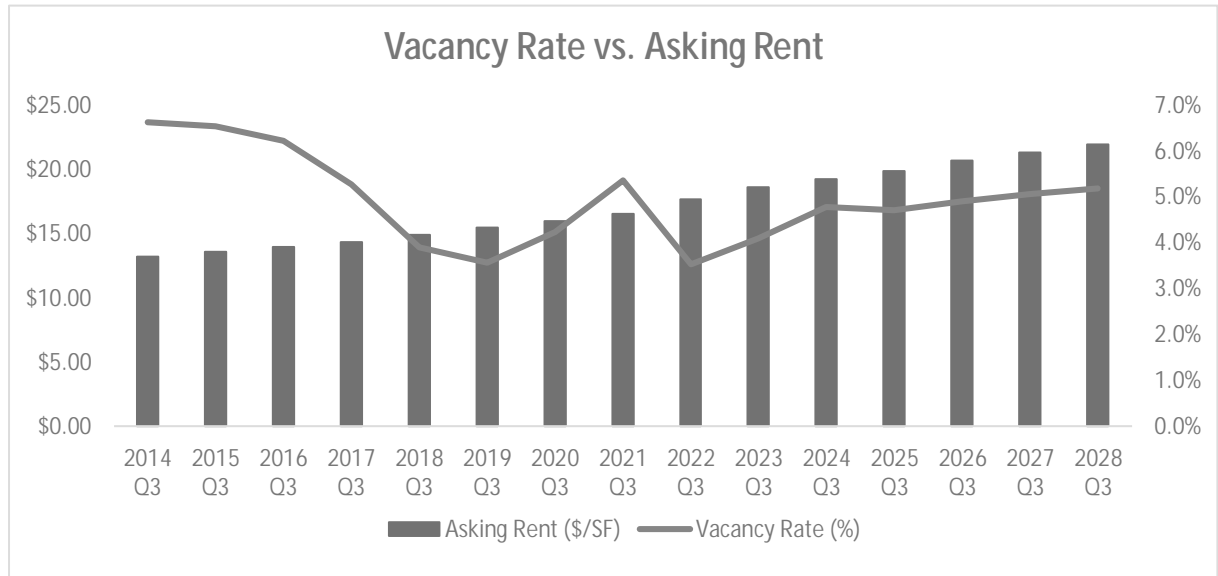
The subject is located in the SW Dallas County submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

All Retail SW Dallas County Submarket Trends										
Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q3	15,353,658	14,337,588	6.62%	234,211	31,862	227,189	\$13.18	4.26%	9.68%	7.37%
2015 Q3	15,364,587	14,361,628	6.53%	10,929	124,284	24,040	\$13.57	3.02%	9.31%	7.07%
2016 Q3	15,499,817	14,534,999	6.22%	135,230	125,202	173,371	\$13.94	2.67%	1.56%	7.10%
2017 Q3	15,680,547	14,855,173	5.26%	178,530	97,033	317,974	\$14.34	2.94%	1.59%	7.16%
2018 Q3	15,774,376	15,158,459	3.90%	93,829	68,757	303,286	\$14.92	4.04%	2.14%	7.20%
2019 Q3	15,853,983	15,287,484	3.57%	79,607	88,695	129,025	\$15.47	3.65%	3.07%	7.14%
2020 Q3	15,999,733	15,321,368	4.24%	145,750	42,922	33,884	\$15.95	3.14%	4.59%	7.01%
2021 Q3	16,051,405	15,190,533	5.36%	51,672	17,675	-130,835	\$16.56	3.82%	8.38%	6.73%
2022 Q3	15,792,994	15,234,233	3.54%	-258,411	11,800	44,199	\$17.66	6.60%	7.60%	6.61%
2023 Q3	15,763,867	15,119,652	4.09%	-29,127	123,680	-114,581	\$18.61	5.41%	2.41%	6.68%
2024 Q3	15,892,988	15,133,672	4.78%	129,121	10,200	14,020	\$19.26	3.46%	2.78%	6.71%
2025 Q3	15,873,342	15,125,895	4.71%	-19,646	0	-5,008	\$19.85	3.08%	1.50%	6.85%
2026 Q3	15,958,070	15,175,462	4.90%	84,728	0	48,074	\$20.65	4.06%	5.75%	6.76%
2027 Q3	16,065,356	15,251,313	5.07%	107,286	0	72,723	\$21.33	3.29%	2.94%	6.79%
2028 Q3	16,169,987	15,332,161	5.18%	104,631	0	77,728	\$21.94	2.86%	2.81%	6.80%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

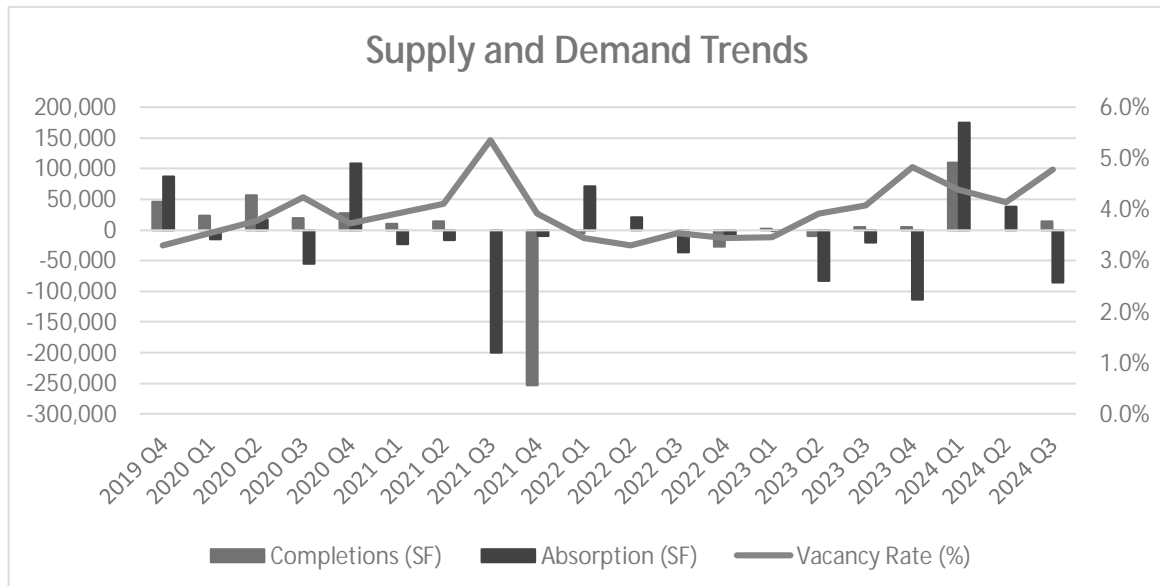
- The SW Dallas County submarket comprises 3.3% of the metro building stock and 3.3% of the metro building demand.
- The vacancy rate in the SW Dallas County submarket is 4.78%, which is greater than the metro area's average of 4.42%.
- SW Dallas County market rate is \$19.26/SF which is less than the metro area's average rate of \$24.35/SF.

SW Dallas County Submarket Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the submarket area is 4.78%; the vacancy rate has increased by 124 bps from 2022 Q3.
- Two-year Base Case forecasts project a 4.90% vacancy rate in the submarket area, representing an increase of 13 bps by 2026 Q3.
- Asking rent averages \$19.26/SF in the submarket area, and values have increased by 9.06% from 2022 Q3.
- Two-year Base Case forecasts project a \$20.65/SF asking rent in the submarket area, representing an increase of 7.22% by 2026 Q3.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has increased by 0.63% from 2022 Q3, while the demand has decreased by 0.66%.
- Between 2019 Q4 and 2024 Q3, net completions in the submarket area have averaged 7,801 SF annually and reached a peak of 110,000 SF in 2024 Q1.
- Between 2019 Q4 and 2024 Q3, net absorption in the submarket area has averaged -30,663 SF annually and reached a peak of 174,649 SF in 2024 Q1.

Retail Marketplace Profile

Retail sales trends in the market area are a key indicator of demand. Therefore, we have reviewed the retail market power (RMP) data from Claritas, which is included in the following table. The opportunity gap or surplus available represents the difference between demand and supply. When the demand is greater than supply, there is an opportunity gap, but when demand is less than supply, there is a surplus. A positive value signifies an opportunity gap, while a negative value signifies a surplus.

Opportunity Gap - All Retail Stores - Drive Time									
Retail Store Type	5 minutes			10 minutes			15 minutes		
	2022 Demand (Consumer Expenditures)	2022 Supply (Retail Sales)	2022 Opportunity Gap/Surplus	2022 Demand (Consumer Expenditures)	2022 Supply (Retail Sales)	2022 Opportunity Gap/Surplus	2022 Demand (Consumer Expenditures)	2022 Supply (Retail Sales)	2022 Opportunity Gap/Surplus
Food and Beverage Stores	\$11,980,317	\$3,598,510	\$8,381,807	\$175,223,197	\$164,478,936	\$10,744,261	\$702,394,350	\$879,387,200	-\$176,992,850
Building Material and Garden Equipment and Supplies Dealers	\$5,914,148	\$470,464	\$5,443,684	\$84,332,831	\$54,109,022	\$30,223,809	\$339,132,296	\$250,329,451	\$88,802,845
Gasoline Stations	\$6,376,980	\$1,032,656	\$5,344,324	\$93,798,641	\$21,756,546	\$72,042,095	\$376,566,925	\$330,303,293	\$46,263,632
Health and Personal Care Stores	\$5,218,483	\$825,447	\$4,393,036	\$75,306,401	\$19,320,767	\$55,985,634	\$301,644,752	\$309,339,230	-\$7,694,478
General Merchandise Stores	\$10,685,654	\$6,971,431	\$3,714,223	\$155,442,730	\$120,800,481	\$34,642,249	\$622,146,965	\$554,857,377	\$67,289,588
Clothing and Clothing Accessories Stores	\$3,899,573	\$737,466	\$3,162,107	\$56,854,002	\$18,854,991	\$37,999,011	\$225,958,292	\$323,369,543	-\$97,411,251
Furniture and Home Furnishings Stores	\$1,611,881	\$473,074	\$1,138,807	\$23,033,804	\$23,061,451	-\$27,647	\$91,824,330	\$125,172,259	-\$33,347,929
Electronics and Appliance Stores	\$1,353,390	\$258,641	\$1,094,749	\$19,660,702	\$18,983,624	\$677,078	\$78,929,778	\$107,099,728	-\$28,169,950
Miscellaneous Store Retailers	\$1,815,489	\$953,507	\$861,982	\$26,394,723	\$17,813,791	\$8,580,932	\$105,461,211	\$93,730,504	\$11,730,707
Sporting Goods, Hobby, Musical Instrument, and Book Stores	\$1,197,384	\$571,021	\$626,363	\$17,377,401	\$10,510,893	\$6,866,508	\$69,732,791	\$59,267,710	\$10,465,081
Food Services and Drinking Places	\$11,251,490	\$12,627,581	-\$1,376,091	\$163,560,463	\$197,019,867	-\$33,459,404	\$650,170,090	\$894,387,800	-\$244,217,710
Non-Store Retailers	\$14,663,962	\$17,790,930	-\$3,126,968	\$212,345,510	\$304,768,646	-\$92,423,136	\$849,960,024	\$1,434,514,785	-\$584,554,761
Motor Vehicle and Parts Dealers	\$22,098,417	\$34,150,682	-\$12,052,265	\$319,935,500	\$437,583,686	-\$117,648,186	\$1,291,232,123	\$1,768,364,793	-\$477,132,670
Total Retail Sales Incl Eating and Drinking Places	\$98,067,168	\$80,461,410	\$17,605,758	\$1,423,265,905	\$1,409,062,701	\$14,203,204	\$5,705,153,927	\$7,130,123,673	-\$1,424,969,746

Source: Claritas; compiled by Integra Realty Resources, Inc.

Retail Opportunity Gap Key Takeaways

- The total retail opportunity gap between consumer demand and retail supply within a 5-minute drive of the subject is \$17,605,758.
- The Food and Beverage Stores retail category presents the greatest opportunity gap of \$8,381,807 within a 5-minute drive of the subject.
- The Motor Vehicle and Parts Dealers retail category presents the lowest retail opportunity within a 5-minute drive of the subject.
- The Sporting Goods, Hobby, Musical Instrument, and Book Stores retail category saw the lowest consumer demand within a 5-minute drive of the subject.
- Of the 13 main retail category groups, 10 present an opportunity gap based on consumer demand within a 5-minute drive of the subject.
- Of the 13 main retail category groups, 3 present a surplus based on the supply within a 5-minute drive of the subject.
- The total retail opportunity gap between consumer demand and retail supply within a 10-minute drive of the subject is \$14,203,204.
- The total retail surplus between consumer demand and retail supply within a 15-minute drive of the subject is \$1,424,969,746.

Retail Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the DFW metro area to have a positive impact on the subject property's performance in the near-term.

Multifamily Market Analysis

Metro Area Overview

The subject is located in the Dallas-Fort Worth - TX USA metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

All Multifamily Dallas-Fort Worth - TX USA Metro Trends										
Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q3	629,678	585,898	6.95%	13,017	26,632	12,493	\$1,088	2.75%	7.87%	6.27%
2015 Q3	649,184	603,381	7.06%	19,506	28,708	17,490	\$1,151	5.82%	9.37%	6.01%
2016 Q3	669,066	621,665	7.08%	19,882	33,065	18,283	\$1,198	4.08%	6.51%	5.91%
2017 Q3	693,666	635,869	8.33%	24,600	34,060	14,227	\$1,235	3.06%	6.49%	5.78%
2018 Q3	718,615	657,441	8.51%	24,949	38,579	21,594	\$1,268	2.70%	6.92%	5.65%
2019 Q3	741,196	679,384	8.34%	22,581	41,994	21,946	\$1,304	2.80%	7.56%	5.49%
2020 Q3	767,871	700,931	8.72%	26,675	39,889	21,562	\$1,325	1.67%	7.51%	5.23%
2021 Q3	795,950	748,650	5.94%	28,078	42,897	47,736	\$1,473	11.16%	21.47%	4.64%
2022 Q3	821,302	758,943	7.59%	25,352	51,632	10,290	\$1,584	7.54%	4.67%	4.74%
2023 Q3	848,436	767,395	9.55%	27,132	64,080	8,456	\$1,575	-0.60%	-11.48%	5.50%
2024 Q3	890,014	791,025	11.12%	41,578	43,942	23,635	\$1,555	-1.24%	-2.61%	5.75%
2025 Q3	913,447	808,190	11.52%	23,433	0	17,218	\$1,562	0.44%	1.95%	5.67%
2026 Q3	929,468	825,486	11.19%	16,021	0	17,294	\$1,597	2.23%	4.60%	5.56%
2027 Q3	948,597	845,837	10.83%	19,129	0	20,352	\$1,642	2.80%	3.87%	5.53%
2028 Q3	967,060	865,523	10.50%	18,463	0	19,686	\$1,686	2.69%	4.39%	5.47%

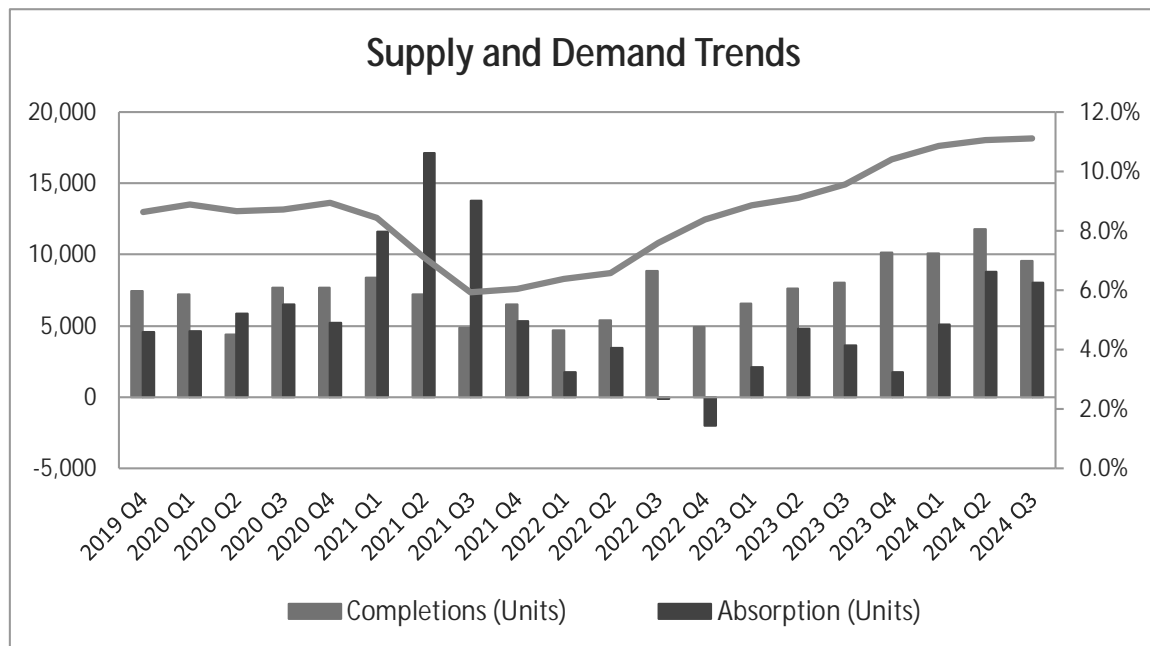
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Dallas-Fort Worth - TX USA Metro Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the metro area is 11.12%; the vacancy rate has increased by 353 bps from 2022 Q3.
- Two-year Base Case forecasts project a 11.19% vacancy rate in the metro area, representing an increase of 7 bps by 2026 Q3.
- Asking rent averages \$1,555/unit in the metro area, and values have decreased by 1.80% from 2022 Q3.
- Two-year Base Case forecasts project a \$1,597/unit asking rent in the metro area, representing an increase of 2.67% by 2026 Q3.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (units) has increased by 8.37% from 2022 Q3, while the demand has increased by 4.23%.
- Between 2019 Q4 and 2024 Q3, net completions in the metro area have averaged 29,763 units annually and reached a peak of 11,788 units in 2024 Q2.
- Between 2019 Q4 and 2024 Q3, net absorption in the metro area has averaged 22,336 units annually and reached a peak of 17,116 units in 2021 Q2.

Submarket Overview

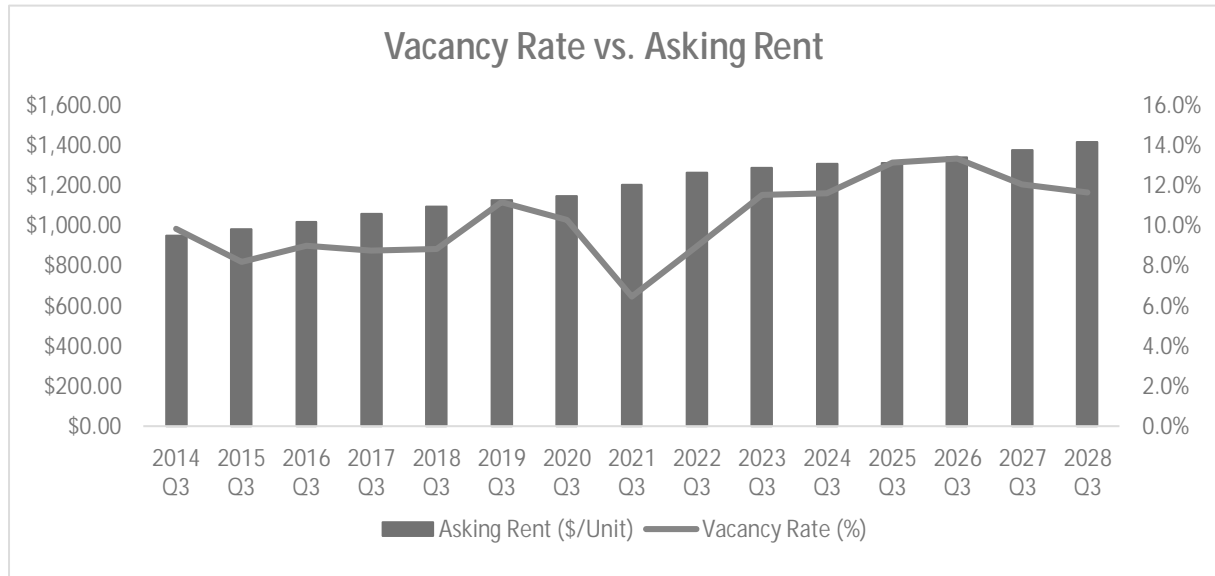
The subject is located in the Southeast Dallas submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q3	14,639	13,197	9.85%	0	322	318	\$948	1.62%	8.16%	6.57%
2015 Q3	14,654	13,452	8.20%	15	345	255	\$981	3.48%	8.06%	6.24%
2016 Q3	14,999	13,650	9.00%	345	343	196	\$1,018	3.82%	5.26%	6.17%
2017 Q3	15,107	13,785	8.75%	108	349	135	\$1,057	3.76%	7.65%	5.98%
2018 Q3	15,456	14,093	8.82%	349	933	309	\$1,094	3.55%	6.68%	5.81%
2019 Q3	15,816	14,048	11.18%	360	655	-46	\$1,126	2.93%	8.60%	5.63%
2020 Q3	16,431	14,739	10.30%	615	112	704	\$1,145	1.65%	8.20%	5.35%
2021 Q3	16,463	15,397	6.48%	32	677	663	\$1,202	5.00%	19.34%	4.78%
2022 Q3	16,730	15,230	8.96%	267	607	-170	\$1,262	5.01%	5.49%	4.83%
2023 Q3	17,037	15,074	11.52%	307	964	-156	\$1,286	1.90%	-10.67%	5.58%
2024 Q3	17,797	15,733	11.60%	760	1,214	659	\$1,309	1.77%	-1.70%	5.81%
2025 Q3	18,471	16,045	13.13%	674	0	313	\$1,313	0.30%	2.24%	5.73%
2026 Q3	19,008	16,473	13.34%	537	0	427	\$1,341	2.13%	4.49%	5.62%
2027 Q3	19,261	16,939	12.06%	253	0	466	\$1,377	2.72%	3.78%	5.59%
2028 Q3	19,625	17,337	11.66%	364	0	397	\$1,414	2.66%	4.34%	5.53%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

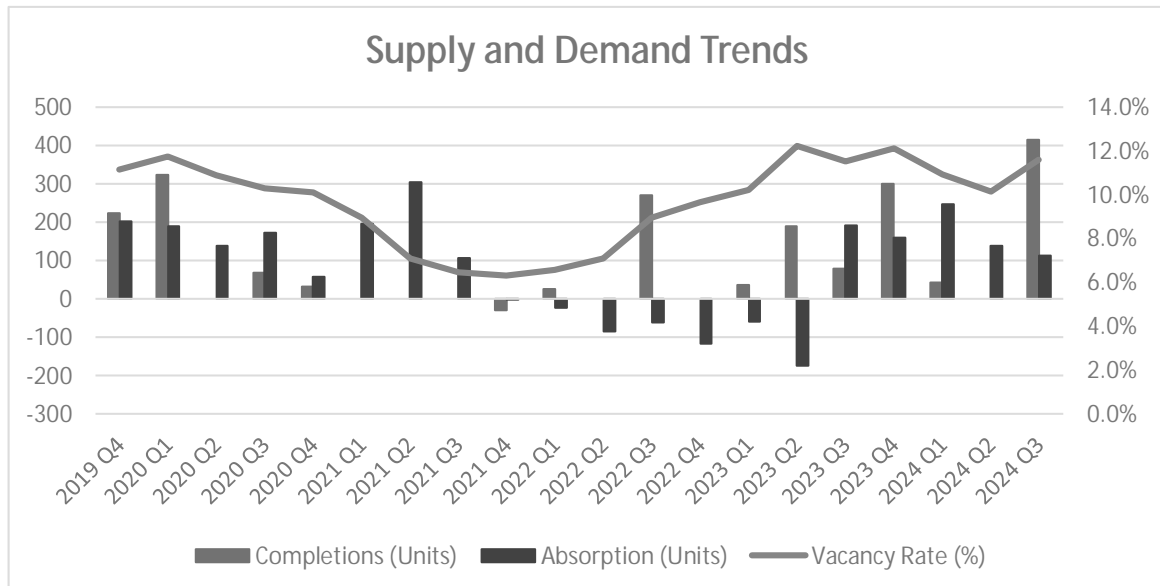
- The Southeast Dallas submarket comprises 2.0% of the metro building stock and 2.0% of the metro building demand.
- The vacancy rate in the Southeast Dallas submarket is 11.60%, which is greater than the metro area's average of 11.12%.
- Southeast Dallas market rate is \$1,309/unit which is less than the metro area's average rate of \$1,555/unit.

Southeast Dallas Submarket Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

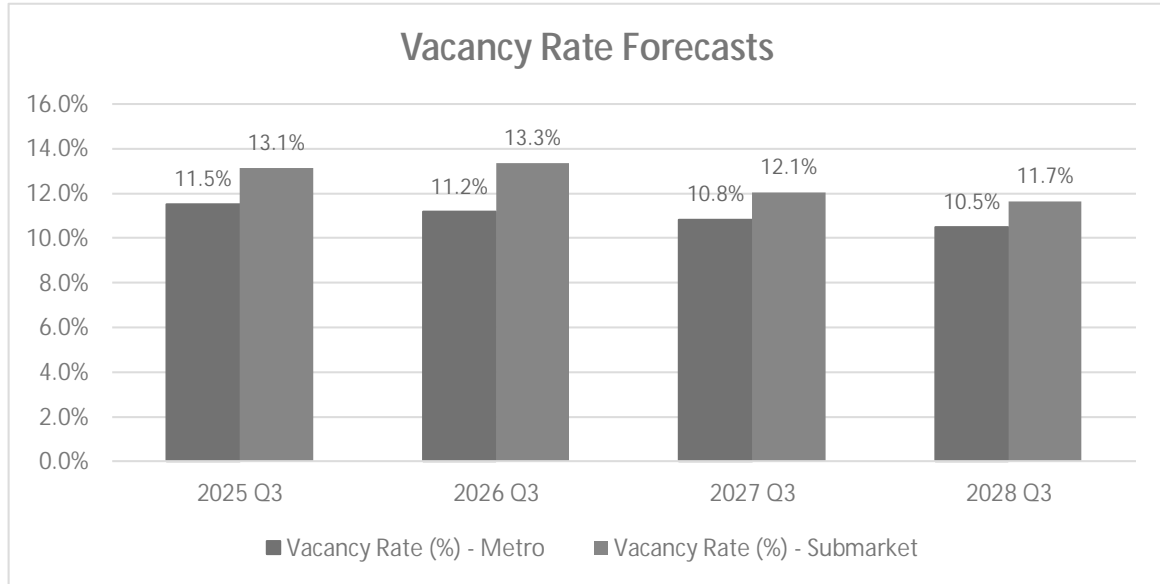
- The current vacancy rate in the submarket area is 11.60%; the vacancy rate has increased by 264 bps from 2022 Q3.
- Two-year Base Case forecasts project a 13.34% vacancy rate in the submarket area, representing an increase of 174 bps by 2026 Q3.
- Asking rent averages \$1,309/unit in the submarket area, and values have increased by 3.73% from 2022 Q3.
- Two-year Base Case forecasts project a \$1,341/unit asking rent in the submarket area, representing an increase of 2.44% by 2026 Q3.



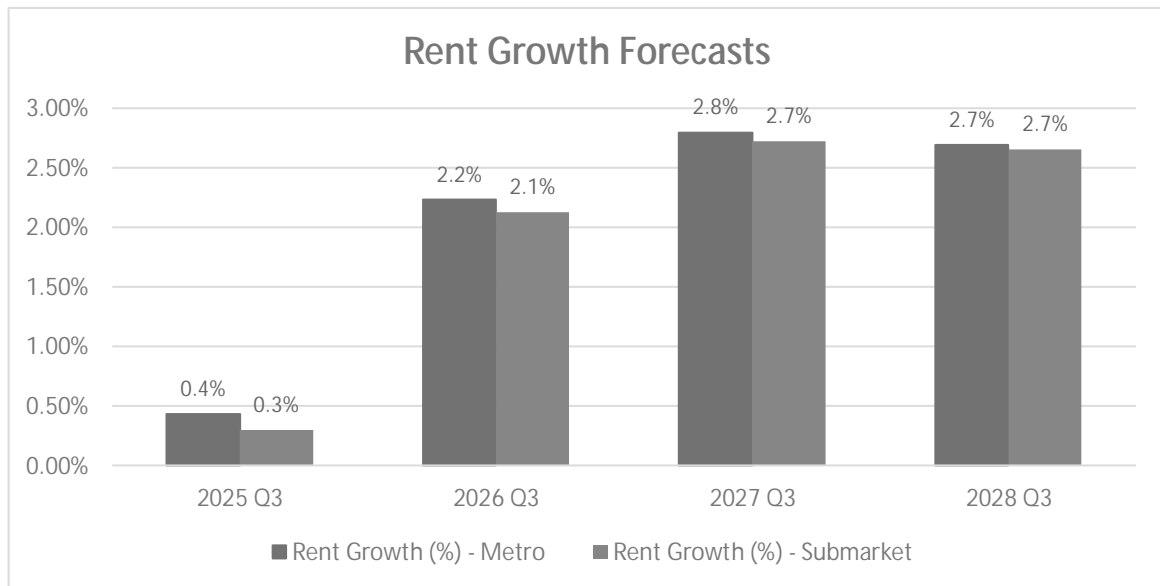
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (units) has increased by 6.38% from 2022 Q3, while the demand has increased by 3.30%.
- Between 2019 Q4 and 2024 Q3, net completions in the submarket area have averaged 396 units annually and reached a peak of 416 units in 2024 Q3.
- Between 2019 Q4 and 2024 Q3, net absorption in the submarket area has averaged 340 units annually and reached a peak of 304 units in 2021 Q2.

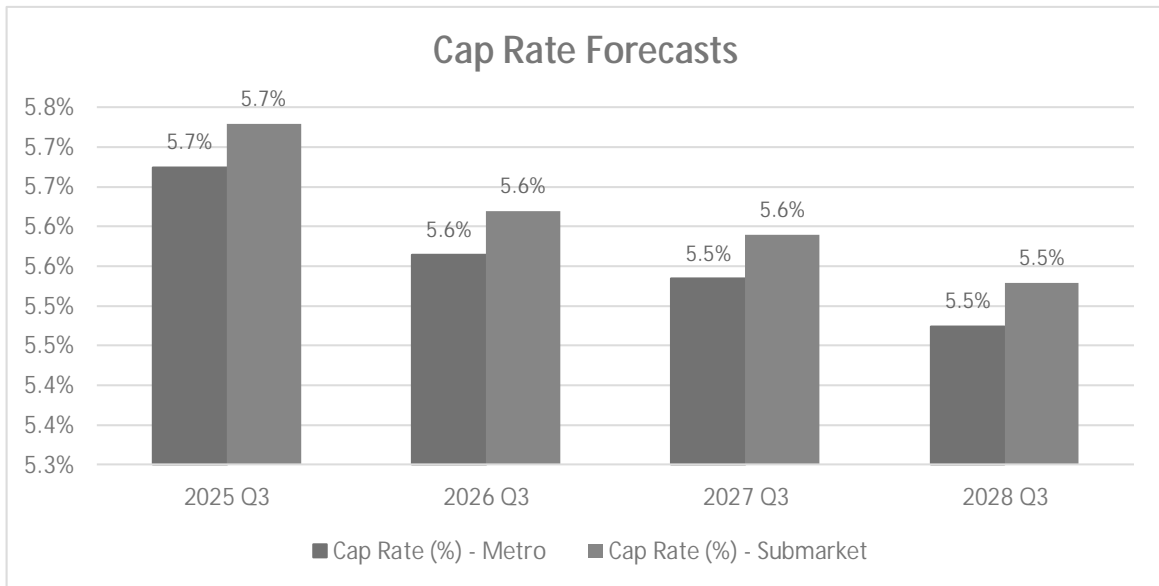
Multifamily Market Forecast Comparisons



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Multifamily Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the DFW metro area to have a positive impact on the subject property's performance in the near-term.

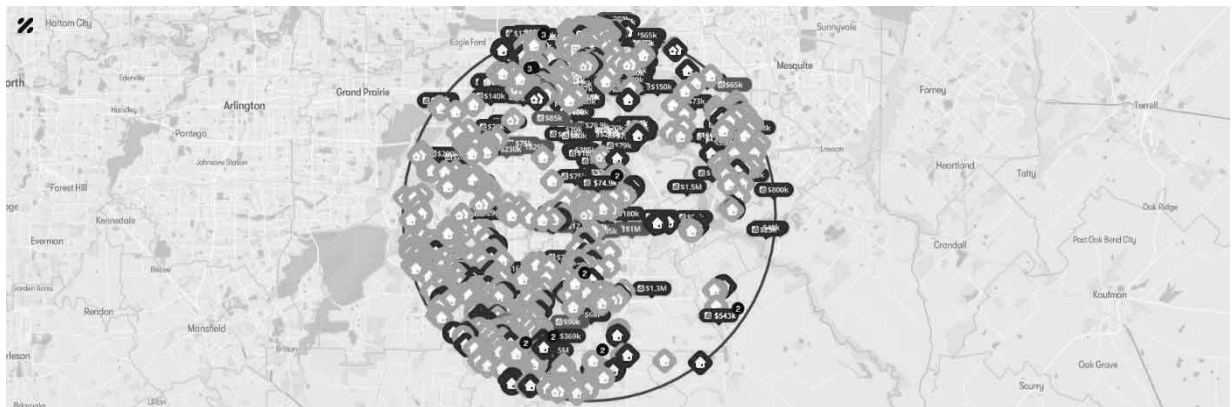
Residential Analysis

When analyzing the financially feasible and maximally productive use of the site, all of the uses that are both physically possible and legally permissible must be considered. For the subject's residential portion, the primary potential use is considered to be single-family residential development. As mentioned, a portion of the subject is proposed to be developed with single-family and townhome lots. Thus, an important factor affecting development of the subject is the surrounding land usage. The neighborhood is predominantly vacant land that is being developed into single-family residential uses. The immediate area surrounding the subject is residential in nature.

During the past decade, the residential real estate market has seen many positive changes. With the steady increase in multifamily residential rental rates, coupled with the low interest rates and the large numbers pertaining to job growth, there has been a trend of individuals choosing to purchase homes rather than to rent apartments and multifamily housing. Furthermore, with the decline in the availability of vacant developable land, population growth has quickly expanded into the suburban areas of the Dallas/Fort Worth area. As such, the proposed absorption of single-family home lots in the subject's neighborhood will be analyzed using historical absorption data provided by Zonda, a nationally recognized information provider, as well as information obtained from area market participants and developers. It is important to note that our absorption data is based on historical trends. Inasmuch as we are forecasting an economy for this area that is at least equal to recent trends, using these historical trends is felt to be quite justifiable. The subject development is physically located in the southern sector of the city of Dallas in South Dallas County and is within the Dallas Independent School District. However, the Dallas ISD is a very large and diverse area that represents properties outside of the neighborhood. Furthermore, presently, there is limited single family development in the immediate market area due to lack of utilities. As such, we have utilized supply and demand factors based on a 10-mile radius of the subject. Therefore, data obtained from Zonda as of Third Quarter 2024 for this defined area of "10-Mile Radius", as shown in the following map, will be analyzed with a summary of the details following.

Defined Submarket Map Area – Ten Mile Radius

Following is a chart provided by Metrostudy/Zonda summarizing the historical home/lot absorption from the past several years for the defined submarket area:



	<u>4Q 2020</u>	<u>4Q 2021</u>	<u>4Q 2022</u>	<u>4Q 2023</u>	<u>1Q 2024</u>	<u>2Q 2024</u>	<u>3Q 2024</u>	<u>YOY Change</u>
Vacant Developed Lots	1,689	2,352	2,531	2,404	2,678	2,901	2,972	45.19%
Quarterly Starts	393	400	364	121	269	311	378	-
Annual Starts	1,460	1,564	1,560	1,136	1,099	985	1,079	-

Defined Submarket Area

As shown in the chart on the previous page, the absorption of homes/lots within the submarket area has been stable since 2020. According to Zonda, the submarket area absorbed the following total homes/lots from 2020 to Third Quarter 2024:

Zonda Analysis	Historical Absorption	
	Annual	Past 3 QTR
Year 1 (2020)	1,460	
Year 2 (2021)	1,564	
Year 3 (2022)	1,560	
Year 4 (2023)	1,136	
Year 5 (2024)	1,079	
Historical Annual Average	1,360	
Existing VDL	2,972	
Past 12 Months	1,079	
Lot Supply (5.0± Year Historical)	2.2	Years Supply
Lot Supply (12 Months)	2.8	Years Supply

As can be seen, since 2020 (4.75 years), the annual average of homes/lots absorbed was 1,360 homes/lots. Utilizing the more recent 12-month absorption of homes/lots, the number of homes/lots absorbed decreases to only 1,079 homes/lots in the submarket. According to Zonda, the existing supply of available housing is currently within ideal levels in the submarket. The number of vacant developed lots in the submarket has remained relatively stable during the past three years due to continued demand levels and lack of supply fluctuating from a low of 1,689 lots in Fourth Quarter 2020 to its current level of 2,972 lots as of Third Quarter 2024.

Based upon the Zonda absorption figures of the past 4.75 years, there is currently only a 2.2±-year (2,972 lots ÷ 1,360 lots = 2.2±-years) total supply of existing lots available in the submarket. This total supply is considered to be at the lower end of the optimum lot supply levels of 2.0 to 2.5 years per Zonda. However, when utilizing the more current 12-month absorption of 1,079 home/lots, the total supply of existing lots available in the subject's defined submarket is 2.8±-years (2,972 lots ÷ 1,079 lots/year = 2.8±-years), which is just slightly above the high-end of optimum lot supply levels in the submarket.

Thus, the total lot supply within the subject's submarket is estimated to be between 2.2±-years to 2.8± years. Currently, this total lot supply is considered to be basically within the optimum supply levels. Also, taking into consideration that the subject development requires an approximate 12 to 18-month construction period, with continued demand, it appears that additional lot product in the submarket is feasible at the current time.

We will now narrow our residential analysis to the absorption history of specific competing subdivisions in the subject's market area with similar lot features and amenities relative to the subject to determine the projected absorption and feasibility of the subject's proposed lots as follows.

Subject Market Area

The similarities considered to be most important are lot size, home price range, and amenity features. The tables that follow detail the active subdivisions that are considered to compete with the subject's lots. Our analysis will be presented beginning with the 24' Townhome frontage lots followed by the remaining lot types. All data is per Zonda as of Third Quarter 2024.

Competitive Supply – 24' Townhome Frontage Lots

The competitive supply presented recognizes residential developments which are located in the subject's immediate and surrounding vicinity. The lot sizes, home prices, and amenities in the subdivisions shown are generally similar relative to the subject's 24' Townhome frontage townhome lots. Thus, the competing residential developments are considered to be the immediate competition for the subject's proposed lots and are believed to accurately reflect the potential absorption levels for the subject's lots at this time.

Having addressed the immediate competition, we will estimate the approximate absorption time frame for the subject by analyzing absorption trends of the previously shown developments.

Absorption Analysis – 24' Townhome Frontage Lots

The following table outlines the monthly absorption of the residential developments listed in the competitive supply. It should be noted that all data is as of Third Quarter 2024.

Monthly Absorption Performance 24' Townhome Frontage Lots					
Subdivisions	Available Lots	Building		Units/Month	Months Supply
		Starts	No. Months		
Cloverleaf Crossing TH	0	104	24	4.3	0.0
Broadmoor Village	111	15	3	5.0	22.2
Midtown GP	107	27	6	4.5	23.8
Gilbert Villas	60	11	3	3.7	16.4
Totals/Averages	278	157		17.5	15.9
Average Units/Month				4.4	
Subject: University Hills, Phase 1					
Source: Zonda as of Third Quarter 2024					

Based upon the number of available lots and average absorption per month, the 278 lots remaining within these residential developments indicates only a 15.9±-month supply (1.3± years). This appears to be representative of a significant under-supply of lots within the subject's projected price/lot size range.

Overall, the competing residential developments indicate an absorption range of 3.7 units to 5.0 units per month, with an overall average of 4.4 units per month. To summarize, it is important to note the following facts:

- Three of the five residential developments presented are already sold out of lots. Thus, it is reasonable that the subject, upon completion, may capture a portion of the demand that these projects currently enjoy.
- The subject's competitive supply is significantly under-supplied with only a 15.9± month-supply of developed lots.
- At the effective date of this appraisal, all of the subject's lots are under contract to one volume homebuilders. The lot contracts are summarized as follows:

Lot Contract Summary								
Home Builder	Total Lots	Lot Type	Typical Lot Dimensions	Total SF	Base Lot Price*	Base Price/FF	Absorption/ Month	Total Absorption Period (Months ±)
DR Horton	246	TH	24' x 90'	2,160	\$50,000	\$2,083	16	15.4
DR Horton	102	40'	40' x 115'	4,600	\$62,000	\$1,550	16	6.4
DR Horton	54	50'	50' x 115'	5,750	\$75,000	\$1,500	16	3.4
Lennar	101	40'	40' x 115'	4,600	\$62,000	\$1,550	16	6.3
Lennar	55	50'	50' x 115'	5,750	\$75,000	\$1,500	16	3.4

*All lots are contracted with an annual 8% escalation with a \$1,500/lot amenity fee and a \$500/lot marketing fee.

- The overall lot supply within the defined submarket is estimated to range from 2.2± to 2.8± years (26± to 33± months) which is below equilibrium lot supply levels of 2.0 – 2.5 years.

Absorption Projection – 24' Frontage Townhouse Lots

The preceding data supports a projected absorption for the subject's lots with 24' Townhome frontages at 5.0 units per month (30.0 units per semi-annual period) which is slightly higher but supported by the overall average of the competitive supply (4.4 upm). As such, our absorption projection is considered reasonable based upon the lot supply and demand levels within the subject's submarket area for 24' Townhome frontage lots.

Competitive Supply – 40' Frontage Lots

The competitive supply presented below recognizes residential developments which are located in the subject's immediate and surrounding vicinity. The lot sizes, home prices, and amenities in the subdivisions shown are generally similar relative to the subject's 40' frontage lots. Thus, the competing residential developments are considered to be the immediate competition for the subject's proposed lots and are believed to accurately reflect the potential absorption levels for the subject's lots at this time.

Competitive Supply		40' Frontage Lots			
Subdivisions	School District	Home Prices (000's)	Available Lots	Typical Lot Dimensions	Typical Lot SF
<u>Ellington Ridge</u> Dallas, TX	Dallas ISD	\$272-\$321	181	45' x 125'	4,200
<u>Gilbert Villas</u> Grand Prairie, TX	Irving ISD	\$400-\$500	60	30' x 100'	3,000
<u>Shaw Creek</u> Ferris, TX	Ferris ISD	\$298-\$370	6	50' x 110'	5,500
<u>Herritage Park</u> Garland, TX	Garland ISD	\$389-\$456	22	40' x 114'	4,560
<u>Riverset</u> Garland, TX	Garland ISD	\$525-\$610	0	40' x 113'	4,520
Total			269		
Subject: University Hills, Phase 1		Dallas ISD		40' x 115'	4,600
Source: Zonda as of Third Quarter 2024					

Having addressed the immediate competition, we will estimate the approximate absorption time frame for the subject by analyzing absorption trends of the previously shown developments.

Absorption Analysis – 40' Frontage Lots

The following table outlines the monthly absorption of the residential developments listed in the competitive supply. It should be noted that all data is as of Third Quarter 2024.

Monthly Absorption Performance		40' Frontage Lots			
Subdivisions	Available Lots	Building		Units/Month	Months Supply
		Starts	No. Months		
Ellington Ridge	181	22	3	7.3	24.7
Gilbert Villas	60	11	3	3.7	16.4
Shaw Creek	6	111	15	7.4	0.8
Herritage Park	22	84	6	14.0	1.6
Riverset	0	53	18	2.9	0.0
Totals/Averages	269	281		35.3	7.6
Average Units/Month				7.1	
Subject: University Hills, Phase 1					
Source: Zonda as of Third Quarter 2024					

Based upon the number of available lots and average absorption per month, the 269 lots remaining within these residential developments indicates only a 7.6±-month supply (0.6± years). This appears to be representative of a significant under-supply of lots within the subject's projected price/lot size range.

Overall, the competing residential developments indicate an absorption range of 2.9 units to 14.0 units per month, with an overall average of 7.1 units per month. To summarize, it is important to note the following facts:

- Four of the five residential developments presented are projected to be sold out within 9.9± months. Thus, it is reasonable that the subject, upon completion, may capture a portion of the demand that these projects currently enjoy.
- The subject's competitive supply is significantly under-supplied with only a 7.6± month-supply of developed lots.

- At the effective date of this appraisal, all of the subject's lots are under contract to two volume homebuilders. The lot contracts are summarized as follows:

Lot Contract Summary								
Home Builder	Total Lots	Lot Type	Typical Lot	Total SF	Base Lot Price*	Base Price/FF	Absorption/ Month	Total Absorption Period (Months ±)
			Dimensions					
DR Horton	246	TH	24' x 90'	2,160	\$50,000	\$2,083	16	15.4
DR Horton	102	40'	40' x 115'	4,600	\$62,000	\$1,550	16	6.4
DR Horton	54	50'	50' x 115'	5,750	\$75,000	\$1,500	16	3.4
Lennar	101	40'	40' x 115'	4,600	\$62,000	\$1,550	16	6.3
Lennar	55	50'	50' x 115'	5,750	\$75,000	\$1,500	16	3.4

*All lots are contracted with an annual 8% escalation with a \$1,500/lot amenity fee and a \$500/lot marketing fee.

- The overall lot supply within the defined submarket is estimated to range from 2.2± to 2.8± years (26± to 33± months) which is below equilibrium lot supply levels of 2.0 – 2.5 years.

Absorption Projection – 40' Frontage Lots

Thus, the preceding data supports a projected absorption for the subject's lots with 40' frontages at 7.0 units per month (42.0 units per semi-annual period) which is supported by the overall average of the competitive supply (7.1 upm). As such, our absorption projection is considered reasonable based upon the lot supply and demand levels within the subject's submarket area for 40' frontage lots.

Competitive Supply – 50' Frontage Lots

The competitive supply presented below recognizes residential developments which are located in the subject's immediate and surrounding vicinity. The lot sizes, home prices, and amenities in the subdivisions shown are generally similar relative to the subject's 50' frontage lots. Thus, the competing residential developments are considered to be the immediate competition for the subject's proposed lots and are believed to accurately reflect the potential absorption levels for the subject's lots at this time.

Competitive Supply		50' Frontage Lots			
Subdivisions	School District	Home Prices (000's)	Available Lots	Typical Lot Dimensions	Typical Lot SF
<u>Bear Creek Ranch</u> Dallas, TX	Lancaster ISD	\$348-\$450	88	50' x 100'	5,000
<u>College Park</u> Dallas, TX	Dallas ISD	\$290-\$360	119	50' x 110'	5,500
<u>Shaw Creek</u> Ferris, TX	Ferris ISD	\$298-\$370	6	50' x 110'	5,500
<u>Summerwood Estates</u> Red Oak, TX	Red Oak ISD	\$328-\$500	4	50' x 100'	5,500
Total			217		
Subject: University Hills, Phase 1		Dallas ISD		50' x 115'	5,750
Source: Zonda as of Third Quarter 2024					

Having addressed the immediate competition, we will estimate the approximate absorption time frame for the subject by analyzing absorption trends of the previously shown developments.

Absorption Analysis – 50' Frontage Lots

The following table outlines the monthly absorption of the residential developments listed in the competitive supply. It should be noted that all data is as of Third Quarter 2024.

Monthly Absorption Performance		50' Frontage Lots			
Subdivisions	Available Lots	Building Starts	No. Months	Units/Month	Months Supply
Bear Creek Ranch	88	91	6	15.2	5.8
College Park	119	114	9	12.7	9.4
Shaw Creek	6	111	15	7.4	0.8
Summerwood Estates	4	23	9	2.6	1.6
Totals/Averages	217	339		37.8	5.7
Average Units/Month				9.4	
Subject: University Hills, Phase 1					
Source: Zonda as of Third Quarter 2024					

Based upon the number of available lots and average absorption per month, the 217 lots remaining within these residential developments indicates only a 5.7±-month supply (0.5± years). This appears to be representative of a significant under-supply of lots within the subject's projected price/lot size range.

Overall, the competing residential developments indicate an absorption range of 2.6 units to 15.2 units per month, with an overall average of 9.4 units per month. To summarize, it is important to note the following facts:

- Three of the four residential developments presented are projected to be sold out within 11.2± months. Thus, it is reasonable that the subject, upon completion, may capture a portion of the demand that these projects currently enjoy.
- The subject's competitive supply is significantly under-supplied with only a 5.7± month-supply of developed lots.
- At the effective date of this appraisal, all of the subject's lots are under contract to two volume homebuilders. The lot contracts are summarized as follows:

Lot Contract Summary								
Home Builder	Total Lots	Lot Type	Typical Lot Dimensions	Total SF	Base Lot Price*	Base Price/FF	Absorption/ Month	Total Absorption Period (Months ±)
DR Horton	246	TH	24' x 90'	2,160	\$50,000	\$2,083	16	15.4
DR Horton	102	40'	40' x 115'	4,600	\$62,000	\$1,550	16	6.4
DR Horton	54	50'	50' x 115'	5,750	\$75,000	\$1,500	16	3.4
Lennar	101	40'	40' x 115'	4,600	\$62,000	\$1,550	16	6.3
Lennar	55	50'	50' x 115'	5,750	\$75,000	\$1,500	16	3.4

*All lots are contracted with an annual 8% escalation with a \$1,500/lot amenity fee and a \$500/lot marketing fee.

- The overall lot supply within the defined submarket is estimated to range from 2.2± to 2.8± years (26± to 33± months) which is below equilibrium lot supply levels of 2.0 – 2.5 years.

Absorption Projection – 50' Frontage Lots

Thus, the preceding data supports a projected absorption for the subject's lots with 50' frontages at 9.0 units per month (54.0 units per semi-annual period) which is supported by the overall average of the competitive supply (9.4 upm). As such, our absorption projection is considered reasonable based upon the lot supply and demand levels within the subject's submarket area for 50' frontage lots.

Overall Absorption Summary Projection – Tract 1

Our semi-annual absorption projections are summarized as follows for the subject:

Projected Absorption Summary - Tract 1						Total Aborp. Period	
Lot Type	Mar-27	Sep-27	Mar-28	Sep-28	Mar-29	Lots	(Months±)
40' Lots	42	42	42	42	35	203	29.0
50' Lots	54	55	0	0	0	109	12.1
Totals	96	97	42	42	35	312	

As shown, the overall absorption for the 312 lots within Tract 1 is estimated to be 29.0± months (40' lots) and 12.1± months (50' lots).

Overall Absorption Summary Projection – Tract 1A

Our semi-annual absorption projections are summarized as follows for the subject:

Projected Absorption Summary - Tract 1A						Total Aborp. Period	
Lot Type	Mar-27	Sep-27	Mar-28	Sep-28	Mar-29	Lots	(Months±)
24' Lots	30	30	30	30	21	141	28.2
Totals	30	30	30	30	21	141	

As shown, the overall absorption for the 141 townhome lots within Tract 1A is estimated to be 28.2± months.

Overall Absorption Summary Projection – Tract 2

Our semi-annual absorption projections are summarized as follows for the subject:

Projected Absorption Summary - Tract 2						Total Aborp. Period	
Lot Type	Mar-27	Sep-27	Mar-28	Sep-28	Mar-29	Lots	(Months±)
24' Lots	30	30	30	30	0	120	24.0
Totals	30	30	30	30	0	120	

As shown, the overall absorption for the 120 townhome lots within Tract 2 is estimated to be 24.0± months.

Property Analysis

Land Description and Analysis

Location

The property is located at the northwest quadrant of IH-20 and S. Lancaster Road in southeast Dallas. The overall project is also bisected by E. Wheatland Road.

Land Area

The following table summarizes the subject's land areas.

Land Area Summary						
Parcel	Zoning	Description/Type	Lots/Units	Phase	SF	Acres
Tract #1	TH-2	Single Family Lots	312	1	1,907,928	43.8
Tract #1A	TH-2	Townhome Lots	141	1	422,532	9.7
Tract #2	TH-2	Townhome Lots	120	1	357,192	8.2
Tract #3A/3B	MF-2	Multi-family	370	2	1,071,576	24.6
Tract #3C	CR	Commercial/Retail	N/A	2	121,968	2.8
Tract #4A	MF-3	Multi-family	542	2	736,164	16.9
Tract #4B	CR	Commercial/Retail	N/A	2	174,240	4.2
Tract #13	MU-2	Mixed Use/Commercial	N/A	2	335,412	7.7
Tract #14	MU-2	Mixed Use/Commercial	N/A	2	222,156	5.1
Tract #19	MU-2	Multi-family	277	2	365,904	8.4
Tract #5	CR	Commercial/Retail	N/A	2	230,868	4.6
Tract #7A	CR	Commercial/Retail	N/A	2	444,312	8.5
Tract #7B	CR	Commercial/Retail	N/A	2	304,920	5.9
Tract #9/10	MF-2	Multi-family	267	2	466,092	10.7
Tract #11/15	MF-2/MU-2	Multi-family	222	2	339,768	7.8
Tract #12/16	MF-2/MU-2	Multi-family	127	2	174,240	4.0
Tract #17	MU-2	Multi-family	112	2	148,104	3.4
Tract #18	MU-2	Mixed Use/Commercial	N/A	2	945,252	19.2
Tract #20/21	UC-2	Institutional/office	N/A	2	335,412	7.3
Tract #22	CR	Commercial/Retail	N/A	2	300,564	6.9
Source: Engineering Report						

Shape and Dimensions

The overall site is irregular in shape. Site utility based on shape and dimensions considered to be average for all the individual tracts.

Topography

The overall site is generally level and at street grade. The topography does not result in any particular development limitations.

Drainage

No particular drainage problems were observed or disclosed at the time of field inspection. This appraisal assumes that surface water collection, both on-site and in public streets adjacent to the subject, is adequate.

Flood Hazard Status

The following table indicates applicable flood hazard information for the subject property, as determined by review of available flood maps obtained from the Federal Emergency Management Agency (FEMA).

Flood Hazard Status	
Community Panel Number	48113C0495K
Date	July 7, 2014
Zone	A
Description	Within 100-year floodplain
Insurance Required?	Yes

It is noted that portions of the northern quadrant lie within the flood plain all within Tract 1. However, all of the land sizes utilized for valuation herein are based on net usable acres and or allowed units which accounts for any flood loss.

Environmental Hazards

An environmental assessment report was not provided for review, and during the inspection, no obvious signs of contamination on or near the subject were observed. However, environmental issues are beyond the scope of expertise of the assignment participants. It is assumed the property is not adversely affected by environmental hazards.

Ground Stability

A soils report was not provided for review. Based on the viewing of the subject and development on nearby sites, there are no apparent ground stability problems. However, soils analyses are beyond the scope of expertise of the assignment participants. It is assumed the subject's soil bearing capacity is sufficient to support a variety of uses, including those permitted by zoning.

Streets, Access and Frontage

Details pertaining to street access and frontage for the overall project are provided in the following table.

Streets, Access and Frontage				
Street	North side of IH-20	South side of E. Wheatland Road	North side of E. Wheatland Road	West side of S. Lancaster Road
Frontage Feet	1,700+/-	2,300+/-	2,300+/-	3,100+/-
Paving	Concrete	Concrete	Concrete	Concrete
Curbs	Yes	Yes	Yes	Yes
Sidewalks	No	Yes	Yes	No
Lanes	1 way, 2 lanes	2 way, 2 lanes each way	2 way, 2 lanes each way	2 way, 3 lanes each way
Direction of Traffic	East/West	East/West	East/West	North/South
Condition	Good	Good	Good	Good
Traffic Levels	High	Low	Low	Moderate
Signals/Traffic Control	None	None	None	None
Access/Curb Cuts	None	None	None	None
Visibility	Average	Average	Average	Above average

Utilities

Utilities available to the subject are summarized below.

Utilities	
Service	Provider
Water	City of Dallas
Sewer	City of Dallas

Zoning

The subject project contains a mixture of zoning districts, including TH-2 (Townhome), MF-2 (Multi-Family), MF-3 (Multi-Family), MU-2 (Mixed-Use), CR (Community Retail), UC-2 (Urban Corridor) and LO-1 (Limited Office). The individual tracts valued herein are valued based on their individual allowed usages.

The following table summarizes the applicable zoning requirements affecting the subject.

Zoning Summary	
Zoning Jurisdiction	City of Dallas
Zoning Designation	TH-2(A), MF-2(A), MF-3(A), MU-2, CR and LO-1
Description	Mixture of Zoning Districts
Legally Conforming?	Yes
Zoning Change Likely?	No
Permitted Uses	Single family, multi-family, mixed-use, retail, and office

According to the local planning department, there are no pending or prospective zoning changes.

Interpretation of zoning ordinances is beyond the scope of expertise of the assignment participants. An appropriately qualified land use attorney should be engaged if a determination of compliance is required.

Other Land Use Regulations

There are no other known land use regulations that would affect the property.

Easements, Encroachments and Restrictions

Based upon a review of the site plan and survey, there are no apparent easements, encroachments, or restrictions that would adversely affect value. This valuation assumes no adverse impacts from easements, encroachments, or restrictions, and further assumes that the subject has clear and marketable title.

Conclusion of Site Analysis

Overall, the physical characteristics and the availability of utilities result in a functional site, suitable for a variety of uses including those permitted by zoning. Uses permitted by zoning include single family, multi-family, mixed-use, retail, and office. No other restrictions on development are apparent.

General Description - University Hills

The subject consists of a gross land area of 274.689 gross acres generally located at the northwest quadrant of IH-20 and S. Lancaster Road and bisected by E. Wheatland Road. The overall assemblage will be developed under the name of University Hills, a proposed master planned community.

The overall property includes zoning districts TH-2(A), MF-2(A), MF-3(A), MU-2, CR, UC-2 and LO-1, which permits townhomes, multifamily, retail, commercial as well as mixed uses.

Phase 1 development includes the off-site and onsite development and extension of public utilities as well as the construction of a north/south thoroughfare (98' ROW) from close to the northern boundary to IH-20. It is noted that E. Wheatland Road was rebuilt and rerouted through the subject several years ago. In addition, an east /west road will be constructed connecting the north/south thoroughfare to S. Lancaster Road and will bisect Tract #3. Improvements will also include concrete streets with curbs and gutters, streetlights, landscaping, and entry features.

With the exception of Tracts #10, 11, 12, and 21, all of the Phase 2 tracts will be provided access and utilities upon completion of Phase 2 development. Therefore, we have combined Tracts 9/10, 11/15, 12/16 and 20/21 for valuation purposes. It is noted that there may or may not be additional street development required to access some tracts depending on the eventual buyer/user.

The unit/lot mix for Tracts 1, 1A, and 2 are summarized in the following exhibit:

University Hills							
Parcel	Acres	Density	Typical Lot Dimensions			Total Lots	Expected
		Per Acre	24' x 90'	40' x 115'	50' x 115'		Completion Date
Tract #1	43.8	7.1	0	204	108	312	March 1, 2027
Tract #1A	9.7	14.5	141	0	0	141	March 1, 2027
Tract #2	8.2	14.6	120	0	0	120	March 1, 2027

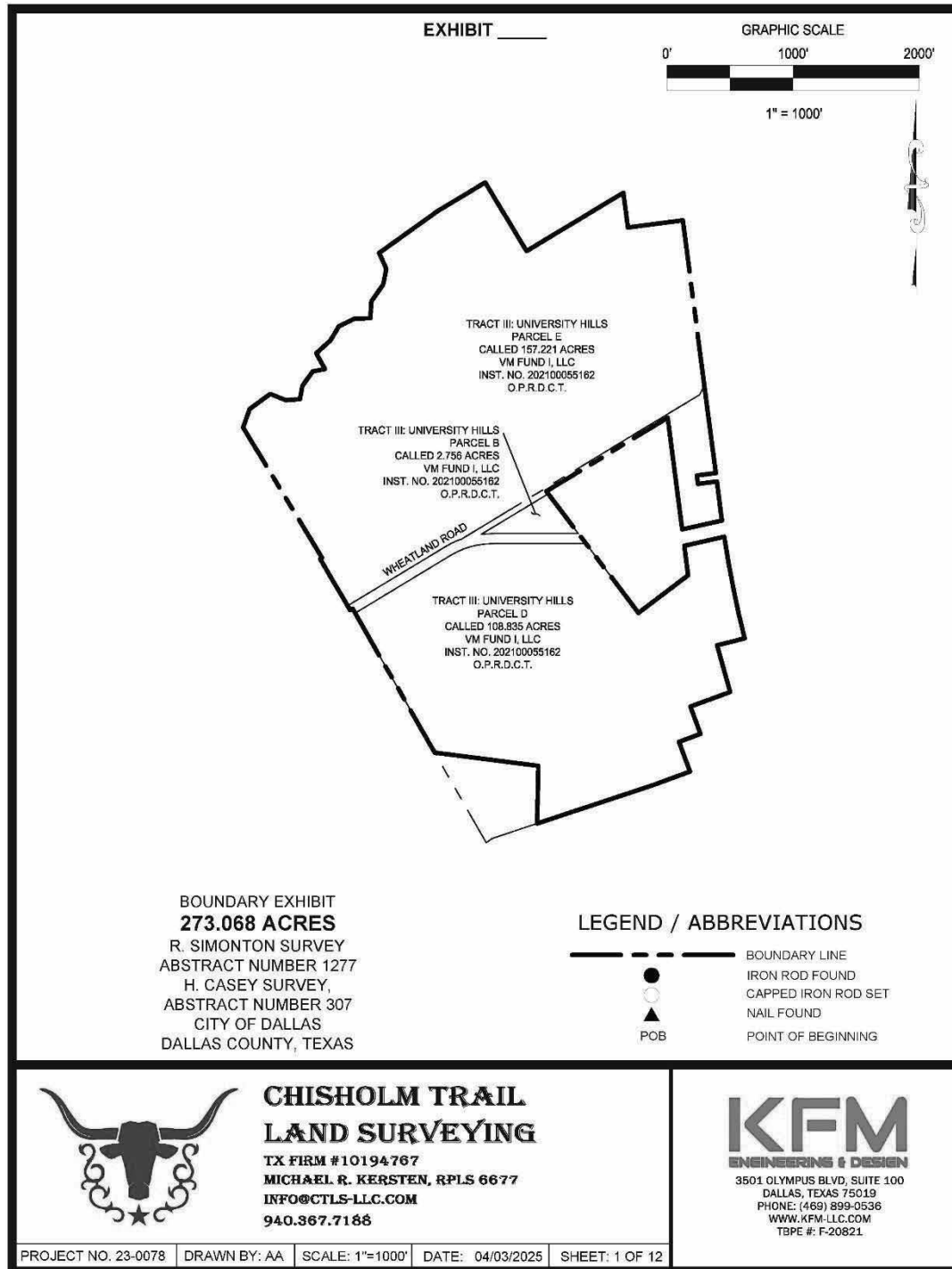


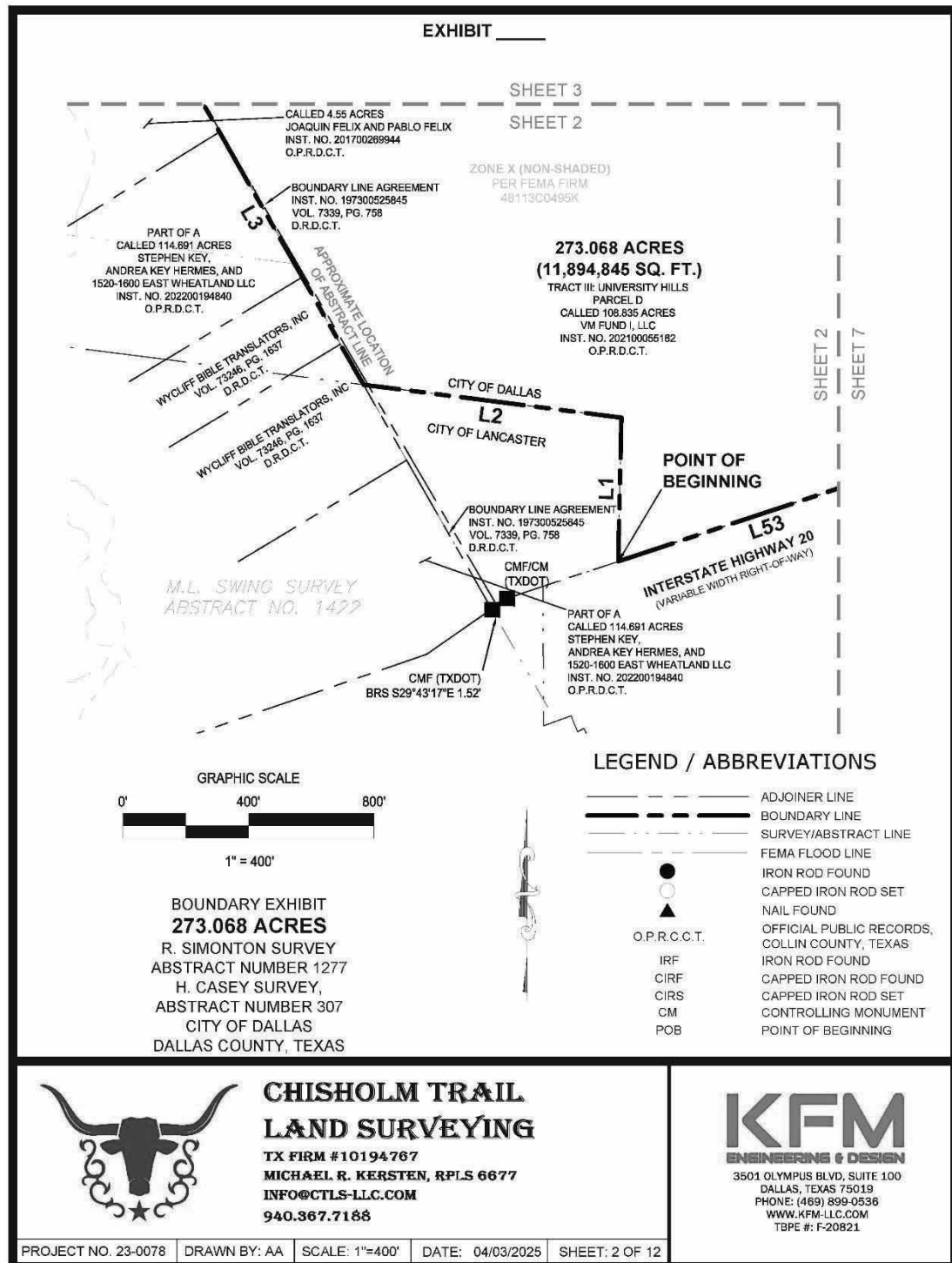


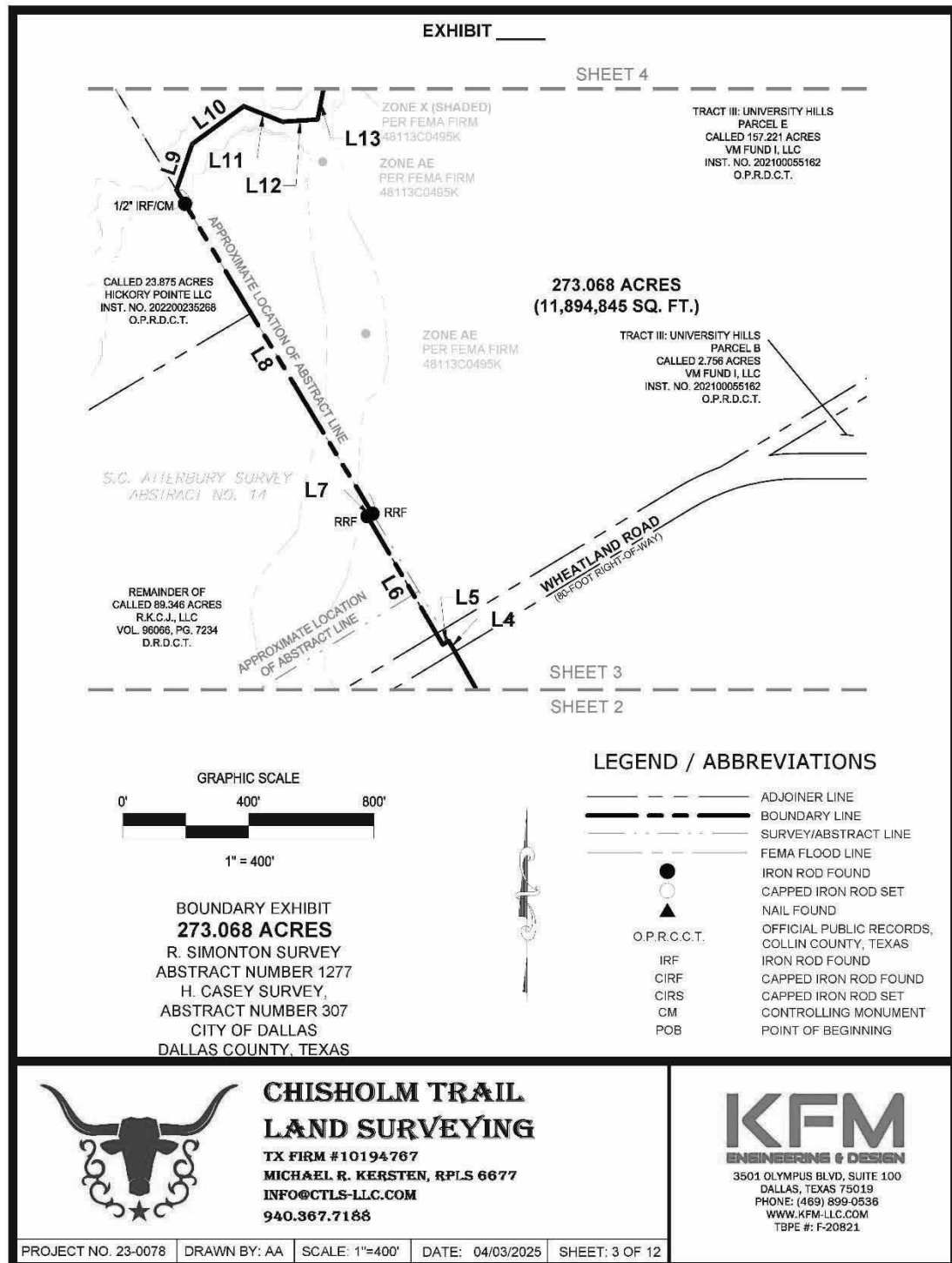
Aerial Photograph

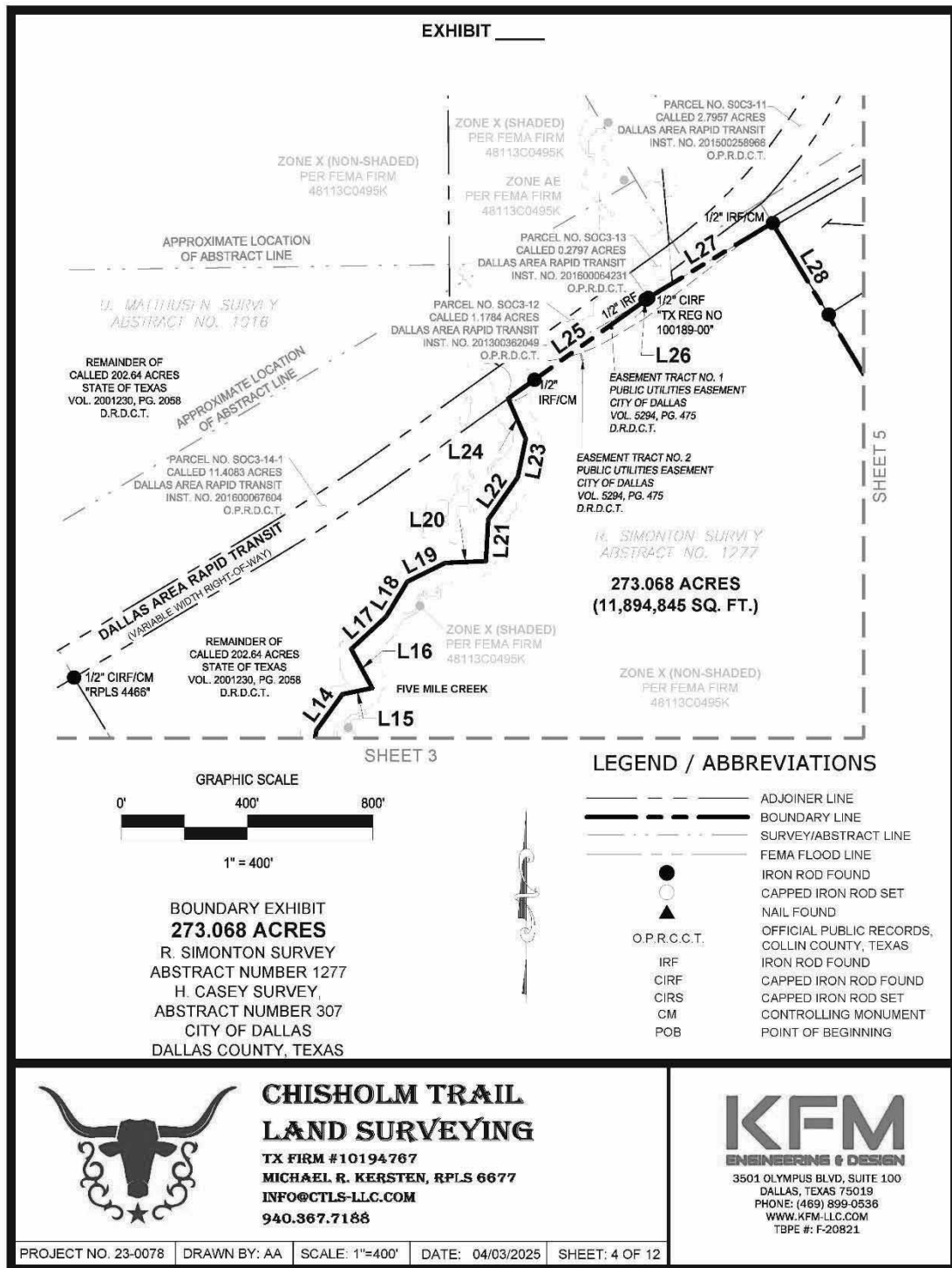


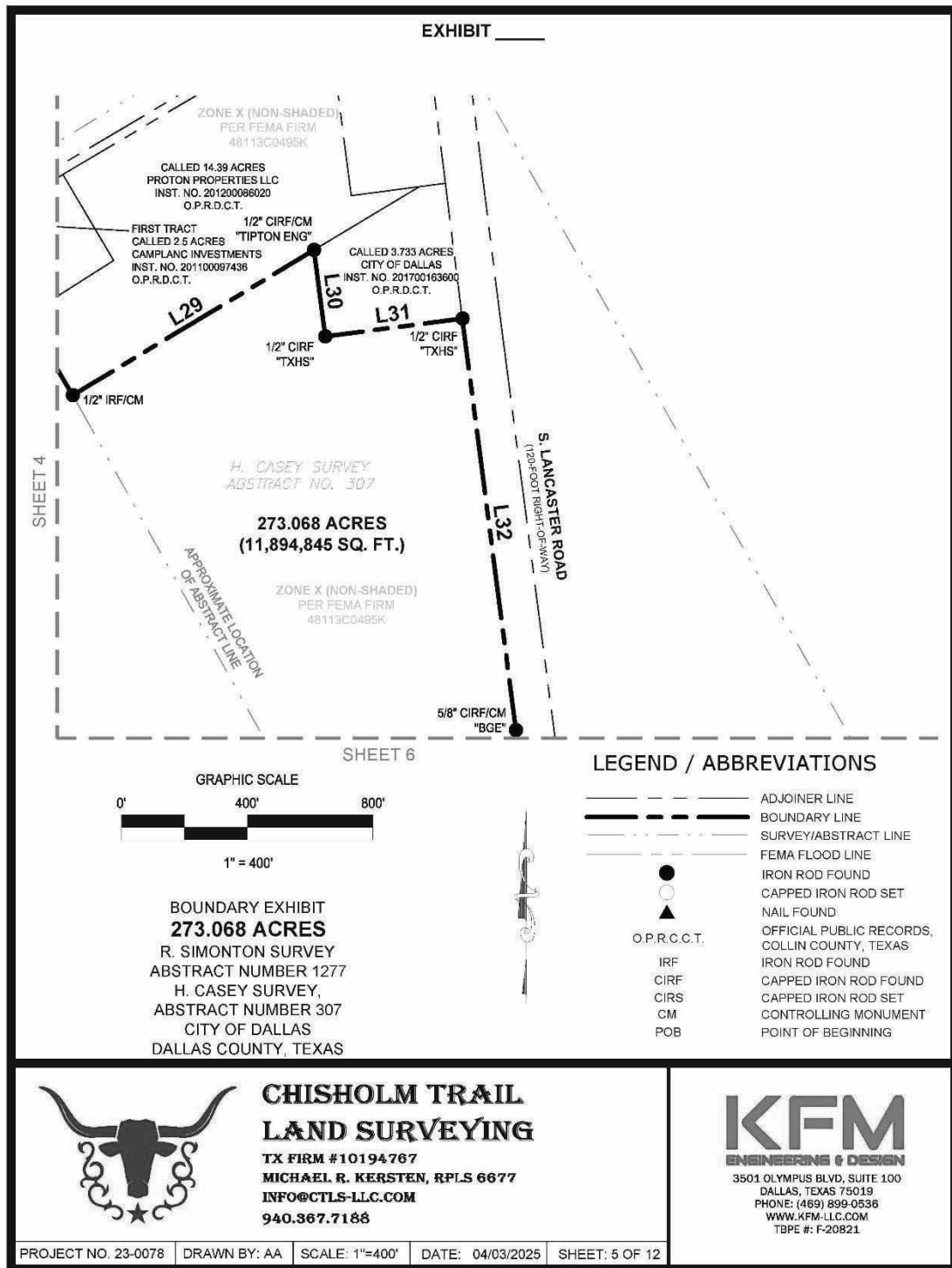
Boundary Exhibit

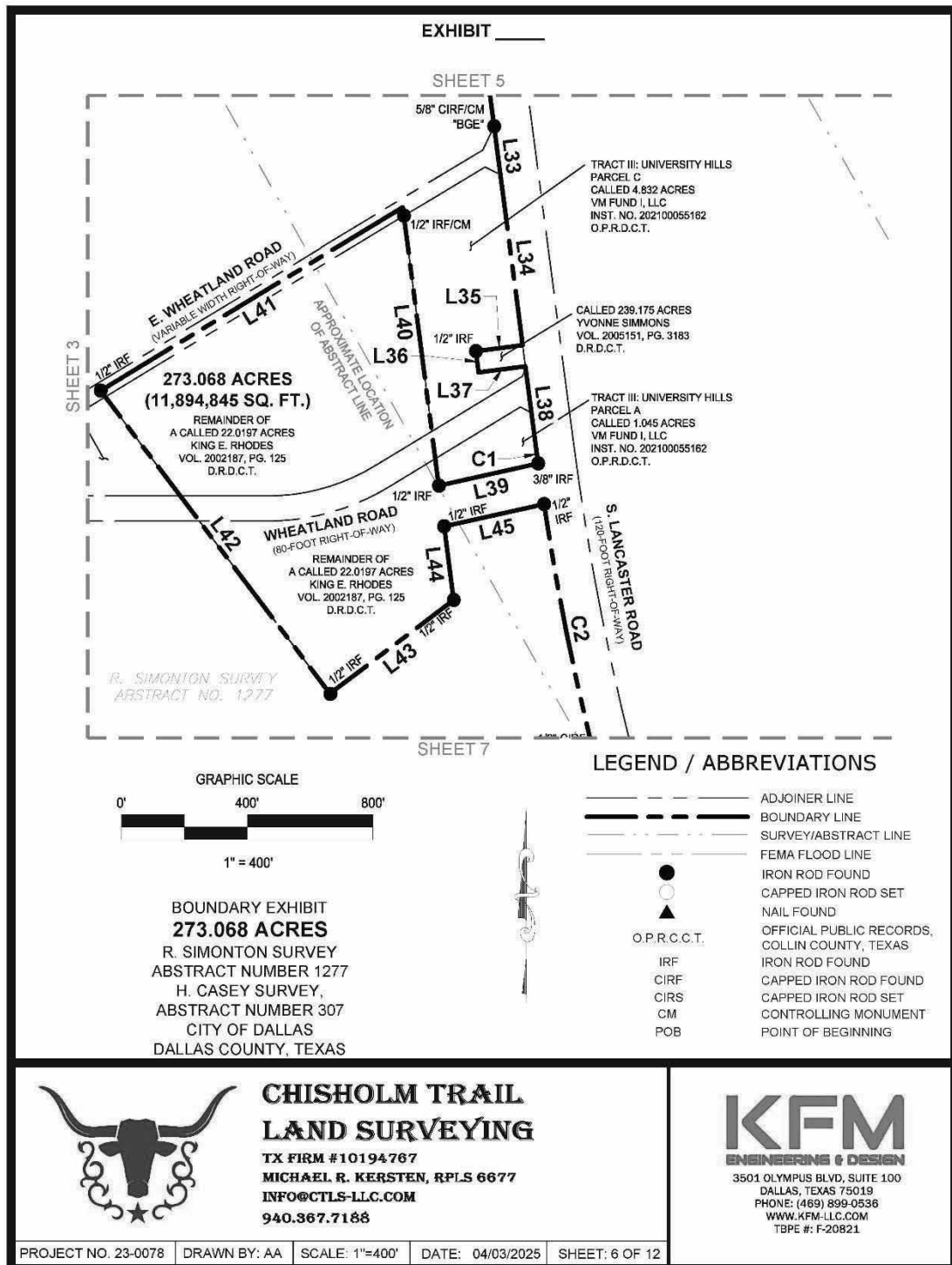


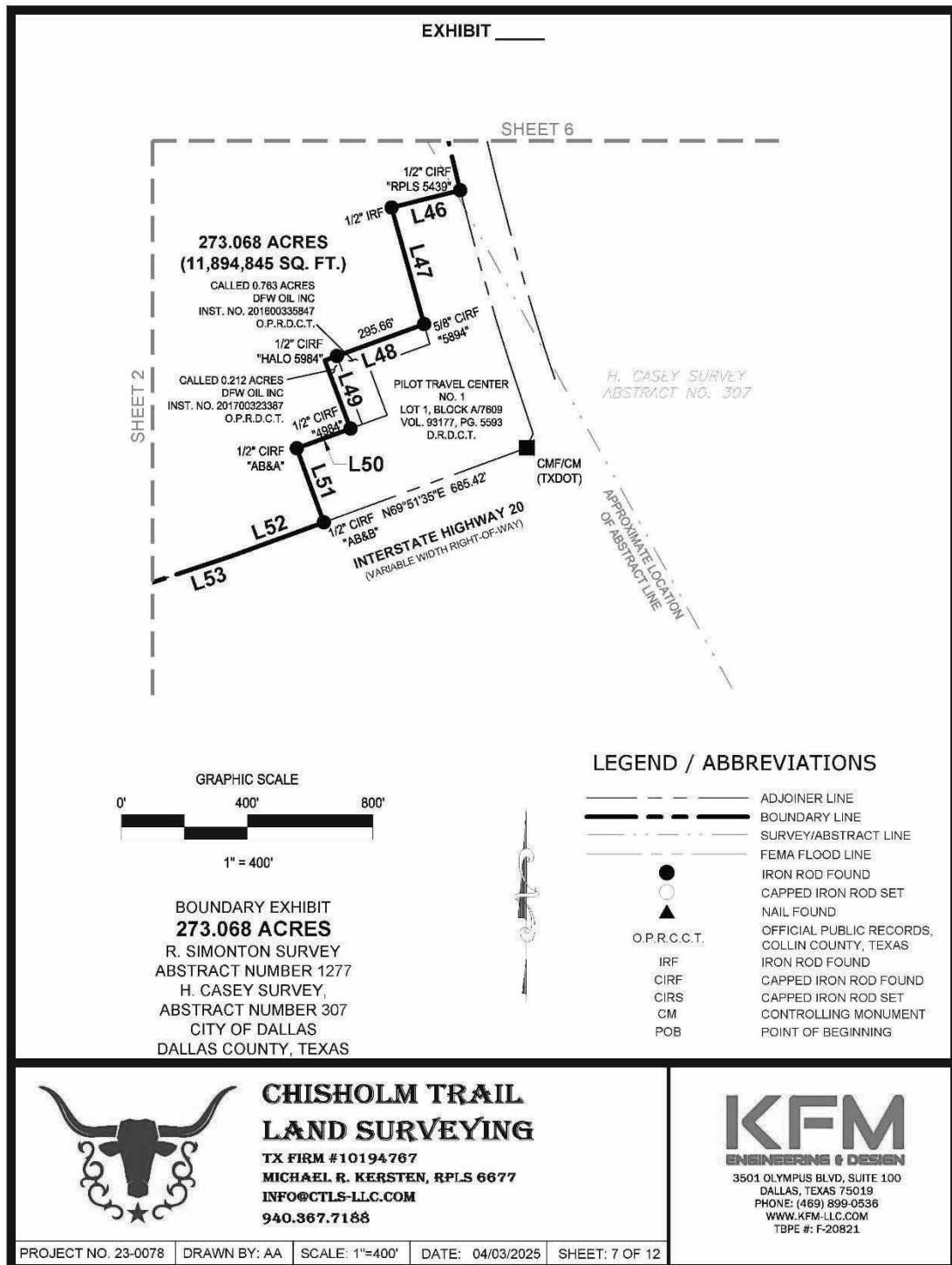


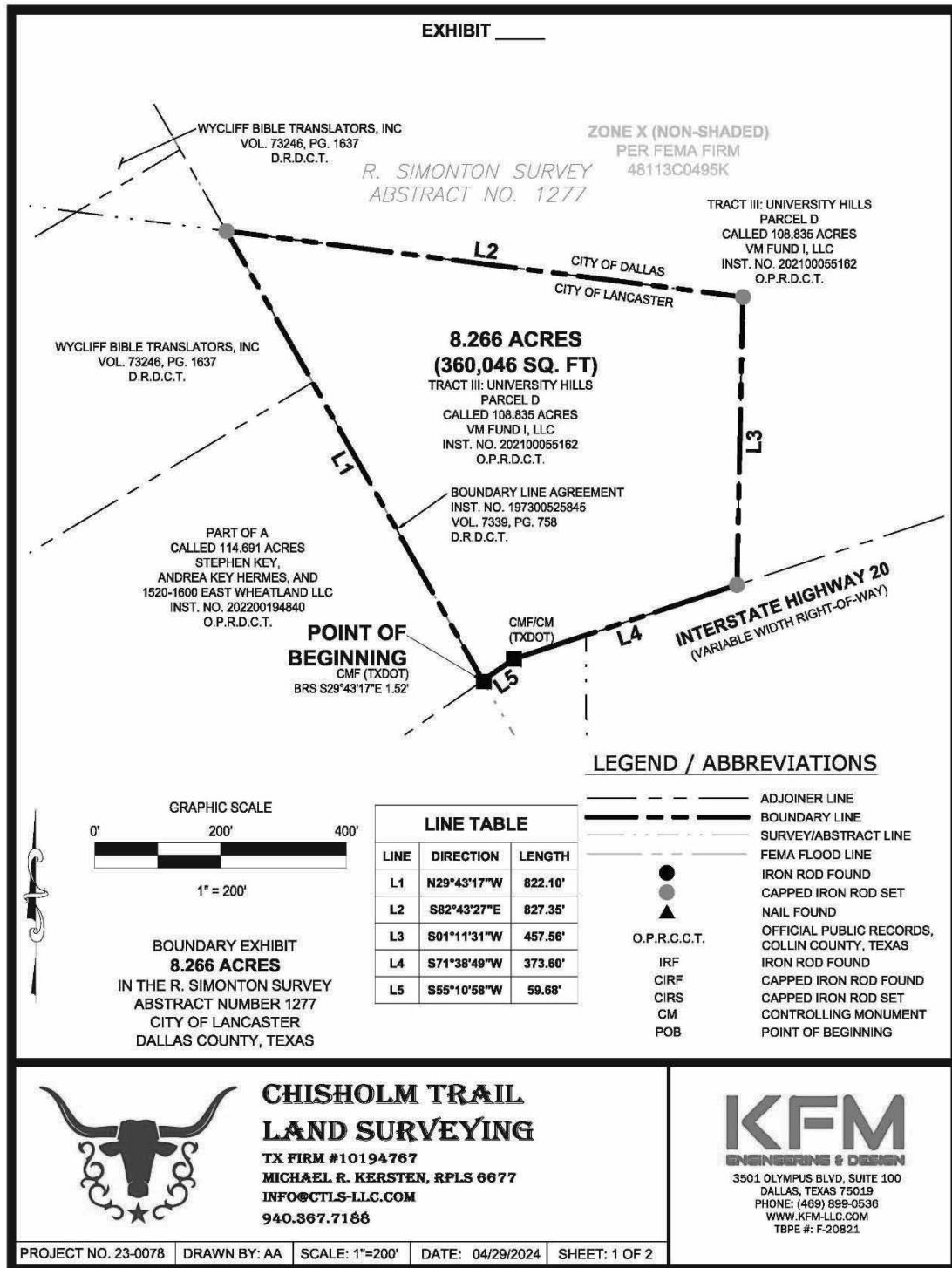




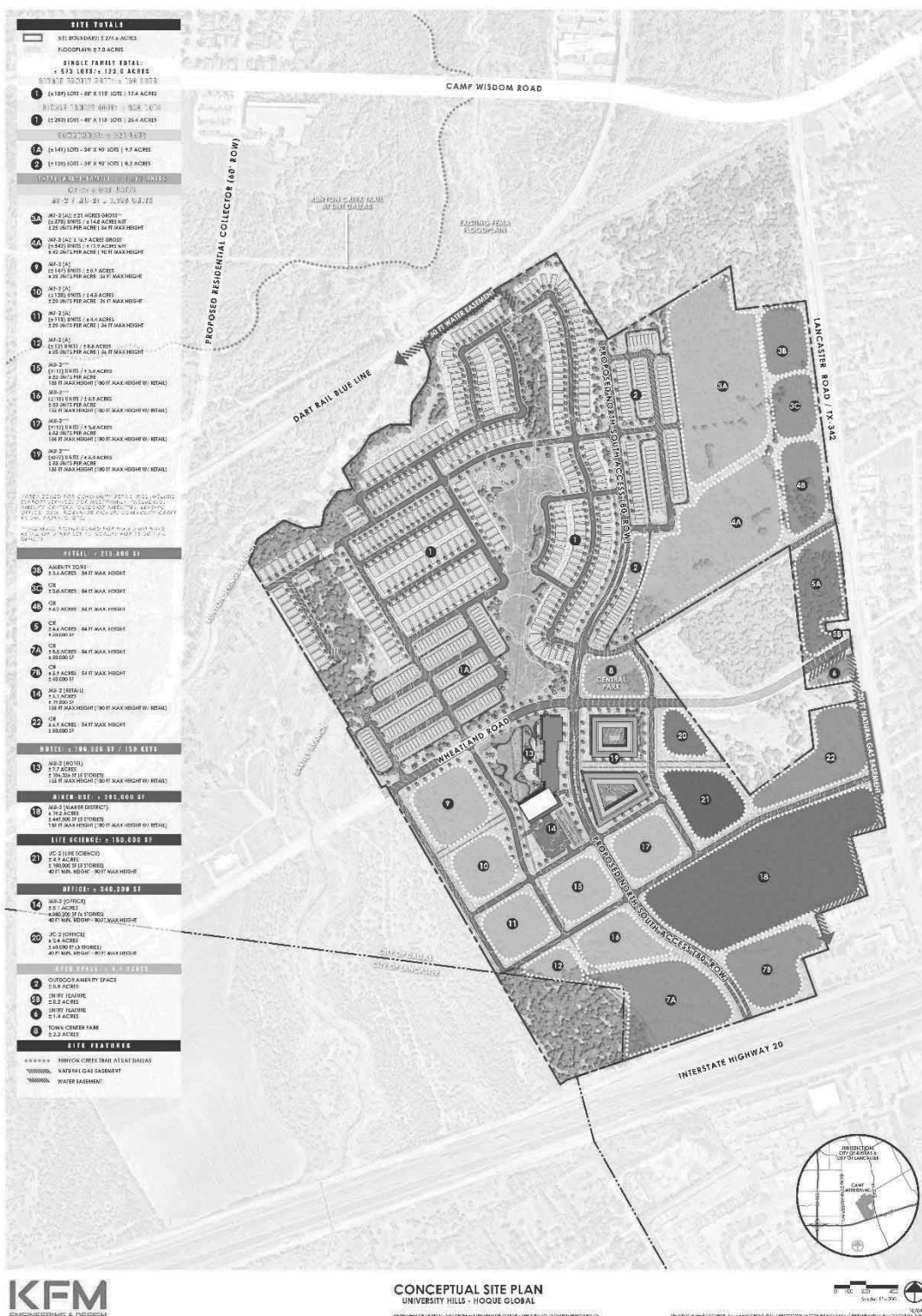








Site Plan



Site Totals



TOTAL MULTI-FAMILY: ± 1,917 UNITS	
MF-3: ± 542 UNITS	
MF-2 / MU-2: ± 1,375 UNITS	
3A	MF-2 (A): ± 21 ACRES GROSS** (± 370) UNITS / ± 14.8 ACRES NET ± 25 UNITS PER ACRE 36 FT MAX HEIGHT
4A	MF-3 (A): ± 16.9 ACRES GROSS** (± 542) UNITS / ± 12.9 ACRES NET ± 42 UNITS PER ACRE 90 FT MAX HEIGHT
9	MF-2 (A) (± 147) UNITS / ± 5.9 ACRES ± 25 UNITS PER ACRE 36 FT MAX HEIGHT
10	MF-2 (A) (± 120) UNITS / ± 4.8 ACRES ± 25 UNITS PER ACRE 36 FT MAX HEIGHT
11	MF-2 (A) (± 110) UNITS / ± 4.4 ACRES ± 25 UNITS PER ACRE 36 FT MAX HEIGHT
12	MF-2 (A) (± 12) UNITS / ± 0.5 ACRES ± 25 UNITS PER ACRE 36 FT MAX HEIGHT
15	MU-2*** (±112) UNITS / ± 3.4 ACRES ± 33 UNITS PER ACRE 135 FT MAX HEIGHT (180 FT MAX HEIGHT W/ RETAIL)
16	MU-2*** (±115) UNITS / ± 3.5 ACRES ± 33 UNITS PER ACRE 135 FT MAX HEIGHT (180 FT MAX HEIGHT W/ RETAIL)
17	MU-2*** (±112) UNITS / ± 3.4 ACRES ± 33 UNITS PER ACRE 135 FT MAX HEIGHT (180 FT MAX HEIGHT W/ RETAIL)
19	MU-2*** (±277) UNITS / ± 8.4 ACRES ± 33 UNITS PER ACRE 135 FT MAX HEIGHT (180 FT MAX HEIGHT W/ RETAIL)

RETAIL: ± 219,800 SF

- 3B** AMENITY ZONE**
± 3.6 ACRES | 54 FT MAX. HEIGHT
- 3C** CR
± 2.8 ACRES | 54 FT MAX. HEIGHT
- 4B** CR
± 4.2 ACRES | 54 FT MAX. HEIGHT
- 5** CR
± 4.6 ACRES | 54 FT MAX. HEIGHT
± 50,000 SF
- 7A** CR
± 8.5 ACRES | 54 FT MAX. HEIGHT
± 50,000 SF
- 7B** CR
± 5.9 ACRES | 54 FT MAX. HEIGHT
± 50,000 SF
- 14** MU-2 (RETAIL)
± 5.1 ACRES
± 19,800 SF
135 FT MAX HEIGHT (180 FT MAX HEIGHT W/ RETAIL)
- 22** CR
± 6.9 ACRES | 54 FT MAX. HEIGHT
± 50,000 SF

HOTEL: ± 106,326 SF / 150 KEYS

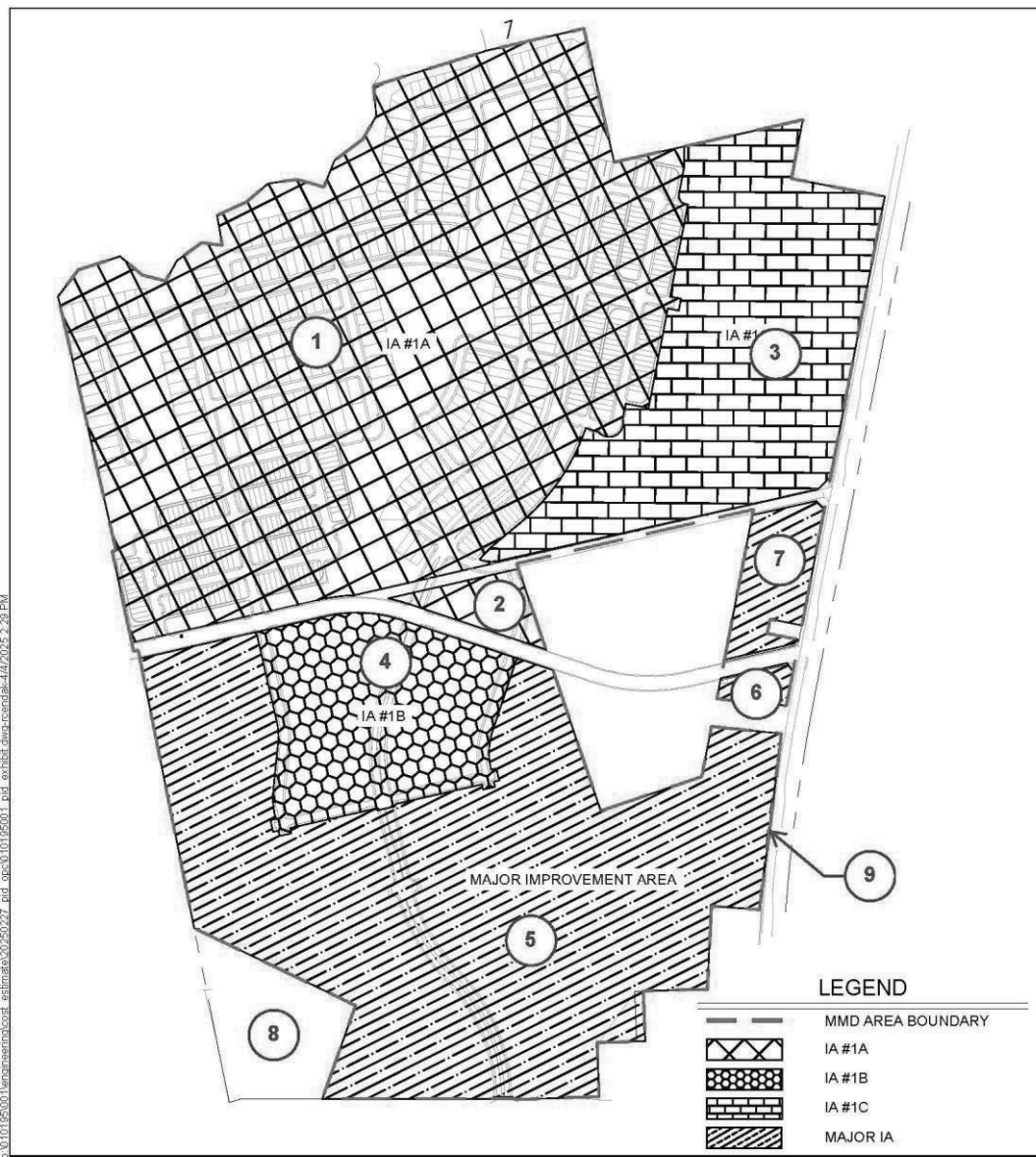
- 13** MU-2 (HOTEL)
± 7.7 ACRES
± 106,326 SF (5 STORIES)
135 FT MAX HEIGHT (180 FT MAX HEIGHT W/ RETAIL)

MIXED-USE: ± 390,000 SF

- 18** MU-2 (MAKER DISTRICT)
± 19.2 ACRES
± 447,500 SF (3 STORIES)
135 FT MAX HEIGHT (180 FT MAX HEIGHT W/ RETAIL)



Improvement Boundary Map



KFM
ENGINEERING & DESIGN
3501 OLYMPUS BLVD, SUITE 100
DALLAS, TEXAS 75019
PHONE: (469) 899-0536
WWW.KFM-LLC.COM
TBPE #: F-20821

TITLE
IMPROVEMENT AREA
MMD EXHIBIT

PROJECT
UNIVERSITY HILLS
DALLAS, TX

CLIENT
HOQUE GLOBAL



0 300 600
SCALE = 1" = 600'

PROJECT NUMBER:
010195001
DATE:
2025/04/04

SHEET:
EXH 01

Flood Hazard Map



Zoning Map



Real Estate Taxes

Real estate tax assessments are administered by the Dallas Central Appraisal District and are estimated by jurisdiction on a county basis for the subject. Real estate taxes in this state and this jurisdiction represent ad valorem taxes, meaning a tax applied in proportion to value. The tax rates are certified in October. Real estate taxes and assessments for the current tax year are shown in the following table.

Taxes and Assessments - 2024					
Tax ID	Assessed Value			Taxes and Assessments	
	Land	Improvements	Total	Tax Rate	Ad Valorem Taxes
00000754793600000	\$1,793,840	\$0	\$1,793,840	2.235030%	\$40,093
65127774010010000	\$110,780	\$0	\$110,780	2.235030%	\$2,476
00000754793500000	\$48,230	\$0	\$48,230	2.235030%	\$1,078
00000755080000000	\$2,751,370	\$0	\$2,751,370	2.235030%	\$61,494
00000756944000000	\$473,590	\$0	\$473,590	2.235030%	\$10,585
00000756944000100	\$18,290	\$0	\$18,290	2.235030%	\$409
	\$5,196,100	\$0	\$5,196,100		\$116,134

The subject is currently assessed as part of six tax accounts that total of 274.693 acres with a total assessment of \$5,196,100, or \$18,916 per gross acre. However, the assessed value as vacant land is irrelevant as we are valuing the subject tracts upon completion of both Phase 1 and Phase 2 development.

It is noted that the estimated taxes for the subject's developed lots will be based upon our market value opinions within the discounted cash flow statements within this report.

Texas is a non-disclosure State with a mandate to assess property at 100% of market value. Some Texas County Assessors are more successful at achieving the mandate than others. In Texas Counties with little or no transaction activity, values can lag the market. However, there is no limit on increases in the event of a re-assessment.

Property owners in Texas may protest ad valorem assessments using the one of two tests, 1) Market Value or 2) "Equal Appraisal". Market Value is self-explanatory. "Equal Appraisal" means there is a burden on the District's Assessor to ensure mass appraisal methods produce consistent results from property to property. To measure equality, the Appraisal Review Board will consider the assessed values of competing properties in the District. The process involves generation of "ratio study" in which, after appropriate adjustments, the "median value" is the conclusion of "Equal Appraisal".

Highest and Best Use

The highest and best use of a property is the reasonably probable use resulting in the highest value, and represents the use of an asset that maximizes its productivity.

Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as though vacant, and as improved or proposed. By definition, the highest and best use must be:

- Physically possible.
- Legally permissible under the zoning regulations and other restrictions that apply to the site.
- Financially feasible.
- Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

As Though Vacant

First, the property is evaluated as though vacant, with no improvements.

Physically Possible

The physical characteristics of the site do not appear to impose any unusual restrictions on development. Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses.

Legally Permissible

The site is zoned TH-2(A), MF-2(A), MF-3(A), MU-2, CR and LO-1. Permitted uses include single family, multi-family, mixed-use, retail, and office. There are no apparent legal restrictions, such as easements or deed restrictions, effectively limiting the use of the property. Given prevailing land use patterns in the area, only mixed use development is given further consideration in determining highest and best use of the site.

Financially Feasible

Based on the accompanying analysis of the market, there is currently adequate demand for mixed use development in the subject's area. It appears a newly developed mixed use development on the site would have a value commensurate with its cost. Therefore, mixed use development is considered to be financially feasible.

Maximally Productive

There does not appear to be any reasonably probable use of the site that would generate a higher residual land value than mixed use development. Accordingly, mixed use development, developed to the normal market density level permitted by zoning, is the maximally productive use of the property.

Conclusion

Development of the site for mixed use development is the only use which meets the four tests of highest and best use. Therefore, it is concluded to be the highest and best use of the property.

Most Probable Buyer

Taking into account the characteristics of the site, as well as area development trends, the probable buyer is a developer / homebuilder.

Valuation

Valuation Methodology

Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach and the income capitalization approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type.

The methodology employed in this assignment is summarized as follows:

Approaches to Value		
Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach - (Subdivision Development Analysis)	Applicable	Utilized

Sales Comparison Approach

To develop an opinion of the subject's land and lot values, upon completion of Phase 1 and Phase 2 development and as if vacant and available to be developed to its highest and best use, we utilize the sales comparison approach. This approach develops an indication of value by researching, verifying, and analyzing sales of similar properties.

As discussed previously, the proposed single family lots within Phase 1 are divided for valuation purposes relative to the three lot types, being 24-feet, 40-feet, and 50-feet in lot width. In addition, there are a wide variety of zonings/allowed uses for the remaining parcels within the development. Thus, the Sales Comparison Approach will be utilized to determine lot values for the individual lot types as well as the other land tracts which are summarized as follows:

Land Parcels				
Name	SF	Acres	Units	Unit of Comparison
Townhome Lots	2,160	0.0	24	Front Feet
40' Lots	4,600	0.1	40	Front Feet
50' lots	5,750	0.1	50	Front Feet
Tract #3A/3B	1,071,576	24.6	370	Units
Tract #3C	121,968	2.8	N/A	Usable SF
Tract #4A	736,164	16.9	542	Units
Tract #4B	182,952	4.2	N/A	Usable SF
Tract #13	335,412	7.7	N/A	Usable SF
Tract #14	222,156	5.1	N/A	Usable SF
Tract #19	365,904	8.4	277	Units
Tract #5	230,868	4.6	N/A	Usable SF
Tract #7A	444,312	8.5	N/A	Usable SF
Tract #7B	304,920	5.9	N/A	Usable SF
Tract #9/10	466,092	10.7	267	Units
Tract #11/15	339,768	7.8	222	Units
Tract #12/16	174,240	4.0	127	Units
Tract #17	148,104	3.4	112	Units
Tract #18	945,252	19.2	N/A	Usable SF
Tract #20/21	335,412	7.3	N/A	Usable SF
Tract #22	300,564	6.9	N/A	Usable SF

Townhome Lots (24' x 90' = 2,160 SF)

To apply the sales comparison approach to the Townhome Lots, the research focused on transactions within the following parameters:

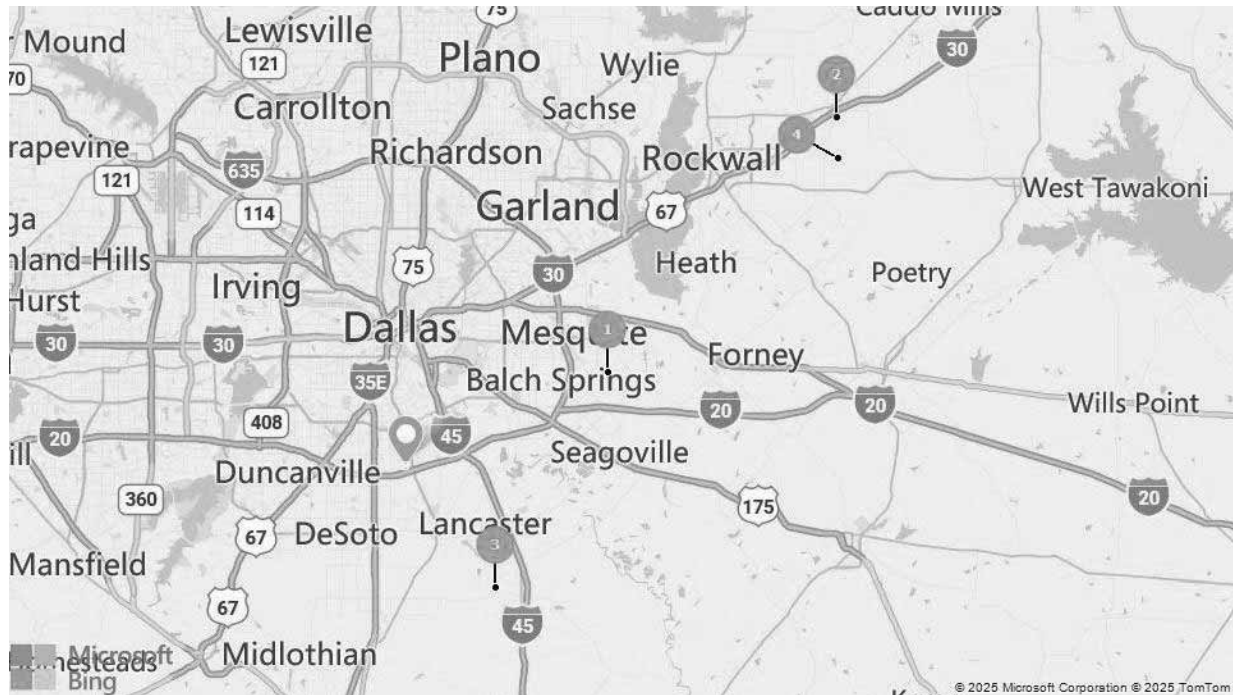
- Location: General Market Area
- Size: Less than 20' to 40' Lot Width
- Use: Residential
- Transaction Date: Past 12 months or Pending

It is noted that there is a limited amount of developed townhome lot sales in the suburbs with none found in the subject's immediate market area. As such, we have utilized sales that are in the closest proximity to the subject.

For this analysis, price per front foot is used as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. The most relevant sales are summarized in the following table:

Summary of Comparable Land Sales - Townhome Lots								
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Front Footage	Zoning	\$/Front Foot	\$/SF Land
1	Solterra, Phase 1B - 35' Lots 1956 Sierra Rose Trace Mesquite Dallas County TX Comments: This lot is part of the Solterra master-planned development located within a PID. The development is in the Mesquite ISD.	Mar-24 Closed	\$62,705	3,850 0.09	35	PD	\$1,792	\$16.29
2	Liberty Crossing, Phase 2 - 22'-28' TH Lots Southwest corner of E. Old Greenville Road and Liberty Crossing Avenue Royse City Rockwall County TX Comments: This lot is located in the Liberty Crossing PID, IA #2 and is within the Royse City ISD. IA #2 was completed with 203 lots with townhome lots, 50', and 60' lots in March of 2025.	Mar-25 Closed	\$52,000	1,474 0.03	22	PD	\$2,364	\$35.28
3	DeBerry Heritage - 40' Lots West side of Ferris Road, south of Nolan Road Ferris Ellis County TX Comments: All lots are under contract within a proposed 355-lot subdivision to be known as DeBerry Heritage which is being developed on 59.092 acres. The lots are in the Ferris ISD.	May-25 In-Contract	\$65,500	2,574,048 59.09	40	Suburban Living	\$1,638	\$0.03
4	Waterscape, Phase 3B - 40' Lots Southwest side of Crenshaw Road, southeast of FM-548 Royse City Rockwall County TX Comments: Lots in Phase 3B are located within the Waterscape PID, IA #4. All lots are within the Royse City ISD.	Jul-24 Closed	\$66,000	4,800 0.11	40	PD	\$1,650	\$13.75
Subject University Hills Dallas, TX				2,160 0.05	24	TH-2		

Comparable Land Sales Map – Townhome Lots

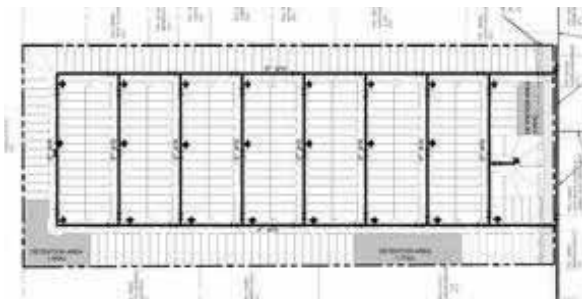




Sale 1
Solterra, Phase 1B - 35' Lots



Sale 2
Liberty Crossing, Phase 2 - 22'-28' TH Lots



Sale 3
DeBerry Heritage - 40' Lots



Sale 4
Waterscape, Phase 3B - 40' Lots

Analysis and Adjustment of Sales

Adjustments are based on a rating of each comparable sale in relation to the subject. The adjustment process is typically applied through either quantitative or qualitative analysis, or a combination of both analyses. Quantitative adjustments are often developed as dollar or percentage amounts and are most credible when there is sufficient data to perform a paired sales analysis.

While percentage adjustments are presented in the adjustment grid, they are based on qualitative judgment rather than empirical research, as there is not sufficient data to develop a sound quantitative estimate. Although the adjustments appear to be mathematically precise, they are merely intended to illustrate an opinion of typical market activity and perception. With the exception of market conditions, the adjustments are based on a scale, with a minor adjustment in the range of 1-5% and a substantial adjustment considered to be 20% or greater.

The rating of each comparable sale in relation to the subject is the basis for the adjustments. If the comparable is superior to the subject, its sale price is adjusted downward to reflect the subject's relative attributes; if the comparable is inferior, its price is adjusted upward.

Transactional adjustments are applied for property rights conveyed, financing, conditions of sale, expenditures made immediately after purchase, and market conditions. In addition, property adjustments include – but are not limited to – location, access/exposure, size, quality, effective age, economic and legal characteristics, and non-realty components of value. Adjustments are considered for the following factors, in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

The opinion of value in this report is based on a fee simple estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat, as well as non-detrimental easements, community facility districts, and conditions, covenants and restrictions (CC&Rs). All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

In analyzing the comparables, it is necessary to adjust for financing terms that differ from market terms. Typically, if the buyer retained third-party financing (other than the seller) for the purpose of purchasing the property, a cash price is presumed and no adjustment is required. However, in instances where the seller provides financing as a debt instrument, a premium may have been paid by the buyer for below-market financing terms, or a discount may have been demanded by the buyer if the financing terms were above market. The premium or discounted price must then be adjusted to a cash equivalent basis. The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

Adverse conditions of sale can account for a significant discrepancy from the sale price actually paid, compared to that of the market. This discrepancy in price is generally attributed to the motivations of the buyer and the seller. Certain conditions of sale are considered non-market and may include the following:

- a seller acting under duress (e.g., eminent domain, foreclosure);
- buyer motivation (e.g., premium paid for assemblage, certain 1031 exchanges);
- a lack of exposure to the open market;
- an unusual tax consideration;
- a sale at legal auction.

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

This category considers expenditures incurred immediately after the purchase of a property. There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

It is noted that most all lot contracts still contain interest carry clauses providing for increased sale prices through the take down period. The most current take down contracts found in the market area still include from 5-6% interest carry with some contracts reportedly renegotiated to include up to 8.5% carry in exchange for extended absorption periods. As such, we have included a market conditions adjustment of 6% through the date of valuation. The sales took place or will take place from March 2024 to May 2025. Thus, the adjustment grid accounts for this trend with upward adjustments through the date of valuation.

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1 and 3 are similar to the subject. No adjustments are necessary. Sales 2 and 4 are adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

All of the comparables are similar to the subject. No adjustments are necessary.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sale 2 is similar to the subject and requires no adjustment. Sales 1, 3 and 4 are larger than the subject and require upward adjustments.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of TH-2 (Townhome).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Townhome Lots					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	University Hills	Solterra, Phase 1B - 35' Lots	Liberty Crossing, Phase 2 - 22'-28' TH Lots	DeBerry Heritage - 40' Lots	Waterscape, Phase 3B - 40' Lots
Address	Northwest quadrant of IH-20 and S. Lancaster Road	1956 Sierra Rose Trace	Southwest corner of E. Old Greenville Road and Liberty Crossing Avenue	West side of Ferris Road, south of Nolan Road	Southwest side of Crenshaw Road, southeast of FM-548
City	Dallas	Mesquite	Royse City	Ferris	Royse City
County	Dallas	Dallas	Rockwall	Ellis	Rockwall
State	Texas	TX	TX	TX	TX
Sale Date		Mar-24	Mar-25	May-25	Jul-24
Sale Status		Closed	Closed	In-Contract	Closed
Sale Price		\$62,705	\$52,000	\$65,500	\$66,000
Square Feet	2,160	3,850	1,474	2,574,048	4,800
Number of Front Feet	24	35	22	40	40
Price per Front Foot		\$1,792	\$2,364	\$1,638	\$1,650
Transactional Adjustments					
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		-	-	-	-
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		-	-	-	-
Conditions of Sale		-	-	-	-
% Adjustment		-	-	-	-
Expenditures Made Immediately After Purchase		-	-	-	-
\$ Adjustment		-	-	-	-
Market Conditions	3/1/2027	Mar-24	Mar-25	May-25	Jul-24
Annual % Adjustment	6%	18%	12%	11%	16%
Cumulative Adjusted Price		\$2,114	\$2,647	\$1,818	\$1,914
Property Adjustments					
Location		-	-10%	-	-10%
Access/Exposure		-	-	-	-
Size		10%	-	30%	30%
Shape and Topography		-	-	-	-
Zoning		-	-	-	-
Net Property Adjustments (\$)		\$211	-\$265	\$545	\$383
Net Property Adjustments (%)		10%	-10%	30%	20%
Final Adjusted Price		\$2,325	\$2,383	\$2,363	\$2,297
Range of Adjusted Prices		\$2,297 - \$2,383			
Average		\$2,342			
Indicated Value		\$2,350			

Land Value Conclusion – Townhome Lots

Prior to adjustments, the sales reflect a range of \$1,638 - \$2,364 per front foot. After adjustment, the range is narrowed to \$2,297 - \$2,383 per front foot, with an average of \$2,342 per front foot. To arrive at an indication of value, equal weight is given to all sales.

Based upon the preceding analysis, the land value conclusion for the subject is presented as follows:

Land Value Conclusion

Townhome Lots

Indicated Value per Front Foot	\$2,350
Subject Front Feet	<u>24</u>
Indicated Value	\$56,400
Rounded	\$56,400

40' Lots (40' x 115' = 4,600 SF)

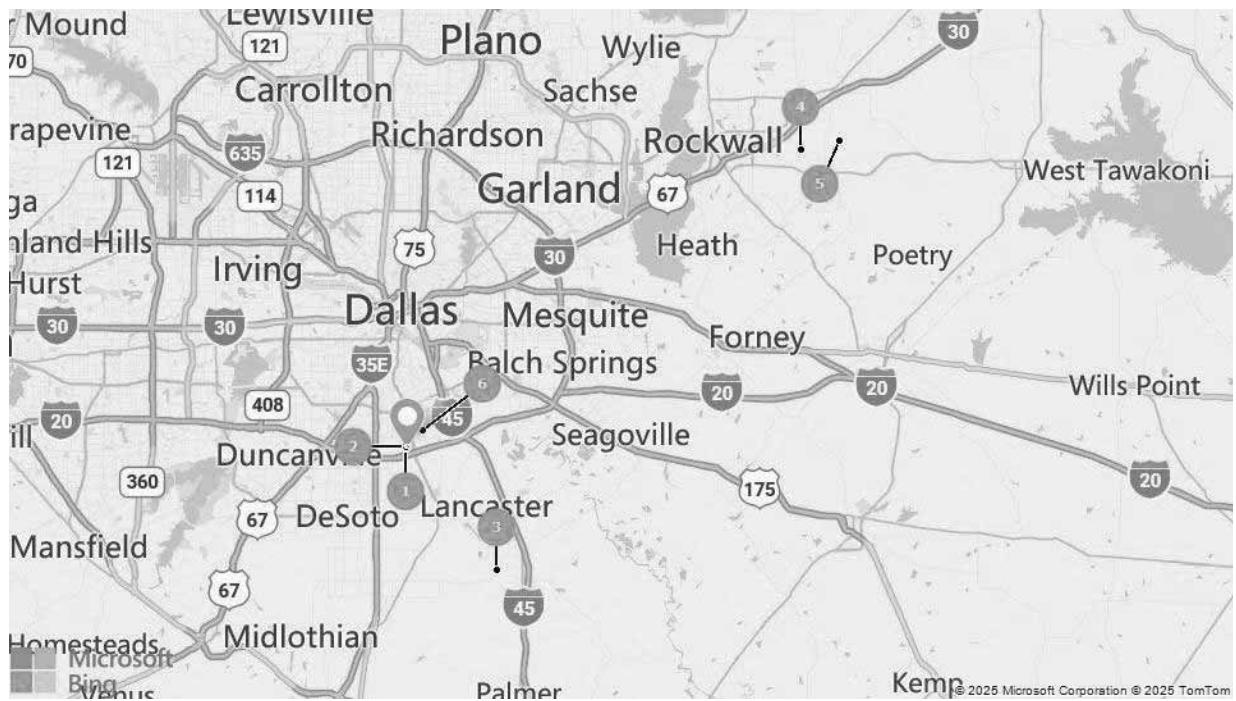
To apply the sales comparison approach to the 40' Lots, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: 40' Lot Width
- Use: Residential
- Transaction Date: Past 12 months or Pending

For this analysis, price per front foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - 40' Lots								
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Front Footage	Zoning	\$/Front Foot	\$/SF Land
1	University Hills, Phase 1 - 50' Lot North side of East Wheatland Road, west of S. Lancaster Road Dallas Dallas County TX <i>Comments: This represents the purchase of 550 lots by a major homebuilder. There are three lot types in the subdivision being 24' townhouse lots and , 40' and 50' standard lots. The subdivision is located within the Dallas ISD.</i>	Jun-26 In-Contract	\$75,000	5,500 0.13	50	PD (Planned Development)	\$1,500	\$13.64
2	University Hills, Phase 1 - TH Lot North side of East Wheatland Road, west of S. Lancaster Road Dallas Dallas County TX <i>Comments: This represents the purchase of 550 lots by a major homebuilder. There are three lot types in the subdivision being 24' townhouse lots and , 40' and 50' standard lots. The subdivision is located within the Dallas ISD.</i>	Jun-26 In-Contract	\$50,000	2,160 0.05	24	PD (Planned Development)	\$2,083	\$23.15
3	DeBerry Heritage - 40' Lots West side of Ferris Road, south of Nolan Road Ferris Ellis County TX <i>Comments: All lots are under contract within a proposed 355-lot subdivision to be known as DeBerry Heritage which is being developed on 59.092 acres. The lots are in the Ferris ISD.</i>	May-25 In-Contract	\$65,500	2,574,048 59.09	40	Suburban Living	\$1,638	\$0.03
4	Edgewater, Phase 2 - 40' Lots East side of FM-551 at Gettysburg Fate Rockwall County TX <i>Comments: Lots in this phase are located in the Rockwall ISD and are within the Williamsburg East Public Improvement District No. 2.</i>	Aug-24 Closed	\$68,594	4,400 0.10	40	PD-WBE	\$1,715	\$15.59
5	Waterscape, Phase 3B - 40' Lots Southwest side of Crenshaw Road, southeast of FM-548 Royse City Rockwall County TX <i>Comments: Lots in Phase 3B are located within the Waterscape PID, IA #4. All lots are within the Royse City ISD.</i>	Jul-24 Closed	\$66,000	4,800 0.11	40	PD	\$1,650	\$13.75
6	Carver Heights - 50' Lot Northwest corner of Simpson Stuart Road and Tracy Road Dallas Dallas County TX <i>Comments: This represents the purchase of a developed lot in an established subdivision by an individual. The subdivision is located within the Dallas ISD.</i>	Apr-24 Closed	\$90,000	5,500 0.13	50	R-5(A)	\$1,800	\$16.36
Subject				4,600	40	TH-2		
University Hills				0.11				
Dallas, TX								

Comparable Land Sales Map – 40' Lots

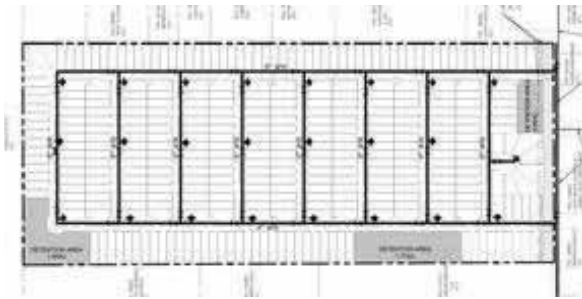




Sale 1
University Hills, Phase 1 - 50' Lot



Sale 2
University Hills, Phase 1 - TH Lot



Sale 3
DeBerry Heritage - 40' Lots



Sale 4
Edgewater, Phase 2 - 40' Lots



Sale 5
Waterscape, Phase 3B - 40' Lots



Sale 6
Carver Heights - 50' Lot

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

Sales 1 and 2 were adjusted upward 10% each due to their being under contract for a prolonged period of time prior to the expected closing date. None of the other comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

It is noted that most all lot contracts still contain interest carry clauses providing for increased sale prices through the take down period. The most current take down contracts found in the market area still include from 5-6% interest carry with some contracts reportedly renegotiated to include up to 8.5% carry in exchange for extended absorption periods. As such, we have included a market conditions adjustment of 6% through the date of valuation. The sales took place or will take place from April 2024 to June 2026. Thus, the adjustment grid accounts for this trend with upward adjustments through the date of valuation.

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 2, 3 and 6 are similar to the subject. No adjustments are necessary. Sales 4 and 5 are adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 1, 2, 3, 4 and 5 are similar to the subject and require no adjustment. Sale 6 is superior to the subject. A downward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 3, 4, 5 and 6 are similar to the subject and require no adjustment. Sale 2 is smaller than the subject, and a downward adjustment is applied.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of TH-2 (Townhome).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - 40' Lots							
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6
Name	University Hills	University Hills, Phase 1 - 50' Lot	University Hills, Phase 1 - TH Lot	DeBerry Heritage - 40' Lots	Edgewater, Phase 2 - 40' Lots	Waterscape, Phase 3B - 40' Lots	Carver Heights - 50' Lot
Address	Northwest quadrant of IH-20 and S. Lancaster Road	North side of East Wheatland Road, west of S. Lancaster Road	North side of East Wheatland Road, west of S. Lancaster Road	West side of Ferris Road, south of Nolan Road	East side of FM-551 at Gettysburg Boulevard	Southwest side of Crenshaw Road, southeast of FM-548	Northwest corner of Simpson Stuart Road and Tracy Road
City	Dallas	Dallas	Dallas	Ferris	Fate	Royse City	Dallas
County	Dallas	Dallas	Dallas	Ellis	Rockwall	Rockwall	Dallas
State	Texas	TX	TX	TX	TX	TX	TX
Sale Date		Jun-26	Jun-26	May-25	Aug-24	Jul-24	Apr-24
Sale Status		In-Contract	In-Contract	In-Contract	Closed	Closed	Closed
Sale Price		\$75,000	\$50,000	\$65,500	\$68,594	\$66,000	\$90,000
Square Feet	4,600	5,500	2,160	2,574,048	4,400	4,800	5,500
Number of Front Feet	40	50	24	40	40	40	50
Price per Front Foot		\$1,500	\$2,083	\$1,638	\$1,715	\$1,650	\$1,800
Transactional Adjustments							
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—	—
Conditions of Sale		10%	10%	—	—	—	—
% Adjustment		—	—	—	—	—	—
Expenditures Made Immediately After Purchase		—	—	—	—	—	—
\$ Adjustment		—	—	—	—	—	—
Market Conditions	3/1/2027	Jun-26	Jun-26	May-25	Aug-24	Jul-24	Apr-24
Annual % Adjustment	6%	4%	4%	11%	15%	16%	17%
Cumulative Adjusted Price		\$1,716	\$2,383	\$1,818	\$1,972	\$1,914	\$2,106
Property Adjustments							
Location		—	—	—	-10%	-10%	—
Access/Exposure		—	—	—	—	—	-10%
Size		—	-30%	—	—	—	—
Shape and Topography		—	—	—	—	—	—
Zoning		—	—	—	—	—	—
Net Property Adjustments (\$)		\$0	-\$715	\$0	-\$197	-\$191	-\$211
Net Property Adjustments (%)		0%	-30%	0%	-10%	-10%	-10%
Final Adjusted Price		\$1,716	\$1,668	\$1,818	\$1,775	\$1,723	\$1,895
Range of Adjusted Prices		\$1,668 - \$1,895					
Average		\$1,766					
Indicated Value		\$1,765					

Land Value Conclusion – 40' Lots

Prior to adjustments, the sales reflect a range of \$1,500 - \$2,083 per front foot. After adjustment, the range is narrowed to \$1,668 - \$1,895 per front foot, with an average of \$1,766 per front foot. To arrive at an indication of value, equal weight is given to all sales.

Based upon the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion

Indicated Value per Front Foot	\$1,765
Subject Front Feet	40
Indicated Value	\$70,600
Rounded	\$70,600

50' lots (50' x 115' = 5,750 SF)

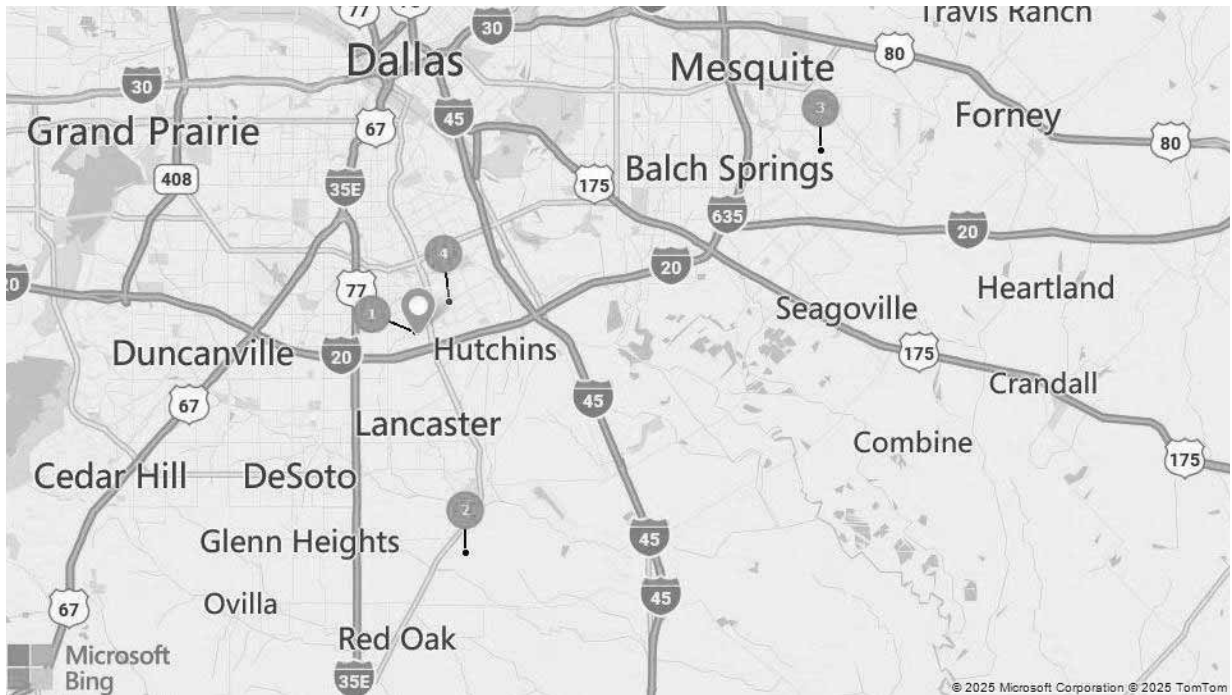
To apply the sales comparison approach to the 50' lots, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: 50' Lot Width
- Use: Residential
- Transaction Date: Past 12 months or Pending

For this analysis, price per front foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - 50' lots								
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Front Footage	Zoning	\$/Front Foot	\$/SF Land
1	University Hills, Phase 1 - 40' Lot North side of East Wheatland Road, west of S. Lancaster Road Dallas Dallas County TX	Mar-26 In-Contract	\$62,000	4,400 0.10	40	PD (Planned Development)	\$1,550	\$14.09
<i>Comments: This represents the purchase of 550 lots by a major homebuilder. There are three lot types in the subdivision being 24' townhouse lots and , 40' and 50' standard lots. The subdivision is located within the Dallas ISD.</i>								
2	Bear Creek Ranch, Phase 4 - 50' Lot Southeast corner of Loop 9 and E. Reindeer Road Lancaster ETJ Dallas County TX	Mar-24 Closed	\$59,000	6,000 0.14	50	PD (Planned Development)	\$1,180	\$9.83
<i>Comments: The subdivision is located within the Lancaster ISD. Project fronts the new Loop 9 (George Bush Turnpike) which is under construction.</i>								
3	Solterra, Phase 1B - 50' Lots 12 Jasper Meadow Mesquite Dallas County TX	May-24 Closed	\$81,637	6,000 0.14	50	PD	\$1,633	\$13.61
<i>Comments: Lots in this master-planned development are located within a PID and are in the Mesquite ISD.</i>								
4	Carver Heights - 50' Lot Northwest corner of Simpson Stuart Road and Tracy Road Dallas Dallas County TX	Apr-24 Closed	\$90,000	5,500 0.13	50	R-5(A)	\$1,800	\$16.36
<i>Comments: This represents the purchase of a developed lot in an established subdivision by an individual. The subdivision is located within the Dallas ISD.</i>								
Subject University Hills Dallas, TX				5,750 0.13	50	TH-2		

Comparable Land Sales Map – 50' lots





Sale 1
University Hills, Phase 1 - 40' Lot



Sale 2
Bear Creek Ranch, Phase 4 - 50' Lot



Sale 3
Solterra, Phase 1B - 50' Lots



Sale 4
Carver Heights - 50' Lot

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

It is noted that most all lot contracts still contain interest carry clauses providing for increased sale prices through the take down period. The most current take down contracts found in the market area still include from 5-6% interest carry with some contracts reportedly renegotiated to include up to 8.5% carry in exchange for extended absorption periods. As such, we have included a market conditions adjustment of 6% through the date of valuation. The sales took place or will take place from March 2024 to March 2026. Thus, the adjustment grid accounts for this trend with upward adjustments through the date of valuation.

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1 and 4 are similar to the subject. No adjustments are necessary. Sale 3 is adjusted downward for superior location. Sale 2 is adjusted upward for inferior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 1, 2 and 3 are similar to the subject and require no adjustment. Sale 4 is superior to the subject. A downward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of TH-2 (Townhome).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - 50' lots					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	University Hills	University Hills,	Bear Creek Ranch,	Solterra, Phase 1B -	Carver Heights -
Address	Northwest quadrant of IH-20 and S. Lancaster Road	Phase 1 - 40' Lot North side of East Wheatland Road, west of S. Lancaster Road	Phase 4 - 50' Lot Southeast corner of Loop 9 and E. Reindeer Road	50' Lots 12 Jasper Meadow	50' Lot Northwest corner of Simpson Stuart Road and Tracy Road
City	Dallas	Dallas	Lancaster ETJ	Mesquite	Dallas
County	Dallas	Dallas	Dallas	Dallas	Dallas
State	Texas	TX	TX	TX	TX
Sale Date		Mar-26	Mar-24	May-24	Apr-24
Sale Status		In-Contract	Closed	Closed	Closed
Sale Price		\$62,000	\$59,000	\$81,637	\$90,000
Square Feet	5,750	4,400	6,000	6,000	5,500
Number of Front Feet	50	40	50	50	50
Price per Front Foot		\$1,550	\$1,180	\$1,633	\$1,800
Transactional Adjustments					
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		-	-	-	-
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		-	-	-	-
Conditions of Sale		-	-	-	-
% Adjustment		-	-	-	-
Expenditures Made Immediately After Purchase		-	-	-	-
\$ Adjustment		-	-	-	-
Market Conditions	3/1/2027	Mar-26	Mar-24	May-24	Apr-24
Annual % Adjustment	6%	6%	18%	17%	17%
Cumulative Adjusted Price		\$1,643	\$1,392	\$1,910	\$2,106
Property Adjustments					
Location		-	20%	-10%	-
Access/Exposure		-	-	-	-10%
Size		-	-	-	-
Shape and Topography		-	-	-	-
Zoning		-	-	-	-
Net Property Adjustments (\$)		\$0	\$278	-\$191	-\$211
Net Property Adjustments (%)		0%	20%	-10%	-10%
Final Adjusted Price		\$1,643	\$1,671	\$1,719	\$1,895
Range of Adjusted Prices					
		\$1,643 - \$1,895			
Average		\$1,732			
Indicated Value		\$1,730			

Land Value Conclusion – 50' lots

Prior to adjustments, the sales reflect a range of \$1,180 - \$1,800 per front foot. After adjustment, the range is narrowed to \$1,643 - \$1,895 per front foot, with an average of \$1,732 per front foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion

Indicated Value per Front Foot	\$1,730
Subject Front Feet	50
Indicated Value	<hr/> \$86,500
Rounded	\$86,500

Tract #3A/3B (24.6 Acres; 1,071,576 SF or 370 Units)

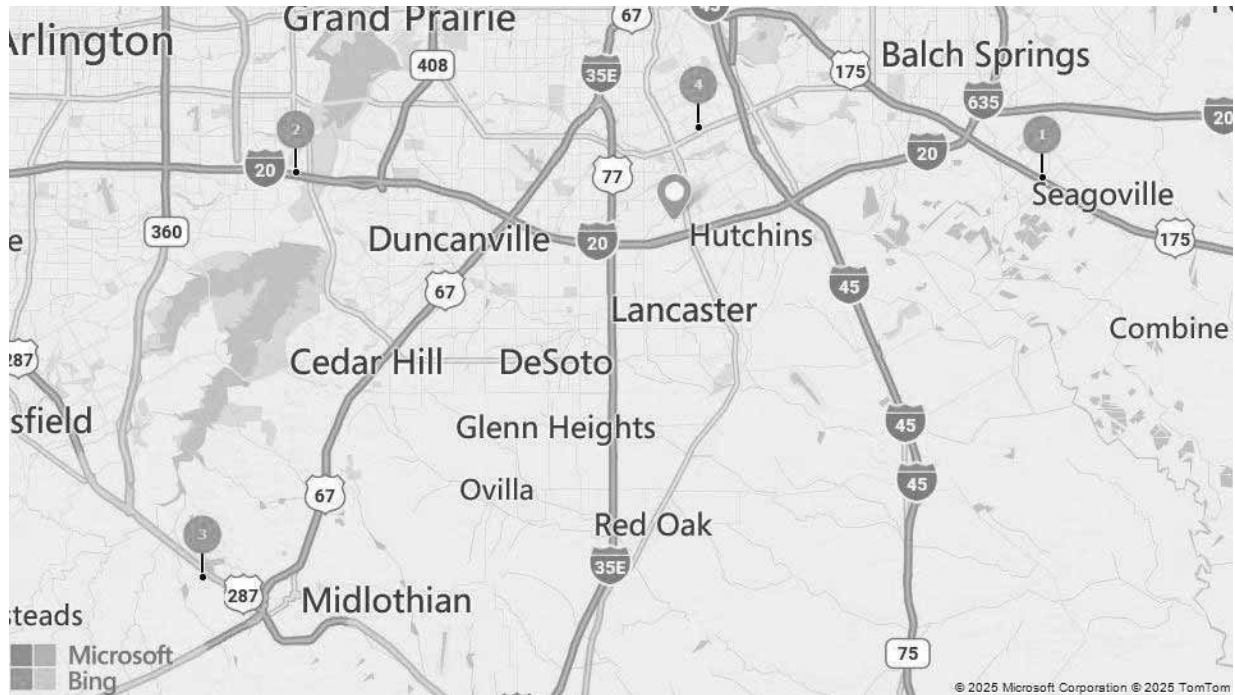
To apply the sales comparison approach to Tract #3A/3B, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: Any
- Use: Multi-family
- Transaction Date: Past 24 months or Pending

For this analysis, price per unit is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract #3A/3B									
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Units; Density (Units/Ac.)	Zoning	\$/Unit	\$/SF Land
1	3100 US Hwy 175, Dallas Southeast quadrant of US-175 and S Woody Road Dallas Dallas County TX <i>Comments: This irregular-shaped property is located on the north side of the US-175 Frontage Road and the east side of Woody Road, wrapping the hard corner of this intersection. The property is being developed with a 264-unit multifamily affordable housing development. Approximately 6% of the southeastern portion of the property is located in Zone AE of the floodplain. The site was vacant at the time of sale.</i>	Jul-23 Closed	\$5,275,000	755,418 17.34	710,072 16.30	264 31.0	MU-1	\$19,981	\$6.98
2	Multi Family Land - Grand Prairie Northeast corner of IH-20 and Westcliff Road Grand Prairie Tarrant County TX <i>Comments: This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.</i>	Sep-24 Closed	\$6,600,000	616,766 14.16	605,480 13.90	300 21.2	PD-449 (Planned Development)	\$22,000	\$10.70
3	Multifamily Land - Midlothian, Texas South westside of US-287, east of Miller Road Midlothian Ellis County TX <i>Comments: This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.</i>	Apr-25 In-Contract	\$5,750,000	1,044,569 23.98	646,430 14.84	312 13.0	PD (Planned Development)	\$18,429	\$5.50
4	2630 52nd St South side of 52nd Street, west of Sunnyvale Street Dallas Dallas County TX <i>Comments: This sale consists of a 6.86± acre site purchased for multi-family development. The buyer is Heroes House, a non-profit development group focused on creating affordable housing for veterans. The property was noted to be located in an Opportunity Zone and qualifies for tax and development incentives.</i>	Apr-23 Closed	\$1,500,000	298,822 6.86	298,822 6.86	67 9.8	MF-2	\$22,388	\$5.02
Subject				1,071,576	801,504	370	MF-2		
University Hills				24.60	18.40	15.0			
Dallas, TX									

Comparable Land Sales Map – Tract #3A/3B

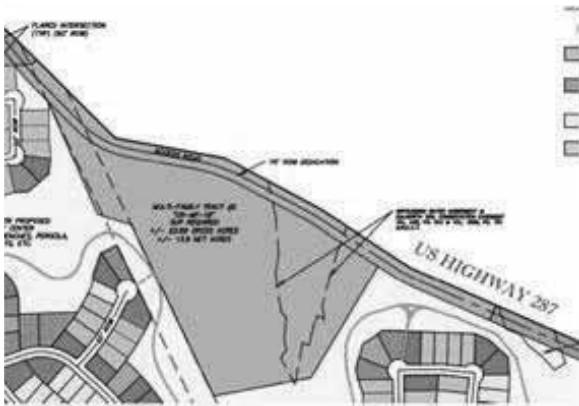




Sale 1
3100 US Hwy 175, Dallas



Sale 2
Multi Family Land - Grand Prairie



Sale 3
Multifamily Land - Midlothian, Texas



Sale 4
2630 52nd St

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place or will take place from April 2023 to April 2025. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment					
Comp #	1	2	3	4	
Sale Date	7/27/2023	9/12/2024	4/17/2025	4/13/2023	
Date	Annual Growth Rate				
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	18.75%	15.26%	12.29%	18.75%
Total		18.75%	15.26%	12.29%	18.75%
Rounded		19%	15%	12%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are similar to the subject. No adjustments are necessary.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 1, 3 and 4 are similar to the subject and require no adjustment. Sale 2 is superior to the subject. A downward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 3 are similar to the subject and require no adjustment. Sale 4 is larger than the subject and requires an upward adjustment.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning/Density

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of MF-2 (Mixed-Use) with an allowed/planned density of 15.04 upa.

Sale 1 is similar to the subject and requires no adjustment. Sale 4 is superior to the subject. A downward adjustment is applied. Sales 2 and 3 are inferior to the subject. Upward adjustments are applied.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #3A/3B					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Address	Northwest quadrant of IH-20 and S. Lancaster Road	Southeast quadrant of US-175 and S Woody Road	Northeast corner of IH-20 and Westcliff Road	South westside of US-287, east of Miller Road	South side of 52nd Street, west of Sunnyvale Street
City	Dallas	Dallas	Grand Prairie	Midlothian	Dallas
County	Dallas	Dallas	Tarrant	Ellis	Dallas
State	Texas	TX	TX	TX	TX
Sale Date		Jul-23	Sep-24	Apr-25	Apr-23
Sale Status		Closed	Closed	In-Contract	Closed
Sale Price		\$5,275,000	\$6,600,000	\$5,750,000	\$1,500,000
Acres	24.6	17.3	14.2	24.0	6.9
Usable Acres	18.4	16.3	13.9	14.8	6.9
Number of Units	370	264	300	312	67
Units Per Acre	15.04	15.30	21.60	21.00	9.80
Price per Unit		\$19,981	\$22,000	\$18,429	\$22,388
Transactional Adjustments					
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—
Conditions of Sale		—	—	—	—
% Adjustment		—	—	—	—
Expenditures Made Immediately After Purchase		—	—	—	—
\$ Adjustment		—	—	—	—
Market Conditions	10/1/2027	Jul-23	Sep-24	Apr-25	Apr-23
Annual % Adjustment	Variable	19%	15%	12%	19%
Cumulative Adjusted Price		\$23,777	\$25,300	\$20,641	\$26,642
Property Adjustments					
Location		—	—	—	—
Access/Exposure		—	-10%	—	—
Size		—	—	—	10%
Shape and Topography		—	—	—	—
Zoning/Density		—	10%	10%	-20%
Net Property Adjustments (\$)		\$0	\$0	\$2,064	-\$2,664
Net Property Adjustments (%)		0%	0%	10%	-10%
Final Adjusted Price		\$23,777	\$25,300	\$22,705	\$23,978
Range of Adjusted Prices					
		\$22,705 - \$25,300			
Average		\$23,940			
Indicated Value		\$24,000			

Land Value Conclusion – Tract #3A/3B

Prior to adjustments, the sales reflect a range of \$18,429 - \$22,388 per unit. After adjustment, the range is narrowed to \$22,705 - \$25,300 per unit, with an average of \$23,940 per unit. To arrive at an indication of value, equal weight is given to all sales.

Based upon the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion

Indicated Value per Unit	\$24,000
Subject Units	<u>370</u>
Indicated Value	\$8,880,000
Rounded	<u>\$8,880,000</u>

Tract #3C (2.8 Acres; 121,968 SF)

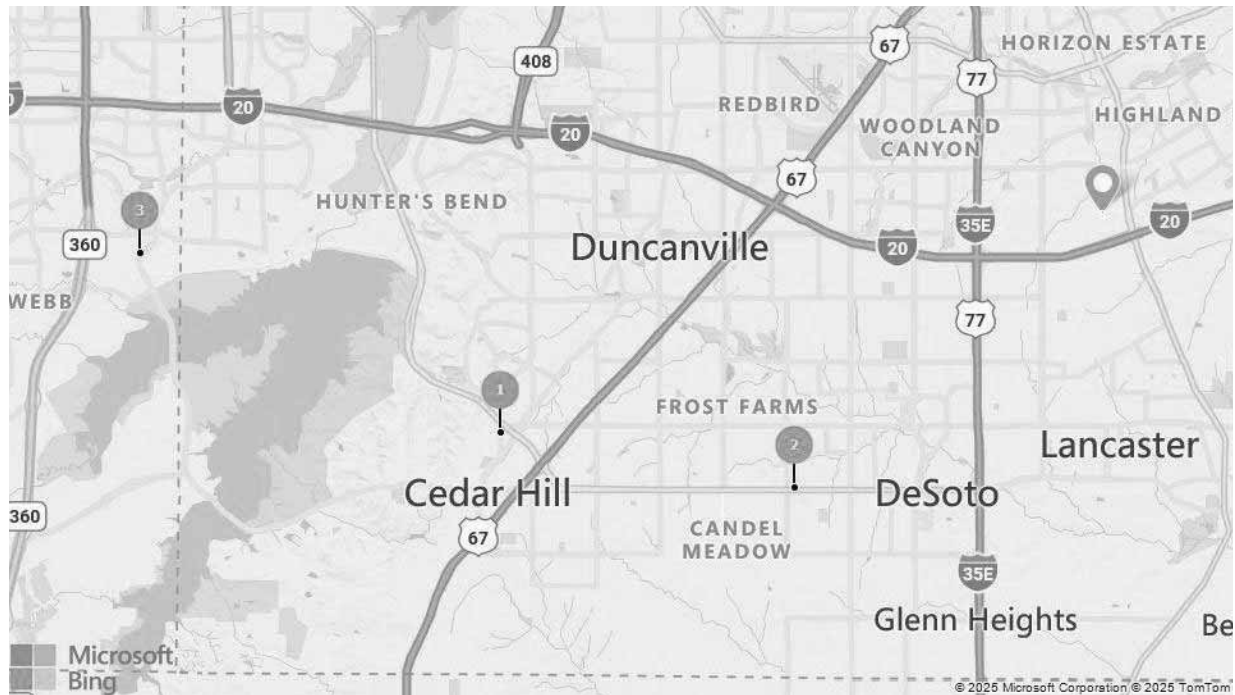
To apply the sales comparison approach to Tract #3C, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: Any
- Use: Commercial
- Transaction Date: Past 24 months or Pending

For this analysis, price per usable square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract #3C								
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Zoning	\$/SF Land	\$/Usable SF
1	Land - Cedar Hill, TX Northwest corner of Straus Road and Flower Road Cedar Hill Dallas County TX <i>Comments: Sale of two parcels of land in Cedar Hill, Texas.</i>	Jun-24 Closed	\$850,000	100,188 2.30	100,188 2.30	PD (Planned Development)	\$8.48	\$8.48
2	Commercial land North side of Belt Line Road, east of Westmore Road DeSoto Dallas County TX <i>Comments: Sale of commercial land zoned PD (retail) in De Soto, Texas. The lot was purchased for the development of a Dutch Bros QSR.</i>	Sep-23 Closed	\$694,000	51,401 1.18	51,401 1.18	PD (Planned Development)	\$13.50	\$13.50
3	Commercial Land - Grand Prairie West side of Lake Ridge Parkway, south of W. Camp Wisdom Road Grand Prairie Tarrant County TX <i>Comments: Sale comparable of two (2) adjacent lots of vacant land purchased for commercial use. The site is zoned Planned Development and allows for various retail, office, and service uses.</i>	Mar-24 Closed	\$2,569,000	279,349 6.41	279,349 6.41	PD-267A	\$9.20	\$9.20
	Subject University Hills Dallas, TX			121,968 2.80	121,968 2.80	CR		

Comparable Land Sales Map – Tract #3C





Sale 1
Land - Cedar Hill, TX



Sale 2
Commercial land



Sale 3
Commercial Land - Grand Prairie

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place or will take place from September 2023 to June 2024. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment				
Comp #	1	2	3	
Sale Date	6/13/2024	9/21/2023	3/1/2024	
Date	Annual Growth Rate			
1/1/2024	0%	0.00%	0.00%	0.00%
10/1/2027	5%	16.51%	18.75%	17.93%
Total		16.51%	18.75%	17.93%
Rounded		17%	19%	18%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are similar to the subject. No adjustments are necessary.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 1 and 3 are similar to the subject and require no adjustment. Sale 2 is superior to the subject. A downward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1 and 3 are similar to the subject and require no adjustment. Sale 2 is smaller than the subject, and a downward adjustment is applied.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of CR (Community Retail).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #3C				
	Subject	Comparable 1	Comparable 2	Comparable 3
Address	Northwest quadrant of IH-20 and S. Lancaster Road	Northwest corner of Straus Road and Flower Road	North side of Belt Line Road, east of Westmore Road	West side of Lake Ridge Parkway, south of W. Camp Wisdom Road
City	Dallas	Cedar Hill	Desoto	Grand Prairie
County	Dallas	Dallas	Dallas	Tarrant
State	Texas	TX	TX	TX
Sale Date		Jun-24	Sep-23	Mar-24
Sale Status		Closed	Closed	Closed
Sale Price		\$850,000	\$694,000	\$2,569,000
Acres	2.8	2.3	1.2	6.4
Usable Acres	2.8	2.3	1.2	6.4
Price per Usable Square Foot		\$8.48	\$13.50	\$9.20
Transactional Adjustments				
Property Rights		Air Rights	Fee Simple	Fee Simple
% Adjustment		—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—
Conditions of Sale		Arm's-length	Arm's-length	Arm's-length
% Adjustment		—	—	—
Expenditures Made Immediately After Purchase		—	—	—
\$ Adjustment		—	—	—
Market Conditions	10/1/2027	Jun-24	Sep-23	Mar-24
Annual % Adjustment	Variable	17%	19%	18%
Cumulative Adjusted Price		\$9.93	\$16.07	\$10.85
Property Adjustments				
Location		—	—	—
Access/Exposure		—	-20%	—
Size		—	-10%	—
Shape and Topography		—	—	—
Zoning		—	—	—
Net Property Adjustments (\$)		\$0.00	-\$4.82	\$0.00
Net Property Adjustments (%)		0%	-30%	0%
Final Adjusted Price		\$9.93	\$11.25	\$10.85
Range of Adjusted Prices				
Average		\$10.68		
Indicated Value		\$10.70		

Land Value Conclusion – Tract #3C

Prior to adjustments, the sales reflect a range of \$8.48 - \$13.50 per usable square foot. After adjustment, the range is narrowed to \$9.93 - \$11.25 per usable square foot, with an average of \$10.68 per usable square foot. To arrive at an indication of value, equal weight is given to all sales.

Based upon the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion

Indicated Value per Usable Square Foot	\$10.70
Subject Usable Square Feet	121,968
Indicated Value	\$1,305,058
Rounded	\$1,305,000

Tract #4A (16.9 Acres; 736,164 SF or 542 Units)

To apply the sales comparison approach to Tract #4A, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: Any
- Use: Multi-family
- Transaction Date: Past 24 months or Pending

For this analysis, price per unit is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

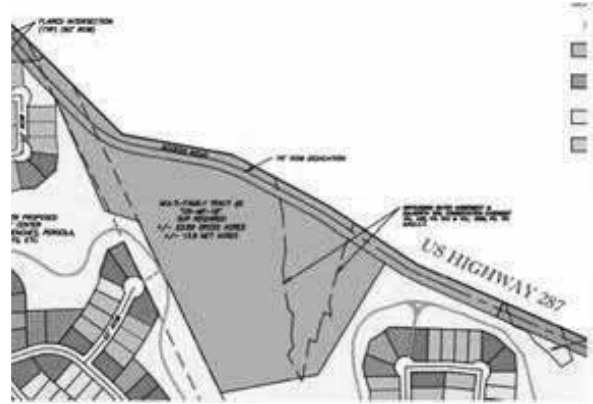
Summary of Comparable Land Sales - Tract #4A										
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Units; Density (Units/Ac.)	Zoning	\$/Unit	\$/SF Land	\$/Usable SF
1	Multi Family Land - Grand Prairie Northeast corner of IH-20 and Westcliff Road Grand Prairie Tarrant County TX <i>Comments: This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.</i>	Sep-24 Closed	\$6,600,000	616,766 14.16	605,480 13.90	300 21.2	PD-449	\$22,000	\$10.70	\$10.90
2	Multifamily Land - Midlothian, Texas South westside of US-287, east of Miller Road Midlothian Ellis County TX <i>Comments: This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.</i>	Apr-25 In-Contract	\$5,750,000	1,044,569 23.98	646,430 14.84	312 13.0	PD (Planned Development)	\$18,429	\$5.50	\$8.90
3	Multi-family site on Altamesa Boulevard Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard Fort Worth Tarrant County TX <i>Comments: The buyer is planning to develop the land into a multifamily development (280 units/37.8 upa). The land was ready for development except that it had to be rezoned from light industrial to multifamily zoning. The zoning was changed from Industrial to Planned Development 1348 after the sale closed.</i>	Jun-23 Closed	\$3,385,000	322,344 7.40	322,344 7.40	280 37.8	I	\$12,089	\$10.50	\$10.50
4	Multifamily land in McKinney Northeast corner of Virginia Parkway and Carlisle Street McKinney Collin County TX <i>Comments: This property was rezoned to multifamily prior to closing. It is planned to be developed with approximately 120 multifamily units.</i>	Jun-23 Closed	\$2,890,000	221,468 5.08	221,468 5.08	172 33.8	PD/MF-3	\$16,802	\$13.05	\$13.05
5	MF Land in Mesquite Northwest side of Range Road, northeast of Galloway Avenue Mesquite Dallas County TX <i>Comments: This property was acquired to be developed with a 240-unit apartment complex.</i>	Aug-23 Closed	\$2,100,000	396,832 9.11	396,832 9.11	240 26.3	TNMB	\$8,750	\$5.29	\$5.29
Subject				736,164	561,924	542	MF-3			
University Hills Dallas, TX				16.90	12.90	32.1				

Comparable Land Sales Map – Tract #4A





Sale 1
Multi Family Land - Grand Prairie



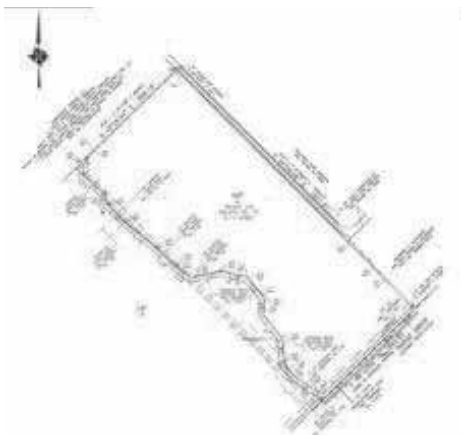
Sale 2
Multifamily Land - Midlothian, Texas



Sale 3
Multi-family site on Altamesa Boulevard



Sale 4
Multifamily land in McKinney



Sale 5
MF Land in Mesquite

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place or will take place from June 2023 to April 2025. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	9/12/2024	4/17/2025	6/16/2023	6/30/2023	8/17/2023	
Date	Annual Growth Rate					
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	15.26%	12.29%	18.75%	18.75%	18.75%
Total		15.26%	12.29%	18.75%	18.75%	18.75%
Rounded		15%	12%	19%	19%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sale 3 is similar to the subject. No adjustment is necessary. Sales 1, 2 and 4 are adjusted downward for superior location. Sale 5 is adjusted upward for inferior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2, 3, 4 and 5 are similar to the subject and require no adjustment. Sale 1 is superior to the subject. A downward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning/Density

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of MF-3 (Multi-Family) with an allowed/planned density of 32.07 upa.

Sale 4 is similar to the subject and requires no adjustment. Sales 1, 2 and 5 are superior to the subject. Downward adjustments are applied. Sale 3 is inferior to the subject. An upward adjustment is applied.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #4A						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road	Northeast corner of IH-20 and Westcliff Road	South westside of US-287, east of Miller Road	Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard	Northeast corner of Virginia Parkway and Carlisle Street	Northwest side of Range Road, northeast of Galloway Avenue
City	Dallas	Grand Prairie	Midlothian	Fort Worth	McKinney	Mesquite
County	Dallas	Tarrant	Ellis	Tarrant	Collin	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		Sep-24	Apr-25	Jun-23	Jun-23	Aug-23
Sale Status		Closed	In-Contract	Closed	Closed	Closed
Sale Price		\$6,600,000	\$5,750,000	\$3,385,000	\$2,890,000	\$2,100,000
Acres	16.9	14.2	24.0	7.4	5.1	9.1
Usable Acres	12.9	13.9	14.8	7.4	5.1	9.1
Number of Units	542	300	312	280	172	240
Units Per Acre	32.07	21.60	21.00	37.80	33.80	26.30
Price per Unit		\$22,000	\$18,429	\$12,089	\$16,802	\$8,750
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		-	-	-	-	-
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		-	-	-	-	-
Conditions of Sale		-	-	-	-	Arm's-length
% Adjustment		-	-	-	-	-
Expenditures Made Immediately After Purchase		-	-	-	-	-
\$ Adjustment		-	-	-	-	-
Market Conditions	10/1/2027	Sep-24	Apr-25	Jun-23	Jun-23	Aug-23
Annual % Adjustment	Variable	15%	12%	19%	19%	19%
Cumulative Adjusted Price		\$25,300	\$20,641	\$14,386	\$19,995	\$10,413
Property Adjustments						
Location		-20%	-20%	-	-20%	50%
Access/Exposure		-10%	-	-	-	-
Size		-	-	-	-	-
Shape and Topography		-	-	-	-	-
Zoning/Density		-15%	-15%	5%	-	-10%
Net Property Adjustments (\$)		-\$11,385	-\$7,224	\$719	-\$3,999	\$4,165
Net Property Adjustments (%)		-45%	-35%	5%	-20%	40%
Final Adjusted Price		\$13,915	\$13,417	\$15,106	\$15,996	\$14,578
Range of Adjusted Prices						
Average		\$13,417 - \$15,996				
Indicated Value		\$14,602				
		\$14,625				

Land Value Conclusion – Tract #4A

Prior to adjustments, the sales reflect a range of \$8,750 - \$22,000 per unit. After adjustment, the range is narrowed to \$13,417 - \$15,996 per unit, with an average of \$14,602 per unit. To arrive at an indication of value, equal weight is given to all sales.

Based upon the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion

Indicated Value per Unit	\$14,625
Subject Units	<u>542</u>
Indicated Value	\$7,926,750
Rounded	<u>\$7,930,000</u>

Tract #4B (4.2 Acres; 182,952 SF)

To apply the sales comparison approach to the Tract #4B, the research focused on transactions within the following parameters:

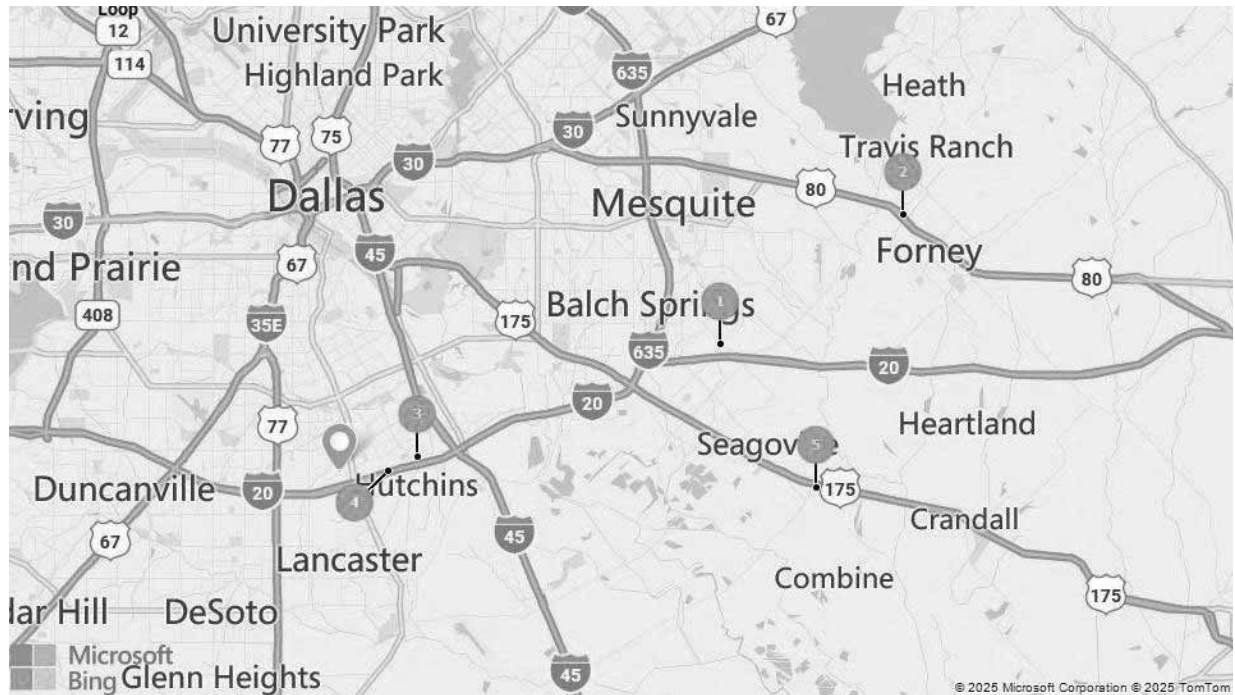
- Location: General Market Area
- Size: 2 to 10 Acres
- Use: Commercial
- Transaction Date: Past 36 months or Pending

For this analysis, price per usable square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract #4B

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Zoning	\$/SF Land	\$/Usable SF
1	Commercial Land - Balch Springs South corner of S. Belt Line Road and Lasater Road Balch Springs Dallas County TX <i>Comments: This rectangular property was acquired for future commercial use.</i>	May-23 Closed	\$929,000	228,124 5.24	228,124 5.24	PD-Planned Development	\$4.07	\$4.07
2	Commercial site on US-80 East side of US-80, south of Clements Drive Forney Kaufman County TX <i>Comments: 4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.</i>	Jul-24 Closed	\$1,000,000	181,340 4.16	181,340 4.16	MU	\$5.51	\$5.51
3	Commercial Land - Dallas, TX Northwest side of Cedardale Drive, northwest of Bonnie View Road Dallas Dallas County TX <i>Comments: This site is planned for commercial development.</i>	Jan-24 Closed	\$1,019,304	254,390 5.84	254,390 5.84	CS	\$4.01	\$4.01
4	Commercial land - Dallas Northeast corner of IH-20 and Cedar Ranch Drive Dallas Dallas County TX <i>Comments: This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.</i>	Jan-22 Closed	\$932,833	182,908 4.20	182,908 4.20	CS	\$5.10	\$5.10
5	Commercial Land Southeast quadrant of US-175 and E. Malloy Bridge Road Seagoville Dallas County TX <i>Comments: The property was purchased for development of a Brookshire's grocery store location. The property was zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.</i>	Nov-22 Closed	\$1,961,200	301,716 6.93	301,716 6.93	LM	\$6.50	\$6.50
Subject				182,952	182,952	CR		
University Hills Dallas, TX				4.20	4.20			

Comparable Land Sales Map – Tract #4B





Sale 1
Commercial Land - Balch Springs



Sale 2
Commercial site on US-80



Sale 3
Commercial Land - Dallas, TX



Sale 4
Commercial land - Dallas



Sale 5
Commercial Land

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place or will take place from January 2022 to July 2024. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	5/22/2023	7/12/2024	1/29/2024	1/20/2022	11/22/2022	
Date	Annual Growth Rate					
6/1/2022	10%	0.00%	0.00%	0.00%	3.62%	0.00%
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	18.75%	16.11%	18.37%	18.75%	18.75%
Total		18.75%	16.11%	18.37%	22.37%	18.75%
Rounded		19%	16%	18%	22%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are similar to the subject. No adjustments are necessary.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2, 4 and 5 are superior to the subject. Downward adjustments are applied. Sales 1 and 3 are inferior to the subject. Upward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of CR (Community Retail).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #4B						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road	South corner of S. Belt Line Road and Lasater Road	East side of US-80, south of Clements Drive	Northwest side of Cedardale Drive, northwest of Bonnie View Road	Northeast corner of IH-20 and Cedar Ranch Drive	Southeast quadrant of US-175 and E. Malloy Bridge Road
City	Dallas	Balch Springs	Forney	Dallas	Dallas	Seagoville
County	Dallas	Dallas	Kaufman	Dallas	Dallas	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		May-23	Jul-24	Jan-24	Jan-22	Nov-22
Sale Status		Closed	Closed	Closed	Closed	Closed
Sale Price		\$929,000	\$1,000,000	\$1,019,304	\$932,833	\$1,961,200
Acres	4.2	5.2	4.2	5.8	4.2	6.9
Usable Acres	4.2	5.2	4.2	5.8	4.2	6.9
Price per Usable Square Foot		\$4.07	\$5.51	\$4.01	\$5.10	\$6.50
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale		—	Arm's-length	—	—	Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase		—	—	—	—	—
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	May-23	Jul-24	Jan-24	Jan-22	Nov-22
Annual % Adjustment	Variable	19%	16%	18%	22%	19%
Cumulative Adjusted Price		\$4.85	\$6.40	\$4.73	\$6.22	\$7.74
Property Adjustments						
Location		—	—	—	—	—
Access/Exposure		20%	-10%	20%	-10%	-20%
Size		—	—	—	—	—
Shape and Topography		—	—	—	—	—
Zoning		—	—	—	—	—
Net Property Adjustments (\$)		\$0.97	-\$0.64	\$0.95	-\$0.62	-\$1.55
Net Property Adjustments (%)		20%	-10%	20%	-10%	-20%
Final Adjusted Price		\$5.82	\$5.76	\$5.67	\$5.60	\$6.19
Range of Adjusted Prices		\$5.60 - \$6.19				
Average		\$5.81				
Indicated Value		\$5.80				

Land Value Conclusion – Tract #4B

Prior to adjustments, the sales reflect a range of \$4.01 - \$6.50 per usable square foot. After adjustment, the range is narrowed to \$5.60 - \$6.19 per usable square foot, with an average of \$5.81 per usable square foot. To arrive at an indication of value, equal weight is given to all sales.

Based upon the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion

Indicated Value per Usable Square Foot	\$5.80
Subject Usable Square Feet	182,952
Indicated Value	<hr/> \$1,061,122
Rounded	\$1,060,000

Tract #13 (7.7 Acres; = 335,412 SF)

To apply the sales comparison approach to Tract #13, the research focused on transactions within the following parameters:

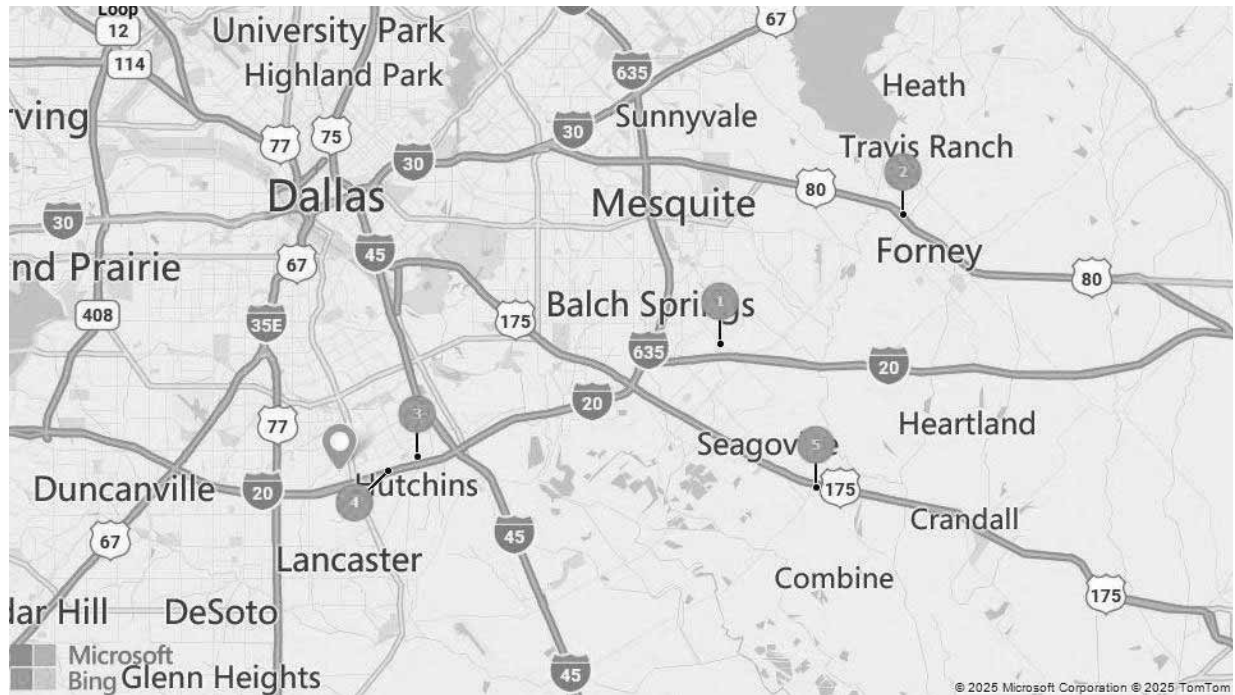
- Location: General Market Area
- Size: 2 to 10 Acres
- Use: Commercial
- Transaction Date: Past 36 months or Pending

For this analysis, price per usable square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract #13

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Zoning	\$/SF Land	\$/Usable SF
1	Commercial Land - Balch Springs South corner of S. Belt Line Road and Lasater Road Balch Springs Dallas County TX <i>Comments: This rectangular property was acquired for future commercial use.</i>	May-23 Closed	\$929,000	228,124 5.24	228,124 5.24	PD-Planned Development	\$4.07	\$4.07
2	Commercial site on US-80 East side of US-80, south of Clements Drive Forney Kaufman County TX <i>Comments: 4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.</i>	Jul-24 Closed	\$1,000,000	181,340 4.16	181,340 4.16	MU	\$5.51	\$5.51
3	Commercial Land - Dallas, TX Northwest side of Cedardale Drive, northwest of Bonnie View Road Dallas Dallas County TX <i>Comments: This site is planned for commercial development.</i>	Jan-24 Closed	\$1,019,304	254,390 5.84	254,390 5.84	CS	\$4.01	\$4.01
4	Commercial land - Dallas Northeast corner of IH-20 and Cedar Ranch Drive Dallas Dallas County TX <i>Comments: This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.</i>	Jan-22 Closed	\$932,833	182,908 4.20	182,908 4.20	CS	\$5.10	\$5.10
5	Commercial Land Southeast quadrant of US-175 and E. Malloy Bridge Road Seagoville Dallas County TX <i>Comments: The property was purchased for development of a Brookshire's grocery store location. The property was zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.</i>	Nov-22 Closed	\$1,961,200	301,716 6.93	301,716 6.93	LM	\$6.50	\$6.50
	Subject University Hills Dallas, TX			335,412 7.70	335,412 7.70	MU-2		

Comparable Land Sales Map – Tract #13





Sale 1
Commercial Land - Balch Springs



Sale 2
Commercial site on US-80



Sale 3
Commercial Land - Dallas, TX



Sale 4
Commercial land - Dallas



Sale 5
Commercial Land

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place or will take place from January 2022 to July 2024. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	5/22/2023	7/12/2024	1/29/2024	1/20/2022	11/22/2022	
Date	Annual Growth Rate					
6/1/2022	10%	0.00%	0.00%	0.00%	3.62%	0.00%
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	18.75%	16.11%	18.37%	18.75%	18.75%
Total		18.75%	16.11%	18.37%	22.37%	18.75%
Rounded		19%	16%	18%	22%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are similar to the subject. No adjustments are necessary.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2, 4 and 5 are superior to the subject. Downward adjustments are applied. Sales 1 and 3 are inferior to the subject. Upward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of MU-2 (Mixed-Use).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #13						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road	South corner of S. Belt Line Road and Lasater Road	East side of US-80, south of Clements Drive	Northwest side of Cedardale Drive, northwest of Bonnie View Road	Northeast corner of IH-20 and Cedar Ranch Drive	Southeast quadrant of US-175 and E. Malloy Bridge Road
City	Dallas	Balch Springs	Forney	Dallas	Dallas	Seagoville
County	Dallas	Dallas	Kaufman	Dallas	Dallas	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		May-23	Jul-24	Jan-24	Jan-22	Nov-22
Sale Status		Closed	Closed	Closed	Closed	Closed
Sale Price		\$929,000	\$1,000,000	\$1,019,304	\$932,833	\$1,961,200
Acres	7.7	5.2	4.2	5.8	4.2	6.9
Usable Acres	7.7	5.2	4.2	5.8	4.2	6.9
Price per Usable Square Foot		\$4.07	\$5.51	\$4.01	\$5.10	\$6.50
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale		—	Arm's-length	—	—	Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase		—	—	—	—	—
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	May-23	Jul-24	Jan-24	Jan-22	Nov-22
Annual % Adjustment	Variable	19%	16%	18%	22%	19%
Cumulative Adjusted Price		\$4.85	\$6.40	\$4.73	\$6.22	\$7.74
Property Adjustments						
Location		—	—	—	—	—
Access/Exposure		20%	-10%	20%	-10%	-20%
Size		—	—	—	—	—
Shape and Topography		—	—	—	—	—
Zoning		—	—	—	—	—
Net Property Adjustments (\$)		\$0.97	-\$0.64	\$0.95	-\$0.62	-\$1.55
Net Property Adjustments (%)		20%	-10%	20%	-10%	-20%
Final Adjusted Price		\$5.82	\$5.76	\$5.67	\$5.60	\$6.19
Range of Adjusted Prices						
Average		\$5.60 - \$6.19				
Indicated Value		\$5.81				
		\$5.80				

Land Value Conclusion – Tract #13

Prior to adjustments, the sales reflect a range of \$4.01 - \$6.50 per usable square foot. After adjustment, the range is narrowed to \$5.60 - \$6.19 per usable square foot, with an average of \$5.81 per usable square foot. To arrive at an indication of value, equal weight is given to all sales.

Based upon the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion

Indicated Value per Usable Square Foot	\$5.80
Subject Usable Square Feet	335,412
Indicated Value	<hr/> \$1,945,390
Rounded	\$1,945,000

Tract #14 (5.1 Acres; 222,156 SF)

To apply the sales comparison approach to Tract #14, the research focused on transactions within the following parameters:

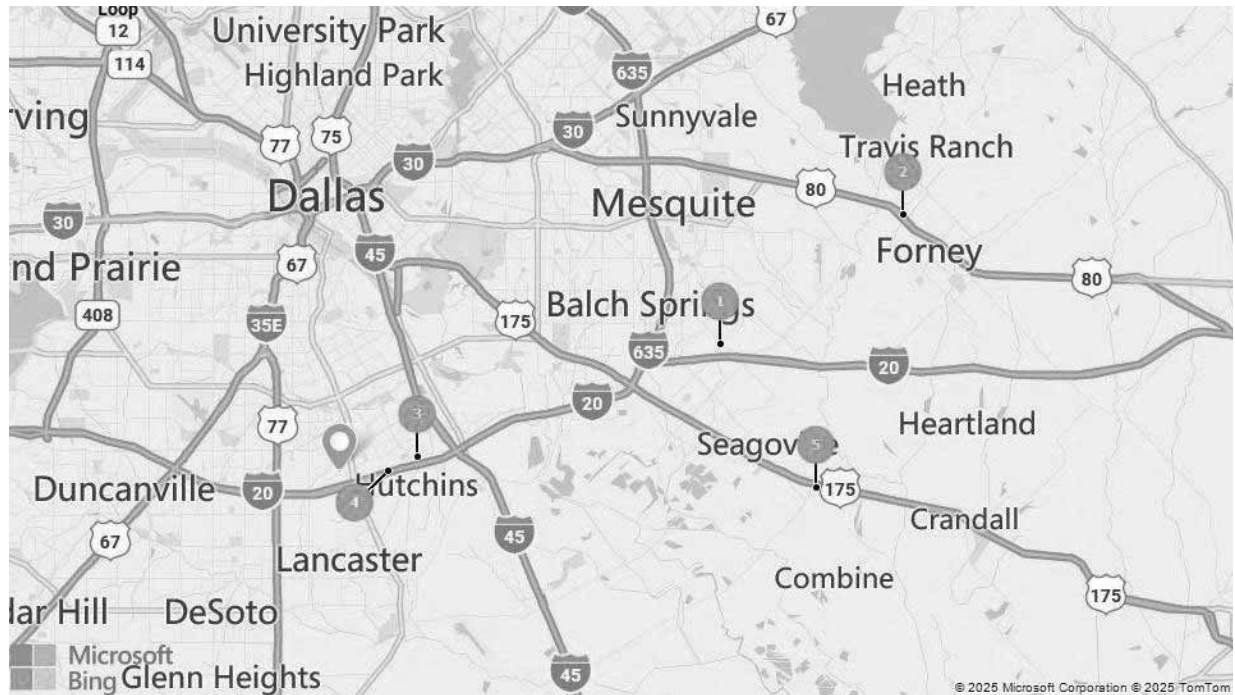
- Location: General Market Area
- Size: 2 to 10 Acres
- Use: Commercial
- Transaction Date: Past 36 months or Pending

For this analysis, price per usable square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract #14

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Zoning	\$/SF Land	\$/Usable SF
1	Commercial Land - Balch Springs South corner of S. Belt Line Road and Lasater Road Balch Springs Dallas County TX <i>Comments: This rectangular property was acquired for future commercial use.</i>	May-23 Closed	\$929,000	228,124 5.24	228,124 5.24	PD-Planned Development	\$4.07	\$4.07
2	Commercial site on US-80 East side of US-80, south of Clements Drive Forney Kaufman County TX <i>Comments: 4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.</i>	Jul-24 Closed	\$1,000,000	181,340 4.16	181,340 4.16	MU	\$5.51	\$5.51
3	Commercial Land - Dallas, TX Northwest side of Cedardale Drive, northwest of Bonnie View Road Dallas Dallas County TX <i>Comments: This site is planned for commercial development.</i>	Jan-24 Closed	\$1,019,304	254,390 5.84	254,390 5.84	CS	\$4.01	\$4.01
4	Commercial land - Dallas Northeast corner of IH-20 and Cedar Ranch Drive Dallas Dallas County TX <i>Comments: This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.</i>	Jan-22 Closed	\$932,833	182,908 4.20	182,908 4.20	CS	\$5.10	\$5.10
5	Commercial Land Southeast quadrant of US-175 and E. Malloy Bridge Road Seagoville Dallas County TX <i>Comments: The property was purchased for development of a Brookshire's grocery store location. The property was zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.</i>	Nov-22 Closed	\$1,961,200	301,716 6.93	301,716 6.93	LM	\$6.50	\$6.50
	Subject University Hills Dallas, TX			222,156 5.10	222,156 5.10	MU-2		

Comparable Land Sales Map – Tract #14





Sale 1
Commercial Land - Balch Springs



Sale 2
Commercial site on US-80



Sale 3
Commercial Land - Dallas, TX



Sale 4
Commercial land - Dallas



Sale 5
Commercial Land

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place from January 2022 to July 2024. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	5/22/2023	7/12/2024	1/29/2024	1/20/2022	11/22/2022	
Date	Annual Growth Rate					
6/1/2022	10%	0.00%	0.00%	0.00%	3.62%	0.00%
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	18.75%	16.11%	18.37%	18.75%	18.75%
Total		18.75%	16.11%	18.37%	22.37%	18.75%
Rounded		19%	16%	18%	22%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are similar to the subject. No adjustments are necessary.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2, 4 and 5 are superior to the subject. Downward adjustments are applied. Sales 1 and 3 are inferior to the subject. Upward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of MU-2 (Mixed-Use).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #14						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road	South corner of S. Belt Line Road and Lasater Road	East side of US-80, south of Clements Drive	Northwest side of Cedardale Drive, northwest of Bonnie View Road	Northeast corner of IH-20 and Cedar Ranch Drive	Southeast quadrant of US-175 and E. Malloy Bridge Road
City	Dallas	Balch Springs	Forney	Dallas	Dallas	Seagoville
County	Dallas	Dallas	Kaufman	Dallas	Dallas	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		May-23	Jul-24	Jan-24	Jan-22	Nov-22
Sale Status		Closed	Closed	Closed	Closed	Closed
Sale Price		\$929,000	\$1,000,000	\$1,019,304	\$932,833	\$1,961,200
Acres	5.1	5.2	4.2	5.8	4.2	6.9
Usable Acres	5.1	5.2	4.2	5.8	4.2	6.9
Price per Usable Square Foot		\$4.07	\$5.51	\$4.01	\$5.10	\$6.50
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale		—	Arm's-length	—	—	Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase		—	—	—	—	—
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	May-23	Jul-24	Jan-24	Jan-22	Nov-22
Annual % Adjustment	Variable	19%	16%	18%	22%	19%
Cumulative Adjusted Price		\$4.85	\$6.40	\$4.73	\$6.22	\$7.74
Property Adjustments						
Location		—	—	—	—	—
Access/Exposure		20%	-10%	20%	-10%	-20%
Size		—	—	—	—	—
Shape and Topography		—	—	—	—	—
Zoning		—	—	—	—	—
Net Property Adjustments (\$)		\$0.97	-\$0.64	\$0.95	-\$0.62	-\$1.55
Net Property Adjustments (%)		20%	-10%	20%	-10%	-20%
Final Adjusted Price		\$5.82	\$5.76	\$5.67	\$5.60	\$6.19
Range of Adjusted Prices		\$5.60 - \$6.19				
Average		\$5.81				
Indicated Value		\$5.80				

Land Value Conclusion – Tract #14

Prior to adjustments, the sales reflect a range of \$4.01 - \$6.50 per usable square foot. After adjustment, the range is narrowed to \$5.60 - \$6.19 per usable square foot, with an average of \$5.81 per usable square foot. To arrive at an indication of value, equal weight is given to all sales.

Based upon the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion

Indicated Value per Usable Square Foot	\$5.80
Subject Usable Square Feet	222,156
Indicated Value	<hr/> \$1,288,505
Rounded	\$1,290,000

Tract #19 (8.4 Acres; 365,904 SF or 277 Units)

To apply the sales comparison approach to Tract #19, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: 2 to 15 Acres
- Use: Multi-Family
- Transaction Date: Past 24 months or Pending

For this analysis, price per unit is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

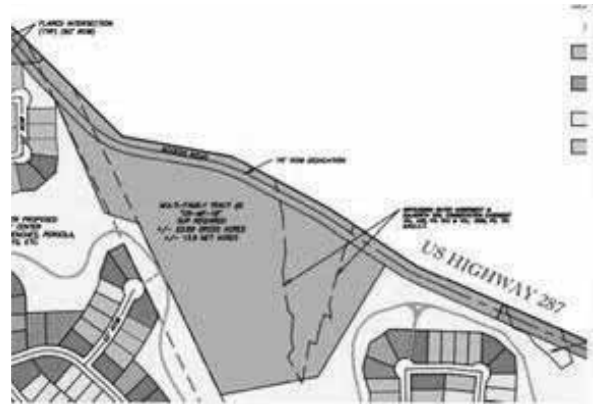
Summary of Comparable Land Sales - Tract #19										
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Units; Density (Units/Ac.)	Zoning	\$/Unit	\$/SF Land	\$/Usable SF
1	Multi Family Land - Grand Prairie Northeast corner of IH-20 and Westcliff Road Grand Prairie Tarrant County TX <i>Comments: This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.</i>	Sep-24 Closed	\$6,600,000	616,766 14.16	605,480 13.90	300 21.2	PD-449	\$22,000	\$10.70	\$10.90
2	Multifamily Land - Midlothian, Texas South westside of US-287, east of Miller Road Midlothian Ellis County TX <i>Comments: This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.</i>	Apr-25 In-Contract	\$5,750,000	1,044,569 23.98	646,430 14.84	312 13.0	PD (Planned Development)	\$18,429	\$5.50	\$8.90
3	Multi-family site on Altamesa Boulevard Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard Fort Worth Tarrant County TX <i>Comments: The buyer is planning to develop the land into a multifamily development (280 units/37.8 upa). The land was ready for development except that it had to be rezoned from light industrial to multifamily zoning. The zoning was changed from Industrial to Planned Development 1348 after the sale closed.</i>	Jun-23 Closed	\$3,385,000	322,344 7.40	322,344 7.40	280 37.8	I	\$12,089	\$10.50	\$10.50
4	Multifamily land in McKinney Northeast corner of Virginia Parkway and Carlisle Street McKinney Collin County TX <i>Comments: This property was rezoned to multifamily prior to closing. It is planned to be developed with approximately 120 multifamily units.</i>	Jun-23 Closed	\$2,890,000	221,468 5.08	221,468 5.08	172 33.8	PD/MF-3	\$16,802	\$13.05	\$13.05
5	MF Land in Mesquite Northwest side of Range Road, northeast of Galloway Avenue Mesquite Dallas County TX <i>Comments: This property was acquired to be developed with a 240-unit apartment complex.</i>	Aug-23 Closed	\$2,100,000	396,832 9.11	396,832 9.11	240 26.3	TNMB	\$8,750	\$5.29	\$5.29
	Subject University Hills Dallas, TX			365,904 8.40	365,904 8.40	277 33.0	MU-2			

Comparable Land Sales Map – Tract #19





Sale 1
Multi Family Land - Grand Prairie



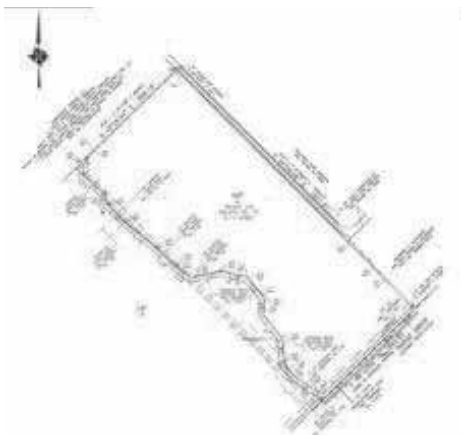
Sale 2
Multifamily Land - Midlothian, Texas



Sale 3
Multi-family site on Altamesa Boulevard



Sale 4
Multifamily land in McKinney



Sale 5
MF Land in Mesquite

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place or will take place from June 2023 to April 2025. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	9/12/2024	4/17/2025	6/16/2023	6/30/2023	8/17/2023	
Date	Annual Growth Rate					
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	15.26%	12.29%	18.75%	18.75%	18.75%
Total		15.26%	12.29%	18.75%	18.75%	18.75%
Rounded		15%	12%	19%	19%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sale 3 is similar to the subject. No adjustment is necessary. Sales 1, 2 and 4 are adjusted downward for superior location. Sale 5 is adjusted upward for inferior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2, 3, 4 and 5 are similar to the subject and require no adjustment. Sale 1 is superior to the subject. A downward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning/Density

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of MU-2 (Mixed-Use) with an allowed/planned density of 32.98 upa.

Sale 4 is similar to the subject and requires no adjustment. Sales 1, 2 and 5 are superior to the subject. Downward adjustments are applied. Sale 3 is inferior to the subject. An upward adjustment is applied.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #19						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road	Northeast corner of IH-20 and Westcliff Road	South westside of US-287, east of Miller Road	Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard	Northeast corner of Virginia Parkway and Carlisle Street	Northwest side of Range Road, northeast of Galloway Avenue
City	Dallas	Grand Prairie	Midlothian	Fort Worth	McKinney	Mesquite
County	Dallas	Tarrant	Ellis	Tarrant	Collin	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		Sep-24	Apr-25	Jun-23	Jun-23	Aug-23
Sale Status		Closed	In-Contract	Closed	Closed	Closed
Sale Price		\$6,600,000	\$5,750,000	\$3,385,000	\$2,890,000	\$2,100,000
Acres	8.4	14.2	24.0	7.4	5.1	9.1
Usable Acres	8.4	13.9	14.8	7.4	5.1	9.1
Number of Units	277	300	312	280	172	240
Units Per Acre	32.98	21.60	21.00	37.80	33.80	26.30
Price per Unit		\$22,000	\$18,429	\$12,089	\$16,802	\$8,750
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale		—	—	—	—	Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase		—	—	—	—	—
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	Sep-24	Apr-25	Jun-23	Jun-23	Aug-23
Annual % Adjustment	Variable	15%	12%	19%	19%	19%
Cumulative Adjusted Price		\$25,300	\$20,641	\$14,386	\$19,995	\$10,413
Property Adjustments						
Location		-20%	-20%	—	-20%	50%
Access/Exposure		-10%	—	—	—	—
Size		—	—	—	—	—
Shape and Topography		—	—	—	—	—
Zoning/Density		-15%	-15%	5%	—	-10%
Net Property Adjustments (\$)		-\$11,385	-\$7,224	\$719	-\$3,999	\$4,165
Net Property Adjustments (%)		-45%	-35%	5%	-20%	40%
Final Adjusted Price		\$13,915	\$13,417	\$15,106	\$15,996	\$14,578
Range of Adjusted Prices						
Average		\$13,417 - \$15,996				
Indicated Value		\$14,602				
		\$14,625				

Land Value Conclusion – Tract #19

Prior to adjustments, the sales reflect a range of \$8,750 - \$22,000 per unit. After adjustment, the range is narrowed to \$13,417 - \$15,996 per unit, with an average of \$14,602 per unit. To arrive at an indication of value, equal weight is given to all sales.

Based upon the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion

Indicated Value per Unit	\$14,625
Subject Units	<u>277</u>
Indicated Value	\$4,051,125
Rounded	<u>\$4,050,000</u>

Tract #5 (4.6 Acres; 200,376 SF)

To apply the sales comparison approach to Tract #5, the research focused on transactions within the following parameters:

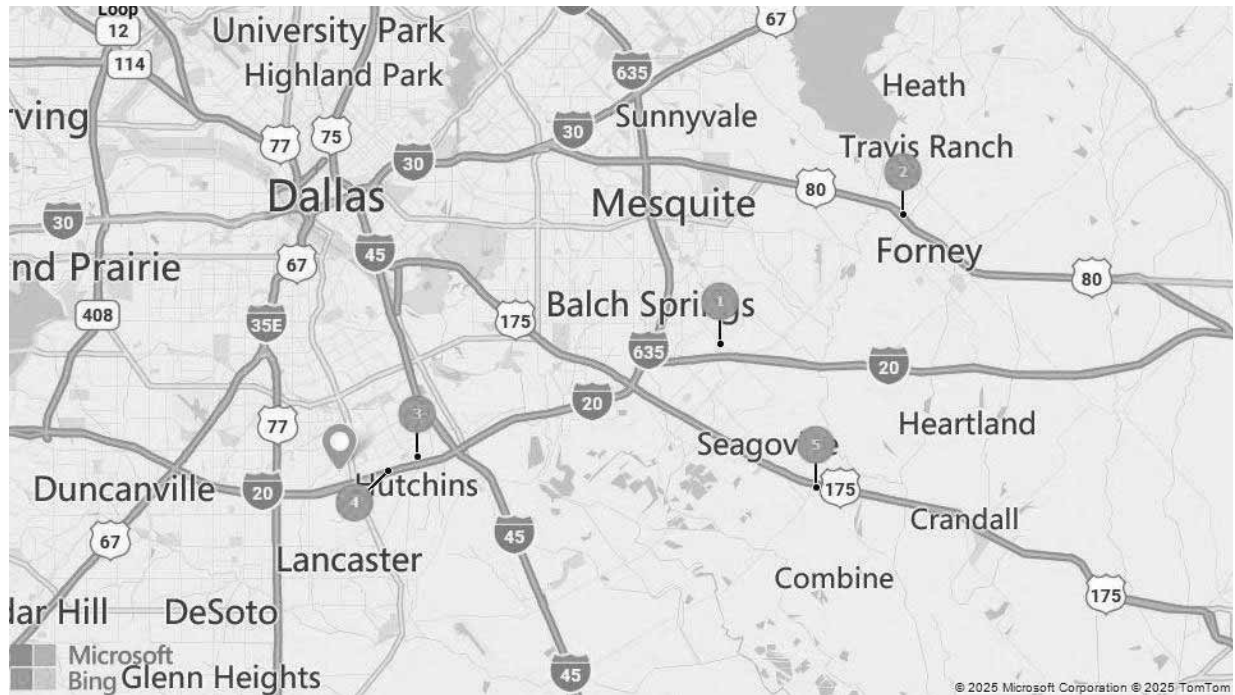
- Location: General Market Area
- Size: 2 to 10 Acres
- Use: Commercial
- Transaction Date: Past 36 months or Pending

For this analysis, price per usable square foot is used as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. The most relevant sales are summarized in the following table:

Summary of Comparable Land Sales - Tract #5

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Zoning	\$/SF Land	\$/Usable SF
1	Commercial Land - Balch Springs South corner of S. Belt Line Road and Lasater Road Balch Springs Dallas County TX Comments: This rectangular property was acquired for future commercial use.	May-23 Closed	\$929,000	228,124 5.24	228,124 5.24	PD-Planned Development	\$4.07	\$4.07
2	Commercial site on US-80 East side of US-80, south of Clements Drive Forney Kaufman County TX Comments: 4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.	Jul-24 Closed	\$1,000,000	181,340 4.16	181,340 4.16	MU	\$5.51	\$5.51
3	Commercial Land - Dallas, TX Northwest side of Cedardale Drive, northwest of Bonnie View Road Dallas Dallas County TX Comments: This site is planned for commercial development.	Jan-24 Closed	\$1,019,304	254,390 5.84	254,390 5.84	CS	\$4.01	\$4.01
4	Commercial land - Dallas Northeast corner of IH-20 and Cedar Ranch Drive Dallas Dallas County TX Comments: This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.	Jan-22 Closed	\$932,833	182,908 4.20	182,908 4.20	CS	\$5.10	\$5.10
5	Commercial Land Southeast quadrant of US-175 and E. Malloy Bridge Road Seagoville Dallas County TX Comments: The property was purchased for development of a Brookshire's grocery store location. The property was zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.	Nov-22 Closed	\$1,961,200	301,716 6.93	301,716 6.93	LM	\$6.50	\$6.50
Subject				200,376	200,376	CR		
University Hills - A Proposed Subdivision and Mixed-Use Development Dallas, TX				4.60	4.60			

Comparable Land Sales Map – Tract #5





Sale 1
Commercial Land - Balch Springs



Sale 2
Commercial site on US-80



Sale 3
Commercial Land - Dallas, TX



Sale 4
Commercial land - Dallas



Sale 5
Commercial Land

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place from January 2022 to July 2024. Until mid-year 2022, market conditions had generally been strengthening in the subject's market area. However, since the rapid increase in interest rates during 2022, value increases have been tempered and currently remain flat. Thus, the adjustment grid accounts for this trend with upward adjustments through June 1, 2022, with no change through the date of valuation.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	5/22/2023	7/12/2024	1/29/2024	1/20/2022	11/22/2022	
<u>Date</u>	<u>Annual Growth Rate</u>					
6/1/2022	10%	0.00%	0.00%	0.00%	3.62%	0.00%
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	18.75%	16.11%	18.37%	18.75%	18.75%
Total		18.75%	16.11%	18.37%	22.37%	18.75%
Rounded		19%	16%	18%	22%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are similar to the subject. No adjustments are necessary.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2, 4 and 5 are superior to the subject. Downward adjustments are applied. Sales 1 and 3 are inferior to the subject. Upward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of CR (Community Retail).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #5

	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road; Bisected by E. Wheatland Road	South corner of S. Belt Line Road and Lasater Road	East side of US-80, south of Clements Drive	Northwest side of Cedardale Drive, northwest of Bonnie View Road	Northeast corner of IH-20 and Cedar Ranch Drive	Southeast quadrant of US-175 and E. Malloy Bridge Road
City	Dallas	Balch Springs	Forney	Dallas	Dallas	Seagoville
County	Dallas	Dallas	Kaufman	Dallas	Dallas	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		May-23	Jul-24	Jan-24	Jan-22	Nov-22
Sale Status		Closed	Closed	Closed	Closed	Closed
Sale Price		\$929,000	\$1,000,000	\$1,019,304	\$932,833	\$1,961,200
Acres	4.6	5.2	4.2	5.8	4.2	6.9
Usable Acres	4.6	5.2	4.2	5.8	4.2	6.9
Price per Usable Square Foot		\$4.07	\$5.51	\$4.01	\$5.10	\$6.50
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale			Arm's-length			Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase						
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	May-23	Jul-24	Jan-24	Jan-22	Nov-22
Annual % Adjustment	Variable	19%	16%	18%	22%	19%
Cumulative Adjusted Price		\$4.85	\$6.40	\$4.73	\$6.22	\$7.74
Property Adjustments						
Location		—	—	—	—	—
Access/Exposure		20%	-10%	20%	-10%	-20%
Size		—	—	—	—	—
Shape and Topography		—	—	—	—	—
Zoning		—	—	—	—	—
Net Property Adjustments (\$)		\$0.97	-\$0.64	\$0.95	-\$0.62	-\$1.55
Net Property Adjustments (%)		20%	-10%	20%	-10%	-20%
Final Adjusted Price		\$5.82	\$5.76	\$5.67	\$5.60	\$6.19
Range of Adjusted Prices		\$5.60 - \$6.19				
Average		\$5.81				
Indicated Value		\$5.80				

Land Value Conclusion – Tract #5

Prior to adjustments, the sales reflect a range of \$4.01 - \$6.50 per usable square foot. After adjustment, the range is narrowed to \$5.60 - \$6.19 per usable square foot, with an average of \$5.81 per usable square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion for the subject is presented as follows:

Land Value Conclusion	
Tract #5	
Indicated Value per Usable Square Foot	\$5.80
Subject Usable Square Feet	200,376
Indicated Value	\$1,162,181
Rounded	\$1,160,000

Tract #7A (8.5 Acres; 370,260 SF)

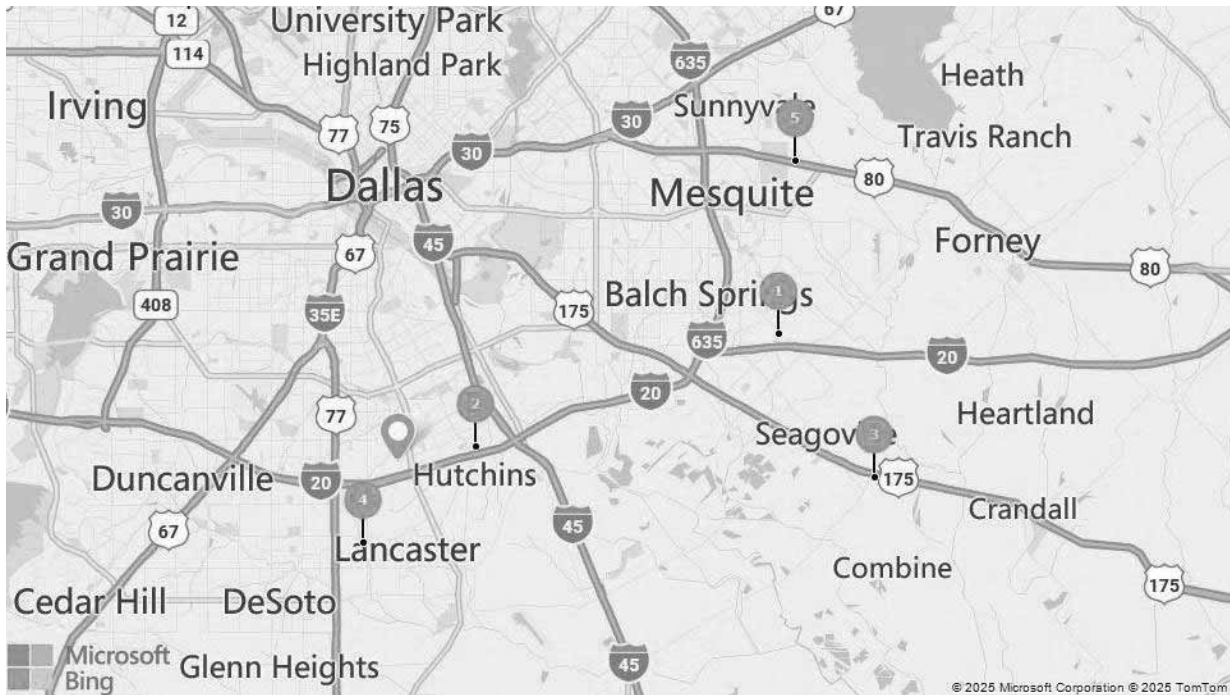
To apply the sales comparison approach to Tract #7A, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: 5 to 25 Acres
- Use: Commercial
- Transaction Date: Past 36 months or Pending

For this analysis, price per usable square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract #7A							
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Zoning	\$/SF Land	\$/Usable SF
1	Commercial Land - Balch Springs South corner of S. Belt Line Road and Lasater Road Balch Springs Dallas County TX <i>Comments: This rectangular property was acquired for future commercial use.</i>	May-23 Closed	\$929,000	228,124 5.24	PD-Planned Development	\$4.07	\$4.07
2	Commercial Land - Dallas, TX Northwest side of Cedardale Drive, northwest of Bonnie View Road Dallas Dallas County TX <i>Comments: This site is planned for commercial development.</i>	Jan-24 Closed	\$1,019,304	254,390 5.84	CS	\$4.01	\$4.01
3	Commercial Land Southeast quadrant of US-175 and E. Malloy Bridge Road Seagoville Dallas County TX <i>Comments: The property was purchased for development of a Brookshire's grocery store location. The property was zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.</i>	Nov-22 Closed	\$1,961,200	301,716 6.93	LM	\$6.50	\$6.50
4	Land - Lancaster, TX Southwest quadrant of Wintergreen Road, and N. Houston School Road Lancaster Dallas County TX <i>Comments: This tract of land was purchased for future industrial development and possesses frontage/access along two (2) streets. It is noted that approximately 3.70 acres on the western boundary is located within the floodplain.</i>	Nov-23 Closed	\$3,500,000	836,875 19.21	R	\$4.18	\$5.25
5	Commercial Land - US-80, Sunnyvale, TX Northeast corner of US-80 and Jobson Road Sunnyvale Dallas County TX <i>Comments: The property is located on the northeast corner of the US Highway 80 Frontage Road and Jobson Road. The site is generally level and is at street grade and no floodplain is noted. The property has approximately 2,021 feet of frontage on US-80. The property was improved with three (3) leased industrial buildings at the time of sale and received \$45,000 annually in rent from three (3) billboards on the site. The property sold for future commercial redevelopment. The broker stated that the US Highway widening project did not impact the sale price. Surrounding uses include several recently built Class A distribution warehouses on the across from US-80.</i>	Jan-23 Closed	\$5,400,000	907,137 20.83	HC	\$5.95	\$5.95
Subject				370,260	CR		
University Hills - A Proposed Subdivision				8.50			
Dallas, TX							

Comparable Land Sales Map – Tract #7A





Sale 1
Commercial Land - Balch Springs



Sale 2
Commercial Land - Dallas, TX



Sale 3
Commercial Land



Sale 4
Land - Lancaster, TX



Sale 5
Commercial Land - US-80, Sunnyvale, TX

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place from November 2022 to January 2024. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	5/22/2023	7/12/2024	1/29/2024	1/20/2022	11/22/2022	
Date	Annual Growth Rate					
6/1/2022	10%	0.00%	0.00%	0.00%	3.62%	0.00%
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	18.75%	16.11%	18.37%	18.75%	18.75%
Total		18.75%	16.11%	18.37%	22.37%	18.75%
Rounded		19%	16%	18%	22%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are similar to the subject. No adjustments are necessary.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sale 4 is similar to the subject and requires no adjustment. Sales 3 and 5 are superior to the subject. Downward adjustments are applied. Sales 1 and 2 are inferior to the subject. Upward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

Sales 1, 2 and 3 are smaller than the subject, and downward adjustments are applied. Sales 4 and 5 are larger than the subject and require upward adjustments.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of CR (Community Retail).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #7A						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road; Bisected by E. Wheatland Road	South corner of S. Belt Line Road and Lasater Road	Northwest side of Cedardale Drive, northwest of Bonnie View Road	Southeast quadrant of US-175 and E. Malloy Bridge Road	Southwest quadrant of Wintergreen Road, and N. Houston School Road	Northeast corner of US-80 and Jobson Road
City	Dallas	Balch Springs	Dallas	Seagoville	Lancaster	Sunnyvale
County	Dallas	Dallas	Dallas	Dallas	Dallas	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		May-23	Jan-24	Nov-22	Nov-23	Jan-23
Sale Status		Closed	Closed	Closed	Closed	Closed
Sale Price		\$929,000	\$1,019,304	\$1,961,200	\$3,500,000	\$5,400,000
Acres	8.5	5.2	5.8	6.9	19.2	20.8
Usable Acres	8.5	5.2	5.8	6.9	15.3	20.8
Price per Usable Square Foot		\$4.07	\$4.01	\$6.50	\$5.25	\$5.95
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale		—	—	Arm's-length	Arm's-length	Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase		—	—	—	—	—
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	May-23	Jan-24	Nov-22	Nov-23	Jan-23
Annual % Adjustment	Variable	19%	18%	19%	19%	19%
Cumulative Adjusted Price		\$4.85	\$4.73	\$7.74	\$6.25	\$7.08
Property Adjustments						
Location		—	—	—	—	—
Access/Exposure		30%	30%	-10%	—	-10%
Size		-10%	-10%	-10%	10%	10%
Shape and Topography		—	—	—	—	—
Zoning		—	—	—	—	—
Net Property Adjustments (\$)		\$0.97	\$0.95	-\$1.55	\$0.62	\$0.00
Net Property Adjustments (%)		20%	20%	-20%	10%	0%
Final Adjusted Price		\$5.82	\$5.67	\$6.19	\$6.87	\$7.08
Range of Adjusted Prices		\$5.67 - \$7.08				
Average		\$6.33				
Indicated Value		\$6.35				

Land Value Conclusion – Tract #7A

Prior to adjustments, the sales reflect a range of \$4.01 - \$6.50 per usable square foot. After adjustment, the range is narrowed to \$5.67 - \$7.08 per usable square foot, with an average of \$6.33 per usable square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Usable Square Foot	\$6.35
Subject Usable Square Feet	<u>370,260</u>
Indicated Value	\$2,351,151
Rounded	<u>\$2,350,000</u>

Tract #7B (5.9 Acres; 257,004 SF)

To apply the sales comparison approach to Tract #7B, the research focused on transactions within the following parameters:

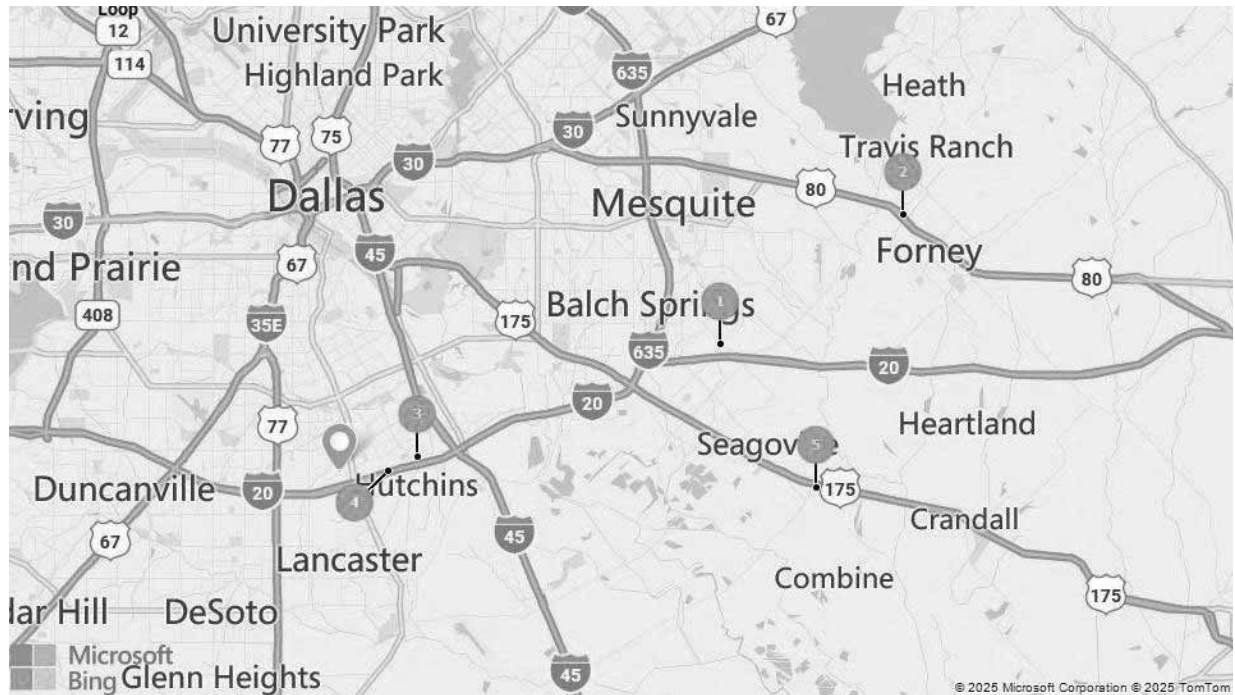
- Location: General Market Area
- Size: 2 to 10 Acres
- Use: Commercial
- Transaction Date: Past 36 months or Pending

For this analysis, price per usable square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract #7B

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF Usable Acres	Zoning	\$/SF Land	\$/Usable SF
1	Commercial Land - Balch Springs South corner of S. Belt Line Road and Lasater Road Balch Springs Dallas County TX <i>Comments: This rectangular property was acquired for future commercial use.</i>	May-23 Closed	\$929,000	228,124 5.24	228,124 5.24	PD-Planned Development	\$4.07	\$4.07
2	Commercial site on US-80 East side of US-80, south of Clements Drive Forney Kaufman County TX <i>Comments: 4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.</i>	Jul-24 Closed	\$1,000,000	181,340 4.16	181,340 4.16	MU	\$5.51	\$5.51
3	Commercial Land - Dallas, TX Northwest side of Cedardale Drive, northwest of Bonnie View Road Dallas Dallas County TX <i>Comments: This site is planned for commercial development.</i>	Jan-24 Closed	\$1,019,304	254,390 5.84	254,390 5.84	CS	\$4.01	\$4.01
4	Commercial land - Dallas Northeast corner of IH-20 and Cedar Ranch Drive Dallas Dallas County TX <i>Comments: This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.</i>	Jan-22 Closed	\$932,833	182,908 4.20	182,908 4.20	CS	\$5.10	\$5.10
5	Commercial Land Southeast quadrant of US-175 and E. Malloy Bridge Road Seagoville Dallas County TX <i>Comments: The property was purchased for development of a Brookshire's grocery store location. The property was zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.</i>	Nov-22 Closed	\$1,961,200	301,716 6.93	301,716 6.93	LM	\$6.50	\$6.50
Subject				257,004	257,004	CR		
University Hills - A Proposed Subdivision Dallas, TX				5.90	5.90			

Comparable Land Sales Map – Tract #7B





Sale 1
Commercial Land - Balch Springs



Sale 2
Commercial site on US-80



Sale 3
Commercial Land - Dallas, TX



Sale 4
Commercial land - Dallas



Sale 5
Commercial Land

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place from January 2022 to July 2024. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	5/22/2023	1/29/2024	11/22/2022	11/7/2023	1/19/2023	
Date	Annual Growth Rate					
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	18.75%	18.37%	18.75%	18.75%	18.75%
Total		18.75%	18.37%	18.75%	18.75%	18.75%
Rounded		19%	18%	19%	19%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are similar to the subject. No adjustments are necessary.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2 and 4 are similar to the subject and require no adjustment. Sale 5 is superior to the subject. A downward adjustment is applied. Sales 1 and 3 are inferior to the subject. Upward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of CR (Community Retail).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #7B

	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road; Bisected by E. Wheatland Road	South corner of S. Belt Line Road and Lasater Road	East side of US-80, south of Clements Drive	Northwest side of Cedardale Drive, northwest of Bonnie View Road	Northeast corner of IH-20 and Cedar Ranch Drive	Southeast quadrant of US-175 and E. Malloy Bridge Road
City	Dallas	Balch Springs	Forney	Dallas	Dallas	Seagoville
County	Dallas	Dallas	Kaufman	Dallas	Dallas	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		May-23	Jul-24	Jan-24	Jan-22	Nov-22
Sale Status		Closed	Closed	Closed	Closed	Closed
Sale Price		\$929,000	\$1,000,000	\$1,019,304	\$932,833	\$1,961,200
Acres	5.9	5.2	4.2	5.8	4.2	6.9
Usable Acres	5.9	5.2	4.2	5.8	4.2	6.9
Price per Usable Square Foot		\$4.07	\$5.51	\$4.01	\$5.10	\$6.50
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale			Arm's-length			Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase						
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	May-23	Jul-24	Jan-24	Jan-22	Nov-22
Annual % Adjustment	Variable	19%	16%	18%	22%	19%
Cumulative Adjusted Price		\$4.85	\$6.40	\$4.73	\$6.22	\$7.74
Property Adjustments						
Location		—	—	—	—	—
Access/Exposure		30%	—	30%	—	-10%
Size		—	—	—	—	—
Shape and Topography		—	—	—	—	—
Zoning		—	—	—	—	—
Net Property Adjustments (\$)		\$1.45	\$0.00	\$1.42	\$0.00	-\$0.77
Net Property Adjustments (%)		30%	0%	30%	0%	-10%
Final Adjusted Price		\$6.30	\$6.40	\$6.15	\$6.22	\$6.96
Range of Adjusted Prices		\$6.15 - \$6.96				
Average		\$6.41				
Indicated Value		\$6.40				

Land Value Conclusion – Tract #7B

Prior to adjustments, the sales reflect a range of \$4.01 - \$6.50 per usable square foot. After adjustment, the range is narrowed to \$6.15 - \$6.96 per usable square foot, with an average of \$6.41 per usable square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Usable Square Foot	\$6.40
Subject Usable Square Feet	<u>257,004</u>
Indicated Value	\$1,644,826
Rounded	<u>\$1,645,000</u>

Tract #9/10 (10.7 Acres; 466,092 SF or 267 Units)

To apply the sales comparison approach to Tract #9/10, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: Any
- Use: Multi-family
- Transaction Date: Past 24 months or Pending

For this analysis, price per unit is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

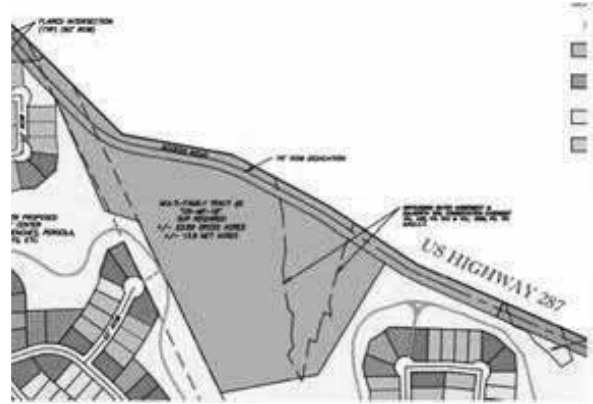
Summary of Comparable Land Sales - Tract #9/10								
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Units; Density (Units/Ac.)	Zoning	\$/Unit \$/SF Land
1	Multi Family Land - Grand Prairie Northeast corner of IH-20 and Westcliff Road Grand Prairie Tarrant County TX <i>Comments: This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.</i>	Sep-24 Closed	\$6,600,000	616,766 14.16	605,480 13.90	300 31.0	PD-449	\$22,000 \$10.70
2	Multifamily Land - Midlothian, Texas South westside of US-287, east of Miller Road Midlothian Ellis County TX <i>Comments: This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.</i>	Apr-25 In-Contract	\$5,750,000	1,044,569 23.98	646,430 14.84	312 13.0	PD (Planned)	\$18,429 \$5.50
3	Multi-family site on Altamesa Boulevard Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard Fort Worth Tarrant County TX <i>Comments: The buyer is planning to develop the land into a multifamily development (280 units/37.8 upa). The land was ready for development except that it had to be rezoned from light industrial to multifamily zoning. The zoning was changed from Industrial to Planned Development 1348 after the sale closed.</i>	Jun-23 Closed	\$3,385,000	322,344 7.40	322,344 7.40	280 37.8	I	\$12,089 \$10.50
4	Multifamily land in McKinney Northeast corner of Virginia Parkway and Carlisle Street McKinney Collin County TX <i>Comments: This property was rezoned to multifamily prior to closing. It is planned to be developed with approximately 120 multifamily units.</i>	Jun-23 Closed	\$2,890,000	221,468 5.08	221,468 5.08	172 33.8	PD/MF-3	\$16,802 \$13.05
5	MF Land in Mesquite Northwest side of Range Road, northeast of Galloway Avenue Mesquite Dallas County TX <i>Comments: This property was acquired to be developed with a 240-unit apartment complex.</i>	Aug-23 Closed	\$2,100,000	396,832 9.11	396,832 9.11	240 26.3	INMB	\$8,750 \$5.29
	Subject University Hills - A Proposed Subdivision Dallas, TX			466,092 10.70	466,092 10.70	267 25.0	MF-2	

Comparable Land Sales Map – Tract #9/10





Sale 1
Multi Family Land - Grand Prairie



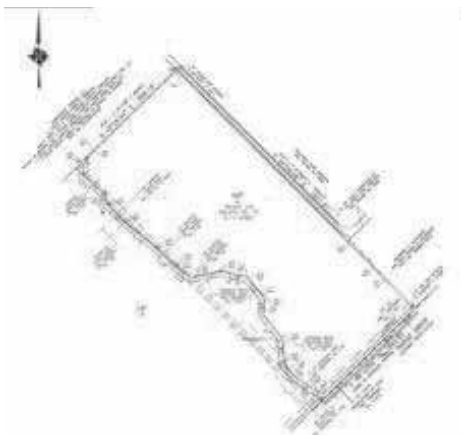
Sale 2
Multifamily Land - Midlothian, Texas



Sale 3
Multi-family site on Altamesa Boulevard



Sale 4
Multifamily land in McKinney



Sale 5
MF Land in Mesquite

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place or will take place from June 2023 to April 2025. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	9/12/2024	4/17/2025	6/16/2023	6/30/2023	8/17/2023	
Date	Annual Growth Rate					
6/1/2022	10%	0.00%	0.00%	0.00%	0.00%	0.00%
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	15.26%	12.29%	18.75%	18.75%	18.75%
Total		15.26%	12.29%	18.75%	18.75%	18.75%
Rounded		15%	12%	19%	19%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sale 3 is similar to the subject. No adjustment is necessary. Sales 1, 2 and 4 are adjusted downward for superior location. Sale 5 is adjusted upward for inferior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2, 3, 4 and 5 are similar to the subject and require no adjustment. Sale 1 is superior to the subject. A downward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning/Density

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of MF-2 (Multi-Family) with an allowed/planned density of 24.95 upa.

Sales 1, 2 and 5 are similar to the subject and require no adjustment. Sales 3 and 4 are inferior to the subject. Upward adjustments are applied.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #9/10						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road; Bisected by E. Wheatland Road	Northeast corner of IH-20 and Westcliff Road	South westside of US-287, east of Miller Road	Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard	Northeast corner of Virginia Parkway and Carlisle Street	Northwest side of Range Road, northeast of Galloway Avenue
City	Dallas	Grand Prairie	Midlothian	Fort Worth	McKinney	Mesquite
County	Dallas	Tarrant	Ellis	Tarrant	Collin	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		Sep-24	Apr-25	Jun-23	Jun-23	Aug-23
Sale Status		Closed	In-Contract	Closed	Closed	Closed
Sale Price		\$6,600,000	\$5,750,000	\$3,385,000	\$2,890,000	\$2,100,000
Acres	10.7	14.2	24.0	7.4	5.1	9.1
Usable Acres	10.7	13.9	14.8	7.4	5.1	9.1
Number of Units	267	300	312	280	172	240
Units Per Acre	24.95	21.60	21.00	37.80	33.80	26.30
Price per Unit		\$22,000	\$18,429	\$12,089	\$16,802	\$8,750
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale		—	—	—	—	Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase		—	—	—	—	—
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	Sep-24	Apr-25	Jun-23	Jun-23	Aug-23
Annual % Adjustment	Variable	15%	12%	19%	19%	19%
Cumulative Adjusted Price		\$25,300	\$20,641	\$14,386	\$19,995	\$10,413
Property Adjustments						
Location		-20%	-20%	—	-20%	50%
Access/Exposure		-10%	—	—	—	—
Size		—	—	—	—	—
Shape and Topography		—	—	—	—	—
Zoning/Density		—	—	20%	10%	—
Net Property Adjustments (\$)		-\$7,590	-\$4,128	\$2,877	-\$1,999	\$5,206
Net Property Adjustments (%)		-30%	-20%	20%	-10%	50%
Final Adjusted Price		\$17,710	\$16,513	\$17,264	\$17,995	\$15,619
Range of Adjusted Prices		\$15,619 - \$17,995				
Average		\$17,020				
Indicated Value		\$17,000				

Land Value Conclusion – Tract #9/10

Prior to adjustments, the sales reflect a range of \$8,750 - \$22,000 per unit. After adjustment, the range is narrowed to \$15,619 - \$17,995 per unit, with an average of \$17,020 per unit. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Unit	\$17,000
Subject Units	<u>267</u>
Indicated Value	\$4,539,000
Rounded	<u>\$4,540,000</u>

Tract #11/15 (7.8 Acres; 344,124 SF or 222 Units)

To apply the sales comparison approach to Tract #11/15, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: Any
- Use: Multi-family
- Transaction Date: Past 24 months or Pending

For this analysis, price per unit is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract #11/15

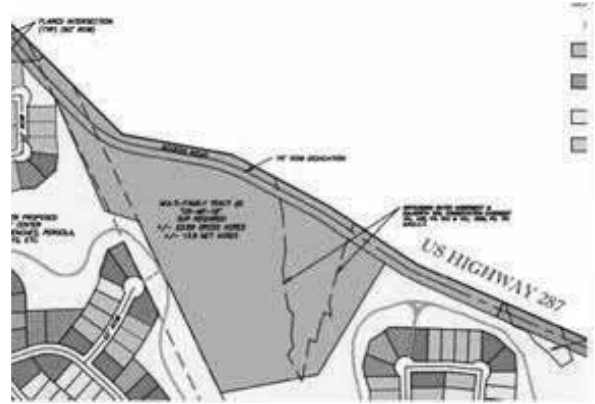
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Units; Density (Units/Ac.)	Zoning	\$/Unit	\$/SF Land
1	Multi Family Land - Grand Prairie Northeast corner of IH-20 and Westcliff Road Grand Prairie Tarrant County TX <i>Comments: This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.</i>	Sep-24 Closed	\$6,600,000	616,766 14.16	605,480 13.90	306 31.1	PD-449 (Planned Development)	\$22,000	\$10.70
2	Multifamily Land - Midlothian, Texas South westside of US-287, east of Miller Road Midlothian Ellis County TX <i>Comments: This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.</i>	Apr-25 In-Contract	\$5,750,000	1,044,569 23.98	646,430 14.84	31; 13.1	PD (Planned Development)	\$18,429	\$5.50
3	Multi-family site on Alamesa Boulevard Northeast corner of Chisholm Trail Parkway and Alamesa Boulevard Fort Worth Tarrant County TX <i>Comments: The buyer is planning to develop the land into a multifamily development (280 units/37.8 upa). The land was ready for development except that it had to be rezoned from light industrial to multifamily zoning. The zoning was changed from Industrial to Planned Development 1348 after the sale closed.</i>	Jun-23 Closed	\$3,385,000	322,344 7.40	322,344 7.40	280 37.3	I	\$12,089	\$10.50
4	Multifamily land in McKinney Northeast corner of Virginia Parkway and Carlisle Street McKinney Collin County TX <i>Comments: This property was rezoned to multifamily prior to closing. It is planned to be developed with approximately 120 multifamily units.</i>	Jun-23 Closed	\$2,890,000	221,468 5.08	221,468 5.08	17; 33.3	PD/MF-3	\$16,802	\$13.05
5	MF Land in Mesquite Northwest side of Range Road, northeast of Mesquite Dallas County TX <i>Comments: This property was acquired to be developed with a 240-unit apartment complex.</i>	Aug-23 Closed	\$2,100,000	396,832 9.11	396,832 9.11	240 26.1	TNMB	\$8,750	\$5.29
Subject				344,124	344,124	222	MF-2/MU-2		
University Hills - A Proposed Subdivision Dallas, TX				7.90	7.90	28.1			

Comparable Land Sales Map – Tract #11/15





Sale 1
Multi Family Land - Grand Prairie



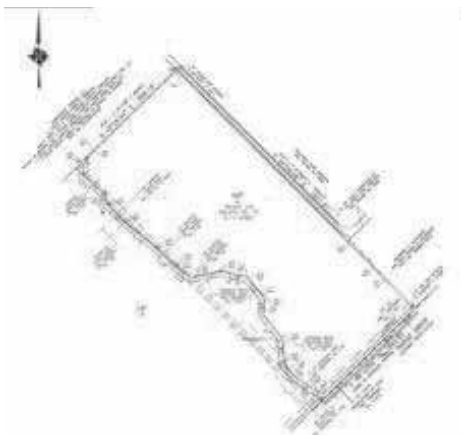
Sale 2
Multifamily Land - Midlothian, Texas



Sale 3
Multi-family site on Altamesa Boulevard



Sale 4
Multifamily land in McKinney



Sale 5
MF Land in Mesquite

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place or will take place from June 2023 to April 2025. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	9/12/2024	4/17/2025	6/16/2023	6/30/2023	8/17/2023	
Date	Annual Growth Rate					
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	15.26%	12.29%	18.75%	18.75%	18.75%
Total		15.26%	12.29%	18.75%	18.75%	18.75%
Rounded		15%	12%	19%	19%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sale 3 is similar to the subject. No adjustment is necessary. Sales 1, 2 and 4 are adjusted downward for superior location. Sale 5 is adjusted upward for inferior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2, 3, 4 and 5 are similar to the subject and require no adjustment. Sale 1 is superior to the subject. A downward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning/Density

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable

density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of MU-2 (Mixed-Use) with an allowed/planned density of 28.5 upa.

Sale 5 is similar to the subject and requires no adjustment. Sales 1 and 2 are superior to the subject. Downward adjustments are applied. Sales 3 and 4 are inferior to the subject. Upward adjustments are applied.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #11/15						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road; Bisected by E. Wheatland Road	Northeast corner of IH-20 and Westcliff Road	South westside of US-287, east of Miller Road	Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard	Northeast corner of Virginia Parkway and Carlisle Street	Northwest side of Range Road, northeast of Galloway Avenue
City	Dallas	Grand Prairie	Midlothian	Fort Worth	McKinney	Mesquite
County	Dallas	Tarrant	Ellis	Tarrant	Collin	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		Sep-24	Apr-25	Jun-23	Jun-23	Aug-23
Sale Status		Closed	In-Contract	Closed	Closed	Closed
Sale Price		\$6,600,000	\$5,750,000	\$3,385,000	\$2,890,000	\$2,100,000
Acres	7.9	14.2	24.0	7.4	5.1	9.1
Usable Acres	7.9	13.9	14.8	7.4	5.1	9.1
Number of Units	222	300	312	280	172	240
Units Per Acre	28.10	21.60	21.00	37.80	33.80	26.30
Price per Unit		\$22,000	\$18,429	\$12,089	\$16,802	\$8,750
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale		—	—	—	—	Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase		—	—	—	—	—
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	Sep-24	Apr-25	Jun-23	Jun-23	Aug-23
Annual % Adjustment	Variable	15%	12%	19%	19%	19%
Cumulative Adjusted Price		\$25,300	\$20,641	\$14,386	\$19,995	\$10,413
Property Adjustments						
Location		-20%	-20%	—	-20%	50%
Access/Exposure		-10%	—	—	—	—
Size		—	—	—	—	—
Shape and Topography		—	—	—	—	—
Zoning/Density		-5%	-5%	20%	10%	—
Net Property Adjustments (\$)		-\$8,855	-\$5,160	\$2,877	-\$1,999	\$5,206
Net Property Adjustments (%)		-35%	-25%	20%	-10%	50%
Final Adjusted Price		\$16,445	\$15,481	\$17,264	\$17,995	\$15,619
Range of Adjusted Prices		\$15,481 - \$17,995				
Average		\$16,561				
Indicated Value		\$16,600				

Land Value Conclusion – Tract #11/15

Prior to adjustments, the sales reflect a range of \$8,750 - \$22,000 per unit. After adjustment, the range is narrowed to \$15,481 - \$17,995 per unit, with an average of \$16,561 per unit. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Unit	\$16,600
Subject Units	<u>222</u>
Indicated Value	\$3,685,200
Rounded	<u>\$3,685,000</u>

Tract #12/16 (4.0 Acres; 174,240 SF or 172 Units)

To apply the sales comparison approach to Tract #12/16, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: Any
- Use: Multi-family
- Transaction Date: Past 24 months or Pending

For this analysis, price per unit is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

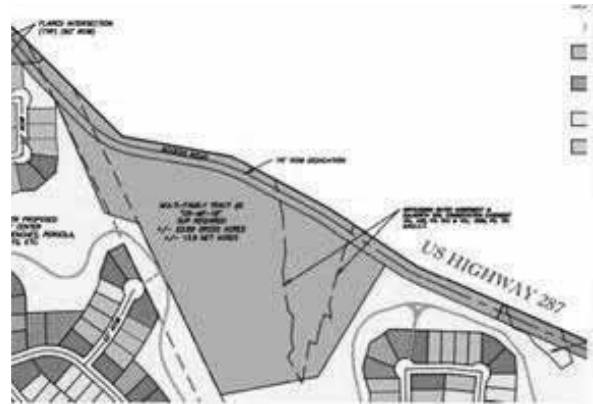
Summary of Comparable Land Sales - Tract #12/16										
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Units; Density (Units/Ac.)	Zoning	\$/Unit	\$/SF Land	\$/Usable SF
1	Multi Family Land - Grand Prairie Northeast corner of IH-20 and Westcliff Road Grand Prairie Tarrant County TX <i>Comments: This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.</i>	Sep-24 Closed	\$6,600,000	616,766 14.16	605,480 13.90	300 21.2	PD-449	\$22,000	\$10.70	\$10.90
2	Multifamily Land - Midlothian, Texas South westside of US-287, east of Miller Road Midlothian Ellis County TX <i>Comments: This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.</i>	Apr-25 In-Contract	\$5,750,000	1,044,569 23.98	646,430 14.84	312 13.0	PD (Planned Development)	\$18,429	\$5.50	\$8.90
3	Multi-family site on Altamesa Boulevard Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard Fort Worth Tarrant County TX <i>Comments: The buyer is planning to develop the land into a multifamily development (280 units/37.8 upa). The land was read for development except that it had to be rezoned from light industrial to multifamily zoning. The zoning was changed from Industrial to Planned Development 1348 after the sale closed.</i>	Jun-23 Closed	\$3,385,000	322,344 7.40	322,344 7.40	280 37.8	I	\$12,089	\$10.50	\$10.50
4	Multifamily land in McKinney Northeast corner of Virginia Parkway and Carlisle Street McKinney Collin County TX <i>Comments: This property was rezoned to multifamily prior to closing. It is planned to be developed with approximately 120 multifamily units.</i>	Jun-23 Closed	\$2,890,000	221,468 5.08	221,468 5.08	172 33.8	PD/MF-3	\$16,802	\$13.05	\$13.05
5	MF Land in Mesquite Northwest side of Range Road, northeast of Galloway Avenue Mesquite Dallas County TX <i>Comments: This property was acquired to be developed with a 240-unit apartment complex.</i>	Aug-23 Closed	\$2,100,000	396,832 9.11	396,832 9.11	240 26.3	TNMB	\$8,750	\$5.29	\$5.29
Subject				174,240	174,240	127	MF-2/MU-2			
University Hills - A Proposed Subdivision				4.00	4.00	31.8				
Dallas, TX										

Comparable Land Sales Map – Tract #12/16





Sale 1
Multi Family Land - Grand Prairie



Sale 2
Multifamily Land - Midlothian, Texas



Sale 3
Multi-family site on Altamesa Boulevard



Sale 4
Multifamily land in McKinney



Sale 5
MF Land in Mesquite

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place or will take place from June 2023 to April 2025. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	9/12/2024	4/17/2025	6/16/2023	6/30/2023	8/17/2023	
Date	Annual Growth Rate					
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	15.26%	12.29%	18.75%	18.75%	18.75%
Total		15.26%	12.29%	18.75%	18.75%	18.75%
Rounded		15%	12%	19%	19%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sale 3 is similar to the subject. No adjustment is necessary. Sales 1, 2 and 4 are adjusted downward for superior location. Sale 5 is adjusted upward for inferior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2, 3, 4 and 5 are similar to the subject and require no adjustment. Sale 1 is superior to the subject. A downward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning/Density

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of MF-2 (Multi-Family)/MU-2 (Mixed-Use) with an allowed/planned density of 31.75 upa.

Sale 4 is similar to the subject and requires no adjustment. Sales 1, 2, 3 and 5 are superior to the subject. Downward adjustments are applied.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #12/16

	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road; Bisected by E. Wheatland Road	Northeast corner of IH-20 and Westcliff Road	South westside of US-287, east of Miller Road	Northeast corner of Chisholm Trail Parkway and Alamesa Boulevard	Northeast corner of Virginia Parkway and Carlisle Street	Northwest side of Range Road, northeast of Galloway Avenue
City	Dallas	Grand Prairie	Midlothian	Fort Worth	McKinney	Mesquite
County	Dallas	Tarrant	Ellis	Tarrant	Collin	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		Sep-24	Apr-25	Jun-23	Jun-23	Aug-23
Sale Status		Closed	In-Contract	Closed	Closed	Closed
Sale Price		\$6,600,000	\$5,750,000	\$3,385,000	\$2,890,000	\$2,100,000
Acres	4.0	14.2	24.0	7.4	5.1	9.1
Usable Acres	4.0	13.9	14.8	7.4	5.1	9.1
Number of Units	127	300	312	280	172	240
Units Per Acre	31.75	21.60	21.00	37.80	33.80	26.30
Price per Unit		\$22,000	\$18,429	\$12,089	\$16,802	\$8,750
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale		—	—	—	—	Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase		—	—	—	—	—
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	Sep-24	Apr-25	Jun-23	Jun-23	Aug-23
Annual % Adjustment	Variable	15%	12%	19%	19%	19%
Cumulative Adjusted Price		\$25,300	\$20,641	\$14,386	\$19,995	\$10,413
Property Adjustments						
Location		-20%	-20%	—	-20%	50%
Access/Exposure		-10%	—	—	—	—
Size		—	—	—	—	—
Shape and Topography		—	—	—	—	—
Zoning/Density		-15%	-15%	-5%	—	-10%
Net Property Adjustments (\$)		-\$11,385	-\$7,224	-\$719	-\$3,999	\$4,165
Net Property Adjustments (%)		-45%	-35%	-5%	-20%	40%
Final Adjusted Price		\$13,915	\$13,417	\$13,667	\$15,996	\$14,578
Range of Adjusted Prices		\$13,417 - \$15,996				
Average		\$14,314				
Indicated Value		\$14,350				

Land Value Conclusion – Tract #12/16

Prior to adjustments, the sales reflect a range of \$8,750 - \$22,000 per unit. After adjustment, the range is narrowed to \$13,417 - \$15,996 per unit, with an average of \$14,314 per unit. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Unit	\$14,350
Subject Units	<u>127</u>
Indicated Value	\$1,822,450
Rounded	\$1,820,000

Tract #17 (3.4 Acres; 148,104 SF or 112 Units)

To apply the sales comparison approach to Tract #17, the research focused on transactions within the following parameters:

- Location: General Market Area
- Size: Any
- Use: Multi-family
- Transaction Date: Past 24 months or Pending

For this analysis, price per unit is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

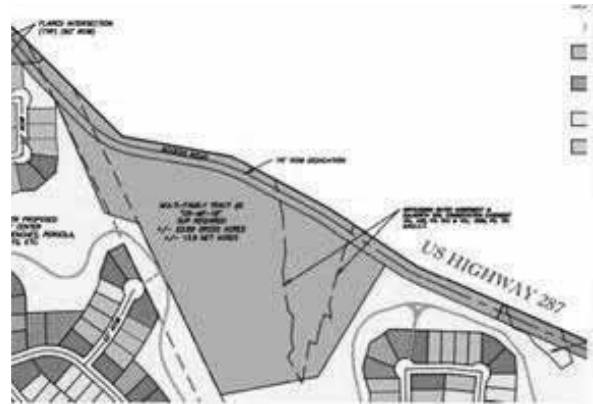
Summary of Comparable Land Sales - Tract #17										
No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Units; Density (Units/Ac)	Zoning	\$/Unit	\$/SF Land	\$/Usable SF
1	Multi Family Land - Grand Prairie Northeast corner of IH-20 and Westcliff Road Grand Prairie Tarrant County TX <i>Comments: This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.</i>	Sep-24 Closed	\$6,600,000	616,766 14.16	605,480 13.90	300 21.2	PD-449	\$22,000	\$10.70	\$10.90
2	Multifamily Land - Midlothian, Texas South westside of US-287, east of Miller Road Midlothian Ellis County TX <i>Comments: This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.</i>	Apr-25 In-Contract	\$5,750,000	1,044,569 23.98	646,430 14.84	312 13.0	PD (Planned Development)	\$18,429	\$5.50	\$8.90
3	Multi-family site on Altamesa Boulevard Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard Fort Worth Tarrant County TX <i>Comments: The buyer is planning to develop the land into a multifamily development (280 units/37.8 upa). The land was ready for development except that it had to be rezoned from light industrial to multifamily zoning. The zoning was changed from Industrial to Planned Development 1348 after the sale closed.</i>	Jun-23 Closed	\$3,385,000	322,344 7.40	322,344 7.40	280 37.8	I	\$12,089	\$10.50	\$10.50
4	Multifamily land in McKinney Northeast corner of Virginia Parkway and Carlisle Street McKinney Collin County TX <i>Comments: This property was rezoned to multifamily prior to closing. It is planned to be developed with approximately 120 multifamily units.</i>	Jun-23 Closed	\$2,890,000	221,468 5.08	221,468 5.08	172 33.8	PD/MF-3	\$16,802	\$13.05	\$13.05
5	MF Land in Mesquite Northwest side of Range Road, northeast of Galloway Avenue Mesquite Dallas County TX <i>Comments: This property was acquired to be developed with a 240-unit apartment complex.</i>	Aug-23 Closed	\$2,100,000	396,832 9.11	396,832 9.11	240 26.3	TNMB	\$8,750	\$5.29	\$5.29
Subject				148,104	148,104	112	MU-2			
University Hills - A Proposed Subdivision Dallas, TX				3.40	3.40	32.9				

Comparable Land Sales Map – Tract #17





Sale 1
Multi Family Land - Grand Prairie



Sale 2
Multifamily Land - Midlothian, Texas



Sale 3
Multi-family site on Altamesa Boulevard



Sale 4

Multifamily land in McKinney



Sale 5
MF Land in Mesquite

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place or will take place from June 2023 to April 2025. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	9/12/2024	4/17/2025	6/16/2023	6/30/2023	8/17/2023	
Date	Annual Growth Rate					
6/1/2022	10%	0.00%	0.00%	0.00%	0.00%	0.00%
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	15.26%	12.29%	18.75%	18.75%	18.75%
Total		15.26%	12.29%	18.75%	18.75%	18.75%
Rounded		15%	12%	19%	19%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sale 3 is similar to the subject. No adjustment is necessary. Sales 1, 2 and 4 are adjusted downward for superior location. Sale 5 is adjusted upward for inferior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2, 3, 4 and 5 are similar to the subject and require no adjustment. Sale 1 is superior to the subject. A downward adjustment is applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning/Density

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of MU-2 (Mixed-Use) with an allowed/planned density of 32.94 upa.

Sale 4 is similar to the subject and requires no adjustment. Sales 1, 2 and 5 are superior to the subject. Downward adjustments are applied. Sale 3 is inferior to the subject. An upward adjustment is applied.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #17

	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road; Bisected by E. Wheatland Road	Northeast corner of IH-20 and Westcliff Road	South westside of US-287, east of Miller Road	Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard	Northeast corner of Virginia Parkway and Carlisle Street	Northwest side of Range Road, northeast of Galloway Avenue
City	Dallas	Grand Prairie	Midlothian	Fort Worth	McKinney	Mesquite
County	Dallas	Tarrant	Ellis	Tarrant	Collin	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		Sep-24	Apr-25	Jun-23	Jun-23	Aug-23
Sale Status		Closed	In-Contract	Closed	Closed	Closed
Sale Price		\$6,600,000	\$5,750,000	\$3,385,000	\$2,890,000	\$2,100,000
Acres	3.4	14.2	24.0	7.4	5.1	9.1
Usable Acres	3.4	13.9	14.8	7.4	5.1	9.1
Number of Units	112	300	312	280	172	240
Units Per Acre	32.94	21.60	21.00	37.80	33.80	26.30
Price per Unit		\$22,000	\$18,429	\$12,089	\$16,802	\$8,750
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale		—	—	—	—	Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase		—	—	—	—	—
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	Sep-24	Apr-25	Jun-23	Jun-23	Aug-23
Annual % Adjustment	Variable	15%	12%	19%	19%	19%
Cumulative Adjusted Price		\$25,300	\$20,641	\$14,386	\$19,995	\$10,413
Property Adjustments						
Location		-20%	-20%	—	-20%	50%
Access/Exposure		-10%	—	—	—	—
Size		—	—	—	—	—
Shape and Topography		—	—	—	—	—
Zoning/Density		-15%	-15%	5%	—	-10%
Net Property Adjustments (\$)		-\$11,385	-\$7,224	\$719	-\$3,999	\$4,165
Net Property Adjustments (%)		-45%	-35%	5%	-20%	40%
Final Adjusted Price		\$13,915	\$13,417	\$15,106	\$15,996	\$14,578
Range of Adjusted Prices		\$13,417 - \$15,996				
Average		\$14,602				
Indicated Value		\$14,625				

Land Value Conclusion – Tract #17

Prior to adjustments, the sales reflect a range of \$8,750 - \$22,000 per unit. After adjustment, the range is narrowed to \$13,417 - \$15,996 per unit, with an average of \$14,602 per unit. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Unit	\$14,625
Subject Units	<u>112</u>
Indicated Value	\$1,638,000
Rounded	\$1,640,000

Tract #18 (19.2 Acres; 836,352 SF)

To apply the sales comparison approach to Tract #18, the research focused on transactions within the following parameters:

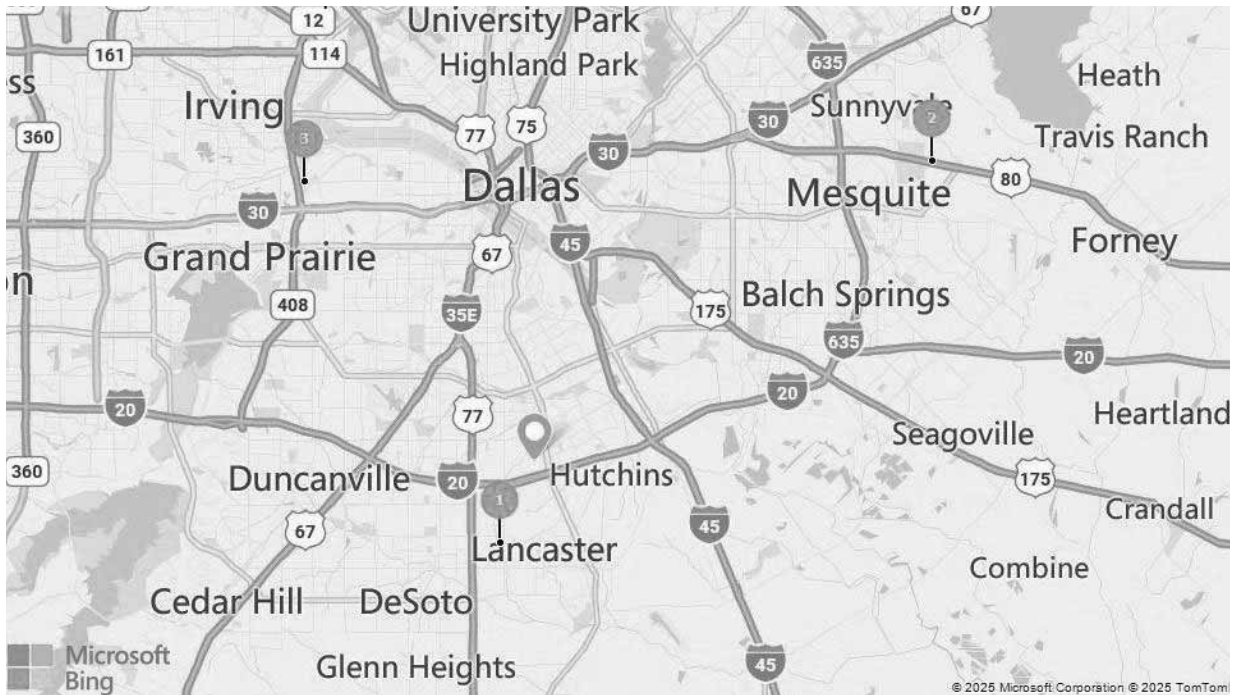
- Location: General Market Area
- Size: 15 to 30 Acres
- Use: Commercial
- Transaction Date: Past 24 months or Pending

For this analysis, price per usable square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract #18

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable S; Usable Acres	Zoning	\$/SF Land	\$/Usable SF
1	Land - Lancaster, TX Southwest quadrant of Wintergreen Road, Closed and N. Houston School Road Lancaster Dallas County TX <i>Comments: This tract of land was purchased for future industrial development and possesses frontage/access along two (2) streets. It is noted that approximately 3.70 acres on the western boundary is located within the floodplain.</i>	Nov-23	\$3,500,000	836,875 19.21	666,468 15.30	R	\$4.18	\$5.25
2	Commercial Land - US-80, Sunnyvale, TX Northeast corner of US-80 and Jobson Road Sunnyvale Dallas County TX <i>Comments: The property is located on the northeast corner of the US Highway 80 Frontage Road and Jobson Road. The site is generally level and is at street grade and no floodplain is noted. The property has approximately 2,021 feet of frontage on US-80. The property was improved with three (3) leased industrial buildings at the time of sale and received \$45,000 annually in rent from three (3) billboards on the site. The property sold for future commercial redevelopment. The broker stated that the US Highway widening project did not impact the sale price. Surrounding uses include several recently built Class A distribution warehouses on the across from US-80.</i>	Jan-23 Closed	\$5,400,000	907,137 20.83	907,137 20.83	HC	\$5.95	\$5.95
3	Commercial Land - Dallas North of Singleton Boulevard at Pueblo Street Dallas Dallas County TX <i>Comments: This property sold in May 2023 with a sale price of \$5.25 million. The property was listed for sale by Vanguard Real Estate Advisors. The property is an infill industrial development site zoned LI Light Industrial.</i>	May-23 Closed	\$5,250,000	954,835 21.92	954,835 21.92	LI	\$5.50	\$5.50
	Subject University Hills - A Proposed Subdivision Dallas, TX			836,352 19.20	836,352 19.20	MU-2		

Comparable Land Sales Map – Tract #18





Sale 1
Land - Lancaster, TX



Sale 2
Commercial Land - US-80, Sunnyvale, TX



Sale 3
Commercial Land - Dallas

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place from January 2023 to November 2023. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	9/12/2024	4/17/2025	6/16/2023	6/30/2023	8/17/2023	
Date	Annual Growth Rate					
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	15.26%	12.29%	18.75%	18.75%	18.75%
Total		15.26%	12.29%	18.75%	18.75%	18.75%
Rounded		15%	12%	19%	19%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

All of the comparables are similar to the subject. No adjustments are necessary.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of MU-2 (Mixed-Use).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #18				
	Subject	Comparable 1	Comparable2	Comparable 3
Address	Northwest quadrant of IH-20 and S. Lancaster Road; Bisected by E. Wheatland Road	Southwest quadrant of Wintergreen Road, and N. Houston School Road	Northeast ccrner of US-80 and Jobson Road	North of Singleton Boulevard at Pueblo Street
City	Dallas	Lancaster	Sunnyvale	Dallas
County	Dallas	Dallas	Dallas	Dallas
State	Texas	TX	TX	TX
Sale Date		Nov-23	Jan-23	May-23
Sale Status		Closed	Closed	Closed
Sale Price		\$3,500,000	\$5,400,000	\$5,250,000
Acres	19.2	19.2	20.8	21.9
Usable Acres	19.2	15.3	20.8	21.9
Price per Usable Square Foot		\$5.25	\$5.95	\$5.50
Transactional Adjustments				
Property Rights		Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—
Conditions of Sale		Arm's-length	Arm's-length	Arm's-length
% Adjustment		—	—	—
Expenditures Made Immediately After Purchase				
\$ Adjustment		—	—	—
Market Conditions	10/1/2027	Nov-23	Jan-23	May-23
Annual % Adjustment	Variable	19%	19%	19%
Cumulative Adjusted Price		\$6.25	\$7.08	\$6.54
Property Adjustments				
Location		-10%	-20%	-10%
Access/Exposure		—	—	—
Size		—	—	—
Shape and Topography		—	—	—
Zoning		—	—	—
Net Property Adjustments (\$)		-\$0.62	-\$1.42	-\$0.65
Net Property Adjustments (%)		-10%	-20%	-10%
Final Adjusted Price		\$5.62	\$5.67	\$5.89
Range of Adjusted Prices		\$5.62 - \$5.89		
Average		\$5.73		
Indicated Value		\$5.75		

Land Value Conclusion – Tract #18

Prior to adjustments, the sales reflect a range of \$5.25 - \$5.95 per usable square foot. After adjustment, the range is narrowed to \$5.62 - \$5.89 per usable square foot, with an average of \$5.73 per usable square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Usable Square Foot	\$5.75
Subject Usable Square Feet	<u>836,352</u>
Indicated Value	\$4,809,024
Rounded	<u>\$4,810,000</u>

Tract #20/21 (7.3 Acres; 317,988 SF)

To apply the sales comparison approach to Tract #20/21, the research focused on transactions within the following parameters:

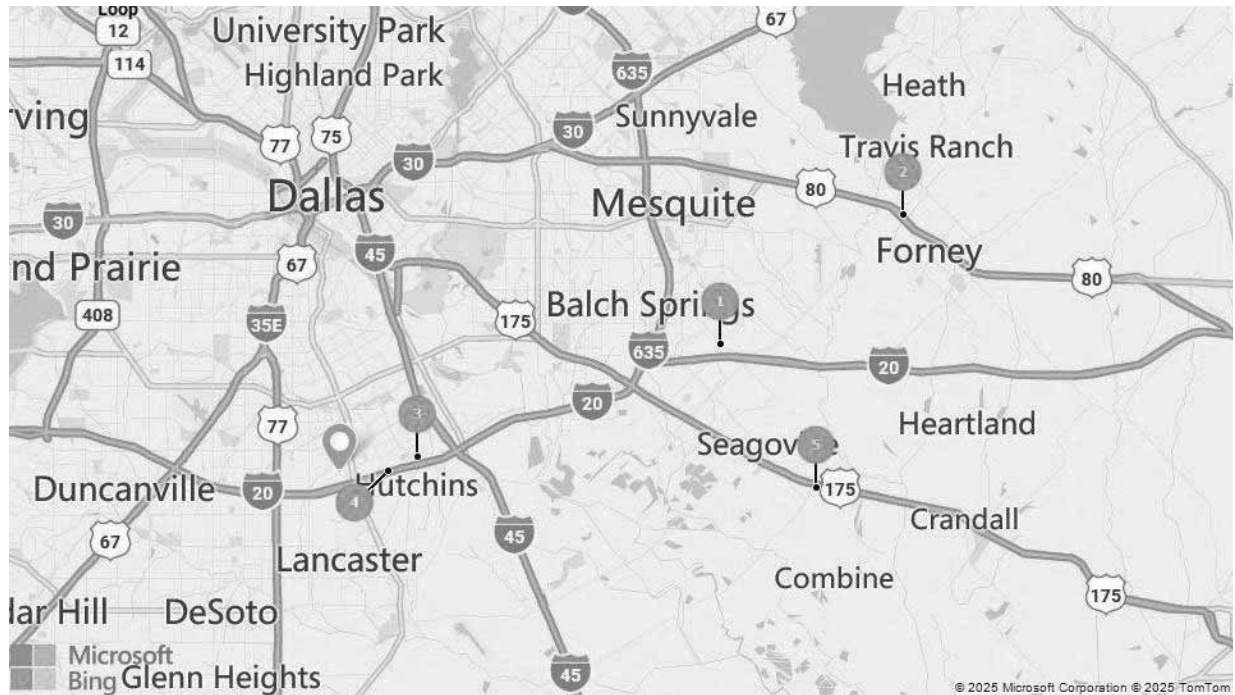
- Location: General Market Area
- Size: 2 to 10 Acres
- Use: Commercial
- Transaction Date: Past 36 months or Pending

For this analysis, price per usable square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract #20/21

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable SF; Usable Acres	Zoning	\$/SF Land	\$/Usable SF
1	Commercial Land - Balch Springs South corner of S. Belt Line Road and Lasater Road Balch Springs Dallas County TX <i>Comments: This rectangular property was acquired for future commercial use.</i>	May-23 Closed	\$929,000	228,124 5.24	228,124 5.24	PD-Planned Development	\$4.07	\$4.07
2	Commercial site on US-80 East side of US-80, south of Clements Drive Forney Kaufman County TX <i>Comments: 4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.</i>	Jul-24 Closed	\$1,000,000	181,340 4.16	181,340 4.16	MU	\$5.51	\$5.51
3	Commercial Land - Dallas, TX Northwest side of Cedardale Drive, northwest of Bonnie View Road Dallas Dallas County TX <i>Comments: This site is planned for commercial development.</i>	Jan-24 Closed	\$1,019,304	254,390 5.84	254,390 5.84	CS	\$4.01	\$4.01
4	Commercial land - Dallas Northeast corner of IH-20 and Cedar Ranch Drive Dallas Dallas County TX <i>Comments: This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.</i>	Jan-22 Closed	\$932,833	182,908 4.20	182,908 4.20	CS	\$5.10	\$5.10
5	Commercial Land Southeast quadrant of US-175 and E. Malloy Bridge Road Seagoville Dallas County TX <i>Comments: The property was purchased for development of a Brookshire's grocery store location. The property was zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.</i>	Nov-22 Closed	\$1,961,200	301,716 6.93	301,716 6.93	LM	\$6.50	\$6.50
Subject University Hills - A Proposed Subdivision Dallas, TX				317,988 7.30	317,988 7.30	UC-2		

Comparable Land Sales Map – Tract #20/21





Sale 1
Commercial Land - Balch Springs



Sale 2
Commercial site on US-80



Sale 3
Commercial Land - Dallas, TX



Sale 4
Commercial land - Dallas



Sale 5
Commercial Land

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place from January 2022 to July 2024. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	5/22/2023	7/12/2024	1/29/2024	1/20/2022	11/22/2022	
<u>Date</u>	<u>Annual Growth Rate</u>					
6/1/2022	10%	0.00%	0.00%	0.00%	3.62%	0.00%
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	18.75%	16.11%	18.37%	18.75%	18.75%
Total		18.75%	16.11%	18.37%	22.37%	18.75%
Rounded		19%	16%	18%	22%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are similar to the subject. No adjustments are necessary.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2, 4 and 5 are superior to the subject. Downward adjustments are applied. Sales 1 and 3 are inferior to the subject. Upward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of UC-2 (Urban Corridor).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #20/21						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road; Bisected by E. Wheatland Road	South corner of S. Belt Line Road and Lasater Road	East side of US-80, south of Clements Drive	Northwest side of Cedardale Drive, northwest of Bonnie View Road	Northeast corner of IH-20 and Cedar Ranch Drive	Southeast quadrant of US-175 and E. Malloy Bridge Road
City	Dallas	Balch Springs	Forney	Dallas	Dallas	Seagoville
County	Dallas	Dallas	Kaufman	Dallas	Dallas	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		May-23	Jul-24	Jan-24	Jan-22	Nov-22
Sale Status		Closed	Closed	Closed	Closed	Closed
Sale Price		\$929,000	\$1,000,000	\$1,019,304	\$932,833	\$1,961,200
Acres	7.3	5.2	4.2	5.8	4.2	6.9
Usable Acres	7.3	5.2	4.2	5.8	4.2	6.9
Price per Usable Square Foot		\$4.07	\$5.51	\$4.01	\$5.10	\$6.50
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale			Arm's-length			Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase						
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	May-23	Jul-24	Jan-24	Jan-22	Nov-22
Annual % Adjustment	Variable	19%	16%	18%	22%	19%
Cumulative Adjusted Price		\$4.85	\$6.40	\$4.73	\$6.22	\$7.74
Property Adjustments						
Location		—	—	—	—	—
Access/Exposure		10%	-20%	10%	-20%	-30%
Size		—	—	—	—	—
Shape and Topography		—	—	—	—	—
Zoning		—	—	—	—	—
Net Property Adjustments (\$)		\$0.48	-\$1.28	\$0.47	-\$1.24	-\$2.32
Net Property Adjustments (%)		10%	-20%	10%	-20%	-30%
Final Adjusted Price		\$5.33	\$5.12	\$5.20	\$4.98	\$5.41
Range of Adjusted Prices		\$4.98 - \$5.41				
Average		\$5.21				
Indicated Value		\$5.20				

Land Value Conclusion – Tract #20/21

Prior to adjustments, the sales reflect a range of \$4.01 - \$6.50 per usable square foot. After adjustment, the range is narrowed to \$4.98 - \$5.41 per usable square foot, with an average of \$5.21 per usable square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Usable Square Foot	\$5.20
Subject Usable Square Feet	<u>317,988</u>
Indicated Value	\$1,653,538
Rounded	<u>\$1,650,000</u>

Tract #22 (6.9 Acres; 300,564 SF)

To apply the sales comparison approach to Tract #22, the research focused on transactions within the following parameters:

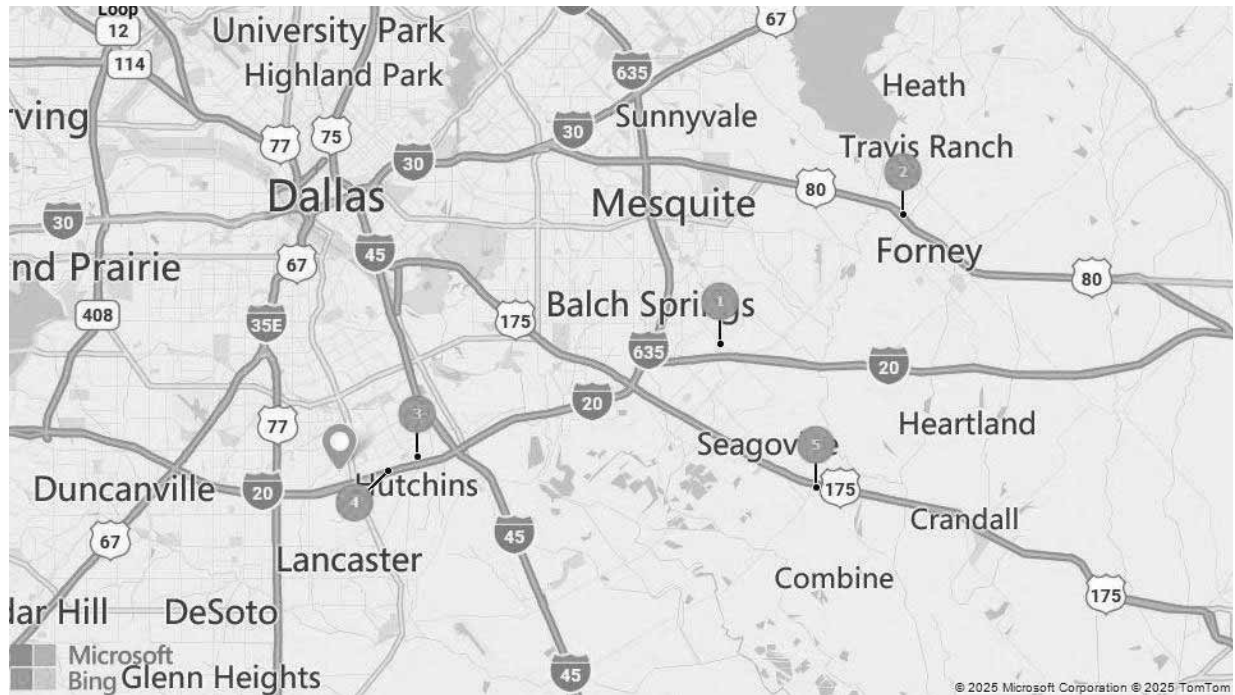
- Location: General Market Area
- Size: 2 to 10 Acres
- Use: Commercial
- Transaction Date: Past 36 months or Pending

For this analysis, price per usable square foot is used as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Tract #22

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Usable S; Usable Acres	Zoning	\$/SF Land	\$/Usable SF
1	Commercial Land - Balch Springs South corner of S. Belt Line Road and Lasater Road Balch Springs Dallas County TX <i>Comments: This rectangular property was acquired for future commercial use.</i>	May-23 Closed	\$929,000	228,124 5.24	228,124 5.24	PD-Planned Development	\$4.07	\$4.07
2	Commercial site on US-80 East side of US-80, south of Clements Drive Forney Kaufman County TX <i>Comments: 4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.</i>	Jul-24 Closed	\$1,000,000	181,340 4.16	181,340 4.16	MU	\$5.51	\$5.51
3	Commercial Land - Dallas, TX Northwest side of Cedardale Drive, northwest of Bonnie View Road Dallas Dallas County TX <i>Comments: This site is planned for commercial development.</i>	Jan-24 Closed	\$1,019,304	254,390 5.84	254,390 5.84	CS	\$4.01	\$4.01
4	Commercial land - Dallas Northeast corner of IH-20 and Cedar Ranch Drive Dallas Dallas County TX <i>Comments: This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.</i>	Jan-22 Closed	\$932,833	182,908 4.20	182,908 4.20	CS	\$5.10	\$5.10
5	Commercial Land Southeast quadrant of US-175 and E. Malloy Bridge Road Seagoville Dallas County TX <i>Comments: The property was purchased for development of a Brookshire's grocery store location. The property was zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.</i>	Nov-22 Closed	\$1,961,200	301,716 6.93	301,716 6.93	LM	\$6.50	\$6.50
	Subject University Hills - A Proposed Subdivision and Dallas, TX			300,564 6.90	300,564 6.90	LO-1		

Comparable Land Sales Map – Tract #22





Sale 1
Commercial Land - Balch Springs



Sale 2
Commercial site on US-80



Sale 3
Commercial Land - Dallas, TX



Sale 4
Commercial land - Dallas



Sale 5
Commercial Land

Analysis and Adjustment of Sales

Adjustments are considered for the following factors in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

None of the comparable sales had atypical or unusual conditions of sale. Thus, adjustments are not necessary.

Expenditures Made Immediately After Purchase

There were no issues of deferred maintenance reported for any of the properties. No adjustments are required for expenditures after sale.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

In addition to transaction data, which is slowly materializing, we have interviewed market participants (developers, investors, lenders, brokers) as a leading indicator of where the market is currently, and where they believe the market is heading. These survey results have been analyzed and incorporated into our analysis and conclusions.

The sales took place from January 2022 to July 2024. Market conditions had generally been strengthening prior to the rapid interest rate hikes in 2022 and remained relatively stable until January of 2024. Thus, an adjustment of 10% was applied to mid-year 2022. However, since January of 2024, we have seen increased interest in the land market. Thus, no change from June 1, 2022 to January 1, 2024, with a 5% adjustment beginning at that time. The adjustment grid accounts for these trends through the effective date of value.

Market Conditions Adjustment						
Comp #	1	2	3	4	5	
Sale Date	5/22/2023	7/12/2024	1/29/2024	1/20/2022	11/22/2022	
<u>Date</u>	<u>Annual Growth Rate</u>					
6/1/2022	10%	0.00%	0.00%	0.00%	3.62%	0.00%
1/1/2024	0%	0.00%	0.00%	0.00%	0.00%	0.00%
10/1/2027	5%	18.75%	16.11%	18.37%	18.75%	18.75%
Total		18.75%	16.11%	18.37%	22.37%	18.75%
Rounded		19%	16%	18%	22%	19%

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are similar to the subject. No adjustments are necessary.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 2, 4 and 5 are superior to the subject. Downward adjustments are applied. Sales 1 and 3 are inferior to the subject. Upward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

All of the comparables are similar to the subject. No adjustments are necessary.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. This site has a zoning designation of LO-1 (Limited Office).

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Tract #22						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Address	Northwest quadrant of IH-20 and S. Lancaster Road; Bisected by E. Wheatland Road	South corner of S. Belt Line Road and Lasater Road	East side of US-80, south of Clements Drive	Northwest side of Cedardale Drive, northwest of Bonnie View Road	Northeast corner of IH-20 and Cedar Ranch Drive	Southeast quadrant of US-175 and E. Malloy Bridge Road
City	Dallas	Balch Springs	Forney	Dallas	Dallas	Seagoville
County	Dallas	Dallas	Kaufman	Dallas	Dallas	Dallas
State	Texas	TX	TX	TX	TX	TX
Sale Date		May-23	Jul-24	Jan-24	Jan-22	Nov-22
Sale Status		Closed	Closed	Closed	Closed	Closed
Sale Price		\$929,000	\$1,000,000	\$1,019,304	\$932,833	\$1,961,200
Acres	6.9	5.2	4.2	5.8	4.2	6.9
Usable Acres	6.9	5.2	4.2	5.8	4.2	6.9
Price per Usable Square Foot		\$4.07	\$5.51	\$4.01	\$5.10	\$6.50
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		—	—	—	—	—
Conditions of Sale			Arm's-length			Arm's-length
% Adjustment		—	—	—	—	—
Expenditures Made Immediately After Purchase		—	—	—	—	—
\$ Adjustment		—	—	—	—	—
Market Conditions	10/1/2027	May-23	Jul-24	Jan-24	Jan-22	Nov-22
Annual % Adjustment	Variable	19%	16%	18%	22%	19%
Cumulative Adjusted Price		\$4.85	\$6.40	\$4.73	\$6.22	\$7.74
Property Adjustments						
Location		—	—	—	—	—
Access/Exposure		20%	-10%	20%	-10%	-20%
Size		—	—	—	—	—
Shape and Topography		—	—	—	—	—
Zoning		—	—	—	—	—
Net Property Adjustments (\$)		\$0.97	-\$0.64	\$0.95	-\$0.62	-\$1.55
Net Property Adjustments (%)		20%	-10%	20%	-10%	-20%
Final Adjusted Price		\$5.82	\$5.76	\$5.67	\$5.60	\$6.19
Range of Adjusted Prices		\$5.60 - \$6.19				
Average		\$5.81				
Indicated Value		\$5.80				

Land Value Conclusion – Tract #22

Prior to adjustments, the sales reflect a range of \$4.01 - \$6.50 per usable square foot. After adjustment, the range is narrowed to \$5.60 - \$6.19 per usable square foot, with an average of \$5.81 per usable square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Usable Square Foot	\$5.80
Subject Usable Square Feet	<u>300,564</u>
Indicated Value	\$1,743,271
Rounded	<u>\$1,740,000</u>

Summary of Land Values

Based upon this analysis, the individual values are summarized as follows:

Summary of Land Values					
Parcel	Unit of Comparison	Units	Indicated Unit Value	Indicated Value	Rounded
Townhome Lots	Front Feet	24	\$2,350	\$56,400	\$56,400
40' Lots	Front Feet	40	\$1,765	\$70,600	\$70,600
50' lots	Front Feet	50	\$1,730	\$86,500	\$86,500
Tract #3A/3B	Units	370	\$24,000	\$8,880,000	\$8,880,000
Tract #3C	Usable SF	121,968	\$10.70	\$1,305,058	\$1,305,000
Tract #4A	Units	542	\$14,625	\$7,926,750	\$7,930,000
Tract #4B	Usable SF	182,952	\$5.80	\$1,061,122	\$1,060,000
Tract #13	Usable SF	335,412	\$5.80	\$1,945,390	\$1,945,000
Tract #14	Usable SF	222,156	\$5.80	\$1,288,505	\$1,290,000
Tract #19	Units	277	\$14,625	\$4,051,125	\$4,050,000
Tract #5	Usable SF	200,376	\$5.80	\$1,162,181	\$1,160,000
Tract #7A	Usable SF	370,260	\$6.35	\$2,351,151	\$2,350,000
Tract #7B	Usable SF	257,004	\$6.40	\$1,644,826	\$1,645,000
Tract #9/10	Units	267	\$17,000.00	\$4,539,000	\$4,540,000
Tract #11/15	Units	222	\$16,600.00	\$3,685,200	\$3,685,000
Tract #12/16	Units	127	\$14,350.00	\$1,822,450	\$1,820,000
Tract #17	Units	112	\$14,625.00	\$1,638,000	\$1,640,000
Tract #18	Usable SF	836,352	\$5.75	\$4,809,024	\$4,810,000
Tract #20/21	Usable SF	317,988	\$5.20	\$1,653,538	\$1,650,000
Tract #22	Usable SF	300,564	\$5.80	\$1,743,271	\$1,740,000

Subdivision Development Analysis (As Complete - Tract 1)

Having completed the retail valuation section of the assignment, we will now provide an opinion of the market value of the property to a single purchaser, as of this date. Obviously, this value will include a provision for compensating the developer/sponsor, i.e., profit for risk and expenditure of time. This value contemplates that the developer/sponsor of the subject would sell the subject property to another developer who would in turn sell the developed lots on a retail basis. This value represents the concept of market value to a single purchaser as of this date, wherein a portion of the overall real property rights or physical asset would typically be sold to its ultimate users over some future time period. Valuations involving such properties must fully reflect all appropriate deductions and discounts as well as the anticipated cash flows to be derived from the disposition of the asset over time. Appropriate deductions and discounts are considered to be those which reflect all expenses associated with the disposition of the realty, as of the date of completion, as well as the cost of capital and entrepreneurial profit. This latter item of entrepreneurial profit is accounted for herein as part of the discount rate. Based on our experience, profit is not expensed as a line item as it is not realized until the project's expenses (including debt) are paid.

The various assumptions necessary to complete our subdivision development analysis (discounted cash flow analysis) for the developed subject subdivision are discussed in detail in the following paragraphs.

Absorption

As discussed in detail in the "Single-Family Analysis" section of our analysis, we have projected the overall absorption for the subject to range from 12.1± months to 29.0± for the subject's 312 lots in Tract 1.

Our semi-annual absorption projections are summarized as follows for the subject:

Projected Absorption Summary - Tract 1						Total Aborp. Period	
Lot Type	Mar-27	Sep-27	Mar-28	Sep-28	Mar-29	Lots	(Months±)
40' Lots	42	42	42	42	35	203	29.0
50' Lots	54	55	0	0	0	109	12.1
Totals	96	97	42	42	35	312	

Price/Value Increases Over the Sellout Period

Per the Zonda March 2025 Market Report, Dallas is positioning itself as a major hub for AI innovation with the DFW area surpassing Silicon Valley to become the nation's second-largest colocation data center market. However, declining affordability may be shaping new developments with 50-70-lots seeing a decline in starts while the smaller lots are experiencing increases. Overall, the new home pending sales index indicates a year-over-year change of +10.2%. While permit issuances have fallen from the recent highs of 2021 and 2022, they remain on par with pre-pandemic levels, enough to keep Dallas at the top of the list for total new home closings and starts in the nation. However, robust building activity has meant that overall housing supply is less constrained, and active listings are now above pre-pandemic levels and may shift the balance in favor of buyers as price appreciation slows.

Quarterly housing starts increased 7.4% from a year ago, while the number of available vacant developed lots sits at 90,649 up 11.1% over the same quarter last year. In terms of supply/demand balance, the market area is 1.85% undersupplied.

In conclusion, economists expect home prices to grow at a much slower pace (2-3% range) over the next two years. Inventory is expected to increase slightly as interest rates start to come down in late 2025.

Trends in National Inflation and Interest Rates

Year	U.S. Prime Rate	Increase in	
		U.S. CPI	Real Rate of Return
2013	3.25%	1.50%	1.75%
2014	3.25%	1.30%	1.95%
2015	3.50%	0.70%	2.80%
2016	3.75%	1.40%	2.35%
2017	4.25%	2.11%	2.14%
2018	5.50%	1.95%	3.55%
2019	4.75%	2.29%	2.46%
2020	3.25%	0.13%	3.12%
2021	3.25%	0.07%	3.18%
2022	7.50%	6.06%	1.44%
09/23*	8.50%	3.70%	4.80%

Source: Federal Reserve Bank of St. Louis, U.S. Financial Data

*Increase is compared to the previous year-to-year figures

As shown in the preceding table, CPI increases ranged from 0.70% to 6.06% from 2013 through 2024 with prime rates ranging from 3.25% to 8.50% resulting in real annual rates of returns ranging from 1.44% - 5.60% (with the most current real rate of return at 4.61% with a 7.50% prime rate). Thus, the real rates of return are substantially affected with fluctuations in the prime rates and the increases/decreases in the consumer price index. (The increase is calculated relative to the previous year-to-year index rates).

Historically, in the sales contracts of the volume lot sales in the marketplace, the lot prices are typically adjusted upward at rates ranging from 6.0% to the prime rate (8.5%). Thus, for valuation purposes herein, we have estimated an annual escalation on the sale of the subject units at 6% per year for the subject lots. This is considered reasonable given the supply of available housing product in the area and the historical collection of interest carry/appreciation by developers within the Dallas/Fort Worth and surrounding market areas.

Expenses

Cost of Sales has been estimated at 2.5% of gross sales proceeds for various closing costs and title policies.

Taxes are paid by the developer annually. The estimation of taxes paid per period is based upon the premise that taxes are prorated at closing and are paid in arrears. Therefore, we have deducted taxes based upon the estimated retail market value of the unsold lots. The taxes are prorated in each calendar year based upon the projected sales in each period. Based upon our experience and information gathered from numerous reputable builders/ developers and taxing authorities, this methodology and percentage estimate (2.0%) is well founded. Rollback taxes are not deducted herein.

Marketing expense is not included in this analysis as all of the subject lots are contracted to two volume homebuilders who traditionally provide for marketing.

HOA Dues – In a newly constructed subdivision, the developer controls the property until a certain percentage of lots are sold, then the fees are turned over to the HOA. As such, new home buyers pay HOA, but not the developers. There may be minimal maintenance fees over the absorption period, but this would not significantly affect value.

Management Expense/Entrepreneurial Coordination/Remuneration: The last major deduction is that for Entrepreneurial (i.e., the developer/sponsor)/coordination talent expenditure. The Dictionary of Real Estate Appraisal defines entrepreneurial profit as a market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. Inasmuch as the discount rate will include a provision for return on the equity investment, this deduction will be for actual time and expenses only.

Typically, the developer will allow a budgeted line item equal to 0.5% to 2.0% of sales and/or costs, depending on the size of the project, expertise required, and management developmental time involved. Based upon these items, an expense of 1.0% is deemed appropriate and will be a direct line-item deduction from the gross sales proceeds.

Discount Rate

According to the Dictionary of Real Estate Appraisal, 7th Addition, Discount Rate is defined as “a rate of return on capital used to convert future payments or receipts into present value.” The discount rate may or may not be the same as the internal rate of return (IRR), or yield rate, depending on how it is extracted from the market and/or used in the analysis. Furthermore, Internal Rate of Return (IRR) is defined as “the annualized yield rate or rate of return on capital that is generated within an investment or portfolio over a period of ownership.” The IRR is the rate of discount that makes the net present value of the investment equal to zero. The IRR discounts all returns from the investment, including returns from its reversion, to equal the original capital outlay. This rate is similar to the equity yield rate. As a measure of investment performance, the IRR is the rate of discount that produces a profitability index of one and a net present value of zero. It may be used to measure profitability after income taxes, i.e., the after-tax equity yield rate. In other words, it is a rate of profit (or loss) or a measure of performance. It is literally, an interest rate. The effective interest rate on a real estate investment is the equity investor's IRR. The yield to maturity on a bond is the bond holder's IRR, when the bond is held for its full term. The IRR is the rate of return on capital expressed as a ratio per unit of time; for example, 10% per annum. The discount rate utilized herein is essentially an anticipated IRR for the subject property, as estimated from investment performance realized by market participants. Although the investment vehicle being analyzed herein is real property, competition for investment dollars in other investment media is intense, and the prudent investment manager must carefully consider all options. Because of the element of risk involved in real estate investment versus alternative investment vehicles, the prudent investment manager must compare rates of return. The performance of real estate is dependent upon and could fluctuate with the degree of quality of management, unexpected competition, disasters, or economic cycles, particularly in the subject's market area. Therefore, it entails a greater degree of risk than instruments such as government-backed bonds or fixed-rate mortgages.

Following is a summary of yield comparisons as of October 1, 2024, provided by PwC Real Estate Investor, as published by PricewaterhouseCoopers, Third Quarter, 2024.

YIELD COMPARISON

October 1, 2024

	2019 AVERAGE	2020 AVERAGE	2021 AVERAGE	2022 AVERAGE	2023 AVERAGE	2024 JANUARY	2024 APRIL	2024 JULY	2024 OCTOBER
PwC Yield Indicator (PYI) ^a	7.47%	7.50%	7.51%	7.43%	8.29%	8.83%	9.17%	9.22%	9.06%
Long-Term Mortgages ^b	4.71%	3.95%	4.53%	5.61%	7.42%	7.41%	8.20%	8.29%	8.36%
10-Year Treasuries ^c	2.21%	0.97%	1.40%	2.64%	3.94%	3.95%	4.33%	4.48%	3.74%
Consumer Price Index Change ^d	1.76%	1.19%	6.09%	7.54%	3.21%	0.97%	6.65%	1.27%	1.43%
SPREAD TO PYI (Basis Points)									
Long-Term Mortgages	276	361	298	182	87	142	97	93	70
10-Year Treasuries	526	659	611	479	435	488	484	474	532
Consumer Price Index Change	571	755	142	(11)	508	786	252	795	763

a. A composite IRR average of all markets surveyed (excluding hotels, development land, self storage, and student housing).

b. Source: Survey; Select Commercial Funding; Commercial Loan Direct; conventional funding, 60% to 80% LTV loans; fixed rates; 6- to 30-year terms.

c. Source: Federal Reserve; the annual average change is the mean of the four corresponding quarters.

d. Source: U.S. Department of Labor; quarterly changes are annualized based on the index change from the prior quarter; the annual average change is the mean of the four corresponding quarters.

The subject's discount rate should be less than a typical land project, as the value to be determined is for a fully developed project that is available for immediate resale, and which will ultimately possess less risk than that of the total development process. Therefore, a "risk-adjusted discount rate" is deemed appropriate herein.

RealtyRates.com in their most recent Third Quarter 2024 "Developer Survey" with Second Quarter 2024 data summarizes discount rates for conventionally financed (interest-only interim or construction financing) subdivisions and Planned Development Districts (PUDs) in the State of Texas. Actual Rates are historical rates achieved by survey respondents, while Pro-Forma Rates reflect forward-looking revenue and development costs. Subdivision rates do include provisions for developer's profit, i.e., profit is not treated as a line-item expense.

Texas: Subdivisions & PUDs						
	Actual Rates			Pro-Forma Rates		
	Min	Max	Avg	Min	Max	Avg
Site-Built Residential	15.17%	33.42%	22.54%	14.56%	32.08%	21.64%
-100 Units	15.17%	28.81%	21.55%	14.56%	27.66%	20.69%
100-500 Units	15.55%	31.69%	22.67%	14.92%	30.42%	21.77%
500+ Units	15.93%	33.13%	23.06%	15.29%	31.80%	22.13%
Mixed Use	16.30%	33.42%	22.87%	15.65%	32.08%	21.96%
Manufactured Housing	15.63%	36.51%	24.18%	15.01%	35.05%	23.21%
-100 Units	15.63%	31.75%	23.22%	15.01%	30.48%	22.29%
100-500 Units	16.03%	34.92%	24.45%	15.38%	33.52%	23.48%
500+ Units	16.42%	36.51%	24.87%	15.76%	35.05%	23.88%
Business Parks	15.62%	34.87%	23.44%	14.99%	33.48%	22.50%
-100 Acres	15.62%	30.33%	22.51%	14.99%	29.11%	21.61%
100-500 Acres	16.01%	33.36%	23.70%	15.37%	32.02%	22.75%
500+ Acres	16.40%	34.87%	24.10%	15.74%	33.48%	23.13%
Industrial Parks	15.71%	29.43%	21.02%	15.08%	28.25%	20.18%
-100 Acres	15.71%	25.59%	20.23%	15.08%	24.56%	19.43%
100-500 Acres	16.10%	28.15%	21.24%	15.46%	27.02%	20.39%
500+ Acres	16.49%	29.43%	21.58%	15.83%	28.25%	20.72%
*2nd Quarter 2024 Data						
Realty Rates Developers Survey 2024 Q4						

As shown above, the minimum actual rates in Texas are 15.17% for less than 100 units; 15.55% for 100 to 500+ units; and 15.93% for 500+ units with minimum pro-forma rates ranging from 14.56% to 15.29%.

The 7th Edition of the Dictionary of Real Estate Appraisal defines this term as "a discount rate that is adjusted to offset one or more risk factors, i.e., when a future downswing in the business cycle is likely, the risk associated with a project may increase near the end of its term, necessitating a special adjustment to the discount rate. Such discount rates include all of the elements of risk associated with an income stream for a specified period adjusted to offset additional term risk".⁵ Thus, it is our opinion

⁵ The Dictionary of Real Estate Appraisal, 7th Edition, the Appraisal Institute, Chicago, Illinois

that a potential purchaser would expect to receive a much lower return on his investment for a completed project similar to the subject, which has a purchaser of the end product relative to that of a vacant tract of land awaiting eventual development (higher risk of escalating costs to site development and of the eventual timing of completion).

Based upon the preceding, an IRR that is slightly below the minimum rates provided by the RealtyRates "Developer Survey" for Texas of 15.17% for less than 100 units; 15.55% for 100 to 500+ units; and 15.93% for 500+ units with minimum pro-forma rates ranging from 14.56% to 15.29% is considered reasonable for the subject. Hence, taking into consideration the supply and demand levels within the subject's submarket area, we have selected a discount rate of 14% for the subject which takes into consideration the degree of risk and developer profit. It should be noted that our cash flow also deducts a straight 1.0% entrepreneurial coordination/remuneration (management cost) from all sales proceeds, which effectively increases the discount rate to approximately 15%. To be consistent with the timing of the cash flows, the annual income stream is discounted semi-annually. With each of the required elements now identified, we are able to analyze the subject in the DCF analysis as shown on the following page.

Subdivision Development Analysis – Tract 1

Based upon the preceding, and the cash flow presented on the following page, our prospective opinion of value as complete for the subject is \$19,860,000 or \$63,654/lot.

University Hills – Tract 1

University Hills - Tract 1		Prepared By: Ernest E. Gatewood, III	
Dallas, Texas		Number of Units: 312	
Scenario: As Complete		Periods: Semi-Annual	
Cash Flows Beginning		Mar-2027	
Inventory		Unit Sales No.	
40' Lots		\$70,600 42	
50' Lots		\$86,500 54	
Appreciation -->		3.00%	
Revenues		\$7,636,200 96	
Expenses		Period 1	
TAXES ON 40' DEVELOPED LOTS		\$143,318	
TAXES ON 50' DEVELOPED LOTS		\$94,285	
COST OF SALES 2.5%		\$190,905	
MARKETING 0.0%		\$0	
REMUNERATION 1.0%		\$76,362	
Total Expenses		\$504,870	
Net Income		\$7,131,330	
Annual Discount Rate: 14.00%		0.93458	
Discounted Value		\$6,664,794	
Net Present Value		\$19,859,678	
Rounded		\$19,860,000	

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Subdivision Development Analysis (As Complete - Tract 1A)

Having completed the retail valuation section of the assignment, we will now provide an opinion of the market value of the property to a single purchaser, as of this date. Obviously, this value will include a provision for compensating the developer/sponsor, i.e., profit for risk and expenditure of time. This value contemplates that the developer/sponsor of the subject would sell the subject property to another developer who would in turn sell the developed lots on a retail basis. This value represents the concept of market value to a single purchaser as of this date, wherein a portion of the overall real property rights or physical asset would typically be sold to its ultimate users over some future time period. Valuations involving such properties must fully reflect all appropriate deductions and discounts as well as the anticipated cash flows to be derived from the disposition of the asset over time. Appropriate deductions and discounts are considered to be those which reflect all expenses associated with the disposition of the realty, as of the date of completion, as well as the cost of capital and entrepreneurial profit. This latter item of entrepreneurial profit is accounted for herein as part of the discount rate. Based on our experience, profit is not expensed as a line item as it is not realized until the project's expenses (including debt) are paid.

The various assumptions necessary to complete our subdivision development analysis (discounted cash flow analysis) for the developed subject subdivision are discussed in detail in the following paragraphs.

Absorption

As discussed in detail in the "Single-Family Analysis" section of our analysis, we have projected the overall absorption for the subject is 28.2± months for the subject's 141 townhome lots in Tract 1A.

Our semi-annual absorption projections are summarized as follows for the subject:

Projected Absorption Summary - Tract 1A						Total Absorp. Period	
Lot Type	Mar-27	Sep-27	Mar-28	Sep-28	Mar-29	Lots	(Months±)
24' Lots	30	30	30	30	21	141	28.2
Totals	30	30	30	30	21	141	

Price/Value Increases Over the Sellout Period

Per the Zonda March 2025 Market Report, Dallas is positioning itself as a major hub for AI innovation with the DFW area surpassing Silicon Valley to become the nation's second-largest colocation data center market. However, declining affordability may be shaping new developments with 50-70-lots seeing a decline in starts while the smaller lots are experiencing increases. Overall, the new home pending sales index indicates a year-over-year change of +10.2%. While permit issuances have fallen from the recent highs of 2021 and 2022, they remain on par with pre-pandemic levels, enough to keep Dallas at the top of the list for total new home closings and starts in the nation. However, robust building activity has meant that overall housing supply is less constrained, and active listings are now above pre-pandemic levels and may shift the balance in favor of buyers as price appreciation slows.

Quarterly housing starts increased 7.4% from a year ago, while the number of available vacant developed lots sits at 90,649 up 11.1% over the same quarter last year. In terms of supply/demand balance, the market area is 1.85% undersupplied.

In conclusion, economists expect home prices to grow at a much slower pace (2-3% range) over the next two years. Inventory is expected to increase slightly as interest rates start to come down in late 2025.

Trends in National Inflation and Interest Rates

Year	U.S. Prime Rate	Increase in	
		U.S. CPI	Real Rate of Return
2013	3.25%	1.50%	1.75%
2014	3.25%	1.30%	1.95%
2015	3.50%	0.70%	2.80%
2016	3.75%	1.40%	2.35%
2017	4.25%	2.11%	2.14%
2018	5.50%	1.95%	3.55%
2019	4.75%	2.29%	2.46%
2020	3.25%	0.13%	3.12%
2021	3.25%	0.07%	3.18%
2022	7.50%	6.06%	1.44%
09/23*	8.50%	3.70%	4.80%

Source: Federal Reserve Bank of St. Louis, U.S. Financial Data

*Increase is compared to the previous year-to-year figures

As shown in the preceding table, CPI increases ranged from 0.70% to 6.06% from 2013 through 2024 with prime rates ranging from 3.25% to 8.50% resulting in real annual rates of returns ranging from 1.44% - 5.60% (with the most current real rate of return at 4.61% with a 7.50% prime rate). Thus, the real rates of return are substantially affected with fluctuations in the prime rates and the increases/decreases in the consumer price index. (The increase is calculated relative to the previous year-to-year index rates).

Historically, in the sales contracts of the volume lot sales in the marketplace, the lot prices are typically adjusted upward at rates ranging from 6.0% to the prime rate (8.5%). Thus, for valuation purposes herein, we have estimated an annual escalation on the sale of the subject units at 6% per year for the subject lots. This is considered reasonable given the supply of available housing product in the area and the historical collection of interest carry/appreciation by developers within the Dallas/Fort Worth and surrounding market areas.

Expenses

Cost of Sales has been estimated at 2.5% of gross sales proceeds for various closing costs and title policies.

Taxes are paid by the developer annually. The estimation of taxes paid per period is based upon the premise that taxes are prorated at closing and are paid in arrears. Therefore, we have deducted taxes based upon the estimated retail market value of the unsold lots. The taxes are prorated in each calendar year based upon the projected sales in each period. Based upon our experience and information gathered from numerous reputable builders/ developers and taxing authorities, this methodology and percentage estimate (2.0%) is well founded. Rollback taxes are not deducted herein.

Marketing expense is not included in this analysis as all of the subject lots are contracted to a volume homebuilder who traditionally provides for marketing.

HOA Dues – In a newly constructed subdivision, the developer controls the property until a certain percentage of lots are sold, then the fees are turned over to the HOA. As such, new home buyers pay HOA, but not the developers. There may be minimal maintenance fees over the absorption period, but this would not significantly affect value.

Management Expense/Entrepreneurial Coordination/Remuneration: The last major deduction is that for Entrepreneurial (i.e., the developer/sponsor)/coordination talent expenditure. The Dictionary of Real Estate Appraisal defines entrepreneurial profit as a market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. Inasmuch as the discount rate will include a provision for return on the equity investment, this deduction will be for actual time and expenses only.

Typically, the developer will allow a budgeted line item equal to 0.5% to 2.0% of sales and/or costs, depending on the size of the project, expertise required, and management developmental time involved. Based upon these items, an expense of 1.0% is deemed appropriate and will be a direct line-item deduction from the gross sales proceeds.

Discount Rate

According to the Dictionary of Real Estate Appraisal, 7th Addition, Discount Rate is defined as “a rate of return on capital used to convert future payments or receipts into present value.” The discount rate may or may not be the same as the internal rate of return (IRR), or yield rate, depending on how it is extracted from the market and/or used in the analysis. Furthermore, Internal Rate of Return (IRR) is defined as “the annualized yield rate or rate of return on capital that is generated within an investment or portfolio over a period of ownership.” The IRR is the rate of discount that makes the net present value of the investment equal to zero. The IRR discounts all returns from the investment, including returns from its reversion, to equal the original capital outlay. This rate is similar to the equity yield rate. As a measure of investment performance, the IRR is the rate of discount that produces a profitability index of one and a net present value of zero. It may be used to measure profitability after income taxes, i.e., the after-tax equity yield rate. In other words, it is a rate of profit (or loss) or a measure of performance. It is literally, an interest rate. The effective interest rate on a real estate investment is the equity investor's IRR. The yield to maturity on a bond is the bond holder's IRR, when the bond is held for its full term. The IRR is the rate of return on capital expressed as a ratio per unit of time; for example, 10% per annum. The discount rate utilized herein is essentially an anticipated IRR for the subject property, as estimated from investment performance realized by market participants. Although the investment vehicle being analyzed herein is real property, competition for investment dollars in other investment media is intense, and the prudent investment manager must carefully consider all options. Because of the element of risk involved in real estate investment versus alternative investment vehicles, the prudent investment manager must compare rates of return. The performance of real estate is dependent upon and could fluctuate with the degree of quality of management, unexpected competition, disasters, or economic cycles, particularly in the subject's market area. Therefore, it entails a greater degree of risk than instruments such as government-backed bonds or fixed-rate mortgages.

Following is a summary of yield comparisons as of October 1, 2024, provided by PwC Real Estate Investor, as published by PricewaterhouseCoopers, Fourth Quarter, 2024.

YIELD COMPARISON

October 1, 2024

	2019 AVERAGE	2020 AVERAGE	2021 AVERAGE	2022 AVERAGE	2023 AVERAGE	2024 JANUARY	2024 APRIL	2024 JULY	2024 OCTOBER
PwC Yield Indicator (PYI) ^a	7.47%	7.50%	7.51%	7.43%	8.29%	8.83%	9.17%	9.22%	9.06%
Long-Term Mortgages ^b	4.71%	3.95%	4.53%	5.61%	7.42%	7.41%	8.20%	8.29%	8.36%
10-Year Treasuries ^c	2.21%	0.97%	1.40%	2.64%	3.94%	3.95%	4.33%	4.48%	3.74%
Consumer Price Index Change ^d	1.76%	1.19%	6.09%	7.54%	3.21%	0.97%	6.65%	1.27%	1.43%
SPREAD TO PYI (Basis Points)									
Long-Term Mortgages	276	361	298	182	87	142	97	93	70
10-Year Treasuries	526	659	611	479	435	488	484	474	532
Consumer Price Index Change	571	755	142	(11)	508	786	252	795	763

a. A composite IRR average of all markets surveyed (excluding hotels, development land, self storage, and student housing).

b. Source: Survey; Select Commercial Funding; Commercial Loan Direct; conventional funding, 60% to 80% LTV loans; fixed rates; 6- to 30-year terms.

c. Source: Federal Reserve; the annual average change is the mean of the four corresponding quarters.

d. Source: U.S. Department of Labor; quarterly changes are annualized based on the index change from the prior quarter; the annual average change is the mean of the four corresponding quarters.

The subject's discount rate should be less than a typical land project, as the value to be determined is for a fully developed project that is available for immediate resale, and which will ultimately possess less risk than that of the total development process. Therefore, a "risk-adjusted discount rate" is deemed appropriate herein.

RealtyRates.com in their most recent Fourth Quarter 2024 "Developer Survey" with Second Quarter 2024 data summarizes discount rates for conventionally financed (interest-only interim or construction financing) subdivisions and Planned Development Districts (PUDs) in the State of Texas. Actual Rates are historical rates achieved by survey respondents, while Pro-Forma Rates reflect forward-looking revenue and development costs. Subdivision rates do include provisions for developer's profit, i.e., profit is not treated as a line-item expense.

Texas: Subdivisions & PUDs						
	Actual Rates			Pro-Forma Rates		
	Min	Max	Avg	Min	Max	Avg
Site-Built Residential	15.17%	33.42%	22.54%	14.56%	32.08%	21.64%
-100 Units	15.17%	28.81%	21.55%	14.56%	27.66%	20.69%
100-500 Units	15.55%	31.69%	22.67%	14.92%	30.42%	21.77%
500+ Units	15.93%	33.13%	23.06%	15.29%	31.80%	22.13%
Mixed Use	16.30%	33.42%	22.87%	15.65%	32.08%	21.96%
Manufactured Housing	15.63%	36.51%	24.18%	15.01%	35.05%	23.21%
-100 Units	15.63%	31.75%	23.22%	15.01%	30.48%	22.29%
100-500 Units	16.03%	34.92%	24.45%	15.38%	33.52%	23.48%
500+ Units	16.42%	36.51%	24.87%	15.76%	35.05%	23.88%
Business Parks	15.62%	34.87%	23.44%	14.99%	33.48%	22.50%
-100 Acres	15.62%	30.33%	22.51%	14.99%	29.11%	21.61%
100-500 Acres	16.01%	33.36%	23.70%	15.37%	32.02%	22.75%
500+ Acres	16.40%	34.87%	24.10%	15.74%	33.48%	23.13%
Industrial Parks	15.71%	29.43%	21.02%	15.08%	28.25%	20.18%
-100 Acres	15.71%	25.59%	20.23%	15.08%	24.56%	19.43%
100-500 Acres	16.10%	28.15%	21.24%	15.46%	27.02%	20.39%
500+ Acres	16.49%	29.43%	21.58%	15.83%	28.25%	20.72%
*2nd Quarter 2024 Data						
Realty Rates Developers Survey 2024 Q4						

As shown above, the minimum actual rates in Texas are 15.17% for less than 100 units; 15.55% for 100 to 500+ units; and 15.93% for 500+ units with minimum pro-forma rates ranging from 14.56% to 15.29%.

The 7th Edition of the Dictionary of Real Estate Appraisal defines this term as "a discount rate that is adjusted to offset one or more risk factors, i.e., when a future downswing in the business cycle is likely, the risk associated with a project may increase near the end of its term, necessitating a special adjustment to the discount rate. Such discount rates include all of the elements of risk associated with an income stream for a specified period adjusted to offset additional term risk".⁶

⁶ The Dictionary of Real Estate Appraisal, 7th Edition, the Appraisal Institute, Chicago, Illinois

The 7th Edition of the Dictionary of Real Estate Appraisal defines this term as “a discount rate that is adjusted to offset one or more risk factors, i.e., when a future downswing in the business cycle is likely, the risk associated with a project may increase near the end of its term, necessitating a special adjustment to the discount rate. Such discount rates include all of the elements of risk associated with an income stream for a specified period adjusted to offset additional term risk”.⁷ Thus, it is our opinion that a potential purchaser would expect to receive a much lower return on his investment for a completed project similar to the subject, which has a purchaser of the end product relative to that of a vacant tract of land awaiting eventual development (higher risk of escalating costs to site development and of the eventual timing of completion).

Based upon the preceding, an IRR that is slightly below the minimum rates provided by the RealtyRates “Developer Survey” for Texas of 15.17% for less than 100 units; 15.55% for 100 to 500+ units; and 15.93% for 500+ units with minimum pro-forma rates ranging from 14.56% to 15.29% is considered reasonable for the subject.. Hence, taking into consideration the supply and demand levels within the subject’s submarket area, we have selected a discount rate of 14% for the subject which takes into consideration the degree of risk and developer profit. It should be noted that our cash flow also deducts a straight 1.0% entrepreneurial coordination/remuneration (management cost) from all sales proceeds, which effectively increases the discount rate to approximately 15%. To be consistent with the timing of the cash flows, the annual income stream is discounted semi-annually. With each of the required elements now identified, we are able to analyze the subject in the DCF analysis as shown on the following page.

Subdivision Development Analysis – Tract 1A

Based upon the preceding, and the cash flow presented on the following page, our prospective opinion of value as complete for the subject is \$6,485,000 or \$45,993/lot.

⁷ The Dictionary of Real Estate Appraisal, 7th Edition, the Appraisal Institute, Chicago, Illinois

University Hills – Tract 1A

University Hills - Tract 1A Dallas, Texas		Prepared By: Ernest E. Gatewood, III		Number of Units: 141							
Scenario: As Complete		Periods: Semi-Annual		Period 3		Period 4		Period 5			
Cash Flows Beginning		Mar-2027		Sep-2027		Mar-2028		Sep-2028		Mar-2029	
Inventory		Unit Sales	No.	Unit Sales	No.	Unit Sales	No.	Unit Sales	No.	Unit Sales	No.
Townhome Lots		\$56,400	30	\$58,092	30	\$59,835	30	\$61,630	30	\$63,479	21
		Appreciation -->		3.00%		3.00%		3.00%		3.00%	
Revenues		\$1,692,000	30	\$1,742,760	30	\$1,795,043	30	\$1,848,894	30	\$1,333,053	21
Expenses		Period 1		Period 2		Period 3		Period 4		Period 5	
TAXES ON TH DEVELOPED LOTS		\$79,524		\$64,482		\$48,466		\$31,431		\$13,331	
COST OF SALES 2.5%		\$42,300		\$43,569		\$44,876		\$46,222		\$33,326	
MARKETING 0.0%		\$0		\$0		\$0		\$0		\$0	
REMUNERATION 1.0%		\$16,920		\$17,428		\$17,950		\$18,489		\$13,331	
Total Expenses		\$138,744		\$125,479		\$111,292		\$96,142		\$59,988	
Net Income		\$1,553,256		\$1,617,281		\$1,683,750		\$1,752,752		\$1,273,065	
Annual Discount Rate: 14.00%		0.93458		0.87344		0.81630		0.76290		0.71299	
Discounted Value		\$1,451,641		\$1,412,596		\$1,374,442		\$1,337,166		\$907,678	
Net Present Value		\$6,483,523									
Rounded		\$6,485,000									

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Subdivision Development Analysis (As Complete - Tract 2)

Having completed the retail valuation section of the assignment, we will now provide an opinion of the market value of the property to a single purchaser, as of this date. Obviously, this value will include a provision for compensating the developer/sponsor, i.e., profit for risk and expenditure of time. This value contemplates that the developer/sponsor of the subject would sell the subject property to another developer who would in turn sell the developed lots on a retail basis. This value represents the concept of market value to a single purchaser as of this date, wherein a portion of the overall real property rights or physical asset would typically be sold to its ultimate users over some future time period. Valuations involving such properties must fully reflect all appropriate deductions and discounts as well as the anticipated cash flows to be derived from the disposition of the asset over time. Appropriate deductions and discounts are considered to be those which reflect all expenses associated with the disposition of the realty, as of the date of completion, as well as the cost of capital and entrepreneurial profit. This latter item of entrepreneurial profit is accounted for herein as part of the discount rate. Based on our experience, profit is not expensed as a line item as it is not realized until the project's expenses (including debt) are paid.

The various assumptions necessary to complete our subdivision development analysis (discounted cash flow analysis) for the developed subject subdivision are discussed in detail in the following paragraphs.

Absorption

As discussed in detail in the "Single-Family Analysis" section of our analysis, we have projected the overall absorption for the subject is 24.0± months for the subject's 120 townhome lots in Tract 2.

Our semi-annual absorption projections are summarized as follows for the subject:

Projected Absorption Summary - Tract 2						Total Aborp. Period	
Lot Type	Mar-27	Sep-27	Mar-28	Sep-28	Mar-29	Lots	(Months±)
24' Lots	30	30	30	30	0	120	24.0
Totals	30	30	30	30	0	120	

Price/Value Increases Over the Sellout Period

Per the Zonda March 2025 Market Report, Dallas is positioning itself as a major hub for AI innovation with the DFW area surpassing Silicon Valley to become the nation's second-largest colocation data center market. However, declining affordability may be shaping new developments with 50-70-lots seeing a decline in starts while the smaller lots are experiencing increases. Overall, the new home pending sales index indicates a year-over-year change of +10.2%. While permit issuances have fallen from the recent highs of 2021 and 2022, they remain on par with pre-pandemic levels, enough to keep Dallas at the top of the list for total new home closings and starts in the nation. However, robust building activity has meant that overall housing supply is less constrained, and active listings are now above pre-pandemic levels and may shift the balance in favor of buyers as price appreciation slows.

Quarterly housing starts increased 7.4% from a year ago, while the number of available vacant developed lots sits at 90,649 up 11.1% over the same quarter last year. In terms of supply/demand balance, the market area is 1.85% undersupplied.

In conclusion, economists expect home prices to grow at a much slower pace (2-3% range) over the next two years. Inventory is expected to increase slightly as interest rates start to come down in late 2025.

Trends in National Inflation and Interest Rates

Year	U.S. Prime Rate	Increase in U.S. CPI	Real Rate of Return
2013	3.25%	1.50%	1.75%
2014	3.25%	1.30%	1.95%
2015	3.50%	0.70%	2.80%
2016	3.75%	1.40%	2.35%
2017	4.25%	2.11%	2.14%
2018	5.50%	1.95%	3.55%
2019	4.75%	2.29%	2.46%
2020	3.25%	0.13%	3.12%
2021	3.25%	0.07%	3.18%
2022	7.50%	6.06%	1.44%
09/23*	8.50%	3.70%	4.80%

Source: Federal Reserve Bank of St. Louis, U.S. Financial Data

*Increase is compared to the previous year-to-year figures

As shown in the preceding table, CPI increases ranged from 0.70% to 6.06% from 2013 through 2024 with prime rates ranging from 3.25% to 8.50% resulting in real annual rates of returns ranging from 1.44% - 5.60% (with the most current real rate of return at 4.61% with a 7.50% prime rate). Thus, the real rates of return are substantially affected with fluctuations in the prime rates and the increases/decreases in the consumer price index. (The increase is calculated relative to the previous year-to-year index rates).

Historically, in the sales contracts of the volume lot sales in the marketplace, the lot prices are typically adjusted upward at rates ranging from 6.0% to the prime rate (8.5%). Thus, for valuation purposes herein, we have estimated an annual escalation on the sale of the subject units at 6% per year for the subject lots. This is considered reasonable given the supply of available housing product in the area and the historical collection of interest carry/appreciation by developers within the Dallas/Fort Worth and surrounding market areas.

Expenses

Cost of Sales has been estimated at 2.5% of gross sales proceeds for various closing costs and title policies.

Taxes are paid by the developer annually. The estimation of taxes paid per period is based upon the premise that taxes are prorated at closing and are paid in arrears. Therefore, we have deducted taxes based upon the estimated retail market value of the unsold lots. The taxes are prorated in each calendar year based upon the projected sales in each period. Based upon our experience and information gathered from numerous reputable builders/ developers and taxing authorities, this methodology and percentage estimate (2.0%) is well founded. Rollback taxes are not deducted herein.

Marketing expense is not included in this analysis as all of the subject lots are contracted to a volume homebuilder who traditionally provides for marketing.

HOA Dues – In a newly constructed subdivision, the developer controls the property until a certain percentage of lots are sold, then the fees are turned over to the HOA. As such, new home buyers pay HOA, but not the developers. There may be minimal maintenance fees over the absorption period, but this would not significantly affect value.

Management Expense/Entrepreneurial Coordination/Remuneration: The last major deduction is that for Entrepreneurial (i.e., the developer/sponsor)/coordination talent expenditure. The Dictionary of Real Estate Appraisal defines entrepreneurial profit as a market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. Inasmuch as the discount rate will include a provision for return on the equity investment, this deduction will be for actual time and expenses only.

Typically, the developer will allow a budgeted line item equal to 0.5% to 2.0% of sales and/or costs, depending on the size of the project, expertise required, and management developmental time involved. Based upon these items, an expense of 1.0% is deemed appropriate and will be a direct line-item deduction from the gross sales proceeds.

Discount Rate

According to the Dictionary of Real Estate Appraisal, 7th Addition, Discount Rate is defined as “a rate of return on capital used to convert future payments or receipts into present value.” The discount rate may or may not be the same as the internal rate of return (IRR), or yield rate, depending on how it is extracted from the market and/or used in the analysis. Furthermore, Internal Rate of Return (IRR) is defined as “the annualized yield rate or rate of return on capital that is generated within an investment or portfolio over a period of ownership.” The IRR is the rate of discount that makes the net present value of the investment equal to zero. The IRR discounts all returns from the investment, including returns from its reversion, to equal the original capital outlay. This rate is similar to the equity yield rate. As a measure of investment performance, the IRR is the rate of discount that produces a profitability index of one and a net present value of zero. It may be used to measure profitability after income taxes, i.e., the after-tax equity yield rate. In other words, it is a rate of profit (or loss) or a measure of performance. It is literally, an interest rate. The effective interest rate on a real estate investment is the equity investor's IRR. The yield to maturity on a bond is the bond holder's IRR, when the bond is held for its full term. The IRR is the rate of return on capital expressed as a ratio per unit of time; for example, 10% per annum. The discount rate utilized herein is essentially an anticipated IRR for the subject property, as estimated from investment performance realized by market participants. Although the investment vehicle being analyzed herein is real property, competition for investment dollars in other investment media is intense, and the prudent investment manager must carefully consider all options. Because of the element of risk involved in real estate investment versus alternative investment vehicles, the prudent investment manager must compare rates of return. The performance of real estate is dependent upon and could fluctuate with the degree of quality of management, unexpected competition, disasters, or economic cycles, particularly in the subject's market area. Therefore, it entails a greater degree of risk than instruments such as government-backed bonds or fixed-rate mortgages.

Following is a summary of yield comparisons as of October 1, 2024, provided by PwC Real Estate Investor, as published by PricewaterhouseCoopers, Fourth Quarter, 2024.

YIELD COMPARISON

October 1, 2024

	2019 AVERAGE	2020 AVERAGE	2021 AVERAGE	2022 AVERAGE	2023 AVERAGE	2024 JANUARY	2024 APRIL	2024 JULY	2024 OCTOBER
PwC Yield Indicator (PYI) ^a	7.47%	7.50%	7.51%	7.43%	8.29%	8.83%	9.17%	9.22%	9.06%
Long-Term Mortgages ^b	4.71%	3.95%	4.53%	5.61%	7.42%	7.41%	8.20%	8.29%	8.36%
10-Year Treasuries ^c	2.21%	0.97%	1.40%	2.64%	3.94%	3.95%	4.33%	4.48%	3.74%
Consumer Price Index Change ^d	1.76%	1.19%	6.09%	7.54%	3.21%	0.97%	6.65%	1.27%	1.43%
SPREAD TO PYI (Basis Points)									
Long-Term Mortgages	276	361	298	182	87	142	97	93	70
10-Year Treasuries	526	659	611	479	435	488	484	474	532
Consumer Price Index Change	571	755	142	(11)	508	786	252	795	763

a. A composite IRR average of all markets surveyed (excluding hotels, development land, self storage, and student housing).

b. Source: Survey; Select Commercial Funding; Commercial Loan Direct; conventional funding, 60% to 80% LTV loans; fixed rates; 6- to 30-year terms.

c. Source: Federal Reserve; the annual average change is the mean of the four corresponding quarters.

d. Source: U.S. Department of Labor; quarterly changes are annualized based on the index change from the prior quarter; the annual average change is the mean of the four corresponding quarters.

The subject's discount rate should be less than a typical land project, as the value to be determined is for a fully developed project that is available for immediate resale, and which will ultimately possess less risk than that of the total development process. Therefore, a "risk-adjusted discount rate" is deemed appropriate herein.

RealtyRates.com in their most recent Fourth Quarter 2024 "Developer Survey" with Second Quarter 2024 data summarizes discount rates for conventionally financed (interest-only interim or construction financing) subdivisions and Planned Development Districts (PUDs) in the State of Texas. Actual Rates are historical rates achieved by survey respondents, while Pro-Forma Rates reflect forward-looking revenue and development costs. Subdivision rates do include provisions for developer's profit, i.e., profit is not treated as a line-item expense.

Texas: Subdivisions & PUDs						
	Actual Rates			Pro-Forma Rates		
	Min	Max	Avg	Min	Max	Avg
Site-Built Residential	15.17%	33.42%	22.54%	14.56%	32.08%	21.64%
-100 Units	15.17%	28.81%	21.55%	14.56%	27.66%	20.69%
100-500 Units	15.55%	31.69%	22.67%	14.92%	30.42%	21.77%
500+ Units	15.93%	33.13%	23.06%	15.29%	31.80%	22.13%
Mixed Use	16.30%	33.42%	22.87%	15.65%	32.08%	21.96%
Manufactured Housing	15.63%	36.51%	24.18%	15.01%	35.05%	23.21%
-100 Units	15.63%	31.75%	23.22%	15.01%	30.48%	22.29%
100-500 Units	16.03%	34.92%	24.45%	15.38%	33.52%	23.48%
500+ Units	16.42%	36.51%	24.87%	15.76%	35.05%	23.88%
Business Parks	15.62%	34.87%	23.44%	14.99%	33.48%	22.50%
-100 Acres	15.62%	30.33%	22.51%	14.99%	29.11%	21.61%
100-500 Acres	16.01%	33.36%	23.70%	15.37%	32.02%	22.75%
500+ Acres	16.40%	34.87%	24.10%	15.74%	33.48%	23.13%
Industrial Parks	15.71%	29.43%	21.02%	15.08%	28.25%	20.18%
-100 Acres	15.71%	25.59%	20.23%	15.08%	24.56%	19.43%
100-500 Acres	16.10%	28.15%	21.24%	15.46%	27.02%	20.39%
500+ Acres	16.49%	29.43%	21.58%	15.83%	28.25%	20.72%
*2nd Quarter 2024 Data						
Realty Rates Developers Survey 2024 Q4						

As shown above, the minimum actual rates in Texas are 15.17% for less than 100 units; 15.55% for 100 to 500+ units; and 15.93% for 500+ units with minimum pro-forma rates ranging from 14.56% to 15.29%.

The 7th Edition of the Dictionary of Real Estate Appraisal defines this term as "a discount rate that is adjusted to offset one or more risk factors, i.e., when a future downswing in the business cycle is likely, the risk associated with a project may increase near the end of its term, necessitating a special adjustment to the discount rate. Such discount rates include all of the elements of risk associated with an income stream for a specified period adjusted to offset additional term risk".⁸

⁸ The Dictionary of Real Estate Appraisal, 7th Edition, the Appraisal Institute, Chicago, Illinois

The 7th Edition of the Dictionary of Real Estate Appraisal defines this term as “a discount rate that is adjusted to offset one or more risk factors, i.e., when a future downswing in the business cycle is likely, the risk associated with a project may increase near the end of its term, necessitating a special adjustment to the discount rate. Such discount rates include all of the elements of risk associated with an income stream for a specified period adjusted to offset additional term risk”.⁹ Thus, it is our opinion that a potential purchaser would expect to receive a much lower return on his investment for a completed project similar to the subject, which has a purchaser of the end product relative to that of a vacant tract of land awaiting eventual development (higher risk of escalating costs to site development and of the eventual timing of completion).

Based upon the preceding, an IRR that is slightly below the minimum rates provided by the RealtyRates “Developer Survey” for Texas of 15.17% for less than 100 units; 15.55% for 100 to 500+ units; and 15.93% for 500+ units with minimum pro-forma rates ranging from 14.56% to 15.29% is considered reasonable for the subject.. Hence, taking into consideration the supply and demand levels within the subject’s submarket area, we have selected a discount rate of 14% for the subject which takes into consideration the degree of risk and developer profit. It should be noted that our cash flow also deducts a straight 1.0% entrepreneurial coordination/remuneration (management cost) from all sales proceeds, which effectively increases the discount rate to approximately 15%. To be consistent with the timing of the cash flows, the annual income stream is discounted semi-annually. With each of the required elements now identified, we are able to analyze the subject in the DCF analysis as shown on the following page.

Subdivision Development Analysis – Tract 2

Based upon the preceding, and the cash flow presented on the following page, our prospective opinion of value as complete for the subject is \$5,615,000 or \$46,792/lot.

⁹ The Dictionary of Real Estate Appraisal, 7th Edition, the Appraisal Institute, Chicago, Illinois

University Hills – Tract 2

University Hills - Tract 2			Prepared By:		Ernest E. Gatewood, III						
Dallas, Texas			Number of Units:		120						
Scenario: As Complete			Periods:		Semi-Annual		Period 3		Period 4		
Cash Flows Beginning		Mar-2027		Sep-2027		Mar-2028		Sep-2028		Project Totals	
Inventory		Unit Sales	No.	Unit Sales	No.	Unit Sales	No.	Unit Sales	No.	Unit Sales	No.
Townhome Lots		\$56,400	30	\$58,092	30	\$59,835	30	\$61,630	30	\$7,078,697	120
		Appreciation -->		3.00%		3.00%		3.00%			
Revenues		\$1,692,000	30	\$1,742,760	30	\$1,795,043	30	\$1,848,894	30	\$7,078,697	120
Expenses		Period 1		Period 2		Period 3		Period 4			
TAXES ON TH DEVELOPED LOTS		\$67,680		\$52,283		\$35,901		\$18,489		\$187,116	
COST OF SALES		\$42,300		\$43,569		\$44,876		\$46,222		\$176,967	
MARKETING		\$0		\$0		\$0		\$0		\$0	
REMUNERATION		\$16,920		\$17,428		\$17,950		\$18,489		\$70,787	
Total Expenses		\$126,900		\$113,280		\$98,727		\$83,200		\$434,870	
Net Income		\$1,565,100		\$1,629,480		\$1,696,315		\$1,765,694		\$6,643,826	
Annual Discount Rate:		14.00%		0.93458		0.87344		0.81630		0.76290	
Discounted Value		\$1,462,710		\$1,423,251		\$1,384,699		\$1,347,039		\$5,608,600	
Net Present Value		\$5,617,699									
Rounded		\$5,615,000									

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Reconciliation and Conclusion of Value

As discussed previously, only the sales comparison approach and the subdivision analysis were used to develop opinions of value for the subject. The cost and income approaches are not applicable and are not used.

Based upon the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded opinion of value is as follows:

Value Conclusions					
Parcel	Zoning/Proposed Use	Phase	Interest Appraised	Date of Value	Value Conclusion
Tract #1 (312 Developed Lots)	TH-2/Single family	1	Fee Simple	March 1, 2027	\$19,860,000
Tract #1A (141 Developed Townhome Lots)	TH-2/Townhome	1	Fee Simple	March 1, 2027	\$6,485,000
Tract #2 (120 Townhome Lots)	TH-2/Townhome	1	Fee Simple	March 1, 2027	\$5,615,000
Tract #3A/3B	MF-2 (Multi-family)	2	Fee Simple	October 1, 2027	\$8,880,000
Tract #3C	CR (Commercial/Retail)	2	Fee Simple	October 1, 2027	\$1,305,000
Tract #4A	MF-3 (Multi-Family)	2	Fee Simple	October 1, 2027	\$7,930,000
Tract #4B	CR (Commercial/Retail)	2	Fee Simple	October 1, 2027	\$1,060,000
Tract #13	MU-2 (Mixed-Use/Commercial)	2	Fee Simple	October 1, 2027	\$1,945,000
Tract #14	MU-2 (Mixed-Use/Commercial)	2	Fee Simple	October 1, 2027	\$1,290,000
Tract #19	MU-2 (Multi-Family)	2	Fee Simple	October 1, 2027	\$4,050,000
Tract #5	CR (Commercial/Retail)	2	Fee Simple	October 1, 2027	\$1,160,000
Tract #7A	CR (Commercial/Retail)	2	Fee Simple	October 1, 2027	\$2,350,000
Tract #7B	CR (Commercial/Retail)	2	Fee Simple	October 1, 2027	\$1,645,000
Tract #9/10	MF-2 (Multi-family)	2	Fee Simple	October 1, 2027	\$4,540,000
Tract #11/15	MF-2/MU-2 (Multi-family)	2	Fee Simple	October 1, 2027	\$3,685,000
Tract #12/16	MF-2/MU-2 (Multi-family)	2	Fee Simple	October 1, 2027	\$1,820,000
Tract #17	MF-2 (Multi-family)	2	Fee Simple	October 1, 2027	\$1,640,000
Tract #18	MU-2 (Mixed-Use/Commercial)	2	Fee Simple	October 1, 2027	\$4,810,000
Tract #20/21	UC-2 Institutional/Office	2	Fee Simple	October 1, 2027	\$1,650,000
Tract #22	CR (Commercial/Retail)	2	Fee Simple	October 1, 2027	\$1,740,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. All information relative to the subject property including land areas, lot totals, lot sizes, and other pertinent data that was provided by KFM Engineering and Design (engineering/surveyors), I-20 Lancaster Development (developer), VM Fund I, LLC (owner), the city of Dallas, and the Dallas Central Appraisal District is assumed to be correct.
2. The subject is proposed construction. Therefore, this report contains a prospective opinions of value. As such, we have assumed that the market conditions as discussed and considered within this report will be similar on the prospective valuation dates. Further, we cannot be held responsible for unforeseeable events that alter market conditions prior to this prospective effective dates.
3. Our opinions of prospective market values at completion assumes that the proposed improvements are completed in accordance with plans and specifications as of March 1, 2027 and October 1, 2027, the effective appraisal dates.
4. The values presented within this report is prospective in nature. As such, we assume that local and regional lending institutions appear to remain active within the subject's market for specific projects. Therefore, we specifically assume that the financial markets will continue to function in a competitive, efficient fashion.
5. It is noted that the subject's zoning categories allow for a higher density of multi-family development than that described herein. In addition, some sites might have restrictions that cause for a lower density of development. However, our values are based on the number of units/densities found within this report. We assume the tracts can be developed as described herein.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

The opinions of value expressed in this report are based on estimates and forecasts that are prospective in nature and subject to considerable risk and uncertainty. Events may occur that could cause the performance of the property to differ materially from the stated estimates, such as changes in the economy, interest rates, capitalization rates, financial strength of tenants, and behavior of investors, lenders, and consumers. Additionally, these opinions and forecasts are based partly on data obtained from interviews and third-party sources, which are not always completely reliable. Although the findings are considered reasonable based on available evidence, the assignment participants are not responsible for the effects of future occurrences that cannot reasonably be foreseen at this time.

Exposure Time

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Exposure time is always presumed to precede the effective date of the appraisal. Based on review of recent sales transactions for similar properties and analysis of supply and demand in the local land market, the probable exposure time for the subject at the concluded market values stated previously is 6 - 12 months.

Marketing Time

Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. As no significant changes in market conditions are foreseen in the near term, a reasonable marketing period for the subject is likely to be the same as the exposure time. Accordingly, the subject's marketing period is estimated at 6 - 12 months.

Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have prepared numerous appraisals of the subject property for multiple clients over the past five years. We have provided no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Ernest Gatewood has made a personal inspection of the property that is the subject of this report. Jimmy H. Jackson, MAI has not personally inspected the subject.
12. No one provided significant real property appraisal assistance to the persons signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.

14. As of the date of this report, Jimmy H. Jackson, MAI, has completed the continuing education program for Designated Members of the Appraisal Institute.
15. As of the date of this report, Ernest Gatewood has completed the Standards and Ethics Education Requirements for Candidates/Practicing Affiliates of the Appraisal Institute.



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Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.

6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.

17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
19. The appraisal report is prepared for the exclusive benefit of you, your subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. IRR - Dallas, Integra Realty Resources, Inc., and their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
22. We are not a building or environmental inspector. The Integra Parties do not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.

24. **IRR - Dallas is an independently owned and operated company. The parties hereto agree that Integra shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR - Dallas. In addition, it is expressly agreed that in any action which may be brought against the Integra Parties arising out of, relating to, or in any way pertaining to the engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.**
25. IRR - Dallas is an independently owned and operated company, which has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

28. The appraisal is also subject to the following:

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. All information relative to the subject property including land areas, lot totals, lot sizes, and other pertinent data that was provided by KFM Engineering and Design (engineering/surveyors), I-20 Lancaster Development (developer), VM Fund I, LLC (owner), the city of Dallas, and the Dallas Central Appraisal District is assumed to be correct.
2. The subject is proposed construction. Therefore, this report contains a prospective opinions of value. As such, we have assumed that the market conditions as discussed and considered within this report will be similar on the prospective valuation dates. Further, we cannot be held responsible for unforeseeable events that alter market conditions prior to this prospective effective dates.
3. Our opinions of prospective market values at completion assumes that the proposed improvements are completed in accordance with plans and specifications as of March 1, 2027 and October 1, 2027, the effective appraisal dates.
4. The values presented within this report is prospective in nature. As such, we assume that local and regional lending institutions appear to remain active within the subject's market for specific projects. Therefore, we specifically assume that the financial markets will continue to function in a competitive, efficient fashion.
5. It is noted that the subject's zoning categories allow for a higher density of multi-family development than that described herein. In addition, some sites might have restrictions that cause for a lower density of development. However, our values are based on the number of units/densities found within this report. We assume the tracts can be developed as described herein.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Addendum A

Appraiser Qualifications

Jimmy H. Jackson, MAI

Experience

Senior Managing Director with the Dallas, Lubbock/West Texas and Oklahoma City offices of Integra Realty Resources, a full-service real estate consulting and appraisal firm.

Jimmy H. Jackson, MAI has over 39 years of experience as a commercial appraiser as well as years of experience as a seasoned real estate investor. Prior to joining Integra Realty Resources, Jackson was one of the original two founding partners of Jackson Claborn, Inc. (JCI), a real estate consulting/valuation firm that was established in 1992. JCI grew to have one of the largest staffs of commercial and residential appraisers in the Southwest and has performed valuation and consulting on a vast number of commercial property types across Texas as well as the United States. Mr. Jackson holds the MAI designation and has been involved in the analysis of virtually all types of commercial and residential properties. Mr. Jackson has experience in state and federal courts as an expert witness. Testimony has involved such varied issues as bankruptcy, taxation and condemnation. Mr. Jackson has also been involved in numerous real estate developments and personal real estate investments.

A major philanthropic achievement for Mr. Jackson was consulting with and influencing family members to provide the start-up expertise as well as the seed funding in 1994 for the formation of The Parent Project for Muscular Dystrophy/PPMD (www.parentprojectmd.org). The PPMD organization has developed into a worldwide non-profit centered to provide research funds for children suffering from Duchenne Muscular Dystrophy. Since inception, the PPMD organization has directly funded more than \$50 million in direct research and assisted and helped leverage more than \$500 million of other research related to other genetic diseases through government grants and other private funding sources. In 2008, Mr. Jackson received a Humanitarian Award from Texas Gov. Rick Perry for charitable work associated with National Jewish Hospital/NJH in Denver. Mr. Jackson currently serves as a national trustee for NJH which is the #1 respiratory care hospital in the world.

Mr. Jackson graduated from Texas Tech University in 1984 with a B.B.A. in Finance with a Real Estate Emphasis. Mr. Jackson has served on numerous professional boards, including serving on the Ethics and Counseling Panel of the North Texas Chapter of the Appraisal Institute as well as serving on the Board of Directors as well as being Chair and Co-Chair of the Public Relations Committee.

As a college student, Mr. Jackson was a member of Phi Delta Theta social fraternity and the Texas Tech Finance Association. Mr. Jackson served for eight (8) years on the Advisory Board for the Jerry Rawls College of Business Administration (COBA) at Texas Tech University. Mr. Jackson has also served as a guest lecturer on real estate entrepreneurship to upper-level COBA students at Texas Tech over the years.



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University Hills



Jimmy H. Jackson, MAI

Experience (Cont'd)

Basic Core Real Estate Appraisal Services

Feasibility Studies, Absorption Studies & Demographic Studies
Highest & Best Use Studies for All Property Types
3rd Party Appraisal Reviews
Detrimental Conditions Valuation & Consulting
Encroachment Analysis
Land Use Studies & Planning/Zoning Studies
Litigation/Litigation Support
In-Depth Market Analysis for All Property Types
Tax Assessment & Mass Appraisal Analysis
Fair & Equitable Appraisal Analysis
Right of Way Analysis Appraisals
Mediation, Arbitration, & Dispute Resolution
Portfolio Valuation & Analysis
Retrospective Valuation Opinions

Appraisal of all property types including the following:

Residential

High-Rise Condominium and Garden-Style Multi-Family and Townhome Projects
High-End Residential Property
Historical Residential Property
All types of Single-Family Appraisals (Conventional, Relocation, Unique / Historical Property)

Land

Acreage (Commercial Mixed-Use)
Subdivided Land (Mixed-Use, Commercial and Industrial)
Standard Single-Family Subdivision Lot development appraisals
PID/MUD Single-Family Subdivision Lot development appraisals

Commercial, Office & Retail

Branch Banks / Financial Building
Convenience Stores / Service Stations
Convention Center / Hotel / Resort /Motel
Office Building (High Rise, over three stories)
Office Building (Low Rise, three stories or less)
Parking Facility (Lot or Garage)
Retail (Single Tenant or Free Standing)
Shopping Center (Local, Strip, Neighborhood, Community, Etc.)
Shopping Center (Power Center, Outlet Center, Lifestyle, Etc.)
Shopping Center (Super Regional, Regional Mall)

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University Hills



Jimmy H. Jackson, MAI

Experience (Cont'd)

Industrial

Industrial (Heavy (Manufacturing)
Industrial (Small Office Warehouse / Mfg.)
Industrial Light (Distribution, Storage)

Special Purpose

Automobile Dealerships
Church Facilities
Collegiate Student Housing
Self-Serve and Full-Service Car Wash Facilities
Self-Storage Facilities

Professional Activities & Affiliations

Appraisal Institute, Member (MAI) Appraisal Institute

Licenses

Texas, Certified General Real Estate Appraiser, TX 1324004 G, Expires November 2026
Oklahoma, Certified General Real Estate Appraiser, 13279CGA, Expires September 2026
New Mexico, Certified General Real Estate Appraiser, 03819-G, Expires April 2027
Louisiana, Certified General Real Estate Appraiser, APR.05151 CGA, Expires December 2026

Education

Mr. Jackson is a graduate of Texas Tech University where he received a Bachelor of Business Administration in Finance with a Real Estate Emphasis.

Miscellaneous

Member of Region 8 Ethics and Counseling Regional Panel (1992-1995)
Chair - Public Relations North Texas Chapter (2003, 2004)
Co-Chair - Public Relations North Texas Chapter (2005)
Board Member - North Texas Chapter (2005-2007)

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University Hills





Ernest Gatewood

Experience

Senior Director PID/MUD/SF Lot Development Valuation Specialist with the Dallas office of Integra Realty Resources DFW, a full-service real estate consulting and appraisal firm.

Mr. Gatewood has been in the appraisal field for over 40 years. This extensive experience has formed knowledge of the Texas real estate market as well as select areas throughout the entire United States. This experience has formed an understanding of the dynamics of market forces in both increasing, as well as declining markets. Mr. Gatewood began his appraisal career in 1980 at Crosson Dannis, Inc. where he spent 10 years specializing in master-planned communities. Mr. Gatewood's appraisals were utilized in the funding of Legacy Business Park in Plano, Texas as well as Stonebridge Ranch in McKinney, Texas. In 1991, Mr. Gatewood joined Heartland (Seattle, Washington) as Acquisitions Director for Texas. In this role, Mr. Gatewood was key to the development of several single-family subdivisions, a property type which he still specializes into this day. From 1992 until 2017, Mr. Gatewood represented Jackson Claborn, Inc. as the Vice President of the Commercial Division where he has helped manage the production of the commercial appraisal practice which has enhanced JCI's strong commitment to client services.

Mr. Gatewood has experience in appraising commercial, industrial, multifamily, and investment-grade real property and related tangible assets to provide opinions of value for purposes of mortgage lending, sale or purchase, financial reporting, federal tax, capital lease testing, litigation support, allocation of purchase price, estate tax planning/settlement, ad valorem taxation, property exchange, internal planning, and partial taking/just compensation by eminent domain agencies.

Property types include vacant land, agricultural land, rights of way (road and pipeline), shopping centers, single-tenant retail buildings, CBD and suburban office projects, air rights, truck terminals, light industrial facilities, heavy manufacturing plants, corporate headquarters, hospitals, surgery centers, medical office buildings, self-storage facilities, religious facilities, hotels, mixed-use developments, apartment projects, convenience stores, and single-family subdivision analyses.

Licenses

Texas, Certified General Real Estate Appraiser, TX 1324355 G, Expires December 2026

Texas, Licensed Real Estate Salesman, 277705, Expires December 2025

Education

Richland Junior College, Dallas, Texas

The University of North Texas, Denton, Texas

Miscellaneous

An Associate Member of the Appraisal Institute



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University Hills





About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

Local Expertise...Nationally!

irr.com

Addendum B

IRR Quality Assurance Survey

IRR Quality Assurance Survey

We welcome your feedback!

At IRR, providing a quality work product and delivering on time is what we strive to accomplish. Our local offices are determined to meet your expectations. Please reach out to your local office contact so they can resolve any issues.

Integra Quality Control Team

Integra does have a Quality Control Team that responds to escalated concerns related to a specific assignment as well as general concerns that are unrelated to any specific assignment. We also enjoy hearing from you when we exceed expectations! You can communicate with this team by clicking on the link below. If you would like a follow up call, please provide your contact information and a member of this Quality Control Team will call contact you.

Link to the IRR Quality Assurance Survey: quality.irr.com

Addendum C

Definitions

Definitions

The source of the following definitions is the Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022), unless otherwise noted.

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms.

Effective Date

1. The date on which the appraisal opinion applies. (SVP)
2. The date to which an appraiser's analysis, opinions, and conclusions apply; also referred to as *date of value*. (USPAP, 2020-2021 ed.)
3. The date that a lease goes into effect.

Entitlement

In the context of ownership, use, or development of real estate, governmental approval for annexation, zoning, utility extensions, number of lots, total floor area, construction permits, and occupancy or use permits.

Entrepreneurial Incentive

The amount an entrepreneur expects or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project.

Entrepreneurial Profit

1. A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a past project to compensate for his or her time, effort, knowledge, and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovation change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses.
2. In economics, the actual return on successful management practices, often identified with coordination, the fourth factor of production following land, labor, and capital; also called entrepreneurial return or entrepreneurial reward.

Exposure Time

1. The time a property remains on the market.
2. An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

Fee Simple Estate

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.

Floor Area Ratio (FAR)

The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.

Highest and Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (ISV)

3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
2. The value of an asset to the owner or a prospective owner given individual investment or operational objectives (may also be known as worth). (IVS)

Lease

A contract in which rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent.

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Estate

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

Liquidation Value

The most probable price that a specified interest in real property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms.

Marketing Time

An opinion of the amount of time to sell a property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the effective date of an appraisal.

Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- buyer and seller are typically motivated;
- both parties are well informed or well advised, and acting in what they consider their own best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."

Definition of Aggregate of Retail Values

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions.

(Source: The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute, Chicago, Illinois, 2022)

Bulk Sale

The sale of multiple parcels of real estate to one buyer in one transaction. A bulk sale may include dissimilar properties in different locations or a group of lots or units in the same project. Typically, the bulk sale price is less than the sum of the values of the individual parcels.

(Source: The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute, Chicago, Illinois, 2022)

Bulk Value

The value of multiple units, subdivided plots, or properties in a portfolio as though sold together in a single transaction.

(Source: The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute, Chicago, Illinois, 2022)

Development Procedure

In land valuation, a technique for valuing undeveloped acreage that involves discounting the cost of development and the probable proceeds from the sale of developed sites.

(Source: The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute, Chicago, Illinois, 2022)

Subdivision Development Method

A method of estimating land value when subdividing and developing a parcel of land is the highest and best use of that land. When all direct and indirect costs and entrepreneurial incentive are deducted from an estimate of the anticipated gross sales price of the finished lots (or the completed improvements on those lots), the resultant net sales proceeds are then discounted to present value at a market-derived rate over the development and absorption period to indicate the value of the land.

(Source: The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute, Chicago, Illinois, 2022)

Allocation

1) The process of separating the contributory value of a component or part of an asset from the total value of the asset. 2) A method of estimating land value in which sales of improved properties are analyzed to establish a typical ratio of land value to total property value and this ratio is applied to the property being appraised or the comparable sale being analyzed."

(Source: The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute, Chicago, Illinois, 2022)

Extraction

1) A method of estimating land value in which the depreciated cost of the improvements on an improved property is calculated and deducted from the total sale price to arrive at an estimated sale price for the land. 2) A method of deriving capitalization rates from property sales when sale price and net operating income are known.

(Source: The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute, Chicago, Illinois, 2022)

Residual

The quantity left over; in appraising, a term used to describe the result of an appraisal procedure in which known components of value are accounted for, thus solving for the quantity that is left over, such as land residual or building residual.

(Source: The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute, Chicago, Illinois, 2022)

Addendum D

Property Information

Legal Description (s)

LEGAL DESCRIPTION - TRACT 1 (IA#1)

118.026 Acres

BEING a 118.026 acres tract of land situated in the R. SIMONTON SURVEY, ABSTRACT NUMBER 1277, Dallas County, Texas and being a portion of Tract III: University Hills Parcel E, same being a called 157.221 acre tract of land described in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being particularly described by metes and bounds as follows:

Beginning at a found 1/2 -inch iron rod found for the northeast corner of the aforementioned Tract III: University Hills, Parcel E, from which a found 1/2-inch iron rod found bears South 31°30'38" East, a distance of 342.00 feet, for the southwest corner of a called 2.5 acre tract of land described in deed to CAMPLANC Investments, recorded in Instrument No. 201100097436, Official Public Records of Dallas County, Texas;

THENCE South 31°06'31" East, a distance of 633.96 feet to a point, from which a found 1/2-inch iron rod bears South 31°06'31" East, a distance of 150.43 feet, same being the southwest corner of a called 14.39 acre tract of land described in deed to Proton Properties, LLC, recorded in Instrument No. 201200089020, Official Public Records of Dallas County, Texas;

THENCE North 58°58'11" East, with the south line of said 14.39 acre tract, a distance of 310.28 feet to a point, from which a found 1/2 inch capped iron rod stamped "TIPTON ENG", at the northwest corner of a 3.733 acre tract of land described in the deed to city of Dallas, recorded in instrument No. 201700163600, Official Public Records of Dallas County, Texas, bears, North 58°56'44" East a distance of 584.39 feet;

THENCE crossing through said 157.221 acre tract of land the following courses and distances:

South 31°01'49" East, a distance of 94.71 feet to a point;

South 07°25'36" East, a distance of 125.37 feet to a point of curvature;

Along a tangential curve to the left, having a radius of 40.00 feet, a central angle of 90°00'00", an arc length of 62.83 feet, a chord that bears South 52° 25' 36" East, a distance of 56.57 feet to a point at the end of said curve;

North 82°34'24" East, a distance of 9.50 feet to a point;

South 07°25'36" East, a distance of 430.00 feet to a point;

South 52°25'36" East, a distance of 4.24 feet to a point;

North 82°34'24" East, a distance of 48.50 feet to a point;

South 07°25'36" East, a distance of 56.00 feet to a point;

South 82°34'24" West, a distance of 48.50 feet to a point;

South 37°34'24" West, a distance of 4.24 feet to a point;

South 07°25'36" East, a distance of 465.66 feet to a point;

South 82°34'24" West, a distance of 103.50 feet to a point;

South 37°34'24" West, a distance of 4.24 feet to a point;

South 05°58'32" East, a distance of 67.55 feet to a point of curvature;

Along a non-tangential curve to the right, having a radius of 66.00 feet, a central angle of 156° 18' 19", an arc length of 180.05 feet, a chord that bears South 42° 48' 31" West, a distance of 129.19 feet to a point at the end of said curve;

South 89°00'30" West, a distance of 57.07 feet to a point;

South 44°52'10" West, a distance of 4.31 feet to a point of curvature;

Along a non-tangential curve to the right, having a radius of 985.62 feet, a central angle of 31° 06' 19", an arc length of 535.09 feet, a chord that bears South 16° 22' 13" West, a distance of 528.54 feet to a point at the end of said curve;

THENCE North 58°58'11" East, with the south line of said 14.39 acre tract, a distance of 310.28 feet to a point, from which a found 1/2 inch capped iron rod stamped "TIPTON ENG", at the northwest corner of a 3.733 acre tract of land described in the deed to city of Dallas, recorded in instrument No. 201700163600, Official Public Records of Dallas County, Texas, bears, North 58°56'44" East a distance of 584.39 feet;

THENCE crossing through said 157.221 acre tract of land the following courses and distances:

South 31°01'49" East, , a distance of 94.71 feet to a point;

South 07°25'36" East, , a distance of 125.37 feet to a point of curvature;

Along a tangential curve to the left, having a radius of 40.00 feet, a central angle of 90° 00' 00", an arc length of 62.83 feet, a chord that bears South 52° 25' 36" East, a distance of 56.57 feet to a point at the end of said curve;

North 82°34'24" East, a distance of 9.50 feet to a point;

South 07°25'36" East, a distance of 430.00 feet to a point;

South 52°25'36" East, a distance of 4.24 feet to a point;

North 82°34'24" East, a distance of 48.50 feet to a point;

South 07°25'36" East, a distance of 56.00 feet to a point;

South 82°34'24" West, a distance of 48.50 feet to a point;

South 37°34'24" West, a distance of 4.24 feet to a point;

South 07°25'36" East, a distance of 465.66 feet to a point;

South 82°34'24" West, a distance of 103.50 feet to a point;

South 37°34'24" West, a distance of 4.24 feet to a point;

South 05°58'32" East, a distance of 67.55 feet to a point of curvature;

Along a non-tangential curve to the right, having a radius of 66.00 feet, a central angle of 156° 18' 19", an arc length of 180.05 feet, a chord that bears South 42° 48' 31" West, a distance of 129.19 feet to a point at the end of said curve;

South 89°00'30" West, a distance of 57.07 feet to a point;

South 44°52'10" West, a distance of 4.31 feet to a point of curvature;

Along a non-tangential curve to the right, having a radius of 985.62 feet, a central angle of 31° 06' 19", an arc length of 535.09 feet, a chord that bears South 16° 22' 13" West, a distance of 528.54 feet to a point at the end of said curve;

THENCE South 28°07'17" West, a distance of 306.30 feet to a point for the southeast corner of herein described tract, same being the north right-of-way line of Wheatland Road;

THENCE with the south line of said 157.221 acre tract, South 58°47'44" West, with said north right-of-way, a distance of 565.58 feet to a found 1/2 inch capped iron rod stamped "BGE" for a point of curvature;

Along a non-tangential curve to the left, having a radius of 740.00 feet, a central angle of 11° 33' 21", an arc length of 149.25 feet, a chord that bears South 64° 34' 24" West, a distance of 149.00 feet to a point at the end of said curve;

THENCE South 58°47'44" West, a distance of 899.34 feet to a found 5/8-inch iron rod at the southwest corner of said 157.221 acre tract;

THENCE with the west line of said 157.221 acre tract the following courses and distances:

THENCE North 30°25'52" West, a distance of 432.68 feet to a found railroad spike;

THENCE North 62°55'26" East, a distance of 17.96 feet to a found railroad spike;

THENCE North 31°11'58" West, a distance of 267.42 feet to a point, from which a found 1/2-inch iron rod bears, North 31°11'00" West, a distance of 885.84 feet;

THENCE South 28°07'17" West, a distance of 306.30 feet to a point for the southeast corner of herein described tract, same being the north right-of-way line of Wheatland Road;

THENCE with the south line of said 157.221 acre tract, South 58°47'44" West, with said north right-of-way, a distance of 565.58 feet to a found 1/2 inch capped iron rod stamped "BGE" for a point of curvature;

Along a non-tangential curve to the left, having a radius of 740.00 feet, a central angle of 11° 33' 21", an arc length of 149.25 feet, a chord that bears South 64° 34' 24" West, a distance of 149.00 feet to a point at the end of said curve;

THENCE South 58°47'44" West, a distance of 899.34 feet to a found 5/8-inch iron rod at the southwest corner of said 157.221 acre tract;

THENCE with the west line of said 157.221 acre tract the following courses and distances:

THENCE North 30°25'52" West, a distance of 432.68 feet to a found railroad spike;

THENCE North 62°55'26" East, a distance of 17.96 feet to a found railroad spike;

THENCE North 31°11'58" West, a distance of 267.42 feet to a point, from which a found 1/2-inch iron rod bears, North 31°11'00" West, a distance of 885.84 feet;

THENCE over and across said 157.221 acre tract of land, also being the south line of the herein described tract the following courses and distances:

South 82°24'44" West, a distance of 175.40 feet to a point;

South 79°52'32" West, a distance of 53.33 feet to a point;

South 77°25'24" West, a distance of 217.07 feet to a point;

South 5°05'55" East, a distance of 928.65 feet to a point;

South 58°52'53" West, a distance of 495.94 feet to a point;

South 43°19'27" West, a distance of 58.11 feet to a point;

South 58°47'44" West, a distance of 674.00 feet to a point;

South 54°38'10" West, a distance of 56.15 feet to a point;

South 58°55'38" West, a distance of 227.45 feet to a point;

South 31°01'49" East, a distance of 428.18 feet to a point;

South 58°47'44" West, a distance of 310.39 feet to a point for the southwest corner of the aforementioned described Tract III, also being in the east line of a called 89.346 acre tract of described in deed to R.K.C.J, LLC, recorded in Volume 96066, Page 7234, Official Public Records of Dallas County, Texas; from which a found 1/2-inch iron rod found bears South 31°11'58" East, a distance of 267.42 feet;

THENCE with said east line of the herein described tract North 31°11'58" West, passing found 1/2-inch iron rod for reference at a distance of 885.84, in all a distance of 937.85 feet to a point in the center of Five Mile Creek;

THENCE with the Center of Five Mile Creek, also being the north line of the herein described tract the following courses and distances:

North 18°55'32" East, a distance of 154.49 feet to a point;

North 53°45'32" East, a distance of 203.00 feet to a point;

South 68°23'28" East, a distance of 133.72 feet to a point;

North 86°01'32" East, a distance of 111.50 feet to a point;

North 10°47'32" East, a distance of 107.15 feet to a point;

North 35°38'32" East, a distance of 141.00 feet to a point;

North 78°19'32" East, a distance of 97.05 feet to a point;

North 28°28'28" West, a distance of 140.57 feet to a point;

North 47°07'32" East, a distance of 150.88 feet to a point;

North 31°11'32" East, a distance of 130.56 feet to a point;

North 63°34'02" East, a distance of 134.95 feet to a point;

North 87°41'02" East, a distance of 129.10 feet to a point;

North 3°13'02" East, a distance of 132.20 feet to a point;

North 34°51'02" East, a distance of 164.10 feet to a point;

North 11°51'02" East, a distance of 124.70 feet to a point;

North 23°47'58" West, a distance of 139.58 feet to a point in the north line of the herein described tract, also being the south Right-of-Way line for the Dallas Area Rapid Transit;

THENCE leaving said Center of creek North 54°24'09" East, passing a found 1/2-inch iron rod for reference at a distance of 102.55 feet, continuing in all a distance of 537.89 feet to a found 1/2-inch capped iron rod stamped "TX REG NO 100189-00";

THENCE North 32°44'33" West, with the herein described north line and said south right-of-way a distance of 1.62 feet to a found 1/2-inch Capped Iron Rod stamped "TX REG NO 100189-00";

THENCE North 58°51'17" East, with the north line of the herein described tract, a distance of 471.29 feet to the POINT OF BEGINNING and containing 118.026 acres of land (5,141,190 Square Feet) more or less.

LEGAL DESCRIPTION - TRACT 2 (IA#1)
2.744 ACRES

WHEREAS VM Fund I, LLC is the rightful owner of that tract of land situated in the R. Simonton Survey, Abstract No. 1277, City of Dallas, Dallas County, Texas, and being all of a called 2.756 acre tract of land described as Tract III: University Hills Parcel B in the deed to VM Fund I, LLC, recorded in Instrument No. 202100055162, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found in the northerly right-of-way line of Wheatland Road and the southwesterly line of a called 22.0197 acre tract of land described in the deed to King E. Rhodes, recorded in Volume 2002187, Page 125, Deed Records of Dallas County, Texas, for the southeast corner of said Parcel B;

THENCE North 89°59'21" West, with the northerly right-of-way line of said Wheatland Road and the southerly line of said 2.756 acre tract, a distance of 675.76 feet to a 5/8-inch iron rod with a cap stamped "BGE" found at the beginning of a tangential curve to the left;

THENCE continuing with the northerly right-of-way line of said Wheatland Road and the southerly line of said 2.756 acre tract and with said curve to the left having a radius of 740.00 feet, a delta angle of 07°10'00", an arc length of 92.56 feet, a chord bearing of South 86°25'09" West and chord distance of 92.50 feet to a 5/8-inch iron rod with a cap stamped "BGE" found for the end of said curve for the westerly corner of said 2.756 acre tract, same being at the intersection of the northerly right-of-way line of said Wheatland Road and the southerly right-of-way line of E. Wheatland Road;

THENCE North 58°59'38" East, with the southeasterly right-of-way line of said E. Wheatland Road and the northwesterly line of said 2.756 acre tract, a distance of 619.15 feet to a 1/2-inch iron rod found for the northerly corner of said 2.756 acre tract, common to the westerly corner of said 22.0197 acre tract;

THENCE South 37°08'06" East, with the northeasterly line of said 2.756 acre tract and the southwesterly line of said 22.0197 acre tract, a distance of 394.79 feet to the POINT OF BEGINNING and enclosing 2.744 acres (119,513 square feet) of land, more or less.

LEGAL DESCRIPTION - TRACT 3 (IA#1C)

39.193 Acres

BEING a 39.193 acre tract of land situated in the H. CASEY SURVEY, ABSTRACT NUMBER 307 and in the R. SIMONTON SURVEY, ABSTRACT NUMBER 1277, Dallas County, Texas and being a portion of that certain called 157.221 acre of Tract III conveyed to University Hills Parcel E as recorded in Instrument No. 202100055162 of the Official Public Records of Dallas County, Texas, and being particularly described as follows:

BEGINNING at a 1/2-inch capped iron rod found stamped "TXHS" for the northeast corner of the aforementioned Tract III: University Hills, Parcel E, the same being the southeast corner of a called 3.733 acre tract of land described in deed to City of Dallas, recorded in Instrument No. 201700163600, Official Public Records of Dallas County, Texas and being in the west right-of-way line of South Lancaster Road, from which a 1/2-inch capped iron rod found stamped "Brown & GA" for the northeast corner of said 3.733 acre tract that bears North 07°07'43" West a distance of 433.24 feet; THENCE South 07°25'36" East, with the west right-of-way of said South Lancaster Road, a distance of 1,318.09 feet to a found 5/8-inch capped iron rod found stamped "BGE";

THENCE South 25°45'54" West, a distance of 83.74 feet to a found 1/2-inch iron rod found in the north right-of-way line East Wheatland Road (Variable width);

THENCE South 58°55'21" West, with the said north right-of-way line of East Wheatland Road, a distance of 599.61 feet to a found 1-inch iron pipe found;

THENCE South 30°42'27" East, with the said north right-of-way line of East Wheatland Road a distance of 1.35 feet to a found 5/8-inch capped iron rod found stamped "BGE";

THENCE South 58°47'44" West, with the said north right-of-way line of East Wheatland Road a distance of 1,039.67 feet to a point;

THENCE crossing through said 157.221 acre tract of land the following courses and distances:

North 28°07'17" East, a distance of 306.30 feet to a point;

With a non-tangential curve to the left having a radius of 985.62 feet, a delta angle of 31°06'19", an arc length of 535.09 feet, and a chord which bears North 16°22'13" East, a distance of 528.54 feet to a point ;

North 44°52'10" East, a distance of 4.31 feet to a point;

North 89°00'30" East, a distance of 57.07 feet to a point;

With a non-tangential curve to the left having a radius of 66.00 feet, a delta angle of 156°18'19", an arc length of 180.05 feet, and a chord which bears North 42°48'31" East, a distance of 129.19 feet to a point;

North 05°58'32" West, a distance of 67.55 feet to a point;

North 37°34'24" East, a distance of 4.24 feet to a point;

North 82°34'24" East, a distance of 103.50 feet to a point;

North 07°25'36" West, a distance of 465.66 feet to a point;

North 37°34'24" East, a distance of 4.24 feet to a point;

North 82°34'24" East, a distance of 48.50 feet to a point;

North 07°25'36" West, a distance of 56.00 feet to a point;

South 82°34'24" West, a distance of 48.50 feet to a point;

North 52°25'36" West, a distance of 4.24 feet to a point;

North 07°25'36" West, a distance of 430.00 feet to a point;

South 82°34'24" West, a distance of 9.50 feet to a point;

With a non-tangential curve to the right having a radius of 40.00 feet, a delta angle of $90^{\circ}00'00''$, an arc length of 62.83 feet, and a chord which bears North $52^{\circ}25'36''$ West, a distance of 56.57 feet to a point;
North $07^{\circ}25'36''$ West, a distance of 125.37 feet to a point;
North $31^{\circ}01'49''$ West, a distance of 94.71 feet to a point;
THENCE North $58^{\circ}58'11''$ East, with the south line of said 14.39 acre tract, a distance of 584.31 feet to 1/2-inch capped iron rod found stamped "Tipton Eng" (Controlling Monument);
THENCE South $07^{\circ}25'35''$ East, a distance of 276.87 feet to a 1/2-inch capped iron rod found stamped "TXHS";
THENCE North $82^{\circ}34'23''$ East, a distance of 438.99 feet to the POINT OF BEGINNING and containing 39.193 acres of land (1,707,254 Square Feet) more or less.

LEGAL DESCRIPTION - TRACT 4 (IA#1B)

20.268 Acres

BEING a 20.268 acre tract of land situated in the R. SIMONTON SURVEY, ABSTRACT NUMBER 1277, Dallas County, Texas and being a portion of that certain called 157.221 acre of Tract III: University Hills Parcel E as recorded in Instrument No. 202100055162 of the Official Public Records of Dallas County, Texas, and being particularly described as follows:

BEGINNING at a calculated point in the south right-of-way line of Wheatland Road (80' width) from which a 5/8-inch capped iron rod found stamped "BGE" (controlling monument) bears South 89°59'51" East, a distance of 166.26 feet;

THENCE across the aforementioned Tract III the following courses:

South 45° 00' 09" West, a distance of 14.14 feet;

South 00° 00' 09" West, a distance of 346.34 feet;

with a curve to the left having a radius of 317.59 feet, a delta angle of 32°06'07", an arc length of 177.94 feet, and a chord which bears South 16° 03' 47" East at a distance of 175.62 feet;

1. South 76° 11' 14" East, a distance of 4.24 feet;

2. North 58° 47' 44" East, a distance of 7.02 feet;

3. South 31° 07' 34" East, a distance of 56.00 feet;

4. South 58° 47' 44" West, a distance of 6.98 feet;

5. South 13° 48' 46" West, a distance of 4.24 feet;

6. South 31° 10' 13" East, a distance of 6.98 feet;

7. South 58° 45' 27" West, a distance of 56.00 feet;

8. North 31° 10' 13" West, a distance of 7.02 feet;

9. North 76° 11' 14" West, a distance of 4.24 feet;

10. South 58° 47' 44" West, a distance of 903.89 feet;

11. South 13° 47' 44" West, a distance of 4.24 feet;

12. South 31° 12' 16" East, a distance of 7.00 feet;

13. South 58° 47' 44" West, a distance of 56.00 feet;

14. North 31° 12' 16" West, a distance of 7.00 feet;

15. North 76° 12' 16" West, a distance of 4.24 feet;

16. South 58° 47' 44" West, a distance of 7.00 feet;

17. North 31° 12' 16" West, a distance of 56.00 feet;

18. North 58° 47' 44" East, a distance of 7.00 feet;

19. North 13° 47' 44" East, a distance of 4.24 feet;

20. North 31° 12' 16" West, a distance of 12.37 feet;

21. With a curve to the right having a radius of 373.00 feet, a delta angle of 18°38'34", an arc length of 121.37 feet, and a chord which bears North 21° 52' 59" West, a distance of 120.83 feet;

22. North 12° 33' 42" West, a distance of 215.21 feet;

23. With a curve to the left having a radius of 317.00 feet, a delta angle of 18°38'34", an arc length of 103.15 feet, and a chord which bears North 21° 52' 59" West at a distance of 102.69 feet;

24. North 31°12'16" West, a distance of 413.14 feet;

25. North 76° 12' 16" West, a distance of 14.14 feet to the south right-of-way line of said Wheatland Road;

THENCE with the south right-of-way line of said Wheatland Road the following courses:

1. North $58^{\circ} 47' 44''$ East, a distance of 336.42 feet;
2. With a curve to the right having a radius of 660.00 feet, a delta angle of $31^{\circ} 12' 25''$, an arc length of 359.48 feet, and a chord which bears North $74^{\circ} 23' 56''$ East at a distance of 355.05 feet;
3. South $89^{\circ} 59' 51''$ East, a distance of 570.09 feet to the POINT OF BEGINNING containing 20.268 acres of land (882,866 Square Feet) more or less.

LEGAL DESCRIPTION - TRACT 5 (MI#1)

80.804 Acres

BEING a 80.804 acre tract of land situated in the H. CASEY SURVEY, ABSTRACT NUMBER 307 and in the R.SIMONTON SURVEY, ABSTRACT NUMBER 1277, Dallas County, Texas and being a portion of that certain called 108.835 acre of Tract III conveyed to University Hills Parcel D as recorded in Instrument No. 202100055162 of the Official Public Records of Dallas County, Texas, and being particularly described as follows:

BEGINNING at a 5/8-inch capped iron rod found stamped "BGE" for the northeast corner of the aforementioned Tract III: University Hills, Parcel D, the same being the northwest corner of a called 22.020 acre tract of land described in deed to King E. Rhodes, recorded in Volume 2002187 Page 1252, Deed Records of Dallas County, Texas being in the south right-of-way line of Wheatland Road (80' width);

THENCE South 37°08'06" East, a distance of 687.65 feet to a found 1/2-inch iron rod found;

THENCE North 52°53'52" East, a distance of 492.99 feet to a found 1/2-inch iron rod found;

THENCE North 07°22'56" West, a distance of 235.90 feet to a 1/2-inch iron rod found;

THENCE North 77°23'57" East, a distance of 325.26 feet to a found 3/8-inch iron rod found and the west right-of-way line of S. Lancaster Road (120' width);

THENCE with the said west right-of-way line and a non-tangential curve to the left, having a radius of 8654.00 feet, a delta angle of 5°26'02", an arc length of 820.73 feet and a chord which bears South 11°19'50" East a distance of 820.42 feet to 1/2-inch capped iron rod found stamped "RPLS 5439";

THENCE South 75° 53' 20" West, a distance of 225.27 feet;

THENCE South 15° 39' 15" East, a distance of 384.89 feet;

THENCE South 69° 56' 51" West, a distance of 335.55 feet;

THENCE South 20° 26' 45" East, a distance of 231.36 feet;

THENCE South 69° 48' 39" West, a distance of 181.83 feet;

THENCE South 20° 11' 21" East, a distance of 250.11 feet to a 1/2-inch iron rod found at the southwest corner of a tract deeded to Pilot Travel Center No. 1, recorded in Lot 1, Block A/7609, Volume 93177, Page 5593, Deed Records, Dallas County, Texas and being the north right-of-way line of Interstate Highway 20 (variable width);

THENCE South 69° 51' 35" West, a distance of 313.15 feet;

THENCE South 71° 38' 49" West, a distance of 966.36 feet to a point;

THENCE North 01° 11' 31" East, a distance of 457.56 feet to a point;

THENCE North 82° 43' 27" West, a distance of 827.35 feet to a point;

THENCE North 29° 43' 17" West, a distance of 1271.83 feet to the south right-of-way of Wheatland Road (80' width);

THENCE North 58° 47' 44" East, with the south right-of-way line of said Wheatland Road, a distance of 542.01 feet;

THENCE into and across said Tract III the following courses:

1. South 76°12'16" East, a distance of 14.14 feet;

2. South 31°12'16" East, a distance of 413.14 feet;

3. With a curve to the right having a radius of 317.00 feet, a delta angle of 18°38'34", an arc length of 103.15 feet, and a chord which bears South 21° 52' 59" East at a distance of 102.69 feet;

4. South 12° 33' 42" East, a distance of 215.21 feet;

5. With a curve to the left having a radius of 373.00 feet, a delta angle of $18^{\circ}38'34''$, an arc length of 121.37 feet, and a chord which bears South $21^{\circ}52'59''$ East, a distance of 120.83 feet;
6. South $31^{\circ}12'16''$ East, a distance of 12.37 feet;
7. South $13^{\circ}47'44''$ West, a distance of 4.24 feet;
8. South $58^{\circ}47'44''$ West, a distance of 7.00 feet;
9. South $31^{\circ}12'16''$ East, a distance of 56.00 feet;
10. North $58^{\circ}47'44''$ East, a distance of 7.00 feet;
11. South $76^{\circ}12'16''$ East, a distance of 4.24 feet;
12. South $31^{\circ}12'16''$ East, a distance of 7.00 feet;
13. North $58^{\circ}47'44''$ East, a distance of 56.00 feet;
14. North $31^{\circ}12'16''$ West, a distance of 7.00 feet;
15. North $13^{\circ}47'44''$ East, a distance of 4.24 feet;
16. North $58^{\circ}47'44''$ East, a distance of 903.89 feet;
17. South $76^{\circ}11'14''$ East, a distance of 4.24 feet;
18. South $31^{\circ}10'13''$ East, a distance of 7.02 feet;
19. North $58^{\circ}45'27''$ East, a distance of 56.00 feet;
20. North $31^{\circ}10'13''$ West, a distance of 6.98 feet;
21. North $13^{\circ}48'46''$ East, a distance of 4.24 feet;
22. North $58^{\circ}47'44''$ East, a distance of 6.98 feet;
23. North $31^{\circ}07'34''$ West, a distance of 56.00 feet;
24. South $58^{\circ}47'44''$ West, a distance of 7.02 feet;
25. North $76^{\circ}11'14''$ West, a distance of 4.24 feet;
26. With a curve to the right having a radius of 317.59 feet, a delta angle of $32^{\circ}06'07''$, an arc length of 177.94 feet, and a chord which bears North $16^{\circ}03'47''$ West at a distance of 175.62 feet;
27. North $00^{\circ}00'09''$ East, a distance of 346.34 feet;

THENCE North $45^{\circ}00'09''$ East, a distance of 14.14 feet to the south right-of-way line of said Wheatland Road;

THENCE South $S89^{\circ}59'51''$ East, a distance of 166.26 feet to the POINT OF BEGINNING and containing 80.804 acres of land (3,519,823 Square Feet) more or less.

LEGAL DESCRIPTION - TRACT 6 (MI#2)

1.045 Acres

BEING a 1.045 acre tract of land situated in the H. CASEY SURVEY, ABSTRACT NUMBER 307, Dallas County, Texas and being of that certain called 1.045 acre of Tract III conveyed to University Hills Parcel A as recorded in Instrument No. 202100055162 of the Official Public Records of Dallas County, Texas and being particularly described as follows:

BEGINNING at a 5/8-inch capped iron rod found stamped "BGE" (controlling monument) in the south right-of-way line of Wheatland Road (80' width);

THENCE North 58°43'37" East, a distance of 315.89 feet to a point;

THENCE South 62°59'26" East, a distance of 40.00 feet to the west right-of-way of S. Lancaster Road (120' width) to a point;

THENCE South 07°25'36" East, with the west right-of-way of said S. Lancaster Road, a distance of 102.62 feet to a point;

THENCE continuing with the west right-of-way of said S. Lancaster Road and with a curve to the left having a radius of 8654.00 feet, an arc length of 60.07 feet, a delta angle of 00°23'52" and having a chord which bears South 07°33'07" East, at a distance of 60.07 feet to a 3/8-inch iron rod found;

THENCE South 77°23'57" West, a distance of 323.43 feet to a 1/2-inch iron rod found;

THENCE North 07° 22' 56" West, a distance of 86.77 feet to the POINT OF BEGINNING and containing 1.045 acres of land (45,532 Square Feet) more or less.

LEGAL DESCRIPTION - TRACT 7 (MI#3)

4.828 Acres

BEING a 89.070 acre tract of land situated in the H. CASEY SURVEY, ABSTRACT NUMBER 307 and in the R.SIMONTON SURVEY, ABSTRACT NUMBER 1277, Dallas County, Texas and being a portion of that certain called 157.221 acre of Tract III conveyed to University Hills Parcel E as recorded in Instrument No. 202100055162 of the Official Public Records of Dallas County, Texas, and being particularly described as follows:

BEGINNING at a 1/2-inch iron rod found for the northwest corner of the aforementioned Tract III: University Hills, Parcel C, and being in the south right-of-way line of Wheatland Road (80' width), and being the northeast corner of a called 22.0197 acres tract of land described in deed to King E. Rhodes recorded in Deed Volume 2002187, Page 125 in Deed Records, Dallas County, Texas;

THENCE North 59°19'46" East, with the south right-of-way line of said Wheatland Road, a distance of 122.87 feet to a 5/8-inch iron rod found;

THENCE North 58°56'49" East, continuing with the south right-of-way line of said Wheatland Road, a distance of 178.10 feet to a point;

THENCE South 63°36'43" East, a distance of 54.45 feet to the west right-of-way line of S. Lancaster Road (120' width);

THENCE South 07°27'07" East, with the west right-of-way line of said S. Lancaster Road, a distance of 546.15 feet to a point;

THENCE South 82°35'24" West, a distance of 150.24 feet to a 1/2-inch iron rod found;

THENCE South 07° 25' 36" East, a distance of 68.00 feet to a point;

THENCE North 82° 35' 24" East, a distance of 150.00 feet to the west right-of-way line of said S. Lancaster Road;

THENCE South 07° 25' 36" East, a distance of 8.65 feet to a point;

THENCE South 25° 32' 42" West, a distance of 26.00 feet to the north right-of-way line of Wheatland Road (80' width);

THENCE South 58° 43' 37" West, with the north right-of-way line of said Wheatland Road, a distance of 336.41 feet to a 5/8-inch iron rod found and the southwest corner of the aforementioned Tract III and the southeast corner of said called 22.0197 acres tract;

THENCE North 07° 22' 56" West, with the east line of said called 22.0197 acres tract, a distance of 691.05 feet to the POINT OF BEGINNING and containing 4.828 acres of land (210,297 Square Feet) more or less.

LEGAL DESCRIPTION – City of Lancaster Boundary
8.266 ACRES

BEING all that certain tract or parcel of land situated in the R. Simonton Survey, Abstract Number 1277, Dallas County, Texas, and being a portion of a called 108.835 acre tract of land described as Tract III, University Hills Tract D, in the deed to VM Fund I, LLC, recorded in County Clerk's Instrument Number 202100055162, of the Official Public Records, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at point in the South line of said Tract III, in the North right-of-way line of Interstate Highway 35 (variable width), and in the West line of a boundary line agreement recorded in County Clerk's Instrument Number 1973000525848, of said Official Public records, from which a TX-DOT concrete monument found bears South 29°43'17" East, a distance of 1.52 feet;

THENCE North 29° 43' 17" West with the West line of said boundary agreement, a distance of 822.10 feet to a 1/2-inch iron rod with plastic cap stamped "RPLS 6677" set (hereinafter referred to as capped iron rod set)

THENCE over and across said Tract III the following courses and distances:

1. South 82° 43' 27" East, a distance of 827.35 feet to a capped iron rod set;
2. South 01° 11' 31" West, a distance of 457.56 feet to a capped iron rod set in the South line of said Tract III and in the North right-of-way line of said Interstate Highway 35, and for the Southeast corner of the tract being described herein;

THENCE with the South line of said Tract III and the North right-of-way line of said Interstate Highway 35 the following courses and distances:

1. South 71° 38' 49" West, a distance of 373.60 feet to a TX-DOT concrete monument found;
2. South 55° 10' 58" West, a distance of 59.68 feet to the POINT OF BEGINNING and containing 8.266 acres of land, more or less.

Tax Data



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Commercial Account #00000754793500000

[Location](#) | [Owner](#) | [Legal Desc](#) | [Value](#) | [Improvements](#) | [Land](#) | [Exemptions](#) | [Estimated Taxes](#) | [Building Footprint](#) | [History](#)

Location (Current 2024)

Address: 2000 E WHEATLAND RD
Market Area: 0
Mapscot: 75-D (DALLAS)

[DCAD Property Map](#)

[View Photo](#)

[2023 Appraisal Notice](#)

[Electronic Documents \(ENS\)](#)



[Print Homestead Exemption Form](#)

Owner (Current 2024)

VM FUND I LLC
1800 VALLEY VIEW LN STE 316
FARMERS BRANCH, TEXAS 752348980

Multi-Owner (Current 2024)

Owner Name	Ownership %
VM FUND I LLC	100%

Legal Desc (Current 2024)

- 1: BLK 7609
2: TR, 5 ACS 2.756
3:
4: INT202100055162 DD02172021 CO-DC
5: 7609 000 00500 2DA7609 000
Deed Transfer Date: 3/1/2021

Value

2023 Certified Values	
Improvements	\$0
Land:	+ \$48,230
Market Value:	= \$48,230
Revaluation Year:	2022
Previous Revaluation Year:	2021

Improvements (Current 2024)

No Improvements.



Land (2023 Certified Values)

#	State Code	Zoning	Frontage (ft)	Depth (ft)	Area	Pricing Method	Unit Price	Market Adjustment	Adjusted Price	Ag Land
1	COMMERCIAL - VACANT PLOTTED LOTS/TRACTS	SINGLE FAMILY 7500 SQFT	0	0	2.7560 ACRE	STANDARD	\$17,500.00	0%	\$48,230	N

* All Exemption information reflects 2023 Certified Values. *

Exemptions (2023 Certified Values)

No Exemptions

Estimated Taxes (2023 Certified Values)

	City	School	County and School Equalization	College	Hospital	Special District
Taxing Jurisdiction	DALLAS	DALLAS ISD	DALLAS COUNTY	DALLAS COLLEGE	PARKLAND HOSPITAL	UNASSIGNED
Tax Rate per \$100	\$0.7357	\$1.013835	\$0.215718	\$0.110028	\$0.2195	N/A
Taxable Value	\$48,230	\$48,230	\$48,230	\$48,230	\$48,230	\$0
Estimated Taxes	\$354.83	\$488.97	\$104.04	\$53.07	\$105.86	N/A
Tax Ceiling					N/A	N/A
Total Estimated Taxes:						\$1,106.77

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Building Footprint (Current 2024)



History

History

Commercial Account #00000754793600000

[Location](#) | [Owner](#) | [Legal Desc](#) | [Value](#) | [Improvements](#) | [Land](#) | [Exemptions](#) | [Estimated Taxes](#) | [Building Footprint](#) | [History](#)

Location (Current 2024)

Address: 7915 S LANCASTER RD
Market Area: 0
Mapsc0: 75-D (DALLAS)

DCAD Property Map

View Photo

2023 Appraisal Notice

Electronic Documents (ENS)



Print Homestead Exemption Form

Owner (Current 2024)

VM FUND I LLC
 1800 VALLEY VIEW LN STE 316
 FARMERS BRANCH, TEXAS 752348980

Multi-Owner (Current 2024)

Owner Name	Ownership %
VM FUND I LLC	100%

Legal Desc (Current 2024)

- 1: BLK 7609
- 2: TR 4 ACS 102.505
- 3: JURIS SPLIT SEE 65127774010010000
- 4: INT202100055162 DD02172021 CO-DC
- 5: 7609 000 00400 2DA7609 000

Deed Transfer Date: 3/1/2021

Value

2023 Certified Values	
Improvement:	\$0
Land:	+ \$1,793,840
Market Value:	= \$1,793,840
Revaluation Year:	2022
Previous Revaluation Year:	2021

Improvements (Current 2024)

No Improvements.

Land (2023 Certified Values)

#	State Code	Zoning	Frontage (ft)	Depth (ft)	Area	Pricing Method	Unit Price	Market Adjustment	Adjusted Price	Ag Land
1	COMMERCIAL - VACANT PLOTTED LOTS/TRACTS	MULTIFAMILY DISTRICT 2	0	0	102.5050 ACRE	STANDARD	\$17,500.00	0%	\$1,793,838	N

* All Exemption information reflects 2023 Certified Values. *

Exemptions (2023 Certified Values)

No Exemptions

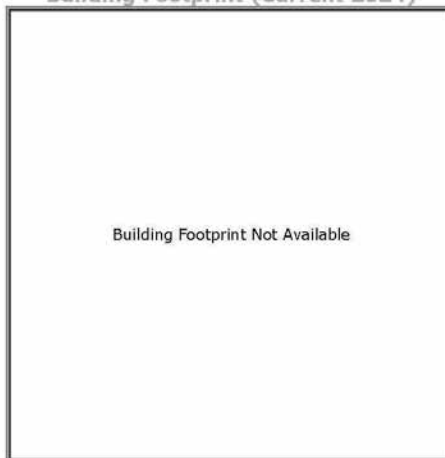
Estimated Taxes (2023 Certified Values)

	City	School	County and School Equalization	College	Hospital	Special District
Taxing Jurisdiction	DALLAS	DALLAS ISD	DALLAS COUNTY	DALLAS COLLEGE	PARKLAND HOSPITAL	UNASSIGNED
Tax Rate per \$100	\$0.7357	\$1.013835	\$0.215718	\$0.110028	\$0.2195	N/A
Taxable Value	\$1,793,840	\$1,793,840	\$1,793,840	\$1,793,840	\$1,793,840	\$0
Estimated Taxes	\$13,197.28	\$18,186.58	\$3,869.64	\$1,973.73	\$3,937.48	N/A
Tax Ceiling					N/A	N/A
Total Estimated Taxes:						\$41,164.70

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Building Footprint (Current 2024)



History

History



Commercial Account #00000755080000000

[Location](#) | [Owner](#) | [Legal Desc](#) | [Value](#) | [Improvements](#) | [Land](#) | [Exemptions](#) | [Estimated Taxes](#) | [Building Footprint](#) | [History](#)

Location (Current 2024)

Address: 1900 WHEATLAND RD
Market Area: 0
Mapsc0: 65-Y (DALLAS)

DCAD Property Map

View Photo

2023 Appraisal Notice

Electronic Documents (ENS)



Print Homestead Exemption Form

Owner (Current 2024)

VM FUND I LLC
1800 VALLEY VIEW LN STE 316
FARMERS BRANCH, TEXAS 752348980

Multi-Owner (Current 2024)

Owner Name	Ownership %
VM FUND I LLC	100%

Legal Desc (Current 2024)

- 1: BLK 7611,7612,7605,6886
- 2: ACS 157.221
- 3:
- 4: INT202100055162 DD02172021 CO-DC
- 5: 7611 000 00000 2DA7611 000

Deed Transfer Date: 3/1/2021

Value

2023 Certified Values	
Improvement:	\$0
Land:	+ \$2,751,370
Market Value:	= \$2,751,370
Revaluation Year:	2022
Previous Revaluation Year:	2021

Improvements (Current 2024)

No Improvements.

Land (2023 Certified Values)

#	State Code	Zoning	Frontage (ft)	Depth (ft)	Area	Pricing Method	Unit Price	Market Adjustment	Adjusted Price	Ag Land
1	COMMERCIAL - VACANT PLOTTED LOTS/TRACTS	AGRICULTURE DISTRICT	0	0	157.2210 ACRE	STANDARD	\$17,500.00	0%	\$2,751,368	N

* All Exemption information reflects 2023 Certified Values. *

Exemptions (2023 Certified Values)

No Exemptions

Estimated Taxes (2023 Certified Values)

	City	School	County and School Equalization	College	Hospital	Special District
Taxing Jurisdiction	DALLAS	DALLAS ISD	DALLAS COUNTY	DALLAS COLLEGE	PARKLAND HOSPITAL	UNASSIGNED
Tax Rate per \$100	\$0.7357	\$1.013835	\$0.215718	\$0.110028	\$0.2195	N/A
Taxable Value	\$2,751,370	\$2,751,370	\$2,751,370	\$2,751,370	\$2,751,370	\$0
Estimated Taxes	\$20,241.83	\$27,894.35	\$5,935.20	\$3,027.28	\$6,039.26	N/A
Tax Ceiling					N/A	N/A
Total Estimated Taxes:						\$63,137.92

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Building Footprint (Current 2024)



History

History



Commercial Account #00000756944000000

[Location](#) | [Owner](#) | [Legal Desc](#) | [Value](#) | [Improvements](#) | [Land](#) | [Exemptions](#) | [Estimated Taxes](#) | [Building Footprint](#) | [History](#)

Location (Current 2024)

Address: 7531 S LANCASTER RD
Market Area: 0
Mapsc0: 65-2 (DALLAS)

DCAD Property Map

View Photo

2023 Appraisal Notice

Electronic Documents (ENS)



Print Homestead Exemption Form

Owner (Current 2024)

VM FUND I LLC
1800 VALLEY VIEW LN STE 316
FARMERS BRANCH, TEXAS 752348980

Multi-Owner (Current 2024)

Owner Name	Ownership %
VM FUND I LLC	100%

Legal Desc (Current 2024)

- 1: BLK 7616 & 7609
- 2: TR 5 ACS 4.832
- 3:
- 4: INT202100055162 DD02172021 CO-DC
- 5: 7616 000 00500 2007616 000

Deed Transfer Date: 3/1/2021

Value

2023 Certified Values	
Improvements:	\$0
Land:	+ \$473,590
Market Value:	= \$473,590
Revaluation Year:	2022
Previous Revaluation Year:	2021

Improvements (Current 2024)

No Improvements.

Land (2023 Certified Values)

#	State Code	Zoning	Frontage (ft)	Depth (ft)	Area	Pricing Method	Unit Price	Market Adjustment	Adjusted Price	Ag Land
1	COMMERCIAL - VACANT PLOTTED LOTS/TRACTS	COMMUNITY RETAIL	0	0	210,482.0000 SQUARE FEET	STANDARD	\$2.25	0%	\$473,585	N

* All Exemption information reflects 2023 Certified Values. *

Exemptions (2023 Certified Values)

No Exemptions

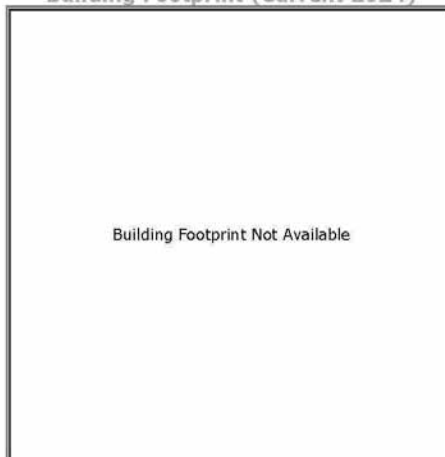
Estimated Taxes (2023 Certified Values)

	City	School	County and School Equalization	College	Hospital	Special District
Taxing Jurisdiction	DALLAS	DALLAS ISD	DALLAS COUNTY	DALLAS COLLEGE	PARKLAND HOSPITAL	UNASSIGNED
Tax Rate per \$100	\$0.7357	\$1.013835	\$0.215718	\$0.110028	\$0.2195	N/A
Taxable Value	\$473,590	\$473,590	\$473,590	\$473,590	\$473,590	\$0
Estimated Taxes	\$3,484.20	\$4,801.42	\$1,021.62	\$521.08	\$1,039.53	N/A
Tax Ceiling					N/A	N/A
Total Estimated Taxes:						\$10,867.85

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Building Footprint (Current 2024)



History

History



Commercial Account #00000756944000100

[Location](#) | [Owner](#) | [Legal Desc](#) | [Value](#) | [Improvements](#) | [Land](#) | [Exemptions](#) | [Estimated Taxes](#) | [Building Footprint](#) | [History](#)

Location (Current 2024)

Address: 7531 S LANCASTER RD
Market Area: 0
Mapsc0: 75-D (DALLAS)

DCAD Property Map

View Photo

2023 Appraisal Notice

Electronic Documents (ENS)



Print Homestead Exemption Form

Owner (Current 2024)

VM FUND I LLC
1800 VALLEY VIEW LN STE 316
FARMERS BRANCH, TEXAS 752348980

Multi-Owner (Current 2024)

Owner Name	Ownership %
VM FUND I LLC	100%

Legal Desc (Current 2024)

- 1: BLK 7616
- 2: TR 5.1 ACS 1.045
- 3:
- 4: INT202100055162 DD02172021 CO-DC
- 5: 7616 000 00501 2007616 000

Deed Transfer Date: 3/1/2021

Value

2023 Certified Values	
Improvements	\$0
Land:	+ \$18,290
Market Value:	= \$18,290
Revaluation Year:	2022
Previous Revaluation Year:	2021

Improvements (Current 2024)

No Improvements.

Land (2023 Certified Values)

#	State Code	Zoning	Frontage (ft)	Depth (ft)	Area	Pricing Method	Unit Price	Market Adjustment	Adjusted Price	Ag Land
1	COMMERCIAL - VACANT PLOTTED LOTS/TRACTS	COMMUNITY RETAIL	0	0	1.0450 ACRE	STANDARD	\$17,500.00	0%	\$18,288	N

* All Exemption information reflects 2023 Certified Values. *

Exemptions (2023 Certified Values)

No Exemptions

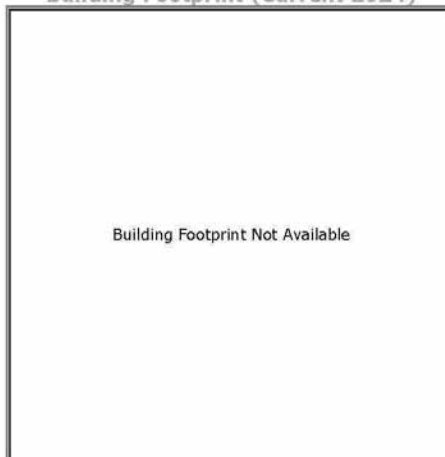
Estimated Taxes (2023 Certified Values)

	City	School	County and School Equalization	College	Hospital	Special District
Taxing Jurisdiction	DALLAS	DALLAS ISD	DALLAS COUNTY	DALLAS COLLEGE	PARKLAND HOSPITAL	UNASSIGNED
Tax Rate per \$100	\$0.7357	\$1.013835	\$0.215718	\$0.110028	\$0.2195	N/A
Taxable Value	\$18,290	\$18,290	\$18,290	\$18,290	\$18,290	\$0
Estimated Taxes	\$134.56	\$185.43	\$39.45	\$20.12	\$40.15	N/A
Tax Ceiling					N/A	N/A
Total Estimated Taxes:						\$419.72

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Building Footprint (Current 2024)



History

History



Commercial Account #65127774010010000

[Location](#) | [Owner](#) | [Legal Desc](#) | [Value](#) | [Improvements](#) | [Land](#) | [Exemptions](#) | [Estimated Taxes](#) | [Building Footprint](#) | [History](#)

Location (Current 2024)

Address: 1001 IH 20
Market Area: 0
Mapsc: 75-D (DALLAS)

DCAD Property Map

View Photo

2023 Appraisal Notice

Electronic Documents (ENS)



Print Homestead Exemption Form

Owner (Current 2024)

VM FUND I LLC
1800 VALLEY VIEW LN STE 316
FARMERS BRANCH, TEXAS 752348980

Multi-Owner (Current 2024)

Owner Name	Ownership %
VM FUND I LLC	100%

Legal Desc (Current 2024)

- 1: ROBERT SIMONTON ABST 1277 PG 740
- 2: TR 1 ACS 6.33 CALC
- 3: JURIS SPLIT SEE 00000754793600000
- 4: INT202100055162 DD02172021 CO-DC
- 5: 1277740100100 4CN12777401

Deed Transfer Date: 3/1/2021

Value

2023 Certified Values	
Improvements:	\$0
Land:	+ \$110,780
Market Value:	= \$110,780
Revaluation Year:	2022
Previous Revaluation Year:	2021

Improvements (Current 2024)

No Improvements.

Land (2023 Certified Values)

#	State Code	Zoning	Frontage (ft)	Depth (ft)	Area	Pricing Method	Unit Price	Market Adjustment	Adjusted Price	Ag Land
1	COMMERCIAL - VACANT PLOTTED LOTS/TRACTS	COMMERCIAL HIGHWAY DISTRICT	0	0	6.3300 ACRE	STANDARD	\$17,500.00	0%	\$110,775	N

* All Exemption information reflects 2023 Certified Values. *

Exemptions (2023 Certified Values)

No Exemptions

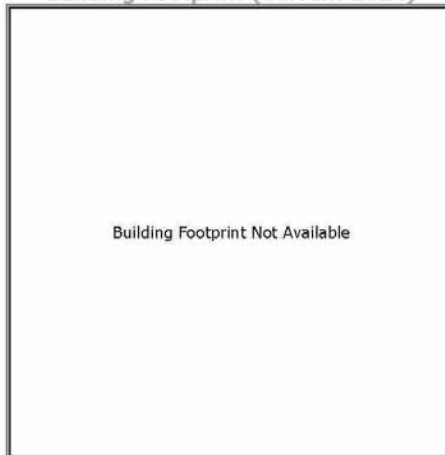
Estimated Taxes (2023 Certified Values)

	City	School	County and School Equalization	College	Hospital	Special District
Taxing Jurisdiction	LANCASTER	DALLAS ISD	DALLAS COUNTY	DALLAS COLLEGE	PARKLAND HOSPITAL	UNASSIGNED
Tax Rate per \$100	\$0.639004	\$1.013835	\$0.215718	\$0.110028	\$0.2195	N/A
Taxable Value	\$110,780	\$110,780	\$110,780	\$110,780	\$110,780	\$0
Estimated Taxes	\$707.89	\$1,123.13	\$238.97	\$121.89	\$243.16	N/A
Tax Ceiling					N/A	N/A
Total Estimated Taxes:						\$2,435.04

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Building Footprint (Current 2024)



History

Addendum E

Comparable Data

Land Sales - Townhome Lots

Location & Property Identification

Property Name:	Solterra, Phase 1B - 35' Lots
Sub-Property Type:	Residential, Finished SFR Lots
Address:	1956 Sierra Rose Trace
City/State/Zip:	Mesquite, TX 75181
County:	Dallas
Submarket:	Mesquite
Market Orientation:	Suburban
Property Location:	East side of Sierra Rose Trace, south of Twin Oaks Drive
IRR Event ID:	3235731



Sale Information

Sale Price:	\$62,705
Effective Sale Price:	\$62,705
Sale Date:	03/28/2024
Sale Status:	Closed
\$/Acre(Gross):	\$709,333
\$/Land SF(Gross):	\$16.29
\$/Unit (Potential):	\$1,792 /Unit
Grantor/Seller:	HC Solterra LLC
Grantee/Buyer:	Weekley Homes LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale Comments:	The base lot price was set at \$59,500 in June 2023 with an annual 7% escalation.
Document Type:	Deed
Recording No.:	202400062398
Verified By:	Shelley Sivakumar
Verification Date:	05/20/2024
Confirmation Source:	Huffines Communities
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	Solterra, Phase 1B, Block A, Lot 42/Tax ID 391945500A0420000
Acres(Gross):	0.09
Land-SF(Gross):	3,850
No. of Units (Potential):	35
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Desc.:	35' x 110'
Zoning Code:	PD
Zoning Desc.:	Planned Development
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

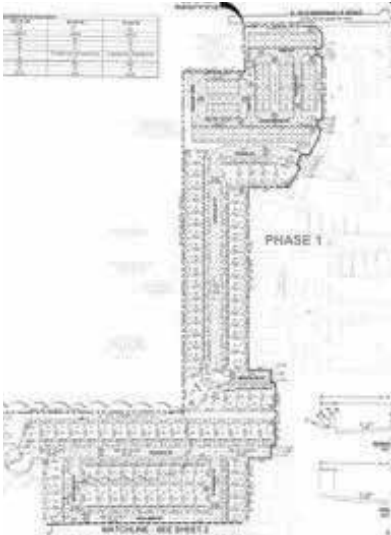
This lot is part of the Solterra master-planned development located within a PID. The development is in the Mesquite ISD.

Improvement and Site Data



Location & Property Identification

Property Name:	Liberty Crossing, Phase 2 - 22'-28' TH Lots
Sub-Property Type:	Residential, Finished SFR Lots
Address:	Southwest corner of E. Old Greenville Road and Liberty Crossing Avenue
City/State/Zip:	Royse City, TX 75189
County:	Rockwall
Submarket:	RoyseCity
Market Orientation:	Suburban
IRR Event ID:	3233380



Sale Information

Sale Price:	\$52,000
Effective Sale Price:	\$52,000
Sale Date:	03/17/2025
Sale Status:	Closed
\$/Acre(Gross):	\$1,538,462
\$/Land SF(Gross):	\$35.28
\$/Unit (Potential):	\$2,364 /Unit
Grantor/Seller:	Liberty Crossing Land, LLC
Grantee/Buyer:	DR Horton Texas LTD
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale Comments:	The townhome lots were contracted in 1Q/2024 for substantial completion by 1Q/2025 with an annual 8% escalation.
Document Type:	Warranty Deed
Recording No.:	20250000004392
Verified By:	Shelley Sivakumar
Verification Date:	05/13/2024
Confirmation Source:	Gary Erlemann (Gary.Erlemann@S2LD.com)

Verification Type: Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	Liberty Crossing, Phase 2
Acres(Gross):	0.03
Land-SF(Gross):	1,474
No. of Units (Potential):	22
Shape:	Rectangular
Topography:	Level
Frontage Feet:	22
Frontage Desc.:	22'/28' x 67'
Zoning Code:	PD
Zoning Desc.:	Planned Development
Flood Plain:	No
Utilities:	Water Public, Sewer
Utilities Desc.:	Liberty Crossing Public Improvement District
Source of Land Info.:	Engineering Report

Comments

This lot is located in the Liberty Crossing PID, IA #2 and is within the Royse City ISD. IA #2 was completed with 203 lots with townhome lots, 50', and 60' lots in March of 2025.

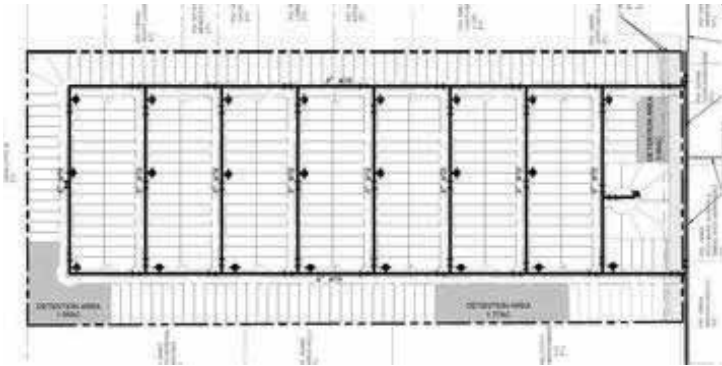


Comments (Cont'd)



Location & Property Identification

Property Name:	DeBerry Heritage - 40' Lots
Sub-Property Type:	Residential, Single Family Residence Site
Address:	West side of Ferris Road, south of Nolan Road
City/State/Zip:	Ferris, TX 75125
County:	Ellis
Submarket:	Ferris
Market Orientation:	Suburban
IRR Event ID:	3238682



Sale Information

Sale Price:	\$65,500
Effective Sale Price:	\$65,500
Sale Date:	05/30/2025
Sale Status:	In-Contract
\$/Acre(Gross):	\$1,108
\$/Land SF(Gross):	\$0.03
\$/Acre(Usable):	\$1,108
\$/Land SF(Usable):	\$0.03
\$/Unit (Potential):	\$1,638 /Unit
Grantor/Seller:	Heritage Land Development LLC
Grantee/Buyer:	Astoria Homes
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale Comments:	The base lot price was set in May 2024 for substantial completion expected by May 2025 with an annual 6% escalation.
Document Type:	Contract of Sale
Verified By:	Shelley Sivakumar
Verification Date:	05/29/2024
Confirmation Source:	Laurence DeBerry (972-839-0046)
Verification Type:	Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	As Vacant Land - E. S. Miller Survey, Abstract No. 736/Tax ID 188058
Acres(Usable/Gross):	59.09/59.09
Land-SF(Usable/Gross):	2,574,048/2,574,048
Usable/Gross Ratio:	1.00
No. of Units (Potential):	40
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Desc.:	40' x 110'
Zoning Code:	Suburban Living
Zoning Desc.:	Suburban Living
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

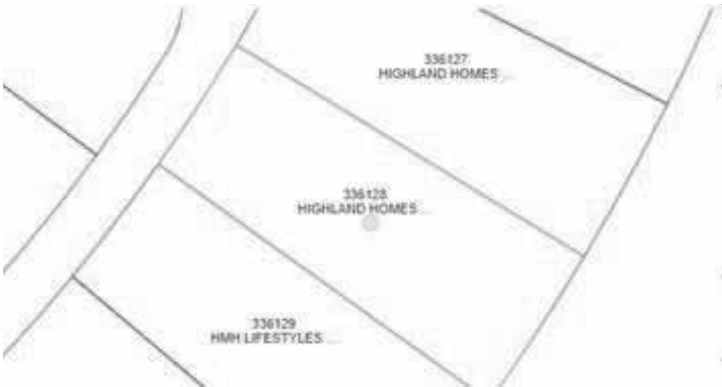
Comments

All lots are under contract within a proposed 355-lot subdivision to be known as DeBerry Heritage which is being developed on 59.092 acres. The lots are in the Ferris ISD.



Location & Property Identification

Property Name:	Waterscape, Phase 3B - 40' Lots
Sub-Property Type:	Residential, Finished SFR Lots
Address:	Southwest side of Crenshaw Road, southeast of FM-548
City/State/Zip:	Royse City, TX 75189
County:	Rockwall
Submarket:	RoyseCity
Market Orientation:	Suburban
Property Location:	2025 Bayfront Drive
IRR Event ID:	3225892



Sale Information

Sale Price:	\$66,000
Effective Sale Price:	\$66,000
Sale Date:	07/30/2024
Sale Status:	Closed
\$/Acre(Gross):	\$598,911
\$/Land SF(Gross):	\$13.75
\$/Unit (Potential):	\$1,650 /Unit
Grantor/Seller:	HC Royse 548 LLC
Grantee/Buyer:	Highland Homes - Dallas, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale Comments:	The base lot price was set for substantial completion by 3Q2024. All lots are contracted with an annual 6% escalation plus additional fees.
Document Type:	Deed
Recording No.:	20240000013653
Verified By:	Shelley Sivakumar
Verification Date:	12/17/2024
Confirmation Source:	Barry Jameson (972-347-6414)
Verification Type:	Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	Waterscape, Phase 3B, Block K, Lot 38/Tax ID 336128
Acres(Gross):	0.11
Land-SF(Gross):	4,800
No. of Units (Potential):	40
Shape:	Rectangular
Topography:	Level
Frontage Feet:	40
Frontage Desc.:	40' x 120'
Zoning Code:	PD
Zoning Desc.:	Planned Development
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

Lots in Phase 3B are located within the Waterscape PID, IA #4. All lots are within the Royse City ISD.



Land Sales - 40' Lots

Location & Property Identification

Property Name: University Hills, Phase 1 - 50' Lot

Sub-Property Type: Residential, Finished SFR Lots

Address: North side of East Wheatland Road, west of S. Lancaster Road

City/State/Zip: Dallas, TX 75241

County: Dallas

Submarket: Dallas

Market Orientation: Suburban

IRR Event ID: 3071772



Sale Information

Sale Price: \$75,000

Effective Sale Price: \$75,000

Sale Date: 06/01/2026

Contract Date: 10/19/2023

Sale Status: In-Contract

\$/Acre(Gross): \$593,824

\$/Land SF(Gross): \$13.64

\$/Acre(Usable): \$593,824

\$/Land SF(Usable): \$13.64

\$/Unit (Potential): \$1,500 /Unit

Grantor/Seller: Hoque Global Properties, LLC

Grantee/Buyer: DRHI, Inc. (DR Horton)

Property Rights: Fee Simple

Financing: Cash to seller

Terms of Sale Comments: Rolling option takedown with 8% interest and additional fees of \$1,500 (amenity fee) and \$500 (marketing fee) per lot.

Document Type: Contract of Sale

Recording No.: N/A

Verified By: Ernest Gatewood

Verification Date: 11/17/2023

Confirmation Source: Contract

Verification Type: Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID: University Hills Subdivision /Tax ID N/A

Acres(Usable/Gross): 0.13/0.13

Land-SF(Usable/Gross): 5,500/5,500

Usable/Gross Ratio: 1.00

No. of Units (Potential): 50

Shape: Rectangular

Topography: Level

Corner Lot: No

Frontage Feet: 50

Frontage Desc.: 50' x 110'

Frontage Type: 2 way, 1 lane each way

Zoning Code: PD (Planned Development)

Zoning Desc.: Single-Family/Townhouse

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

Comments (Cont'd)

This represents the purchase of 550 lots by a major homebuilder. There are three lot types in the subdivision being 24' townhouse lots and , 40' and 50' standard lots. The subdivision is located within the Dallas ISD.

Location & Property Identification

Property Name:	University Hills, Phase 1 - TH Lot
Sub-Property Type:	Residential, Finished SFR Lots
Address:	North side of East Wheatland Road, west of S. Lancaster Road
City/State/Zip:	Dallas, TX 75241
County:	Dallas
Submarket:	Dallas
Market Orientation:	Suburban
IRR Event ID:	3071756



Sale Information

Sale Price:	\$50,000
Effective Sale Price:	\$50,000
Sale Date:	06/01/2026
Contract Date:	10/19/2023
Sale Status:	In-Contract
\$/Acre(Gross):	\$1,008,065
\$/Land SF(Gross):	\$23.15
\$/Acre(Usable):	\$1,008,065
\$/Land SF(Usable):	\$23.15
\$/Unit (Potential):	\$2,083 /Unit
Grantor/Seller:	Hoque Global Properties, LLC
Grantee/Buyer:	DRHI, Inc. (DR Horton)
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale Comments:	Rolling option takedown with 8% interest and additional fees of \$1,500 (amenity fee) and \$500 (marketing fee) per lot.
Document Type:	Contract of Sale
Recording No.:	N/A

Verified By:	Ernest Gatewood
Verification Date:	11/17/2023
Confirmation Source:	Contract
Verification Type:	Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	University Hills Subdivision /Tax ID N/A
Acres(Usable/Gross):	0.05/0.05
Land-SF(Usable/Gross):	2,160/2,160
Usable/Gross Ratio:	1.00
No. of Units (Potential):	24
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	24
Frontage Desc.:	24' x 90'
Frontage Type:	2 way, 1 lane each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Single-Family/Townhouse
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

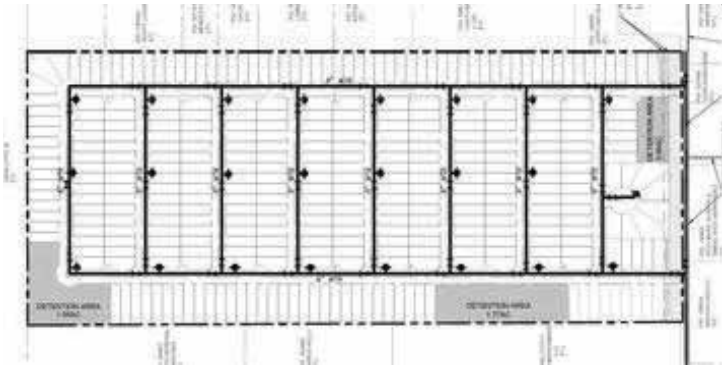


Comments (Cont'd)

This represents the purchase of 550 lots by a major homebuilder. There are three lot types in the subdivision being 24' townhouse lots and , 40' and 50' standard lots. The subdivision is located within the Dallas ISD.

Location & Property Identification

Property Name:	DeBerry Heritage - 40' Lots
Sub-Property Type:	Residential, Single Family Residence Site
Address:	West side of Ferris Road, south of Nolan Road
City/State/Zip:	Ferris, TX 75125
County:	Ellis
Submarket:	Ferris
Market Orientation:	Suburban
IRR Event ID:	3238682



Sale Information

Sale Price:	\$65,500
Effective Sale Price:	\$65,500
Sale Date:	05/30/2025
Sale Status:	In-Contract
\$/Acre(Gross):	\$1,108
\$/Land SF(Gross):	\$0.03
\$/Acre(Usable):	\$1,108
\$/Land SF(Usable):	\$0.03
\$/Unit (Potential):	\$1,638 /Unit
Grantor/Seller:	Heritage Land Development LLC
Grantee/Buyer:	Astoria Homes
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale Comments:	The base lot price was set in May 2024 for substantial completion expected by May 2025 with an annual 6% escalation.
Document Type:	Contract of Sale
Verified By:	Shelley Sivakumar
Verification Date:	05/29/2024
Confirmation Source:	Laurence DeBerry (972-839-0046)
Verification Type:	Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	As Vacant Land - E. S. Miller Survey, Abstract No. 736/Tax ID 188058
Acres(Usable/Gross):	59.09/59.09
Land-SF(Usable/Gross):	2,574,048/2,574,048
Usable/Gross Ratio:	1.00
No. of Units (Potential):	40
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Desc.:	40' x 110'
Zoning Code:	Suburban Living
Zoning Desc.:	Suburban Living
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

All lots are under contract within a proposed 355-lot subdivision to be known as DeBerry Heritage which is being developed on 59.092 acres. The lots are in the Ferris ISD.



Location & Property Identification

Property Name:	Edgewater, Phase 2 - 40' Lots
Sub-Property Type:	Residential, Finished SFR Lots
Address:	East side of FM-551 at Gettysburg Boulevard
City/State/Zip:	Fate, TX 75132
County:	Rockwall
Submarket:	Rockwall
Market Orientation:	Suburban
IRR Event ID:	3284110



Sale Information

Sale Price:	\$68,594
Effective Sale Price:	\$68,594
Sale Date:	08/07/2024
Sale Status:	Closed
\$/Acre(Gross):	\$679,149
\$/Land SF(Gross):	\$15.59
\$/Acre(Usable):	\$679,149
\$/Land SF(Usable):	\$15.59
\$/Unit (Potential):	\$1,715 /Unit
Grantor/Seller:	New Sheridan Dev Co Phase 1 LLC
Grantee/Buyer:	UnionMain Homes LLC
Property Rights:	Fee Simple
Financing:	Cash to seller

Terms of Sale Comments:

The base lot price was set at \$54,000/lot (\$1,350/FF) within an August 2020 contract. Lots are contracted with an annual 6% escalation. Additional fees include \$2,000/lot amenity fee, \$1,000/lot marketing fee, \$5,000/lot roadway impact fee, and \$68/lot PID fee.

Document Type:	Deed
Recording No.:	20240000013987
Verified By:	Shelley Sivakumar
Verification Date:	10/08/2024
Confirmation Source:	Mack Wageman (PMB)/Closing Statement
Verification Type:	Confirmed-Seller

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	Edgewater, Phase 2, Block M, Lot 41/Tax ID 335300



Improvement and Site Data (Cont'd)

Acres(Usable/Gross):	0.10/0.10
Land-SF(Usable/Gross):	4,400/4,400
Usable/Gross Ratio:	1.00
No. of Units (Potential):	40
Shape:	Rectangular
Topography:	Level
Frontage Feet:	40
Frontage Desc.:	40' x 110'
Traffic Flow:	Moderate
Zoning Code:	PD-WBE
Zoning Desc.:	Planned Development-Williamsburg East/Edgewater
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

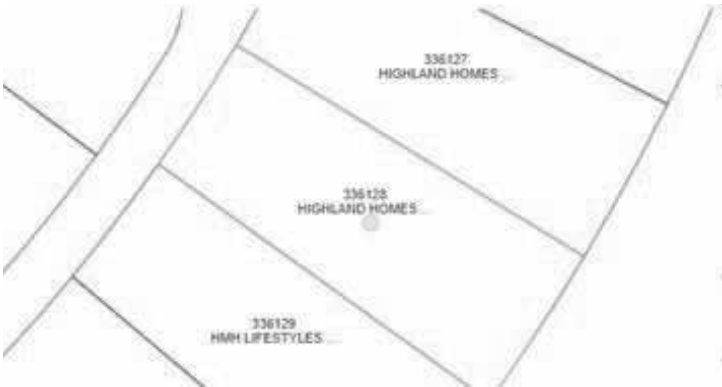
Comments

Lots in this phase are located in the Rockwall ISD and are within the Williamsburg East Public Improvement District No. 2.



Location & Property Identification

Property Name:	Waterscape, Phase 3B - 40' Lots
Sub-Property Type:	Residential, Finished SFR Lots
Address:	Southwest side of Crenshaw Road, southeast of FM-548
City/State/Zip:	Royse City, TX 75189
County:	Rockwall
Submarket:	RoyseCity
Market Orientation:	Suburban
Property Location:	2025 Bayfront Drive
IRR Event ID:	3225892



Sale Information

Sale Price:	\$66,000
Effective Sale Price:	\$66,000
Sale Date:	07/30/2024
Sale Status:	Closed
\$/Acre(Gross):	\$598,911
\$/Land SF(Gross):	\$13.75
\$/Unit (Potential):	\$1,650 /Unit
Grantor/Seller:	HC Royse 548 LLC
Grantee/Buyer:	Highland Homes - Dallas, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale Comments:	The base lot price was set for substantial completion by 3Q2024. All lots are contracted with an annual 6% escalation plus additional fees.
Document Type:	Deed
Recording No.:	20240000013653
Verified By:	Shelley Sivakumar
Verification Date:	12/17/2024
Confirmation Source:	Barry Jameson (972-347-6414)
Verification Type:	Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	Waterscape, Phase 3B, Block K, Lot 38/Tax ID 336128
Acres(Gross):	0.11
Land-SF(Gross):	4,800
No. of Units (Potential):	40
Shape:	Rectangular
Topography:	Level
Frontage Feet:	40
Frontage Desc.:	40' x 120'
Zoning Code:	PD
Zoning Desc.:	Planned Development
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

Lots in Phase 3B are located within the Waterscape PID, IA #4. All lots are within the Royse City ISD.



Location & Property Identification

Property Name:	Carver Heights - 50' Lot
Sub-Property Type:	Residential, Finished SFR Lots
Address:	Northwest corner of Simpson Stuart Road and Tracy Road
City/State/Zip:	Dallas, TX 75241
County:	Dallas
Submarket:	Dallas
Market Orientation:	Suburban
IRR Event ID:	3308003



Sale Information

Sale Price:	\$90,000
Effective Sale Price:	\$90,000
Sale Date:	04/26/2024
Contract Date:	10/19/2023
Sale Status:	Closed
\$/Acre(Gross):	\$712,589
\$/Land SF(Gross):	\$16.36
\$/Acre(Usable):	\$712,589
\$/Land SF(Usable):	\$16.36
\$/Unit (Potential):	\$1,800 /Unit
Grantor/Seller:	Manuel Juarez
Grantee/Buyer:	Rogelio Lopez
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	INT202400083462
Verified By:	Ernest Gatewood
Verification Date:	12/16/2024
Confirmation Source:	Eliseo Cuellar (214-577-6873)
Verification Type:	Confirmed-Seller Broker

Legal/Tax/Parcel ID:	Lot 1, Carver Heights Addition /Tax #00000643183000000
Acres(Usable/Gross):	0.13/0.13
Land-SF(Usable/Gross):	5,500/5,500
Usable/Gross Ratio:	1.00
No. of Units (Potential):	50
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Feet:	50
Frontage Desc.:	50' x 110'
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	R-5(A)
Zoning Desc.:	Single-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This represents the purchase of a developed lot in an established subdivision by an individual. The subdivision is located within the Dallas ISD.

Improvement and Site Data



Land Sales - 50' lots

Location & Property Identification

Property Name: University Hills, Phase 1 - 40' Lot

Sub-Property Type: Residential, Finished SFR Lots

Address: North side of East Wheatland Road, west of S. Lancaster Road

City/State/Zip: Dallas, TX 75241

County: Dallas

Submarket: Dallas

Market Orientation: Suburban

IRR Event ID: 3071770



Sale Information

Sale Price: \$62,000

Effective Sale Price: \$62,000

Sale Date: 03/01/2026

Contract Date: 10/19/2023

Sale Status: In-Contract

\$/Acre(Gross): \$613,861

\$/Land SF(Gross): \$14.09

\$/Acre(Usable): \$613,861

\$/Land SF(Usable): \$14.09

\$/Unit (Potential): \$1,550 /Unit

Grantor/Seller: Hoque Global Properties, LLC

Grantee/Buyer: DRHI, Inc. (DR Horton)

Property Rights: Fee Simple

Financing: Cash to seller

Terms of Sale Comments: Rolling option takedown with 8% interest and additional fees of \$1,500 (amenity fee) and \$500 (marketing fee) per lot.

Document Type: Contract of Sale

Recording No.: N/A

Verified By: Ernest Gatewood

Verification Date: 11/17/2023

Confirmation Source: Contract

Verification Type: Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID: University Hills Subdivision /Tax ID N/A

Acres(Usable/Gross): 0.10/0.10

Land-SF(Usable/Gross): 4,400/4,400

Usable/Gross Ratio: 1.00

No. of Units (Potential): 40

Shape: Rectangular

Topography: Level

Corner Lot: No

Frontage Feet: 40

Frontage Desc.: 40' x 110'

Frontage Type: 2 way, 1 lane each way

Zoning Code: PD (Planned Development)

Zoning Desc.: Single-Family/Townhouse

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

Comments (Cont'd)

This represents the purchase of 550 lots by a major homebuilder. There are three lot types in the subdivision being 24' townhouse lots and , 40' and 50' standard lots. The subdivision is located within the Dallas ISD.

Location & Property Identification

Property Name:	Bear Creek Ranch, Phase 4 - 50' Lot
Sub-Property Type:	Residential, Finished SFR Lots
Address:	Southeast corner of Loop 9 and E. Reindeer Road
City/State/Zip:	Lancaster ETJ, TX 75146
County:	Dallas
Submarket:	Lancaster
Market Orientation:	Suburban
IRR Event ID:	3071858



Sale Information

Sale Price:	\$59,000
Effective Sale Price:	\$59,000
Sale Date:	03/05/2024
Contract Date:	10/19/2023
Sale Status:	Closed
\$/Acre(Gross):	\$428,468
\$/Land SF(Gross):	\$9.83
\$/Acre(Usable):	\$428,468
\$/Land SF(Usable):	\$9.83
\$/Unit (Potential):	\$1,180 /Unit
Grantor/Seller:	CTMGT Bear Creek 4, LLC
Grantee/Buyer:	DRHI, Inc. (DR Horton)
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale Comments:	Rolling option takedown with 8% interest and additional fees of \$1,500 (amenity fee) and \$500 (marketing fee) per lot.
Document Type:	Warranty Deed
Recording No.:	202400043605
Verified By:	Ernest Gatewood
Verification Date:	11/17/2023

Confirmation Source:	Alan Atkins (281-387-1633)
Verification Type:	Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	Bear Creek Ranch Phase 4 /Tax ID N/A
Acres(Usable/Gross):	0.14/0.14
Land-SF(Usable/Gross):	6,000/6,000
Usable/Gross Ratio:	1.00
No. of Units (Potential):	50
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	50
Frontage Desc.:	50' x 120'
Frontage Type:	2 way, 1 lane each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Single-Family/Townhouse
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

The subdivision is located within the Lancaster ISD. Project fronts the new Loop 9 (George Bush Turnpike) which is under construction.



Comments (Cont'd)



Location & Property Identification

Property Name:	Solterra, Phase 1B - 50' Lots
Sub-Property Type:	Residential, Finished SFR Lots
Address:	12 Jasper Meadow
City/State/Zip:	Mesquite, TX 75181
County:	Dallas
Submarket:	Mesquite
Market Orientation:	Suburban
Property Location:	West side of Jasper Meadow, north of Sapphire Run
IRR Event ID:	3235759



Sale Information

Sale Price:	\$81,637
Effective Sale Price:	\$81,637
Sale Date:	05/08/2024
Sale Status:	Closed
\$/Acre(Gross):	\$592,861
\$/Land SF(Gross):	\$13.61
\$/Unit (Potential):	\$1,633 /Unit
Grantor/Seller:	HC Solterra LLC
Grantee/Buyer:	Highland Homes - Dallas, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale Comments:	The base lot price was set at \$77,000/lot for completion in June 2023 with an annual 7% escalation.
Document Type:	Deed
Recording No.:	202400090207
Verified By:	Shelley Sivakumar
Verification Date:	05/20/2024
Confirmation Source:	Huffines Communities
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	Solterra, Phase 1D, Block K, Lot 12/Tax ID 391945500K0120000
Acres(Gross):	0.14
Land-SF(Gross):	6,000
No. of Units (Potential):	50
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Desc.:	50' x 120'
Zoning Code:	PD
Zoning Desc.:	Planned Development
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

Lots in this master-planned development are located within a PID and are in the Mesquite ISD.

Improvement and Site Data



Location & Property Identification

Property Name:	Carver Heights - 50' Lot
Sub-Property Type:	Residential, Finished SFR Lots
Address:	Northwest corner of Simpson Stuart Road and Tracy Road
City/State/Zip:	Dallas, TX 75241
County:	Dallas
Submarket:	Dallas
Market Orientation:	Suburban
IRR Event ID:	3308003



Sale Information

Sale Price:	\$90,000
Effective Sale Price:	\$90,000
Sale Date:	04/26/2024
Contract Date:	10/19/2023
Sale Status:	Closed
\$/Acre(Gross):	\$712,589
\$/Land SF(Gross):	\$16.36
\$/Acre(Usable):	\$712,589
\$/Land SF(Usable):	\$16.36
\$/Unit (Potential):	\$1,800 /Unit
Grantor/Seller:	Manuel Juarez
Grantee/Buyer:	Rogelio Lopez
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	INT202400083462
Verified By:	Ernest Gatewood
Verification Date:	12/16/2024
Confirmation Source:	Eliseo Cuellar (214-577-6873)
Verification Type:	Confirmed-Seller Broker

Legal/Tax/Parcel ID:	Lot 1, Carver Heights Addition /Tax #00000643183000000
Acres(Usable/Gross):	0.13/0.13
Land-SF(Usable/Gross):	5,500/5,500
Usable/Gross Ratio:	1.00
No. of Units (Potential):	50
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Feet:	50
Frontage Desc.:	50' x 110'
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	R-5(A)
Zoning Desc.:	Single-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This represents the purchase of a developed lot in an established subdivision by an individual. The subdivision is located within the Dallas ISD.

Improvement and Site Data



Land Sales - Tract #3A/3B

Location & Property Identification

Property Name: 3100 US Hwy 175, Dallas
 Sub-Property Type: Residential, Multifamily Land
 Address: Southeast quadrant of US-175 and S Woody Road
 City/State/Zip: Dallas, TX 75253
 County: Dallas
 Submarket: Dallas
 Market Orientation: Suburban
 Property Location: 3100 US-175
 IRR Event ID: 3250944



Sale Information

Sale Price: \$5,275,000
 Effective Sale Price: \$5,275,000
 Sale Date: 07/27/2023
 Sale Status: Closed
 \$/Acre(Gross): \$304,175
 \$/Land SF(Gross): \$6.98
 \$/Acre(Usable): \$323,600
 \$/Land SF(Usable): \$7.43
 \$/Unit (Potential): \$19,981 /Unit
 Grantor/Seller: Covenant Funding Group II, LLC
 Grantee/Buyer: DHFC The Crossing at Clear Creek Landowner, LLC
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 2023-00149679
 Verified By: Janet Kiker
 Verification Date: 05/16/2024
 Confirmation Source: Contract
 Verification Type: Confirmed-Other

Legal/Tax/Parcel ID: Robert Kleberg Survey, Abstract No. 716, Dallas County, Texas / Tax ID: 00881300002660000

Acres(Usable/Gross): 16.30/17.34
 Land-SF(Usable/Gross): 710,072/755,418
 Usable/Gross Ratio: 0.94
 No. of Units (Potential): 264
 Shape: Irregular
 Topography: Gently Sloping
 Corner Lot: No
 Frontage Type: 1 way, 2 lanes
 Zoning Code: MU-1
 Zoning Desc.: Mixed Use
 Flood Plain: No
 Flood Zone: 6% AE/ 94% X
 Flood Area(SF): 43,325
 Flood Zone Designation: AE
 Comm. Panel No.: 48113C0540K
 Date: 07/07/2014

Utilities: Water Public, Sewer
 Utilities Desc.: All Available
 Source of Land Info.: Public Records

Improvement and Site Data

Comments

This irregular-shaped property is located on the north side of the US-175 Frontage Road and the east site of Woody

Comments (Cont'd)

Road, wrapping the hard corner of this intersection. The property is being developed with a 264-unit multifamily affordable housing development. Approximately 6% of the southeastern portion of the property is located in Zone AE of the floodplain. The site was vacant at the time of sale.

Location & Property Identification

Property Name:	Multi Family Land - Grand Prairie
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of IH-20 and Westcliff Road
City/State/Zip:	Grand Prairie, TX 75052
County:	Tarrant
Submarket:	GrandPrairie
Market Orientation:	Suburban
IRR Event ID:	3307540



Sale Information

Sale Price:	\$6,600,000
Effective Sale Price:	\$6,600,000
Sale Date:	09/12/2024
Sale Status:	Closed
\$/Acre(Gross):	\$466,135
\$/Land SF(Gross):	\$10.70
\$/Acre(Usable):	\$474,824
\$/Land SF(Usable):	\$10.90
\$/Unit (Potential):	\$22,000 /Unit
Grantor/Seller:	Jon Krabbenschmidt
Grantee/Buyer:	CRP AR Prose Westcliff Owner LP
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202400185007
Verified By:	Ernest Gatewood
Verification Date:	12/16/2024
Confirmation Source:	Keven McCormick
Verification Type:	Confirmed-Other

MSA:	Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
Legal/Tax/Parcel ID:	Lot 1, Block A, Prose Westcliff Addition / Tax #281895800A0010000
Acres(Usable/Gross):	13.90/14.16
Land-SF(Usable/Gross):	605,480/616,766
Usable/Gross Ratio:	0.98
No. of Units (Potential):	300
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	PD-449 (Planned Development)
Zoning Desc.:	Multi-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

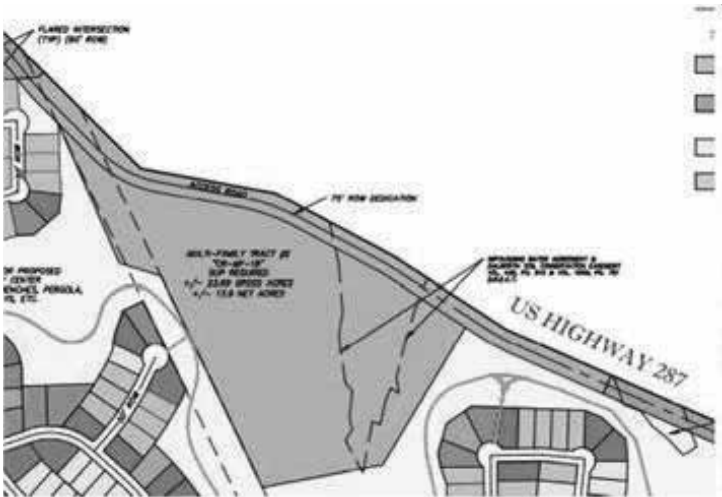
This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.

Improvement and Site Data



Location & Property Identification

Property Name:	Multifamily Land - Midlothian, Texas
Sub-Property Type:	Residential, Multifamily Land
Address:	South westside of US-287, east of Miller Road
City/State/Zip:	Midlothian, TX 76065
County:	Ellis
Submarket:	Midlothian
Market Orientation:	Suburban
IRR Event ID:	2789167



Sale Information

Sale Price:	\$5,750,000
Effective Sale Price:	\$5,750,000
Sale Date:	04/17/2025
Contract Date:	07/17/2023
Sale Status:	In-Contract
\$/Acre(Gross):	\$239,783
\$/Land SF(Gross):	\$5.50
\$/Acre(Usable):	\$387,466
\$/Land SF(Usable):	\$8.90
\$/Unit (Potential):	\$18,429 /Unit
Grantor/Seller:	Westside Preserve Development, LLC
Grantee/Buyer:	HighPark Capital, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Contract of Sale
Verified By:	Ernest Gatewood
Verification Date:	02/15/2024
Confirmation Source:	Terrance Jobe, CEO (817-995-9500)
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	J. Stewart Survey, Abstract No. 961/ Part of Tax ID 181917
Acres(Usable/Gross):	14.84/23.98
Land-SF(Usable/Gross):	646,430/1,044,569
Usable/Gross Ratio:	0.62
No. of Units (Potential):	312
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Desc.:	US-287
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.

Improvement and Site Data



Location & Property Identification

Property Name:	2630 52nd St
Sub-Property Type:	Residential, Multifamily Land
Address:	South side of 52nd Street, west of Sunnyvale Street
City/State/Zip:	Dallas, TX 75216
County:	Dallas
Submarket:	Dallas
Market Orientation:	Suburban
IRR Event ID:	3270354



Sale Information

Sale Price:	\$1,500,000
Effective Sale Price:	\$1,500,000
Sale Date:	04/13/2023
Listing Price:	\$1,643,519
Sale Status:	Closed
\$/Acre(Gross):	\$218,659
\$/Land SF(Gross):	\$5.02
\$/Acre(Usable):	\$218,659
\$/Land SF(Usable):	\$5.02
\$/Unit (Potential):	\$22,388 /Unit
Grantor/Seller:	Griffin Tanner Oasis, LLC
Grantee/Buyer:	NDP Homes LLC
Assemblage:	No
Portfolio Sale:	No
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	INT202300070804
Verification Type:	Secondary Verification

Legal/Tax/Parcel ID:	Lots 17-23, Block 44/5845, Kessler Heights No. 3 / Tax #00000448354000000
Acres(Usable/Gross):	6.86/6.86
Land-SF(Usable/Gross):	298,822/298,822
Usable/Gross Ratio:	1.00
No. of Units (Potential):	67
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Type:	2 way, 1 lane each way
Zoning Code:	MF-2
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This sale consists of a 6.86± acre site purchased for multi-family development. The buyer is Heroes House, a non-profit development group focused on creating affordable housing for veterans. The property was noted to be located in an Opportunity Zone and qualifies for tax and development incentives.

Sale Analysis

Sale Price Includes FF&E?	No
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Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
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Land Sales - Tract #3C

Location & Property Identification

Property Name: Land - Cedar Hill, TX
 Sub-Property Type: Commercial, Retail
 Address: Northwest corner of Straus Road and Flower Road
 City/State/Zip: Cedar Hill, TX 75104
 County: Dallas
 Submarket: CedarHill
 Market Orientation: Suburban
 Property Location: 813 & 825 Strauss Road
 IRR Event ID: 3279441



Sale Information

Sale Price: \$850,000
 Effective Sale Price: \$850,000
 Sale Date: 06/13/2024
 Recording Date: 06/13/2024
 Sale Status: Closed
 \$/Acre(Gross): \$369,565
 \$/Land SF(Gross): \$8.48
 \$/Acre(Usable): \$369,565
 \$/Land SF(Usable): \$8.48
 Grantor/Seller: Projan SVCS, LLC
 Grantee/Buyer: Straus Land Purchase & Development, LLC
 Assets Sold: Real estate only
 Property Rights: Fee Simple
 Financing: Cash to seller
 Conditions of Sale: Arm's-length
 Document Type: Deed
 Recording No.: 202400119213
 Verified By: Mitchell Watts
 Verification Date: 09/24/2024
 Confirmation Source: Diego Esparza (972) 670-7626

Verification Type: Confirmed-Seller Broker

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX
 Legal/Tax/Parcel ID: Tax #65030637510050100, 65030637510200200
 Acres(Usable/Gross): 2.30/2.30
 Land-SF(Usable/Gross): 100,188/100,188
 Usable/Gross Ratio: 1.00
 Shape: Rectangular
 Topography: Level
 Corner Lot: Yes
 Frontage Type: 2 way, 1 lane each way
 Zoning Code: NS
 Zoning Desc.: Neighborhood Service District

Flood Plain: No
 Utilities: Water Public, Sewer
 Utilities Desc.: City water and sewer
 Source of Land Info.: Public Records

Comments

Sale of two parcels of land in Cedar Hill, Texas.

Location & Property Identification

Property Name: Commercial land
 Sub-Property Type: Commercial, Retail
 Address: North side of Belt Line Road, east of Westmore Road
 City/State/Zip: DeSoto, TX 75115
 County: Dallas
 Submarket: DeSoto
 Market Orientation: Suburban
 IRR Event ID: 3279377



Sale Information

Sale Price: \$694,000
 Effective Sale Price: \$694,000
 Sale Date: 09/21/2023
 Recording Date: 09/21/2023
 Sale Status: Closed
 \$/Acre(Gross): \$588,136
 \$/Land SF(Gross): \$13.50
 \$/Acre(Usable): \$588,136
 \$/Land SF(Usable): \$13.50
 Grantor/Seller: MMCG DBR DFW, LLC
 Grantee/Buyer: Ametco DB Desoto, LLC
 Assets Sold: Real estate only
 Property Rights: Fee Simple
 Financing: Cash to seller
 Conditions of Sale: Arm's-length
 Document Type: Deed
 Recording No.: 202300194375
 Verified By: Mitchell Watts
 Verification Date: 09/24/2024
 Confirmation Source: Bruce Harbour (972) 354-2410

Legal/Tax/Parcel ID: Lot 1B2, Block A, Moody Replat / Tax #200705000A1B20000
 Acres(Usable/Gross): 1.18/1.18
 Land-SF(Usable/Gross): 51,401/51,401
 Usable/Gross Ratio: 1.00
 Shape: Rectangular
 Topography: Level
 Corner Lot: No
 Frontage Type: 2 way, 2 lanes each way
 Zoning Code: PD (Planned Development)
 Zoning Desc.: Retail
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

Sale of commercial land zoned PD (retail) in De Soto, Texas. The lot was purchased for the development of a Dutch Bro's QSR.

Verification Type: Confirmed-Seller Broker

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX

Commercial land



Location & Property Identification

Property Name: Commercial Land - Grand Prairie

Sub-Property Type: Commercial, Other

Address: West side of Lake Ridge Parkway, south of W. Camp Wisdom Road

City/State/Zip: Grand Prairie, TX 75052

County: Tarrant

Submarket: GrandPrairie

Market Orientation: Suburban

IRR Event ID: 3289418



Sale Information

Sale Price: \$2,569,000

Effective Sale Price: \$2,569,000

Sale Date: 03/01/2024

Recording Date: 03/01/2024

Listing Price: \$2,560,000

Sale Status: Closed

\$/Acre(Gross): \$400,593

\$/Land SF(Gross): \$9.20

\$/Acre(Usable): \$400,593

\$/Land SF(Usable): \$9.20

Grantor/Seller: Marotte, LLC and Village Castle Investments, LP and Fithian Family Investments, LP

Grantee/Buyer: City of Grand Prairie

Assets Sold: Real estate only

Property Rights: Fee Simple

% of Interest Conveyed: 100.00

Exposure Time: 32 (months)

Financing: Cash to seller

Conditions of Sale: Arm's-length

Document Type: Warranty Deed

Recording No.: D224036035

Verified By: Eraquio Garcia Martinez

Verification Date: 10/24/2024

Confirmation Source: SVN Trinity Advisors

Verification Type: Confirmed-Seller Broker

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX

Legal/Tax/Parcel ID: Lots 1 & 2, Block A, Lake Ridge Addition, Grand Prairie, Tarrant County, Texas / 41500377 & 41500385

Acres(Usable/Gross): 6.41/6.41

Land-SF(Usable/Gross): 279,349/279,349

Usable/Gross Ratio: 1.00

Shape: Irregular

Topography: Level

Corner Lot: No

Zoning Code: PD-267A/GR

Zoning Desc.: Planned Development/General Retail

Flood Plain: No

Flood Zone Designation: X

Comm. Panel No.: 48439C0370L

Date: 03/21/2019

Utilities: Water Public, Sewer

Utilities Desc.: City water and sewer

Improvement and Site Data (Cont'd)

Source of Land Info.: Public Records

Comments

Sale comparable of two (2) adjacent lots of vacant land purchased for commercial use. The site is zoned Planned Development/General Retail and allows for various retail, office, and service uses.



Land Sales - Tract #4A

Location & Property Identification

Property Name:	Multi Family Land - Grand Prairie
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of IH-20 and Westcliff Road
City/State/Zip:	Grand Prairie, TX 75052
County:	Tarrant
Submarket:	GrandPrairie
Market Orientation:	Suburban
IRR Event ID:	3307540



Sale Information

Sale Price:	\$6,600,000
Effective Sale Price:	\$6,600,000
Sale Date:	09/12/2024
Sale Status:	Closed
\$/Acre(Gross):	\$466,135
\$/Land SF(Gross):	\$10.70
\$/Acre(Usable):	\$474,824
\$/Land SF(Usable):	\$10.90
\$/Unit (Potential):	\$22,000 /Unit
Grantor/Seller:	Jon Krabbenschmidt
Grantee/Buyer:	CRP AR Prose Westcliff Owner LP
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202400185007
Verified By:	Ernest Gatewood
Verification Date:	12/16/2024
Confirmation Source:	Keven McCormick
Verification Type:	Confirmed-Other

MSA:	Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
Legal/Tax/Parcel ID:	Lot 1, Block A, Prose Westcliff Addition / Tax #281895800A0010000
Acres(Usable/Gross):	13.90/14.16
Land-SF(Usable/Gross):	605,480/616,766
Usable/Gross Ratio:	0.98
No. of Units (Potential):	300
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	PD-449 (Planned Development)
Zoning Desc.:	Multi-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

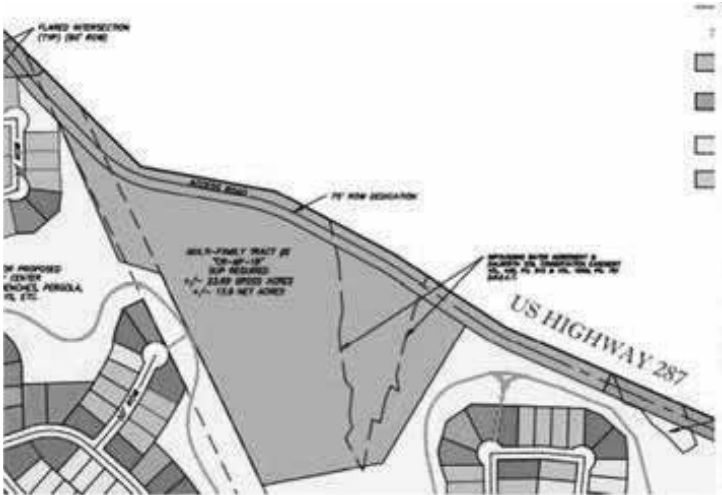
This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.

Improvement and Site Data



Location & Property Identification

Property Name:	Multifamily Land - Midlothian, Texas
Sub-Property Type:	Residential, Multifamily Land
Address:	South westside of US-287, east of Miller Road
City/State/Zip:	Midlothian, TX 76065
County:	Ellis
Submarket:	Midlothian
Market Orientation:	Suburban
IRR Event ID:	2789167



Sale Information

Sale Price:	\$5,750,000
Effective Sale Price:	\$5,750,000
Sale Date:	04/17/2025
Contract Date:	07/17/2023
Sale Status:	In-Contract
\$/Acre(Gross):	\$239,783
\$/Land SF(Gross):	\$5.50
\$/Acre(Usable):	\$387,466
\$/Land SF(Usable):	\$8.90
\$/Unit (Potential):	\$18,429 /Unit
Grantor/Seller:	Westside Preserve Development, LLC
Grantee/Buyer:	HighPark Capital, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Contract of Sale
Verified By:	Ernest Gatewood
Verification Date:	02/15/2024
Confirmation Source:	Terrance Jobe, CEO (817-995-9500)
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	J. Stewart Survey, Abstract No. 961/ Part of Tax ID 181917
Acres(Usable/Gross):	14.84/23.98
Land-SF(Usable/Gross):	646,430/1,044,569
Usable/Gross Ratio:	0.62
No. of Units (Potential):	312
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Desc.:	US-287
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.

Improvement and Site Data



Location & Property Identification

Property Name:	Multi-family site on Altamesa Boulevard
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard
City/State/Zip:	Fort Worth, TX 76132
County:	Tarrant
Submarket:	FortWorth
Market Orientation:	Suburban
Property Location:	450' on Altamesa Blvd 576' on Chisholm Trail Pkwy
IRR Event ID:	3204644



Sale Information

Sale Price:	\$3,385,000
Effective Sale Price:	\$3,385,000
Sale Date:	06/16/2023
Recording Date:	06/23/2023
Listing Price:	\$4,030,000
Sale Status:	Closed
\$/Acre(Gross):	\$457,432
\$/Land SF(Gross):	\$10.50
\$/Acre(Usable):	\$457,432
\$/Land SF(Usable):	\$10.50
\$/Unit (Potential):	\$12,089 /Unit
Grantor/Seller:	Dirk Branch LP
Grantee/Buyer:	OHT Altamesa LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	223110430
Verified By:	Charles Meek
Verification Date:	02/23/2024

Confirmation Source:	Ryan Turner
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	HEATH, JOHN F SURVEY Abstract 641 Tract 2A5K & ABST 49 TR 1D1F / 07008805
Acres(Usable/Gross):	7.40/7.40
Land-SF(Usable/Gross):	322,344/322,344
Usable/Gross Ratio:	1.00
No. of Units (Potential):	280
Shape:	Rectangular
Topography:	Level
Vegetation:	Grass and shrubs
Corner Lot:	Yes
Frontage Feet:	450
Frontage Desc.:	Primary Roadway / Secondary Roadway
Frontage Type:	2 way, 3 lanes each way
Traffic Count:	14054
Zoning Code:	I
Zoning Desc.:	Light Industrial
Easements:	No
Easements Desc.:	Standard

Multi-family site on Altamesa Boulevard



Improvement and Site Data (Cont'd)

Environmental Issues:	No
Flood Plain:	No
Flood Zone:	X
Flood Zone Designation:	X
Comm. Panel No.:	48439C0295K
Date:	09/25/2009
Utilities:	Electricity, Water Public, Sewer, Gas
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The buyer is planning to develop the land into a multifamily development (280 units/37.8 upa). The land was ready for development except that it had to be rezoned from light industrial to multifamily zoning. The zoning was changed from Industrial to Planned Development 1348 after the sale closed.



Location & Property Identification

Property Name:	Multifamily land in McKinney
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of Virginia Parkway and Carlisle Street
City/State/Zip:	McKinney, TX 75071
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	3042763



Sale Information

Sale Price:	\$2,890,000
Effective Sale Price:	\$2,890,000
Sale Date:	06/30/2023
Sale Status:	Closed
\$/Acre(Gross):	\$568,428
\$/Land SF(Gross):	\$13.05
\$/Acre(Usable):	\$568,428
\$/Land SF(Usable):	\$13.05
\$/Unit (Potential):	\$16,802 /Approved Unit
Grantor/Seller:	McKinney Virginia Parkway, LTD
Grantee/Buyer:	MHFC Virginia Parkway Holdings, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	2023000074033
Verified By:	Ernest Gatewood
Verification Date:	08/28/2023
Confirmation Source:	James Craig (214-477-0310)
Verification Type:	Confirmed-Seller Broker

Acres(Usable/Gross):	5.08/5.08
Land-SF(Usable/Gross):	221,468/221,468
Usable/Gross Ratio:	1.00
No. of Units (Potential):	172
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	PD/MF-3
Zoning Desc.:	Planned Development Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This property was rezoned to multifamily prior to closing. It is planned to be developed with approximately 120 multifamily units.

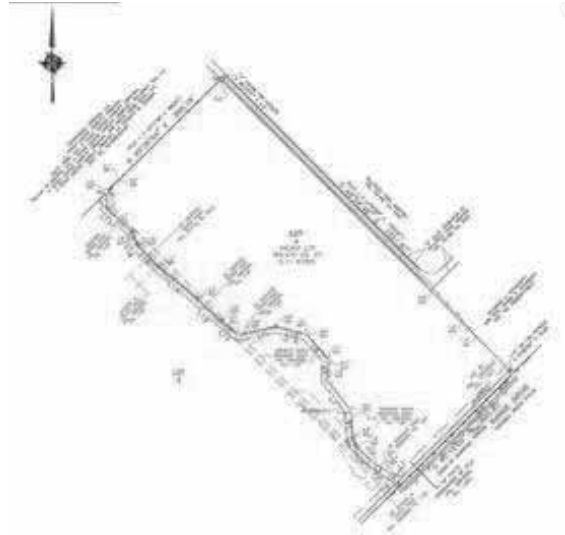
Improvement and Site Data

Legal/Tax/Parcel ID:	Lot 1, Block A, Virginia Plaza / Tax #1902766
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Location & Property Identification

Property Name: MF Land in Mesquite
 Sub-Property Type: Residential, Multifamily Land
 Address: Northwest side of Range Road, northeast of Galloway Avenue
 City/State/Zip: Mesquite, TX 75149
 County: Dallas
 Submarket: Mesquite
 Market Orientation: Suburban
 Property Location: 1400 Range Drive
 IRR Event ID: 2731478



Sale Information

Sale Price: \$2,100,000
 Effective Sale Price: \$2,100,000
 Sale Date: 08/17/2023
 Sale Status: Closed
 \$/Acre(Gross): \$230,516
 \$/Land SF(Gross): \$5.29
 \$/Acre(Usable): \$230,516
 \$/Land SF(Usable): \$5.29
 \$/Unit (Potential): \$8,750 /Unit
 Grantor/Seller: Range MF LTD
 Grantee/Buyer: R. Woodlake Properties LLC
 Assets Sold: Real estate only
 Property Rights: Fee Simple
 Financing: Cash to seller
 Conditions of Sale: Arm's-length
 Document Type: Deed
 Recording No.: 202300166229
 Verified By: Ernest Gatewood
 Verification Date: 10/02/2023
 Confirmation Source: David Fersing (972) 755-5151
 Verification Type: Confirmed-Seller Broker

MSA: Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
 Legal/Tax/Parcel ID: Lot 4, Block 1, Range Drive Addition / 38160250010040000
 Acres(Usable/Gross): 9.11/9.11
 Land-SF(Usable/Gross): 396,832/396,832
 Usable/Gross Ratio: 1.00
 No. of Units (Potential): 240
 Shape: Irregular
 Topography: Rolling
 Vegetation: Grass and shrubs
 Corner Lot: No
 Frontage Feet: 391
 Frontage Desc.: Secondary Road
 Frontage Type: 2 way, 2 lanes each way
 Traffic Control at Entry: None
 Traffic Flow: Moderate
 Visibility Rating: Average
 Zoning Code: TNMB
 Zoning Desc.: Multifamily
 Easements: No
 Easements Desc.: Standard
 Environmental Issues: No
 Flood Plain: No
 Flood Zone Designation: X
 Comm. Panel No.: 48113C0390K

Improvement and Site Data

Improvement and Site Data (Cont'd)

Date:	07/07/2014
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Engineering Report

Comments

This property was acquired to be developed with a 240-unit apartment complex.



Land Sales - Tract #4B

Location & Property Identification

Property Name: Commercial Land - Balch Springs

Sub-Property Type: Commercial, Retail

Address: South corner of S. Belt Line Road and Lasater Road

City/State/Zip: Balch Springs, TX 75181

County: Dallas

Submarket: Mesquite

Market Orientation: Suburban

IRR Event ID: 3177433



Sale Information

Sale Price: \$929,000

Effective Sale Price: \$929,000

Sale Date: 05/22/2023

Sale Status: Closed

\$/Acre(Gross): \$177,392

\$/Land SF(Gross): \$4.07

\$/Acre(Usable): \$177,392

\$/Land SF(Usable): \$4.07

Grantee/Buyer: Vivacity Capital, LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: INT202300100095

Verified By: Ernest Gatewood

Verification Date: 12/01/2023

Confirmation Source: William Carr (214-692-2152)

Verification Type: Confirmed-Seller Broker

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-Planned Development

Zoning Desc.: Commercial

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This rectangular property was acquired for future commercial use.

Improvement and Site Data

Legal/Tax/Parcel ID: Tract 29.1, Robert Kleeberg Survey, A-716 / Tax #65071678610290100

Acres(Usable/Gross): 5.24/5.24

Land-SF(Usable/Gross): 228,124/228,124

Usable/Gross Ratio: 1.00

Location & Property Identification

Property Name:	Commercial site on US-80
Sub-Property Type:	Commercial, Retail
Address:	East side of US-80, south of Clements Drive
City/State/Zip:	Forney, TX 75126
County:	Kaufman
Submarket:	Forney
Market Orientation:	Suburban
IRR Event ID:	3253738



Sale Information

Sale Price:	\$1,000,000
Effective Sale Price:	\$1,000,000
Sale Date:	07/12/2024
Contract Date:	07/11/2024
Sale Status:	Closed
\$/Acre(Gross):	\$240,211
\$/Land SF(Gross):	\$5.51
\$/Acre(Usable):	\$240,211
\$/Land SF(Usable):	\$5.51
Grantor/Seller:	Beacon Hill Baptist Church
Grantee/Buyer:	Forney Creek Partners, LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	2024-0021386
Verified By:	Reid Pannell
Verification Date:	07/11/2024
Confirmation Source:	Contract of Sale
Verification Type:	Confirmed-Other

Sale Analysis

Commercial site on US-80

Current Use at T.O.S.:	Church
Proposed Use Change:	Yes
Proposed Use Desc.:	Commercial development

Occupancy

Occupancy Type Before Sale:	Owner Occupied
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Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington
Legal/Tax/Parcel ID:	JNO GREGG, TRACT 565.00; 4.163 ACRES / Tax #6534
Acres(Usable/Gross):	4.16/4.16
Land-SF(Usable/Gross):	181,340/181,340
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Vegetation:	Trees and grasses
Zoning Code:	MU
Zoning Desc.:	Mixed Use
Flood Plain:	Yes
Flood Zone:	Approx. 50% of land area in 100 year floodplain
Flood Zone Designation:	AE
Source of Land Info.:	Public Records

Comments

4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a



Comments (Cont'd)

commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.

4.16 AC located along US Hwy 80 in Forney, TX. Approximately 50% of the property, in the southeast portion, is located in a 100 year floodplain. Zoned for Mixed Use.

Location & Property Identification

Property Name: Commercial Land - Dallas, TX
 Sub-Property Type: Commercial, Other
 Address: Northwest side of Cedardale Drive, northwest of Bonnie View Road
 City/State/Zip: Dallas, TX 75241
 County: Dallas
 Submarket: Dallas
 Market Orientation: Suburban
 Property Location: 4551 Cedardale Drive
 IRR Event ID: 3308029



Sale Information

Sale Price: \$1,019,304
 Effective Sale Price: \$1,019,304
 Sale Date: 01/29/2024
 Contract Date: 01/29/2024
 Listing Price: \$1,019,304
 Listing Date: 04/06/2023
 Sale Status: Closed
 \$/Acre(Gross): \$174,538
 \$/Land SF(Gross): \$4.01
 \$/Acre(Usable): \$174,538
 \$/Land SF(Usable): \$4.01
 Grantor/Seller: Ramona Galloway, ETAL
 Grantee/Buyer: LDSR Real Property LP
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 202400032190
 Verified By: Ernest Gatewood
 Verification Date: 12/16/2024
 Confirmation Source: Jennifer Permenter (214-238-8000)
 Verification Type: Confirmed-Seller Broker

Legal/Tax/Parcel ID: Lots 41 and 42, Pleasant View Plantations, Block 8262 / Tax #00000800752000000 and 00000800755000000
 Acres(Usable/Gross): 5.84/5.84
 Land-SF(Usable/Gross): 254,390/254,390
 Usable/Gross Ratio: 1.00
 Shape: Rectangular
 Topography: Level
 Corner Lot: No
 Frontage Type: 2 way, 1 lane each way
 Zoning Code: CS
 Zoning Desc.: Community Service
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

This site is planned for commercial development.

Improvement and Site Data

Location & Property Identification

Property Name:	Commercial land - Dallas
Sub-Property Type:	Commercial, Other
Address:	Northeast corner of IH-20 and Cedar Ranch Drive
City/State/Zip:	Dallas, TX 75241
County:	Dallas
Submarket:	Dallas
Market Orientation:	Suburban
Property Location:	3221 LBJ Freeway
IRR Event ID:	2945308



Sale Information

Sale Price:	\$932,833
Effective Sale Price:	\$932,833
Sale Date:	01/20/2022
Listing Price:	\$1,100,000
Sale Status:	Closed
\$/Acre(Gross):	\$222,156
\$/Land SF(Gross):	\$5.10
\$/Acre(Usable):	\$222,156
\$/Land SF(Usable):	\$5.10
Grantor/Seller:	RGM Asset Management, LLC

Grantee/Buyer:	H & B Development and Construction, LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	202200017983
Verified By:	Ernest Gatewood
Verification Date:	11/17/2022
Confirmation Source:	James Ewing (214-692-1100)
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

Legal/Tax/Parcel ID:	Tract 3.1, Block 8291 / Tax #00000801163000100
Acres(Usable/Gross):	4.20/4.20

Land-SF(Usable/Gross):	182,908/182,908
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	CS
Zoning Desc.:	Commercial Service
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive.

Location & Property Identification

Property Name:	Commercial Land
Sub-Property Type:	Commercial, Retail
Address:	Southeast quadrant of US-175 and E. Malloy Bridge Road
City/State/Zip:	Seagoville, TX 75159
County:	Dallas
Submarket:	Seagoville
Market Orientation:	Suburban
IRR Event ID:	3251244



Sale Information

Sale Price:	\$1,961,200
Effective Sale Price:	\$1,961,200
Sale Date:	11/22/2022
Sale Status:	Closed
\$/Acre(Gross):	\$283,149
\$/Land SF(Gross):	\$6.50
\$/Acre(Usable):	\$283,149
\$/Land SF(Usable):	\$6.50
Grantor/Seller:	Joseph Kemp
Grantee/Buyer:	Brookshire Grocery Company
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202200301929
Verified By:	Brent Pitts, MAI, AI-GRS, R/W-AC
Verification Date:	07/02/2024
Confirmation Source:	Joseph Kemp
Verification Type:	Confirmed-Seller

Sale Analysis

Current Use at T.O.S.:	Vacant Land
Proposed Use Desc.:	Grocery Store

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	Lot 1R, Block 1, Joseph Kemp Addition, Seagoville
Acres(Usable/Gross):	6.93/6.93
Land-SF(Usable/Gross):	301,716/301,716
Usable/Gross Ratio:	1.00
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Type:	1 way, 2 lanes
Zoning Code:	LM
Zoning Desc.:	Light Manufacturing
Easements:	No
Easements Desc.:	Standard
Flood Plain:	No
Flood Zone Designation:	X
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The property was purchased for development of a Brookshire's grocery store location. The property was

Comments (Cont'd)

zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.

This is a tract in Seagoville that wraps the southeast corner of US 175 and E Malloy Bridge Rd.

Land Sales - Tract #13

Location & Property Identification

Property Name: Commercial Land - Balch Springs

Sub-Property Type: Commercial, Retail

Address: South corner of S. Belt Line Road and Lasater Road

City/State/Zip: Balch Springs, TX 75181

County: Dallas

Submarket: Mesquite

Market Orientation: Suburban

IRR Event ID: 3177433



Sale Information

Sale Price: \$929,000

Effective Sale Price: \$929,000

Sale Date: 05/22/2023

Sale Status: Closed

\$/Acre(Gross): \$177,392

\$/Land SF(Gross): \$4.07

\$/Acre(Usable): \$177,392

\$/Land SF(Usable): \$4.07

Grantee/Buyer: Vivacity Capital, LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: INT202300100095

Verified By: Ernest Gatewood

Verification Date: 12/01/2023

Confirmation Source: William Carr (214-692-2152)

Verification Type: Confirmed-Seller Broker

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-Planned Development

Zoning Desc.: Commercial

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This rectangular property was acquired for future commercial use.

Improvement and Site Data

Legal/Tax/Parcel ID: Tract 29.1, Robert Kleeberg Survey, A-716 / Tax #65071678610290100

Acres(Usable/Gross): 5.24/5.24

Land-SF(Usable/Gross): 228,124/228,124

Usable/Gross Ratio: 1.00

Location & Property Identification

Property Name:	Commercial site on US-80
Sub-Property Type:	Commercial, Retail
Address:	East side of US-80, south of Clements Drive
City/State/Zip:	Forney, TX 75126
County:	Kaufman
Submarket:	Forney
Market Orientation:	Suburban
IRR Event ID:	3253738



Sale Information

Sale Price:	\$1,000,000
Effective Sale Price:	\$1,000,000
Sale Date:	07/12/2024
Contract Date:	07/11/2024
Sale Status:	Closed
\$/Acre(Gross):	\$240,211
\$/Land SF(Gross):	\$5.51
\$/Acre(Usable):	\$240,211
\$/Land SF(Usable):	\$5.51
Grantor/Seller:	Beacon Hill Baptist Church
Grantee/Buyer:	Forney Creek Partners, LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	2024-0021386
Verified By:	Reid Pannell
Verification Date:	07/11/2024
Confirmation Source:	Contract of Sale
Verification Type:	Confirmed-Other

Sale Analysis

Commercial site on US-80

Current Use at T.O.S.:	Church
Proposed Use Change:	Yes
Proposed Use Desc.:	Commercial development

Occupancy

Occupancy Type Before Sale:	Owner Occupied
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Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington
Legal/Tax/Parcel ID:	JNO GREGG, TRACT 565.00; 4.163 ACRES / Tax #6534
Acres(Usable/Gross):	4.16/4.16
Land-SF(Usable/Gross):	181,340/181,340
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Vegetation:	Trees and grasses
Zoning Code:	MU
Zoning Desc.:	Mixed Use
Flood Plain:	Yes
Flood Zone:	Approx. 50% of land area in 100 year floodplain
Flood Zone Designation:	AE
Source of Land Info.:	Public Records

Comments

4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a



Comments (Cont'd)

commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.

4.16 AC located along US Hwy 80 in Forney, TX. Approximately 50% of the property, in the southeast portion, is located in a 100 year floodplain. Zoned for Mixed Use.

Location & Property Identification

Property Name: Commercial Land - Dallas, TX
 Sub-Property Type: Commercial, Other
 Address: Northwest side of Cedardale Drive, northwest of Bonnie View Road
 City/State/Zip: Dallas, TX 75241
 County: Dallas
 Submarket: Dallas
 Market Orientation: Suburban
 Property Location: 4551 Cedardale Drive
 IRR Event ID: 3308029



Sale Information

Sale Price: \$1,019,304
 Effective Sale Price: \$1,019,304
 Sale Date: 01/29/2024
 Contract Date: 01/29/2024
 Listing Price: \$1,019,304
 Listing Date: 04/06/2023
 Sale Status: Closed
 \$/Acre(Gross): \$174,538
 \$/Land SF(Gross): \$4.01
 \$/Acre(Usable): \$174,538
 \$/Land SF(Usable): \$4.01
 Grantor/Seller: Ramona Galloway, ETAL
 Grantee/Buyer: LDSR Real Property LP
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 202400032190
 Verified By: Ernest Gatewood
 Verification Date: 12/16/2024
 Confirmation Source: Jennifer Permenter (214-238-8000)
 Verification Type: Confirmed-Seller Broker

Legal/Tax/Parcel ID: Lots 41 and 42, Pleasant View Plantations, Block 8262 / Tax #00000800752000000 and 00000800755000000
 Acres(Usable/Gross): 5.84/5.84
 Land-SF(Usable/Gross): 254,390/254,390
 Usable/Gross Ratio: 1.00
 Shape: Rectangular
 Topography: Level
 Corner Lot: No
 Frontage Type: 2 way, 1 lane each way
 Zoning Code: CS
 Zoning Desc.: Community Service
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

This site is planned for commercial development.

Improvement and Site Data

Location & Property Identification

Property Name:	Commercial land - Dallas
Sub-Property Type:	Commercial, Other
Address:	Northeast corner of IH-20 and Cedar Ranch Drive
City/State/Zip:	Dallas, TX 75241
County:	Dallas
Submarket:	Dallas
Market Orientation:	Suburban
Property Location:	3221 LBJ Freeway
IRR Event ID:	2945308



Sale Information

Sale Price:	\$932,833
Effective Sale Price:	\$932,833
Sale Date:	01/20/2022
Listing Price:	\$1,100,000
Sale Status:	Closed
\$/Acre(Gross):	\$222,156
\$/Land SF(Gross):	\$5.10
\$/Acre(Usable):	\$222,156
\$/Land SF(Usable):	\$5.10
Grantor/Seller:	RGM Asset Management, LLC

Grantee/Buyer:	H & B Development and Construction, LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	202200017983
Verified By:	Ernest Gatewood
Verification Date:	11/17/2022
Confirmation Source:	James Ewing (214-692-1100)
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

Legal/Tax/Parcel ID:	Tract 3.1, Block 8291 / Tax #00000801163000100
Acres(Usable/Gross):	4.20/4.20

Land-SF(Usable/Gross):	182,908/182,908
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	CS
Zoning Desc.:	Commercial Service
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive.

Location & Property Identification

Property Name:	Commercial Land
Sub-Property Type:	Commercial, Retail
Address:	Southeast quadrant of US-175 and E. Malloy Bridge Road
City/State/Zip:	Seagoville, TX 75159
County:	Dallas
Submarket:	Seagoville
Market Orientation:	Suburban
IRR Event ID:	3251244



Sale Information

Sale Price:	\$1,961,200
Effective Sale Price:	\$1,961,200
Sale Date:	11/22/2022
Sale Status:	Closed
\$/Acre(Gross):	\$283,149
\$/Land SF(Gross):	\$6.50
\$/Acre(Usable):	\$283,149
\$/Land SF(Usable):	\$6.50
Grantor/Seller:	Joseph Kemp
Grantee/Buyer:	Brookshire Grocery Company
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202200301929
Verified By:	Brent Pitts, MAI, AI-GRS, R/W-AC
Verification Date:	07/02/2024
Confirmation Source:	Joseph Kemp
Verification Type:	Confirmed-Seller

Sale Analysis

Current Use at T.O.S.:	Vacant Land
Proposed Use Desc.:	Grocery Store

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	Lot 1R, Block 1, Joseph Kemp Addition, Seagoville
Acres(Usable/Gross):	6.93/6.93
Land-SF(Usable/Gross):	301,716/301,716
Usable/Gross Ratio:	1.00
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Type:	1 way, 2 lanes
Zoning Code:	LM
Zoning Desc.:	Light Manufacturing
Easements:	No
Easements Desc.:	Standard
Flood Plain:	No
Flood Zone Designation:	X
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The property was purchased for development of a Brookshire's grocery store location. The property was

Comments (Cont'd)

zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.

This is a tract in Seagoville that wraps the southeast corner of US 175 and E Malloy Bridge Rd.

Land Sales - Tract #14

Location & Property Identification

Property Name: Commercial Land - Balch Springs

Sub-Property Type: Commercial, Retail

Address: South corner of S. Belt Line Road and Lasater Road

City/State/Zip: Balch Springs, TX 75181

County: Dallas

Submarket: Mesquite

Market Orientation: Suburban

IRR Event ID: 3177433



Sale Information

Sale Price: \$929,000

Effective Sale Price: \$929,000

Sale Date: 05/22/2023

Sale Status: Closed

\$/Acre(Gross): \$177,392

\$/Land SF(Gross): \$4.07

\$/Acre(Usable): \$177,392

\$/Land SF(Usable): \$4.07

Grantee/Buyer: Vivacity Capital, LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: INT202300100095

Verified By: Ernest Gatewood

Verification Date: 12/01/2023

Confirmation Source: William Carr (214-692-2152)

Verification Type: Confirmed-Seller Broker

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-Planned Development

Zoning Desc.: Commercial

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This rectangular property was acquired for future commercial use.

Improvement and Site Data

Legal/Tax/Parcel ID: Tract 29.1, Robert Kleeberg Survey, A-716 / Tax #65071678610290100

Acres(Usable/Gross): 5.24/5.24

Land-SF(Usable/Gross): 228,124/228,124

Usable/Gross Ratio: 1.00

Location & Property Identification

Property Name:	Commercial site on US-80
Sub-Property Type:	Commercial, Retail
Address:	East side of US-80, south of Clements Drive
City/State/Zip:	Forney, TX 75126
County:	Kaufman
Submarket:	Forney
Market Orientation:	Suburban
IRR Event ID:	3253738



Sale Information

Sale Price:	\$1,000,000
Effective Sale Price:	\$1,000,000
Sale Date:	07/12/2024
Contract Date:	07/11/2024
Sale Status:	Closed
\$/Acre(Gross):	\$240,211
\$/Land SF(Gross):	\$5.51
\$/Acre(Usable):	\$240,211
\$/Land SF(Usable):	\$5.51
Grantor/Seller:	Beacon Hill Baptist Church
Grantee/Buyer:	Forney Creek Partners, LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	2024-0021386
Verified By:	Reid Pannell
Verification Date:	07/11/2024
Confirmation Source:	Contract of Sale
Verification Type:	Confirmed-Other

Sale Analysis

Commercial site on US-80

Current Use at T.O.S.:	Church
Proposed Use Change:	Yes
Proposed Use Desc.:	Commercial development

Occupancy

Occupancy Type Before Sale:	Owner Occupied
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Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington
Legal/Tax/Parcel ID:	JNO GREGG, TRACT 565.00; 4.163 ACRES / Tax #6534
Acres(Usable/Gross):	4.16/4.16
Land-SF(Usable/Gross):	181,340/181,340
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Vegetation:	Trees and grasses
Zoning Code:	MU
Zoning Desc.:	Mixed Use
Flood Plain:	Yes
Flood Zone:	Approx. 50% of land area in 100 year floodplain
Flood Zone Designation:	AE
Source of Land Info.:	Public Records

Comments

4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a



Comments (Cont'd)

commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.

4.16 AC located along US Hwy 80 in Forney, TX. Approximately 50% of the property, in the southeast portion, is located in a 100 year floodplain. Zoned for Mixed Use.

Location & Property Identification

Property Name: Commercial Land - Dallas, TX
 Sub-Property Type: Commercial, Other
 Address: Northwest side of Cedardale Drive, northwest of Bonnie View Road
 City/State/Zip: Dallas, TX 75241
 County: Dallas
 Submarket: Dallas
 Market Orientation: Suburban
 Property Location: 4551 Cedardale Drive
 IRR Event ID: 3308029



Sale Information

Sale Price: \$1,019,304
 Effective Sale Price: \$1,019,304
 Sale Date: 01/29/2024
 Contract Date: 01/29/2024
 Listing Price: \$1,019,304
 Listing Date: 04/06/2023
 Sale Status: Closed
 \$/Acre(Gross): \$174,538
 \$/Land SF(Gross): \$4.01
 \$/Acre(Usable): \$174,538
 \$/Land SF(Usable): \$4.01
 Grantor/Seller: Ramona Galloway, ETAL
 Grantee/Buyer: LDSR Real Property LP
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 202400032190
 Verified By: Ernest Gatewood
 Verification Date: 12/16/2024
 Confirmation Source: Jennifer Permenter (214-238-8000)
 Verification Type: Confirmed-Seller Broker

Legal/Tax/Parcel ID: Lots 41 and 42, Pleasant View Plantations, Block 8262 / Tax #00000800752000000 and 00000800755000000
 Acres(Usable/Gross): 5.84/5.84
 Land-SF(Usable/Gross): 254,390/254,390
 Usable/Gross Ratio: 1.00
 Shape: Rectangular
 Topography: Level
 Corner Lot: No
 Frontage Type: 2 way, 1 lane each way
 Zoning Code: CS
 Zoning Desc.: Community Service
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

This site is planned for commercial development.

Improvement and Site Data

Location & Property Identification

Property Name:	Commercial land - Dallas
Sub-Property Type:	Commercial, Other
Address:	Northeast corner of IH-20 and Cedar Ranch Drive
City/State/Zip:	Dallas, TX 75241
County:	Dallas
Submarket:	Dallas
Market Orientation:	Suburban
Property Location:	3221 LBJ Freeway
IRR Event ID:	2945308



Sale Information

Sale Price:	\$932,833
Effective Sale Price:	\$932,833
Sale Date:	01/20/2022
Listing Price:	\$1,100,000
Sale Status:	Closed
\$/Acre(Gross):	\$222,156
\$/Land SF(Gross):	\$5.10
\$/Acre(Usable):	\$222,156
\$/Land SF(Usable):	\$5.10
Grantor/Seller:	RGM Asset Management, LLC

Grantee/Buyer:	H & B Development and Construction, LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	202200017983
Verified By:	Ernest Gatewood
Verification Date:	11/17/2022
Confirmation Source:	James Ewing (214-692-1100)
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

Legal/Tax/Parcel ID:	Tract 3.1, Block 8291 / Tax #00000801163000100
Acres(Usable/Gross):	4.20/4.20

Land-SF(Usable/Gross):	182,908/182,908
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	CS
Zoning Desc.:	Commercial Service
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive.

Location & Property Identification

Property Name:	Commercial Land
Sub-Property Type:	Commercial, Retail
Address:	Southeast quadrant of US-175 and E. Malloy Bridge Road
City/State/Zip:	Seagoville, TX 75159
County:	Dallas
Submarket:	Seagoville
Market Orientation:	Suburban
IRR Event ID:	3251244



Sale Information

Sale Price:	\$1,961,200
Effective Sale Price:	\$1,961,200
Sale Date:	11/22/2022
Sale Status:	Closed
\$/Acre(Gross):	\$283,149
\$/Land SF(Gross):	\$6.50
\$/Acre(Usable):	\$283,149
\$/Land SF(Usable):	\$6.50
Grantor/Seller:	Joseph Kemp
Grantee/Buyer:	Brookshire Grocery Company
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202200301929
Verified By:	Brent Pitts, MAI, AI-GRS, R/W-AC
Verification Date:	07/02/2024
Confirmation Source:	Joseph Kemp
Verification Type:	Confirmed-Seller

Sale Analysis

Current Use at T.O.S.:	Vacant Land
Proposed Use Desc.:	Grocery Store

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	Lot 1R, Block 1, Joseph Kemp Addition, Seagoville
Acres(Usable/Gross):	6.93/6.93
Land-SF(Usable/Gross):	301,716/301,716
Usable/Gross Ratio:	1.00
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Type:	1 way, 2 lanes
Zoning Code:	LM
Zoning Desc.:	Light Manufacturing
Easements:	No
Easements Desc.:	Standard
Flood Plain:	No
Flood Zone Designation:	X
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The property was purchased for development of a Brookshire's grocery store location. The property was

Comments (Cont'd)

zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.

This is a tract in Seagoville that wraps the southeast corner of US 175 and E Malloy Bridge Rd.

Land Sales - Tract #19

Location & Property Identification

Property Name:	Multi Family Land - Grand Prairie
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of IH-20 and Westcliff Road
City/State/Zip:	Grand Prairie, TX 75052
County:	Tarrant
Submarket:	GrandPrairie
Market Orientation:	Suburban
IRR Event ID:	3307540



Sale Information

Sale Price:	\$6,600,000
Effective Sale Price:	\$6,600,000
Sale Date:	09/12/2024
Sale Status:	Closed
\$/Acre(Gross):	\$466,135
\$/Land SF(Gross):	\$10.70
\$/Acre(Usable):	\$474,824
\$/Land SF(Usable):	\$10.90
\$/Unit (Potential):	\$22,000 /Unit
Grantor/Seller:	Jon Krabbenschmidt
Grantee/Buyer:	CRP AR Prose Westcliff Owner LP
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202400185007
Verified By:	Ernest Gatewood
Verification Date:	12/16/2024
Confirmation Source:	Keven McCormick
Verification Type:	Confirmed-Other

MSA:	Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
Legal/Tax/Parcel ID:	Lot 1, Block A, Prose Westcliff Addition / Tax #281895800A0010000
Acres(Usable/Gross):	13.90/14.16
Land-SF(Usable/Gross):	605,480/616,766
Usable/Gross Ratio:	0.98
No. of Units (Potential):	300
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	PD-449 (Planned Development)
Zoning Desc.:	Multi-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

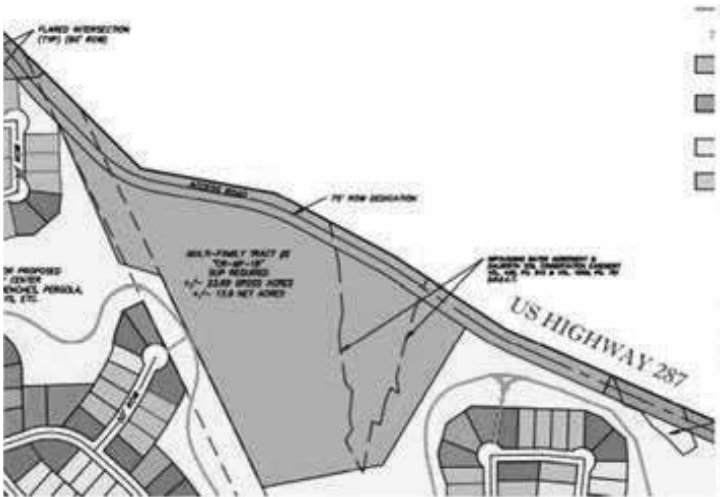
This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.

Improvement and Site Data



Location & Property Identification

Property Name:	Multifamily Land - Midlothian, Texas
Sub-Property Type:	Residential, Multifamily Land
Address:	South westside of US-287, east of Miller Road
City/State/Zip:	Midlothian, TX 76065
County:	Ellis
Submarket:	Midlothian
Market Orientation:	Suburban
IRR Event ID:	2789167



Sale Information

Sale Price:	\$5,750,000
Effective Sale Price:	\$5,750,000
Sale Date:	04/17/2025
Contract Date:	07/17/2023
Sale Status:	In-Contract
\$/Acre(Gross):	\$239,783
\$/Land SF(Gross):	\$5.50
\$/Acre(Usable):	\$387,466
\$/Land SF(Usable):	\$8.90
\$/Unit (Potential):	\$18,429 /Unit
Grantor/Seller:	Westside Preserve Development, LLC
Grantee/Buyer:	HighPark Capital, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Contract of Sale
Verified By:	Ernest Gatewood
Verification Date:	02/15/2024
Confirmation Source:	Terrance Jobe, CEO (817-995-9500)
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	J. Stewart Survey, Abstract No. 961/ Part of Tax ID 181917
Acres(Usable/Gross):	14.84/23.98
Land-SF(Usable/Gross):	646,430/1,044,569
Usable/Gross Ratio:	0.62
No. of Units (Potential):	312
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Desc.:	US-287
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.

Improvement and Site Data



Location & Property Identification

Property Name:	Multi-family site on Altamesa Boulevard
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard
City/State/Zip:	Fort Worth, TX 76132
County:	Tarrant
Submarket:	FortWorth
Market Orientation:	Suburban
Property Location:	450' on Altamesa Blvd 576' on Chisholm Trail Pkwy
IRR Event ID:	3204644



Sale Information

Sale Price:	\$3,385,000
Effective Sale Price:	\$3,385,000
Sale Date:	06/16/2023
Recording Date:	06/23/2023
Listing Price:	\$4,030,000
Sale Status:	Closed
\$/Acre(Gross):	\$457,432
\$/Land SF(Gross):	\$10.50
\$/Acre(Usable):	\$457,432
\$/Land SF(Usable):	\$10.50
\$/Unit (Potential):	\$12,089 /Unit
Grantor/Seller:	Dirk Branch LP
Grantee/Buyer:	OHT Altamesa LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	223110430
Verified By:	Charles Meek
Verification Date:	02/23/2024

Confirmation Source:	Ryan Turner
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	HEATH, JOHN F SURVEY Abstract 641 Tract 2A5K & ABST 49 TR 1D1F / 07008805
Acres(Usable/Gross):	7.40/7.40
Land-SF(Usable/Gross):	322,344/322,344
Usable/Gross Ratio:	1.00
No. of Units (Potential):	280
Shape:	Rectangular
Topography:	Level
Vegetation:	Grass and shrubs
Corner Lot:	Yes
Frontage Feet:	450
Frontage Desc.:	Primary Roadway / Secondary Roadway
Frontage Type:	2 way, 3 lanes each way
Traffic Count:	14054
Zoning Code:	I
Zoning Desc.:	Light Industrial
Easements:	No
Easements Desc.:	Standard

Improvement and Site Data (Cont'd)

Environmental Issues:	No
Flood Plain:	No
Flood Zone:	X
Flood Zone Designation:	X
Comm. Panel No.:	48439C0295K
Date:	09/25/2009
Utilities:	Electricity, Water Public, Sewer, Gas
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The buyer is planning to develop the land into a multifamily development (280 units/37.8 upa). The land was ready for development except that it had to be rezoned from light industrial to multifamily zoning. The zoning was changed from Industrial to Planned Development 1348 after the sale closed.



Location & Property Identification

Property Name:	Multifamily land in McKinney
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of Virginia Parkway and Carlisle Street
City/State/Zip:	McKinney, TX 75071
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	3042763



Sale Information

Sale Price:	\$2,890,000
Effective Sale Price:	\$2,890,000
Sale Date:	06/30/2023
Sale Status:	Closed
\$/Acre(Gross):	\$568,428
\$/Land SF(Gross):	\$13.05
\$/Acre(Usable):	\$568,428
\$/Land SF(Usable):	\$13.05
\$/Unit (Potential):	\$16,802 /Approved Unit
Grantor/Seller:	McKinney Virginia Parkway, LTD
Grantee/Buyer:	MHFC Virginia Parkway Holdings, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	2023000074033
Verified By:	Ernest Gatewood
Verification Date:	08/28/2023
Confirmation Source:	James Craig (214-477-0310)
Verification Type:	Confirmed-Seller Broker

Acres(Usable/Gross):	5.08/5.08
Land-SF(Usable/Gross):	221,468/221,468
Usable/Gross Ratio:	1.00
No. of Units (Potential):	172
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	PD/MF-3
Zoning Desc.:	Planned Development Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This property was rezoned to multifamily prior to closing. It is planned to be developed with approximately 120 multifamily units.

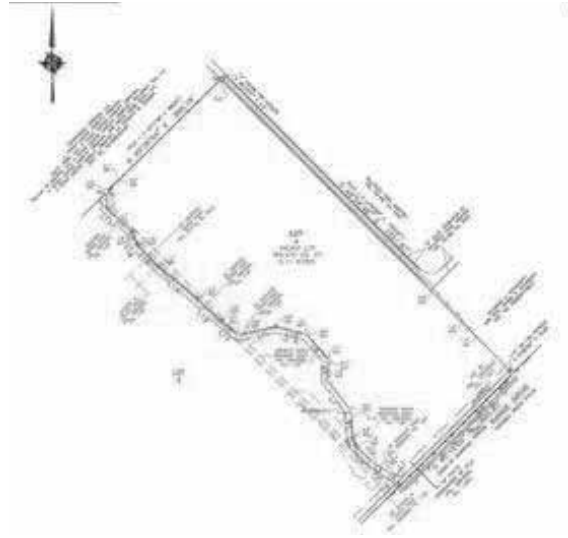
Improvement and Site Data

Legal/Tax/Parcel ID:	Lot 1, Block A, Virginia Plaza / Tax #1902766
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Location & Property Identification

Property Name: MF Land in Mesquite
Sub-Property Type: Residential, Multifamily Land
Address: Northwest side of Range Road, northeast of Galloway Avenue
City/State/Zip: Mesquite, TX 75149
County: Dallas
Submarket: Mesquite
Market Orientation: Suburban
Property Location: 1400 Range Drive
IRR Event ID: 2731478



Sale Information

Sale Price: \$2,100,000
Effective Sale Price: \$2,100,000
Sale Date: 08/17/2023
Sale Status: Closed
\$/Acre(Gross): \$230,516
\$/Land SF(Gross): \$5.29
\$/Acre(Usable): \$230,516
\$/Land SF(Usable): \$5.29
\$/Unit (Potential): \$8,750 /Unit
Grantor/Seller: Range MF LTD
Grantee/Buyer: R. Woodlake Properties LLC
Assets Sold: Real estate only
Property Rights: Fee Simple
Financing: Cash to seller
Conditions of Sale: Arm's-length
Document Type: Deed
Recording No.: 202300166229
Verified By: Ernest Gatewood
Verification Date: 10/02/2023
Confirmation Source: David Fersing (972) 755-5151
Verification Type: Confirmed-Seller Broker

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
Legal/Tax/Parcel ID: Lot 4, Block 1, Range Drive Addition / 38160250010040000
Acres(Usable/Gross): 9.11/9.11
Land-SF(Usable/Gross): 396,832/396,832
Usable/Gross Ratio: 1.00
No. of Units (Potential): 240
Shape: Irregular
Topography: Rolling
Vegetation: Grass and shrubs
Corner Lot: No
Frontage Feet: 391
Frontage Desc.: Secondary Road
Frontage Type: 2 way, 2 lanes each way
Traffic Control at Entry: None
Traffic Flow: Moderate
Visibility Rating: Average
Zoning Code: TNMB
Zoning Desc.: Multifamily
Easements: No
Easements Desc.: Standard
Environmental Issues: No
Flood Plain: No
Flood Zone Designation: X
Comm. Panel No.: 48113C0390K

Improvement and Site Data (Cont'd)

Date:	07/07/2014
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Engineering Report

Comments

This property was acquired to be developed with a 240-unit apartment complex.



Land Sales - Tract #5

Location & Property Identification

Property Name: Commercial Land - Balch Springs

Sub-Property Type: Commercial, Retail

Address: South corner of S. Belt Line Road and Lasater Road

City/State/Zip: Balch Springs, TX 75181

County: Dallas

Submarket: Mesquite

Market Orientation: Suburban

IRR Event ID: 3177433



Sale Information

Sale Price: \$929,000

Effective Sale Price: \$929,000

Sale Date: 05/22/2023

Sale Status: Closed

\$/Acre(Gross): \$177,392

\$/Land SF(Gross): \$4.07

\$/Acre(Usable): \$177,392

\$/Land SF(Usable): \$4.07

Grantee/Buyer: Vivacity Capital, LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: INT202300100095

Verified By: Ernest Gatewood

Verification Date: 12/01/2023

Confirmation Source: William Carr (214-692-2152)

Verification Type: Confirmed-Seller Broker

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-Planned Development

Zoning Desc.: Commercial

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This rectangular property was acquired for future commercial use.

Improvement and Site Data

Legal/Tax/Parcel ID: Tract 29.1, Robert Kleeberg Survey, A-716 / Tax #65071678610290100

Acres(Usable/Gross): 5.24/5.24

Land-SF(Usable/Gross): 228,124/228,124

Usable/Gross Ratio: 1.00

Location & Property Identification

Property Name:	Commercial site on US-80
Sub-Property Type:	Commercial, Retail
Address:	East side of US-80, south of Clements Drive
City/State/Zip:	Forney, TX 75126
County:	Kaufman
Submarket:	Forney
Market Orientation:	Suburban
IRR Event ID:	3253738



Sale Information

Sale Price:	\$1,000,000
Effective Sale Price:	\$1,000,000
Sale Date:	07/12/2024
Contract Date:	07/11/2024
Sale Status:	Closed
\$/Acre(Gross):	\$240,211
\$/Land SF(Gross):	\$5.51
\$/Acre(Usable):	\$240,211
\$/Land SF(Usable):	\$5.51
Grantor/Seller:	Beacon Hill Baptist Church
Grantee/Buyer:	Forney Creek Partners, LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	2024-0021386
Verified By:	Reid Pannell
Verification Date:	07/11/2024
Confirmation Source:	Contract of Sale
Verification Type:	Confirmed-Other

Sale Analysis

Commercial site on US-80

Current Use at T.O.S.:	Church
Proposed Use Change:	Yes
Proposed Use Desc.:	Commercial development

Occupancy

Occupancy Type Before Sale:	Owner Occupied
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Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington
Legal/Tax/Parcel ID:	JNO GREGG, TRACT 565.00; 4.163 ACRES / Tax #6534
Acres(Usable/Gross):	4.16/4.16
Land-SF(Usable/Gross):	181,340/181,340
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Vegetation:	Trees and grasses
Zoning Code:	MU
Zoning Desc.:	Mixed Use
Flood Plain:	Yes
Flood Zone:	Approx. 50% of land area in 100 year floodplain
Flood Zone Designation:	AE
Source of Land Info.:	Public Records

Comments

4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a



Comments (Cont'd)

commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.

4.16 AC located along US Hwy 80 in Forney, TX. Approximately 50% of the property, in the southeast portion, is located in a 100 year floodplain. Zoned for Mixed Use.

Location & Property Identification

Property Name: Commercial Land - Dallas, TX
 Sub-Property Type: Commercial, Other
 Address: Northwest side of Cedardale Drive, northwest of Bonnie View Road
 City/State/Zip: Dallas, TX 75241
 County: Dallas
 Submarket: Dallas
 Market Orientation: Suburban
 Property Location: 4551 Cedardale Drive
 IRR Event ID: 3308029



Sale Information

Sale Price: \$1,019,304
 Effective Sale Price: \$1,019,304
 Sale Date: 01/29/2024
 Contract Date: 01/29/2024
 Listing Price: \$1,019,304
 Listing Date: 04/06/2023
 Sale Status: Closed
 \$/Acre(Gross): \$174,538
 \$/Land SF(Gross): \$4.01
 \$/Acre(Usable): \$174,538
 \$/Land SF(Usable): \$4.01
 Grantor/Seller: Ramona Galloway, ETAL
 Grantee/Buyer: LDSR Real Property LP
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 202400032190
 Verified By: Ernest Gatewood
 Verification Date: 12/16/2024
 Confirmation Source: Jennifer Permenter (214-238-8000)
 Verification Type: Confirmed-Seller Broker

Legal/Tax/Parcel ID: Lots 41 and 42, Pleasant View Plantations, Block 8262 / Tax #00000800752000000 and 00000800755000000
 Acres(Usable/Gross): 5.84/5.84
 Land-SF(Usable/Gross): 254,390/254,390
 Usable/Gross Ratio: 1.00
 Shape: Rectangular
 Topography: Level
 Corner Lot: No
 Frontage Type: 2 way, 1 lane each way
 Zoning Code: CS
 Zoning Desc.: Community Service
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

This site is planned for commercial development.

Improvement and Site Data

Location & Property Identification

Property Name:	Commercial land - Dallas
Sub-Property Type:	Commercial, Other
Address:	Northeast corner of IH-20 and Cedar Ranch Drive
City/State/Zip:	Dallas, TX 75241
County:	Dallas
Submarket:	Dallas
Market Orientation:	Suburban
Property Location:	3221 LBJ Freeway
IRR Event ID:	2945308



Sale Information

Sale Price:	\$932,833
Effective Sale Price:	\$932,833
Sale Date:	01/20/2022
Listing Price:	\$1,100,000
Sale Status:	Closed
\$/Acre(Gross):	\$222,156
\$/Land SF(Gross):	\$5.10
\$/Acre(Usable):	\$222,156
\$/Land SF(Usable):	\$5.10
Grantor/Seller:	RGM Asset Management, LLC

Grantee/Buyer:	H & B Development and Construction, LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	202200017983
Verified By:	Ernest Gatewood
Verification Date:	11/17/2022
Confirmation Source:	James Ewing (214-692-1100)
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

Legal/Tax/Parcel ID:	Tract 3.1, Block 8291 / Tax #00000801163000100
Acres(Usable/Gross):	4.20/4.20

Land-SF(Usable/Gross):	182,908/182,908
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	CS
Zoning Desc.:	Commercial Service
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive.

Location & Property Identification

Property Name:	Commercial Land
Sub-Property Type:	Commercial, Retail
Address:	Southeast quadrant of US-175 and E. Malloy Bridge Road
City/State/Zip:	Seagoville, TX 75159
County:	Dallas
Submarket:	Seagoville
Market Orientation:	Suburban
IRR Event ID:	3251244



Sale Information

Sale Price:	\$1,961,200
Effective Sale Price:	\$1,961,200
Sale Date:	11/22/2022
Sale Status:	Closed
\$/Acre(Gross):	\$283,149
\$/Land SF(Gross):	\$6.50
\$/Acre(Usable):	\$283,149
\$/Land SF(Usable):	\$6.50
Grantor/Seller:	Joseph Kemp
Grantee/Buyer:	Brookshire Grocery Company
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202200301929
Verified By:	Brent Pitts, MAI, AI-GRS, R/W-AC
Verification Date:	07/02/2024
Confirmation Source:	Joseph Kemp
Verification Type:	Confirmed-Seller

Sale Analysis

Current Use at T.O.S.:	Vacant Land
Proposed Use Desc.:	Grocery Store

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	Lot 1R, Block 1, Joseph Kemp Addition, Seagoville
Acres(Usable/Gross):	6.93/6.93
Land-SF(Usable/Gross):	301,716/301,716
Usable/Gross Ratio:	1.00
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Type:	1 way, 2 lanes
Zoning Code:	LM
Zoning Desc.:	Light Manufacturing
Easements:	No
Easements Desc.:	Standard
Flood Plain:	No
Flood Zone Designation:	X
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The property was purchased for development of a Brookshire's grocery store location. The property was

Comments (Cont'd)

zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.

This is a tract in Seagoville that wraps the southeast corner of US 175 and E Malloy Bridge Rd.

Land Sales - Tract #7A

Location & Property Identification

Property Name: Commercial Land - Balch Springs

Sub-Property Type: Commercial, Retail

Address: South corner of S. Belt Line Road and Lasater Road

City/State/Zip: Balch Springs, TX 75181

County: Dallas

Submarket: Mesquite

Market Orientation: Suburban

IRR Event ID: 3177433



Sale Information

Sale Price: \$929,000

Effective Sale Price: \$929,000

Sale Date: 05/22/2023

Sale Status: Closed

\$/Acre(Gross): \$177,392

\$/Land SF(Gross): \$4.07

\$/Acre(Usable): \$177,392

\$/Land SF(Usable): \$4.07

Grantee/Buyer: Vivacity Capital, LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: INT202300100095

Verified By: Ernest Gatewood

Verification Date: 12/01/2023

Confirmation Source: William Carr (214-692-2152)

Verification Type: Confirmed-Seller Broker

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-Planned Development

Zoning Desc.: Commercial

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This rectangular property was acquired for future commercial use.

Improvement and Site Data

Legal/Tax/Parcel ID: Tract 29.1, Robert Kleeberg Survey, A-716 / Tax #65071678610290100

Acres(Usable/Gross): 5.24/5.24

Land-SF(Usable/Gross): 228,124/228,124

Usable/Gross Ratio: 1.00

Location & Property Identification

Property Name: Commercial Land - Dallas, TX
 Sub-Property Type: Commercial, Other
 Address: Northwest side of Cedardale Drive, northwest of Bonnie View Road
 City/State/Zip: Dallas, TX 75241
 County: Dallas
 Submarket: Dallas
 Market Orientation: Suburban
 Property Location: 4551 Cedardale Drive
 IRR Event ID: 3308029



Sale Information

Sale Price: \$1,019,304
 Effective Sale Price: \$1,019,304
 Sale Date: 01/29/2024
 Contract Date: 01/29/2024
 Listing Price: \$1,019,304
 Listing Date: 04/06/2023
 Sale Status: Closed
 \$/Acre(Gross): \$174,538
 \$/Land SF(Gross): \$4.01
 \$/Acre(Usable): \$174,538
 \$/Land SF(Usable): \$4.01
 Grantor/Seller: Ramona Galloway, ETAL
 Grantee/Buyer: LDSR Real Property LP
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 202400032190
 Verified By: Ernest Gatewood
 Verification Date: 12/16/2024
 Confirmation Source: Jennifer Permenter (214-238-8000)
 Verification Type: Confirmed-Seller Broker

Legal/Tax/Parcel ID: Lots 41 and 42, Pleasant View Plantations, Block 8262 / Tax #00000800752000000 and 00000800755000000
 Acres(Usable/Gross): 5.84/5.84
 Land-SF(Usable/Gross): 254,390/254,390
 Usable/Gross Ratio: 1.00
 Shape: Rectangular
 Topography: Level
 Corner Lot: No
 Frontage Type: 2 way, 1 lane each way
 Zoning Code: CS
 Zoning Desc.: Community Service
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

This site is planned for commercial development.

Improvement and Site Data

Location & Property Identification

Property Name:	Commercial Land
Sub-Property Type:	Commercial, Retail
Address:	Southeast quadrant of US-175 and E. Malloy Bridge Road
City/State/Zip:	Seagoville, TX 75159
County:	Dallas
Submarket:	Seagoville
Market Orientation:	Suburban
IRR Event ID:	3251244



Sale Information

Sale Price:	\$1,961,200
Effective Sale Price:	\$1,961,200
Sale Date:	11/22/2022
Sale Status:	Closed
\$/Acre(Gross):	\$283,149
\$/Land SF(Gross):	\$6.50
\$/Acre(Usable):	\$283,149
\$/Land SF(Usable):	\$6.50
Grantor/Seller:	Joseph Kemp
Grantee/Buyer:	Brookshire Grocery Company
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202200301929
Verified By:	Brent Pitts, MAI, AI-GRS, R/W-AC
Verification Date:	07/02/2024
Confirmation Source:	Joseph Kemp
Verification Type:	Confirmed-Seller

Sale Analysis

Current Use at T.O.S.:	Vacant Land
Proposed Use Desc.:	Grocery Store

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	Lot 1R, Block 1, Joseph Kemp Addition, Seagoville
Acres(Usable/Gross):	6.93/6.93
Land-SF(Usable/Gross):	301,716/301,716
Usable/Gross Ratio:	1.00
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Type:	1 way, 2 lanes
Zoning Code:	LM
Zoning Desc.:	Light Manufacturing
Easements:	No
Easements Desc.:	Standard
Flood Plain:	No
Flood Zone Designation:	X
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The property was purchased for development of a Brookshire's grocery store location. The property was

Comments (Cont'd)

zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.

This is a tract in Seagoville that wraps the southeast corner of US 175 and E Malloy Bridge Rd.

Location & Property Identification

Property Name:	Land - Lancaster, TX
Sub-Property Type:	Commercial, Retail
Address:	Southwest quadrant of Wintergreen Road, and N. Houston School Road
City/State/Zip:	Lancaster, TX 75134
County:	Dallas
Submarket:	Lancaster
Market Orientation:	Suburban
IRR Event ID:	3053466



Sale Information

Sale Price:	\$3,500,000
Effective Sale Price:	\$3,500,000
Sale Date:	11/07/2023
Sale Status:	Closed
\$/Acre(Gross):	\$182,178
\$/Land SF(Gross):	\$4.18
\$/Acre(Usable):	\$228,758
\$/Land SF(Usable):	\$5.25
Grantor/Seller:	Angels of Hands Home Health
Grantee/Buyer:	Fountain of Life Investments, LLC
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Recording No.:	202300226516
Verified By:	Tyler M. Cooper
Verification Date:	06/13/2024
Confirmation Source:	Judith Mitchiner-Owens (214) 805-8069
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	65112034510030100
Acres(Usable/Gross):	15.30/19.21
Land-SF(Usable/Gross):	666,468/836,875
Usable/Gross Ratio:	0.80
Shape:	Irregular
Topography:	Gently Sloping
Corner Lot:	No
Frontage Type:	2 way, 1 lane each way
Zoning Code:	R
Zoning Desc.:	Retail
Flood Plain:	No
Flood Zone:	Approximately 3.7 acres of flood plain on the west
Flood Zone Designation:	AE
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This tract of land was purchased for future industrial development and possesses frontage/access along two (2) streets. It is noted that approximately 3.70 acres on the western boundary is located within the floodplain.

Comments (Cont'd)



Location & Property Identification

Property Name:	Commercial Land - US-80, Sunnyvale, TX
Sub-Property Type:	Commercial, Other
Address:	Northeast corner of US-80 and Jobson Road
City/State/Zip:	Sunnyvale, TX 75182
County:	Dallas
Submarket:	Sunnyvale
Market Orientation:	Suburban
IRR Event ID:	3020817



Sale Information

Sale Price:	\$5,400,000
Effective Sale Price:	\$5,400,000
Sale Date:	01/19/2023
Sale Status:	Closed
\$/Acre(Gross):	\$259,304
\$/Land SF(Gross):	\$5.95
\$/Acre(Usable):	\$259,304
\$/Land SF(Usable):	\$5.95
Grantor/Seller:	R&M Motley LLC
Grantee/Buyer:	Brosco Properties LLC
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202300011680
Verified By:	Stephen M. Lechtenberg
Verification Date:	06/27/2023
Confirmation Source:	Dan Robertson
Verification Type:	Confirmed-Seller Broker

Legal/Tax/Parcel ID:	20.825 Acre tract of land out of the T. Caldwell Survey, Abstract 335, Dallas County, Texas /
Acres(Usable/Gross):	20.83/20.83
Land-SF(Usable/Gross):	907,137/907,137
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	HC
Zoning Desc.:	Highway Commercial
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

The property is located on the northeast corner of the US Highway 80 Frontage Road and Jobson Road. The site is generally level and is at street grade and no floodplain is noted. The property has approximately 2,021 feet of frontage on US-80. The property was improved with three (3) leased industrial buildings at the time of sale and received \$45,000 annually in rent from three (3) billboards on the site. The property sold for future commercial redevelopment. The broker stated that the US Highway widening project did not impact the sale price. Surrounding

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
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Comments (Cont'd)

uses include several recently built Class A distribution warehouses on the across from US-80.

Land Sales - Tract #7B

Location & Property Identification

Property Name: Commercial Land - Balch Springs

Sub-Property Type: Commercial, Retail

Address: South corner of S. Belt Line Road and Lasater Road

City/State/Zip: Balch Springs, TX 75181

County: Dallas

Submarket: Mesquite

Market Orientation: Suburban

IRR Event ID: 3177433



Sale Information

Sale Price: \$929,000

Effective Sale Price: \$929,000

Sale Date: 05/22/2023

Sale Status: Closed

\$/Acre(Gross): \$177,392

\$/Land SF(Gross): \$4.07

\$/Acre(Usable): \$177,392

\$/Land SF(Usable): \$4.07

Grantee/Buyer: Vivacity Capital, LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: INT202300100095

Verified By: Ernest Gatewood

Verification Date: 12/01/2023

Confirmation Source: William Carr (214-692-2152)

Verification Type: Confirmed-Seller Broker

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-Planned Development

Zoning Desc.: Commercial

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This rectangular property was acquired for future commercial use.

Improvement and Site Data

Legal/Tax/Parcel ID: Tract 29.1, Robert Kleeberg Survey, A-716 / Tax #65071678610290100

Acres(Usable/Gross): 5.24/5.24

Land-SF(Usable/Gross): 228,124/228,124

Usable/Gross Ratio: 1.00

Location & Property Identification

Property Name:	Commercial site on US-80
Sub-Property Type:	Commercial, Retail
Address:	East side of US-80, south of Clements Drive
City/State/Zip:	Forney, TX 75126
County:	Kaufman
Submarket:	Forney
Market Orientation:	Suburban
IRR Event ID:	3253738



Sale Information

Sale Price:	\$1,000,000
Effective Sale Price:	\$1,000,000
Sale Date:	07/12/2024
Contract Date:	07/11/2024
Sale Status:	Closed
\$/Acre(Gross):	\$240,211
\$/Land SF(Gross):	\$5.51
\$/Acre(Usable):	\$240,211
\$/Land SF(Usable):	\$5.51
Grantor/Seller:	Beacon Hill Baptist Church
Grantee/Buyer:	Forney Creek Partners, LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	2024-0021386
Verified By:	Reid Pannell
Verification Date:	07/11/2024
Confirmation Source:	Contract of Sale
Verification Type:	Confirmed-Other

Sale Analysis

Commercial site on US-80

Current Use at T.O.S.:	Church
Proposed Use Change:	Yes
Proposed Use Desc.:	Commercial development

Occupancy

Occupancy Type Before Sale:	Owner Occupied
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Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington
Legal/Tax/Parcel ID:	JNO GREGG, TRACT 565.00; 4.163 ACRES / Tax #6534
Acres(Usable/Gross):	4.16/4.16
Land-SF(Usable/Gross):	181,340/181,340
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Vegetation:	Trees and grasses
Zoning Code:	MU
Zoning Desc.:	Mixed Use
Flood Plain:	Yes
Flood Zone:	Approx. 50% of land area in 100 year floodplain
Flood Zone Designation:	AE
Source of Land Info.:	Public Records

Comments

4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a



Comments (Cont'd)

commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.

4.16 AC located along US Hwy 80 in Forney, TX. Approximately 50% of the property, in the southeast portion, is located in a 100 year floodplain. Zoned for Mixed Use.

Location & Property Identification

Property Name: Commercial Land - Dallas, TX
 Sub-Property Type: Commercial, Other
 Address: Northwest side of Cedardale Drive, northwest of Bonnie View Road
 City/State/Zip: Dallas, TX 75241
 County: Dallas
 Submarket: Dallas
 Market Orientation: Suburban
 Property Location: 4551 Cedardale Drive
 IRR Event ID: 3308029



Sale Information

Sale Price: \$1,019,304
 Effective Sale Price: \$1,019,304
 Sale Date: 01/29/2024
 Contract Date: 01/29/2024
 Listing Price: \$1,019,304
 Listing Date: 04/06/2023
 Sale Status: Closed
 \$/Acre(Gross): \$174,538
 \$/Land SF(Gross): \$4.01
 \$/Acre(Usable): \$174,538
 \$/Land SF(Usable): \$4.01
 Grantor/Seller: Ramona Galloway, ETAL
 Grantee/Buyer: LDSR Real Property LP
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 202400032190
 Verified By: Ernest Gatewood
 Verification Date: 12/16/2024
 Confirmation Source: Jennifer Permenter (214-238-8000)
 Verification Type: Confirmed-Seller Broker

Legal/Tax/Parcel ID: Lots 41 and 42, Pleasant View Plantations, Block 8262 / Tax #00000800752000000 and 00000800755000000
 Acres(Usable/Gross): 5.84/5.84
 Land-SF(Usable/Gross): 254,390/254,390
 Usable/Gross Ratio: 1.00
 Shape: Rectangular
 Topography: Level
 Corner Lot: No
 Frontage Type: 2 way, 1 lane each way
 Zoning Code: CS
 Zoning Desc.: Community Service
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

This site is planned for commercial development.

Improvement and Site Data

Location & Property Identification

Property Name:	Commercial land - Dallas
Sub-Property Type:	Commercial, Other
Address:	Northeast corner of IH-20 and Cedar Ranch Drive
City/State/Zip:	Dallas, TX 75241
County:	Dallas
Submarket:	Dallas
Market Orientation:	Suburban
Property Location:	3221 LBJ Freeway
IRR Event ID:	2945308



Sale Information

Sale Price:	\$932,833
Effective Sale Price:	\$932,833
Sale Date:	01/20/2022
Listing Price:	\$1,100,000
Sale Status:	Closed
\$/Acre(Gross):	\$222,156
\$/Land SF(Gross):	\$5.10
\$/Acre(Usable):	\$222,156
\$/Land SF(Usable):	\$5.10
Grantor/Seller:	RGM Asset Management, LLC

Grantee/Buyer:	H & B Development and Construction, LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	202200017983
Verified By:	Ernest Gatewood
Verification Date:	11/17/2022
Confirmation Source:	James Ewing (214-692-1100)
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

Legal/Tax/Parcel ID:	Tract 3.1, Block 8291 / Tax #00000801163000100
Acres(Usable/Gross):	4.20/4.20

Land-SF(Usable/Gross):	182,908/182,908
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	CS
Zoning Desc.:	Commercial Service
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive.

Location & Property Identification

Property Name:	Commercial Land
Sub-Property Type:	Commercial, Retail
Address:	Southeast quadrant of US-175 and E. Malloy Bridge Road
City/State/Zip:	Seagoville, TX 75159
County:	Dallas
Submarket:	Seagoville
Market Orientation:	Suburban
IRR Event ID:	3251244



Sale Information

Sale Price:	\$1,961,200
Effective Sale Price:	\$1,961,200
Sale Date:	11/22/2022
Sale Status:	Closed
\$/Acre(Gross):	\$283,149
\$/Land SF(Gross):	\$6.50
\$/Acre(Usable):	\$283,149
\$/Land SF(Usable):	\$6.50
Grantor/Seller:	Joseph Kemp
Grantee/Buyer:	Brookshire Grocery Company
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202200301929
Verified By:	Brent Pitts, MAI, AI-GRS, R/W-AC
Verification Date:	07/02/2024
Confirmation Source:	Joseph Kemp
Verification Type:	Confirmed-Seller

Sale Analysis

Current Use at T.O.S.:	Vacant Land
Proposed Use Desc.:	Grocery Store

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	Lot 1R, Block 1, Joseph Kemp Addition, Seagoville
Acres(Usable/Gross):	6.93/6.93
Land-SF(Usable/Gross):	301,716/301,716
Usable/Gross Ratio:	1.00
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Type:	1 way, 2 lanes
Zoning Code:	LM
Zoning Desc.:	Light Manufacturing
Easements:	No
Easements Desc.:	Standard
Flood Plain:	No
Flood Zone Designation:	X
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The property was purchased for development of a Brookshire's grocery store location. The property was

Comments (Cont'd)

zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.

This is a tract in Seagoville that wraps the southeast corner of US 175 and E Malloy Bridge Rd.

Land Sales - Tract #9/10

Location & Property Identification

Property Name:	Multi Family Land - Grand Prairie
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of IH-20 and Westcliff Road
City/State/Zip:	Grand Prairie, TX 75052
County:	Tarrant
Submarket:	GrandPrairie
Market Orientation:	Suburban
IRR Event ID:	3307540



Sale Information

Sale Price:	\$6,600,000
Effective Sale Price:	\$6,600,000
Sale Date:	09/12/2024
Sale Status:	Closed
\$/Acre(Gross):	\$466,135
\$/Land SF(Gross):	\$10.70
\$/Acre(Usable):	\$474,824
\$/Land SF(Usable):	\$10.90
\$/Unit (Potential):	\$22,000 /Unit
Grantor/Seller:	Jon Krabbenschmidt
Grantee/Buyer:	CRP AR Prose Westcliff Owner LP
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202400185007
Verified By:	Ernest Gatewood
Verification Date:	12/16/2024
Confirmation Source:	Keven McCormick
Verification Type:	Confirmed-Other

MSA:	Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
Legal/Tax/Parcel ID:	Lot 1, Block A, Prose Westcliff Addition / Tax #281895800A0010000
Acres(Usable/Gross):	13.90/14.16
Land-SF(Usable/Gross):	605,480/616,766
Usable/Gross Ratio:	0.98
No. of Units (Potential):	300
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	PD-449 (Planned Development)
Zoning Desc.:	Multi-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

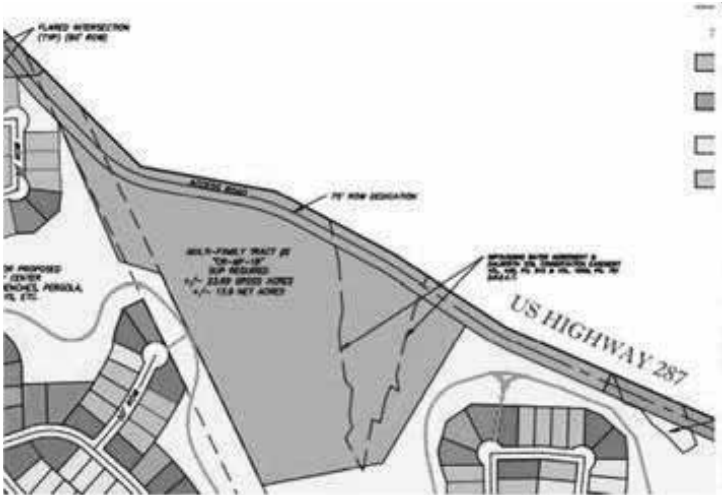
Comments

This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.

Improvement and Site Data

Location & Property Identification

Property Name:	Multifamily Land - Midlothian, Texas
Sub-Property Type:	Residential, Multifamily Land
Address:	South westside of US-287, east of Miller Road
City/State/Zip:	Midlothian, TX 76065
County:	Ellis
Submarket:	Midlothian
Market Orientation:	Suburban
IRR Event ID:	2789167



Sale Information

Sale Price:	\$5,750,000
Effective Sale Price:	\$5,750,000
Sale Date:	04/17/2025
Contract Date:	07/17/2023
Sale Status:	In-Contract
\$/Acre(Gross):	\$239,783
\$/Land SF(Gross):	\$5.50
\$/Acre(Usable):	\$387,466
\$/Land SF(Usable):	\$8.90
\$/Unit (Potential):	\$18,429 /Unit
Grantor/Seller:	Westside Preserve Development, LLC
Grantee/Buyer:	HighPark Capital, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Contract of Sale
Verified By:	Ernest Gatewood
Verification Date:	02/15/2024
Confirmation Source:	Terrance Jobe, CEO (817-995-9500)
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	J. Stewart Survey, Abstract No. 961/ Part of Tax ID 181917
Acres(Usable/Gross):	14.84/23.98
Land-SF(Usable/Gross):	646,430/1,044,569
Usable/Gross Ratio:	0.62
No. of Units (Potential):	312
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Desc.:	US-287
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.

Improvement and Site Data



Location & Property Identification

Property Name:	Multi-family site on Altamesa Boulevard
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard
City/State/Zip:	Fort Worth, TX 76132
County:	Tarrant
Submarket:	FortWorth
Market Orientation:	Suburban
Property Location:	450' on Altamesa Blvd 576' on Chisholm Trail Pkwy
IRR Event ID:	3204644



Sale Information

Sale Price:	\$3,385,000
Effective Sale Price:	\$3,385,000
Sale Date:	06/16/2023
Recording Date:	06/23/2023
Listing Price:	\$4,030,000
Sale Status:	Closed
\$/Acre(Gross):	\$457,432
\$/Land SF(Gross):	\$10.50
\$/Acre(Usable):	\$457,432
\$/Land SF(Usable):	\$10.50
\$/Unit (Potential):	\$12,089 /Unit
Grantor/Seller:	Dirk Branch LP
Grantee/Buyer:	OHT Altamesa LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	223110430
Verified By:	Charles Meek
Verification Date:	02/23/2024

Confirmation Source:	Ryan Turner
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	HEATH, JOHN F SURVEY Abstract 641 Tract 2A5K & ABST 49 TR 1D1F / 07008805
Acres(Usable/Gross):	7.40/7.40
Land-SF(Usable/Gross):	322,344/322,344
Usable/Gross Ratio:	1.00
No. of Units (Potential):	280
Shape:	Rectangular
Topography:	Level
Vegetation:	Grass and shrubs
Corner Lot:	Yes
Frontage Feet:	450
Frontage Desc.:	Primary Roadway / Secondary Roadway
Frontage Type:	2 way, 3 lanes each way
Traffic Count:	14054
Zoning Code:	I
Zoning Desc.:	Light Industrial
Easements:	No
Easements Desc.:	Standard

Multi-family site on Altamesa Boulevard



Improvement and Site Data (Cont'd)

Environmental Issues:	No
Flood Plain:	No
Flood Zone:	X
Flood Zone Designation:	X
Comm. Panel No.:	48439C0295K
Date:	09/25/2009
Utilities:	Electricity, Water Public, Sewer, Gas
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The buyer is planning to develop the land into a multifamily development (280 units/37.8 upa). The land was ready for development except that it had to be rezoned from light industrial to multifamily zoning. The zoning was changed from Industrial to Planned Development 1348 after the sale closed.



Location & Property Identification

Property Name:	Multifamily land in McKinney
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of Virginia Parkway and Carlisle Street
City/State/Zip:	McKinney, TX 75071
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	3042763



Sale Information

Sale Price:	\$2,890,000
Effective Sale Price:	\$2,890,000
Sale Date:	06/30/2023
Sale Status:	Closed
\$/Acre(Gross):	\$568,428
\$/Land SF(Gross):	\$13.05
\$/Acre(Usable):	\$568,428
\$/Land SF(Usable):	\$13.05
\$/Unit (Potential):	\$16,802 /Approved Unit
Grantor/Seller:	McKinney Virginia Parkway, LTD
Grantee/Buyer:	MHFC Virginia Parkway Holdings, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	2023000074033
Verified By:	Ernest Gatewood
Verification Date:	08/28/2023
Confirmation Source:	James Craig (214-477-0310)
Verification Type:	Confirmed-Seller Broker

Acres(Usable/Gross):	5.08/5.08
Land-SF(Usable/Gross):	221,468/221,468
Usable/Gross Ratio:	1.00
No. of Units (Potential):	172
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	PD/MF-3
Zoning Desc.:	Planned Development Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This property was rezoned to multifamily prior to closing. It is planned to be developed with approximately 120 multifamily units.

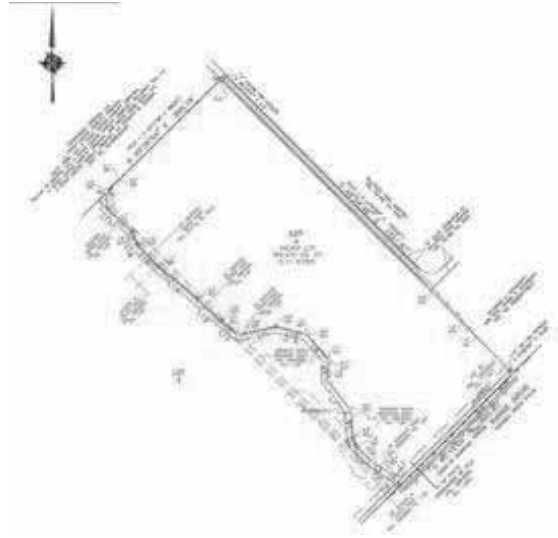
Improvement and Site Data

Legal/Tax/Parcel ID:	Lot 1, Block A, Virginia Plaza / Tax #1902766
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Location & Property Identification

Property Name: MF Land in Mesquite
Sub-Property Type: Residential, Multifamily Land
Address: Northwest side of Range Road, northeast of Galloway Avenue
City/State/Zip: Mesquite, TX 75149
County: Dallas
Submarket: Mesquite
Market Orientation: Suburban
Property Location: 1400 Range Drive
IRR Event ID: 2731478



Sale Information

Sale Price: \$2,100,000
Effective Sale Price: \$2,100,000
Sale Date: 08/17/2023
Sale Status: Closed
\$/Acre(Gross): \$230,516
\$/Land SF(Gross): \$5.29
\$/Acre(Usable): \$230,516
\$/Land SF(Usable): \$5.29
\$/Unit (Potential): \$8,750 /Unit
Grantor/Seller: Range MF LTD
Grantee/Buyer: R. Woodlake Properties LLC
Assets Sold: Real estate only
Property Rights: Fee Simple
Financing: Cash to seller
Conditions of Sale: Arm's-length
Document Type: Deed
Recording No.: 202300166229
Verified By: Ernest Gatewood
Verification Date: 10/02/2023
Confirmation Source: David Fersing (972) 755-5151
Verification Type: Confirmed-Seller Broker

Improvement and Site Data

MSA: Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
Legal/Tax/Parcel ID: Lot 4, Block 1, Range Drive Addition / 38160250010040000
Acres(Usable/Gross): 9.11/9.11
Land-SF(Usable/Gross): 396,832/396,832
Usable/Gross Ratio: 1.00
No. of Units (Potential): 240
Shape: Irregular
Topography: Rolling
Vegetation: Grass and shrubs
Corner Lot: No
Frontage Feet: 391
Frontage Desc.: Secondary Road
Frontage Type: 2 way, 2 lanes each way
Traffic Control at Entry: None
Traffic Flow: Moderate
Visibility Rating: Average
Zoning Code: TNMB
Zoning Desc.: Multifamily
Easements: No
Easements Desc.: Standard
Environmental Issues: No
Flood Plain: No
Flood Zone Designation: X
Comm. Panel No.: 48113C0390K

Improvement and Site Data (Cont'd)

Date:	07/07/2014
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Engineering Report

Comments

This property was acquired to be developed with a 240-unit apartment complex.



Land Sales - Tract #11/15

Location & Property Identification

Property Name:	Multi Family Land - Grand Prairie
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of IH-20 and Westcliff Road
City/State/Zip:	Grand Prairie, TX 75052
County:	Tarrant
Submarket:	GrandPrairie
Market Orientation:	Suburban
IRR Event ID:	3307540



Sale Information

Sale Price:	\$6,600,000
Effective Sale Price:	\$6,600,000
Sale Date:	09/12/2024
Sale Status:	Closed
\$/Acre(Gross):	\$466,135
\$/Land SF(Gross):	\$10.70
\$/Acre(Usable):	\$474,824
\$/Land SF(Usable):	\$10.90
\$/Unit (Potential):	\$22,000 /Unit
Grantor/Seller:	Jon Krabbenschmidt
Grantee/Buyer:	CRP AR Prose Westcliff Owner LP
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202400185007
Verified By:	Ernest Gatewood
Verification Date:	12/16/2024
Confirmation Source:	Keven McCormick
Verification Type:	Confirmed-Other

MSA:	Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
Legal/Tax/Parcel ID:	Lot 1, Block A, Prose Westcliff Addition / Tax #281895800A0010000
Acres(Usable/Gross):	13.90/14.16
Land-SF(Usable/Gross):	605,480/616,766
Usable/Gross Ratio:	0.98
No. of Units (Potential):	300
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	PD-449 (Planned Development)
Zoning Desc.:	Multi-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

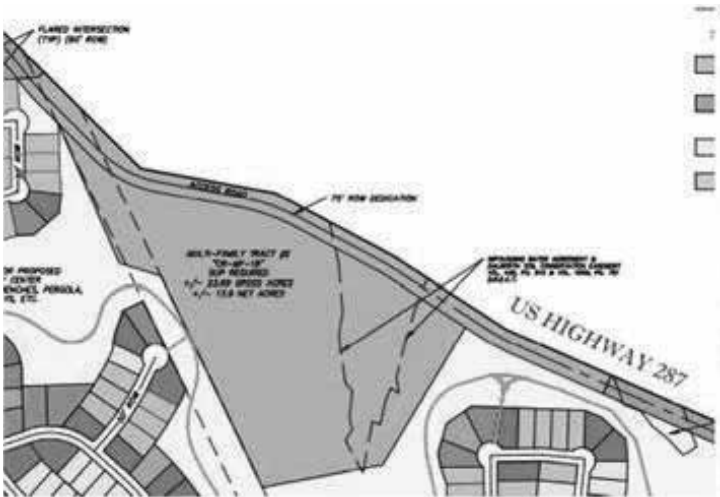
This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.

Improvement and Site Data



Location & Property Identification

Property Name:	Multifamily Land - Midlothian, Texas
Sub-Property Type:	Residential, Multifamily Land
Address:	South westside of US-287, east of Miller Road
City/State/Zip:	Midlothian, TX 76065
County:	Ellis
Submarket:	Midlothian
Market Orientation:	Suburban
IRR Event ID:	2789167



Sale Information

Sale Price:	\$5,750,000
Effective Sale Price:	\$5,750,000
Sale Date:	04/17/2025
Contract Date:	07/17/2023
Sale Status:	In-Contract
\$/Acre(Gross):	\$239,783
\$/Land SF(Gross):	\$5.50
\$/Acre(Usable):	\$387,466
\$/Land SF(Usable):	\$8.90
\$/Unit (Potential):	\$18,429 /Unit
Grantor/Seller:	Westside Preserve Development, LLC
Grantee/Buyer:	HighPark Capital, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Contract of Sale
Verified By:	Ernest Gatewood
Verification Date:	02/15/2024
Confirmation Source:	Terrance Jobe, CEO (817-995-9500)
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	J. Stewart Survey, Abstract No. 961/ Part of Tax ID 181917
Acres(Usable/Gross):	14.84/23.98
Land-SF(Usable/Gross):	646,430/1,044,569
Usable/Gross Ratio:	0.62
No. of Units (Potential):	312
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Desc.:	US-287
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.

Improvement and Site Data



Location & Property Identification

Property Name:	Multi-family site on Altamesa Boulevard
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard
City/State/Zip:	Fort Worth, TX 76132
County:	Tarrant
Submarket:	FortWorth
Market Orientation:	Suburban
Property Location:	450' on Altamesa Blvd 576' on Chisholm Trail Pkwy
IRR Event ID:	3204644



Sale Information

Sale Price:	\$3,385,000
Effective Sale Price:	\$3,385,000
Sale Date:	06/16/2023
Recording Date:	06/23/2023
Listing Price:	\$4,030,000
Sale Status:	Closed
\$/Acre(Gross):	\$457,432
\$/Land SF(Gross):	\$10.50
\$/Acre(Usable):	\$457,432
\$/Land SF(Usable):	\$10.50
\$/Unit (Potential):	\$12,089 /Unit
Grantor/Seller:	Dirk Branch LP
Grantee/Buyer:	OHT Altamesa LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	223110430
Verified By:	Charles Meek
Verification Date:	02/23/2024

Confirmation Source:	Ryan Turner
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	HEATH, JOHN F SURVEY Abstract 641 Tract 2A5K & ABST 49 TR 1D1F / 07008805
Acres(Usable/Gross):	7.40/7.40
Land-SF(Usable/Gross):	322,344/322,344
Usable/Gross Ratio:	1.00
No. of Units (Potential):	280
Shape:	Rectangular
Topography:	Level
Vegetation:	Grass and shrubs
Corner Lot:	Yes
Frontage Feet:	450
Frontage Desc.:	Primary Roadway / Secondary Roadway
Frontage Type:	2 way, 3 lanes each way
Traffic Count:	14054
Zoning Code:	I
Zoning Desc.:	Light Industrial
Easements:	No
Easements Desc.:	Standard

Multi-family site on Altamesa Boulevard



Improvement and Site Data (Cont'd)

Environmental Issues:	No
Flood Plain:	No
Flood Zone:	X
Flood Zone Designation:	X
Comm. Panel No.:	48439C0295K
Date:	09/25/2009
Utilities:	Electricity, Water Public, Sewer, Gas
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The buyer is planning to develop the land into a multifamily development (280 units/37.8 upa). The land was ready for development except that it had to be rezoned from light industrial to multifamily zoning. The zoning was changed from Industrial to Planned Development 1348 after the sale closed.



Location & Property Identification

Property Name:	Multifamily land in McKinney
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of Virginia Parkway and Carlisle Street
City/State/Zip:	McKinney, TX 75071
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	3042763



Sale Information

Sale Price:	\$2,890,000
Effective Sale Price:	\$2,890,000
Sale Date:	06/30/2023
Sale Status:	Closed
\$/Acre(Gross):	\$568,428
\$/Land SF(Gross):	\$13.05
\$/Acre(Usable):	\$568,428
\$/Land SF(Usable):	\$13.05
\$/Unit (Potential):	\$16,802 /Approved Unit
Grantor/Seller:	McKinney Virginia Parkway, LTD
Grantee/Buyer:	MHFC Virginia Parkway Holdings, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	2023000074033
Verified By:	Ernest Gatewood
Verification Date:	08/28/2023
Confirmation Source:	James Craig (214-477-0310)
Verification Type:	Confirmed-Seller Broker

Acres(Usable/Gross):	5.08/5.08
Land-SF(Usable/Gross):	221,468/221,468
Usable/Gross Ratio:	1.00
No. of Units (Potential):	172
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	PD/MF-3
Zoning Desc.:	Planned Development Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This property was rezoned to multifamily prior to closing. It is planned to be developed with approximately 120 multifamily units.

Improvement and Site Data

Legal/Tax/Parcel ID:	Lot 1, Block A, Virginia Plaza / Tax #1902766
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Location & Property Identification

Property Name: MF Land in Mesquite
 Sub-Property Type: Residential, Multifamily Land
 Address: Northwest side of Range Road, northeast of Galloway Avenue
 City/State/Zip: Mesquite, TX 75149
 County: Dallas
 Submarket: Mesquite
 Market Orientation: Suburban
 Property Location: 1400 Range Drive
 IRR Event ID: 2731478



Sale Information

Sale Price: \$2,100,000
 Effective Sale Price: \$2,100,000
 Sale Date: 08/17/2023
 Sale Status: Closed
 \$/Acre(Gross): \$230,516
 \$/Land SF(Gross): \$5.29
 \$/Acre(Usable): \$230,516
 \$/Land SF(Usable): \$5.29
 \$/Unit (Potential): \$8,750 /Unit
 Grantor/Seller: Range MF LTD
 Grantee/Buyer: R. Woodlake Properties LLC
 Assets Sold: Real estate only
 Property Rights: Fee Simple
 Financing: Cash to seller
 Conditions of Sale: Arm's-length
 Document Type: Deed
 Recording No.: 202300166229
 Verified By: Ernest Gatewood
 Verification Date: 10/02/2023
 Confirmation Source: David Fersing (972) 755-5151
 Verification Type: Confirmed-Seller Broker

MSA: Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
 Legal/Tax/Parcel ID: Lot 4, Block 1, Range Drive Addition / 38160250010040000
 Acres(Usable/Gross): 9.11/9.11
 Land-SF(Usable/Gross): 396,832/396,832
 Usable/Gross Ratio: 1.00
 No. of Units (Potential): 240
 Shape: Irregular
 Topography: Rolling
 Vegetation: Grass and shrubs
 Corner Lot: No
 Frontage Feet: 391
 Frontage Desc.: Secondary Road
 Frontage Type: 2 way, 2 lanes each way
 Traffic Control at Entry: None
 Traffic Flow: Moderate
 Visibility Rating: Average
 Zoning Code: TNMB
 Zoning Desc.: Multifamily
 Easements: No
 Easements Desc.: Standard
 Environmental Issues: No
 Flood Plain: No
 Flood Zone Designation: X
 Comm. Panel No.: 48113C0390K

Improvement and Site Data

Improvement and Site Data (Cont'd)

Date:	07/07/2014
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Engineering Report

Comments

This property was acquired to be developed with a 240-unit apartment complex.



Land Sales - Tract #12/16

Location & Property Identification

Property Name:	Multi Family Land - Grand Prairie
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of IH-20 and Westcliff Road
City/State/Zip:	Grand Prairie, TX 75052
County:	Tarrant
Submarket:	GrandPrairie
Market Orientation:	Suburban
IRR Event ID:	3307540



Sale Information

Sale Price:	\$6,600,000
Effective Sale Price:	\$6,600,000
Sale Date:	09/12/2024
Sale Status:	Closed
\$/Acre(Gross):	\$466,135
\$/Land SF(Gross):	\$10.70
\$/Acre(Usable):	\$474,824
\$/Land SF(Usable):	\$10.90
\$/Unit (Potential):	\$22,000 /Unit
Grantor/Seller:	Jon Krabbenschmidt
Grantee/Buyer:	CRP AR Prose Westcliff Owner LP
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202400185007
Verified By:	Ernest Gatewood
Verification Date:	12/16/2024
Confirmation Source:	Keven McCormick
Verification Type:	Confirmed-Other

MSA:	Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
Legal/Tax/Parcel ID:	Lot 1, Block A, Prose Westcliff Addition / Tax #281895800A0010000
Acres(Usable/Gross):	13.90/14.16
Land-SF(Usable/Gross):	605,480/616,766
Usable/Gross Ratio:	0.98
No. of Units (Potential):	300
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	PD-449 (Planned Development)
Zoning Desc.:	Multi-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

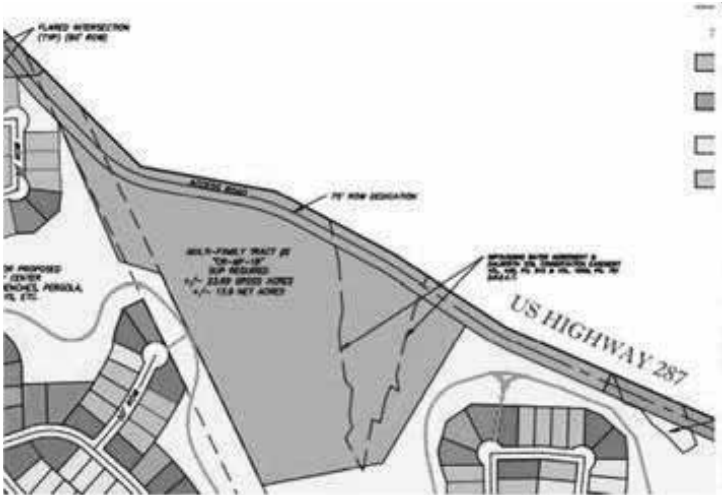
Comments

This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.

Improvement and Site Data

Location & Property Identification

Property Name:	Multifamily Land - Midlothian, Texas
Sub-Property Type:	Residential, Multifamily Land
Address:	South westside of US-287, east of Miller Road
City/State/Zip:	Midlothian, TX 76065
County:	Ellis
Submarket:	Midlothian
Market Orientation:	Suburban
IRR Event ID:	2789167



Sale Information

Sale Price:	\$5,750,000
Effective Sale Price:	\$5,750,000
Sale Date:	04/17/2025
Contract Date:	07/17/2023
Sale Status:	In-Contract
\$/Acre(Gross):	\$239,783
\$/Land SF(Gross):	\$5.50
\$/Acre(Usable):	\$387,466
\$/Land SF(Usable):	\$8.90
\$/Unit (Potential):	\$18,429 /Unit
Grantor/Seller:	Westside Preserve Development, LLC
Grantee/Buyer:	HighPark Capital, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Contract of Sale
Verified By:	Ernest Gatewood
Verification Date:	02/15/2024
Confirmation Source:	Terrance Jobe, CEO (817-995-9500)
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	J. Stewart Survey, Abstract No. 961/ Part of Tax ID 181917
Acres(Usable/Gross):	14.84/23.98
Land-SF(Usable/Gross):	646,430/1,044,569
Usable/Gross Ratio:	0.62
No. of Units (Potential):	312
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Desc.:	US-287
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.

Improvement and Site Data



Location & Property Identification

Property Name:	Multi-family site on Altamesa Boulevard
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard
City/State/Zip:	Fort Worth, TX 76132
County:	Tarrant
Submarket:	FortWorth
Market Orientation:	Suburban
Property Location:	450' on Altamesa Blvd 576' on Chisholm Trail Pkwy
IRR Event ID:	3204644



Sale Information

Sale Price:	\$3,385,000
Effective Sale Price:	\$3,385,000
Sale Date:	06/16/2023
Recording Date:	06/23/2023
Listing Price:	\$4,030,000
Sale Status:	Closed
\$/Acre(Gross):	\$457,432
\$/Land SF(Gross):	\$10.50
\$/Acre(Usable):	\$457,432
\$/Land SF(Usable):	\$10.50
\$/Unit (Potential):	\$12,089 /Unit
Grantor/Seller:	Dirk Branch LP
Grantee/Buyer:	OHT Altamesa LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	223110430
Verified By:	Charles Meek
Verification Date:	02/23/2024

Confirmation Source:	Ryan Turner
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	HEATH, JOHN F SURVEY Abstract 641 Tract 2A5K & ABST 49 TR 1D1F / 07008805
Acres(Usable/Gross):	7.40/7.40
Land-SF(Usable/Gross):	322,344/322,344
Usable/Gross Ratio:	1.00
No. of Units (Potential):	280
Shape:	Rectangular
Topography:	Level
Vegetation:	Grass and shrubs
Corner Lot:	Yes
Frontage Feet:	450
Frontage Desc.:	Primary Roadway / Secondary Roadway
Frontage Type:	2 way, 3 lanes each way
Traffic Count:	14054
Zoning Code:	I
Zoning Desc.:	Light Industrial
Easements:	No
Easements Desc.:	Standard

Multi-family site on Altamesa Boulevard



Improvement and Site Data (Cont'd)

Environmental Issues:	No
Flood Plain:	No
Flood Zone:	X
Flood Zone Designation:	X
Comm. Panel No.:	48439C0295K
Date:	09/25/2009
Utilities:	Electricity, Water Public, Sewer, Gas
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The buyer is planning to develop the land into a multifamily development (280 units/37.8 upa). The land was ready for development except that it had to be rezoned from light industrial to multifamily zoning. The zoning was changed from Industrial to Planned Development 1348 after the sale closed.



Location & Property Identification

Property Name:	Multifamily land in McKinney
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of Virginia Parkway and Carlisle Street
City/State/Zip:	McKinney, TX 75071
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	3042763



Sale Information

Sale Price:	\$2,890,000
Effective Sale Price:	\$2,890,000
Sale Date:	06/30/2023
Sale Status:	Closed
\$/Acre(Gross):	\$568,428
\$/Land SF(Gross):	\$13.05
\$/Acre(Usable):	\$568,428
\$/Land SF(Usable):	\$13.05
\$/Unit (Potential):	\$16,802 /Approved Unit
Grantor/Seller:	McKinney Virginia Parkway, LTD
Grantee/Buyer:	MHFC Virginia Parkway Holdings, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	2023000074033
Verified By:	Ernest Gatewood
Verification Date:	08/28/2023
Confirmation Source:	James Craig (214-477-0310)
Verification Type:	Confirmed-Seller Broker

Acres(Usable/Gross):	5.08/5.08
Land-SF(Usable/Gross):	221,468/221,468
Usable/Gross Ratio:	1.00
No. of Units (Potential):	172
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	PD/MF-3
Zoning Desc.:	Planned Development Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This property was rezoned to multifamily prior to closing. It is planned to be developed with approximately 120 multifamily units.

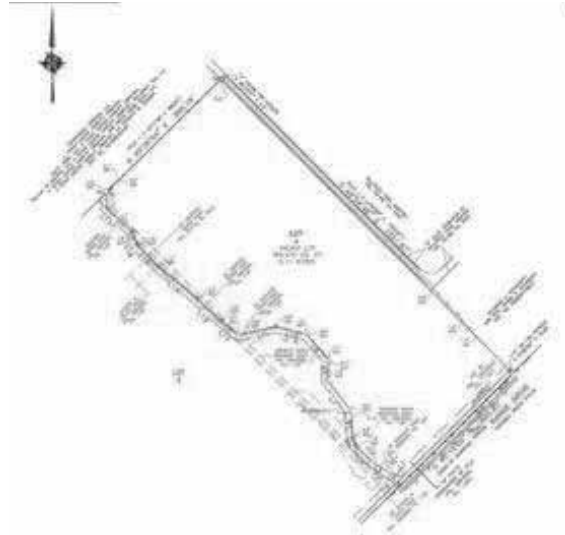
Improvement and Site Data

Legal/Tax/Parcel ID:	Lot 1, Block A, Virginia Plaza / Tax #1902766
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Location & Property Identification

Property Name: MF Land in Mesquite
 Sub-Property Type: Residential, Multifamily Land
 Address: Northwest side of Range Road, northeast of Galloway Avenue
 City/State/Zip: Mesquite, TX 75149
 County: Dallas
 Submarket: Mesquite
 Market Orientation: Suburban
 Property Location: 1400 Range Drive
 IRR Event ID: 2731478



Sale Information

Sale Price: \$2,100,000
 Effective Sale Price: \$2,100,000
 Sale Date: 08/17/2023
 Sale Status: Closed
 \$/Acre(Gross): \$230,516
 \$/Land SF(Gross): \$5.29
 \$/Acre(Usable): \$230,516
 \$/Land SF(Usable): \$5.29
 \$/Unit (Potential): \$8,750 /Unit
 Grantor/Seller: Range MF LTD
 Grantee/Buyer: R. Woodlake Properties LLC
 Assets Sold: Real estate only
 Property Rights: Fee Simple
 Financing: Cash to seller
 Conditions of Sale: Arm's-length
 Document Type: Deed
 Recording No.: 202300166229
 Verified By: Ernest Gatewood
 Verification Date: 10/02/2023
 Confirmation Source: David Fersing (972) 755-5151
 Verification Type: Confirmed-Seller Broker

MSA: Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
 Legal/Tax/Parcel ID: Lot 4, Block 1, Range Drive Addition / 38160250010040000
 Acres(Usable/Gross): 9.11/9.11
 Land-SF(Usable/Gross): 396,832/396,832
 Usable/Gross Ratio: 1.00
 No. of Units (Potential): 240
 Shape: Irregular
 Topography: Rolling
 Vegetation: Grass and shrubs
 Corner Lot: No
 Frontage Feet: 391
 Frontage Desc.: Secondary Road
 Frontage Type: 2 way, 2 lanes each way
 Traffic Control at Entry: None
 Traffic Flow: Moderate
 Visibility Rating: Average
 Zoning Code: TNMB
 Zoning Desc.: Multifamily
 Easements: No
 Easements Desc.: Standard
 Environmental Issues: No
 Flood Plain: No
 Flood Zone Designation: X
 Comm. Panel No.: 48113C0390K

Improvement and Site Data

Improvement and Site Data (Cont'd)

Date:	07/07/2014
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Engineering Report

Comments

This property was acquired to be developed with a 240-unit apartment complex.



Land Sales - Tract #17

Location & Property Identification

Property Name:	Multi Family Land - Grand Prairie
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of IH-20 and Westcliff Road
City/State/Zip:	Grand Prairie, TX 75052
County:	Tarrant
Submarket:	GrandPrairie
Market Orientation:	Suburban
IRR Event ID:	3307540



Sale Information

Sale Price:	\$6,600,000
Effective Sale Price:	\$6,600,000
Sale Date:	09/12/2024
Sale Status:	Closed
\$/Acre(Gross):	\$466,135
\$/Land SF(Gross):	\$10.70
\$/Acre(Usable):	\$474,824
\$/Land SF(Usable):	\$10.90
\$/Unit (Potential):	\$22,000 /Unit
Grantor/Seller:	Jon Krabbenschmidt
Grantee/Buyer:	CRP AR Prose Westcliff Owner LP
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202400185007
Verified By:	Ernest Gatewood
Verification Date:	12/16/2024
Confirmation Source:	Keven McCormick
Verification Type:	Confirmed-Other

MSA:	Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
Legal/Tax/Parcel ID:	Lot 1, Block A, Prose Westcliff Addition / Tax #281895800A0010000
Acres(Usable/Gross):	13.90/14.16
Land-SF(Usable/Gross):	605,480/616,766
Usable/Gross Ratio:	0.98
No. of Units (Potential):	300
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	PD-449 (Planned Development)
Zoning Desc.:	Multi-Family
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

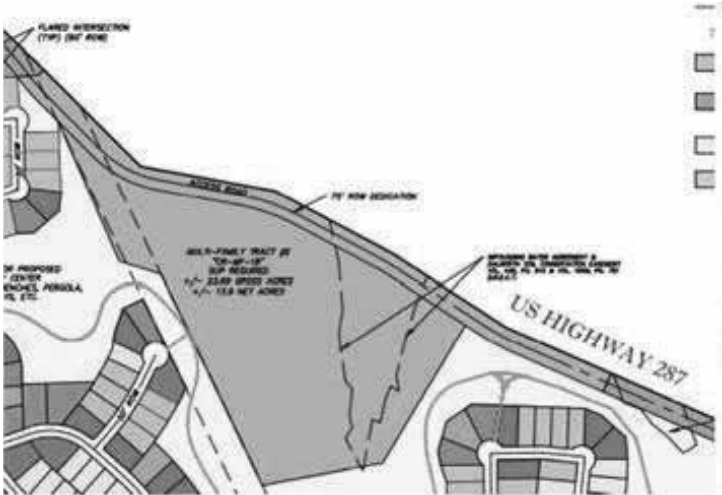
This site is zoned for a 300-unit garden style apartment complex tentatively called Prose Westcliff.

Improvement and Site Data



Location & Property Identification

Property Name:	Multifamily Land - Midlothian, Texas
Sub-Property Type:	Residential, Multifamily Land
Address:	South westside of US-287, east of Miller Road
City/State/Zip:	Midlothian, TX 76065
County:	Ellis
Submarket:	Midlothian
Market Orientation:	Suburban
IRR Event ID:	2789167



Sale Information

Sale Price:	\$5,750,000
Effective Sale Price:	\$5,750,000
Sale Date:	04/17/2025
Contract Date:	07/17/2023
Sale Status:	In-Contract
\$/Acre(Gross):	\$239,783
\$/Land SF(Gross):	\$5.50
\$/Acre(Usable):	\$387,466
\$/Land SF(Usable):	\$8.90
\$/Unit (Potential):	\$18,429 /Unit
Grantor/Seller:	Westside Preserve Development, LLC
Grantee/Buyer:	HighPark Capital, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Document Type:	Contract of Sale
Verified By:	Ernest Gatewood
Verification Date:	02/15/2024
Confirmation Source:	Terrance Jobe, CEO (817-995-9500)
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	J. Stewart Survey, Abstract No. 961/ Part of Tax ID 181917
Acres(Usable/Gross):	14.84/23.98
Land-SF(Usable/Gross):	646,430/1,044,569
Usable/Gross Ratio:	0.62
No. of Units (Potential):	312
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Desc.:	US-287
Frontage Type:	2 way, 2 lanes each way
Zoning Code:	PD (Planned Development)
Zoning Desc.:	Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This irregular-shaped property is being acquired to be developed with approximately 302 multifamily units in a development to be known as Hidden Villas at Westside Preserve. The property is within the Midlothian ISD.

Improvement and Site Data



Location & Property Identification

Property Name:	Multi-family site on Altamesa Boulevard
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of Chisholm Trail Parkway and Altamesa Boulevard
City/State/Zip:	Fort Worth, TX 76132
County:	Tarrant
Submarket:	FortWorth
Market Orientation:	Suburban
Property Location:	450' on Altamesa Blvd 576' on Chisholm Trail Pkwy
IRR Event ID:	3204644



Sale Information

Sale Price:	\$3,385,000
Effective Sale Price:	\$3,385,000
Sale Date:	06/16/2023
Recording Date:	06/23/2023
Listing Price:	\$4,030,000
Sale Status:	Closed
\$/Acre(Gross):	\$457,432
\$/Land SF(Gross):	\$10.50
\$/Acre(Usable):	\$457,432
\$/Land SF(Usable):	\$10.50
\$/Unit (Potential):	\$12,089 /Unit
Grantor/Seller:	Dirk Branch LP
Grantee/Buyer:	OHT Altamesa LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	223110430
Verified By:	Charles Meek
Verification Date:	02/23/2024

Confirmation Source:	Ryan Turner
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	HEATH, JOHN F SURVEY Abstract 641 Tract 2A5K & ABST 49 TR 1D1F / 07008805
Acres(Usable/Gross):	7.40/7.40
Land-SF(Usable/Gross):	322,344/322,344
Usable/Gross Ratio:	1.00
No. of Units (Potential):	280
Shape:	Rectangular
Topography:	Level
Vegetation:	Grass and shrubs
Corner Lot:	Yes
Frontage Feet:	450
Frontage Desc.:	Primary Roadway / Secondary Roadway
Frontage Type:	2 way, 3 lanes each way
Traffic Count:	14054
Zoning Code:	I
Zoning Desc.:	Light Industrial
Easements:	No
Easements Desc.:	Standard

Multi-family site on Altamesa Boulevard



Improvement and Site Data (Cont'd)

Environmental Issues:	No
Flood Plain:	No
Flood Zone:	X
Flood Zone Designation:	X
Comm. Panel No.:	48439C0295K
Date:	09/25/2009
Utilities:	Electricity, Water Public, Sewer, Gas
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The buyer is planning to develop the land into a multifamily development (280 units/37.8 upa). The land was ready for development except that it had to be rezoned from light industrial to multifamily zoning. The zoning was changed from Industrial to Planned Development 1348 after the sale closed.



Location & Property Identification

Property Name:	Multifamily land in McKinney
Sub-Property Type:	Residential, Multifamily Land
Address:	Northeast corner of Virginia Parkway and Carlisle Street
City/State/Zip:	McKinney, TX 75071
County:	Collin
Submarket:	McKinney
Market Orientation:	Suburban
IRR Event ID:	3042763



Sale Information

Sale Price:	\$2,890,000
Effective Sale Price:	\$2,890,000
Sale Date:	06/30/2023
Sale Status:	Closed
\$/Acre(Gross):	\$568,428
\$/Land SF(Gross):	\$13.05
\$/Acre(Usable):	\$568,428
\$/Land SF(Usable):	\$13.05
\$/Unit (Potential):	\$16,802 /Approved Unit
Grantor/Seller:	McKinney Virginia Parkway, LTD
Grantee/Buyer:	MHFC Virginia Parkway Holdings, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	2023000074033
Verified By:	Ernest Gatewood
Verification Date:	08/28/2023
Confirmation Source:	James Craig (214-477-0310)
Verification Type:	Confirmed-Seller Broker

Acres(Usable/Gross):	5.08/5.08
Land-SF(Usable/Gross):	221,468/221,468
Usable/Gross Ratio:	1.00
No. of Units (Potential):	172
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	2 way, 3 lanes each way
Zoning Code:	PD/MF-3
Zoning Desc.:	Planned Development Multifamily
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This property was rezoned to multifamily prior to closing. It is planned to be developed with approximately 120 multifamily units.

Improvement and Site Data

Legal/Tax/Parcel ID:	Lot 1, Block A, Virginia Plaza / Tax #1902766
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Location & Property Identification

Property Name: MF Land in Mesquite
 Sub-Property Type: Residential, Multifamily Land
 Address: Northwest side of Range Road, northeast of Galloway Avenue
 City/State/Zip: Mesquite, TX 75149
 County: Dallas
 Submarket: Mesquite
 Market Orientation: Suburban
 Property Location: 1400 Range Drive
 IRR Event ID: 2731478



Sale Information

Sale Price: \$2,100,000
 Effective Sale Price: \$2,100,000
 Sale Date: 08/17/2023
 Sale Status: Closed
 \$/Acre(Gross): \$230,516
 \$/Land SF(Gross): \$5.29
 \$/Acre(Usable): \$230,516
 \$/Land SF(Usable): \$5.29
 \$/Unit (Potential): \$8,750 /Unit
 Grantor/Seller: Range MF LTD
 Grantee/Buyer: R. Woodlake Properties LLC
 Assets Sold: Real estate only
 Property Rights: Fee Simple
 Financing: Cash to seller
 Conditions of Sale: Arm's-length
 Document Type: Deed
 Recording No.: 202300166229
 Verified By: Ernest Gatewood
 Verification Date: 10/02/2023
 Confirmation Source: David Fersing (972) 755-5151
 Verification Type: Confirmed-Seller Broker

MSA: Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
 Legal/Tax/Parcel ID: Lot 4, Block 1, Range Drive Addition / 38160250010040000
 Acres(Usable/Gross): 9.11/9.11
 Land-SF(Usable/Gross): 396,832/396,832
 Usable/Gross Ratio: 1.00
 No. of Units (Potential): 240
 Shape: Irregular
 Topography: Rolling
 Vegetation: Grass and shrubs
 Corner Lot: No
 Frontage Feet: 391
 Frontage Desc.: Secondary Road
 Frontage Type: 2 way, 2 lanes each way
 Traffic Control at Entry: None
 Traffic Flow: Moderate
 Visibility Rating: Average
 Zoning Code: TNMB
 Zoning Desc.: Multifamily
 Easements: No
 Easements Desc.: Standard
 Environmental Issues: No
 Flood Plain: No
 Flood Zone Designation: X
 Comm. Panel No.: 48113C0390K

Improvement and Site Data

Improvement and Site Data (Cont'd)

Date:	07/07/2014
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Engineering Report

Comments

This property was acquired to be developed with a 240-unit apartment complex.



Land Sales - Tract #18

Location & Property Identification

Property Name:	Land - Lancaster, TX
Sub-Property Type:	Commercial, Retail
Address:	Southwest quadrant of Wintergreen Road, and N. Houston School Road
City/State/Zip:	Lancaster, TX 75134
County:	Dallas
Submarket:	Lancaster
Market Orientation:	Suburban
IRR Event ID:	3053466



Sale Information

Sale Price:	\$3,500,000
Effective Sale Price:	\$3,500,000
Sale Date:	11/07/2023
Sale Status:	Closed
\$/Acre(Gross):	\$182,178
\$/Land SF(Gross):	\$4.18
\$/Acre(Usable):	\$228,758
\$/Land SF(Usable):	\$5.25
Grantor/Seller:	Angels of Hands Home Health
Grantee/Buyer:	Fountain of Life Investments, LLC
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Recording No.:	202300226516
Verified By:	Tyler M. Cooper
Verification Date:	06/13/2024
Confirmation Source:	Judith Mitchiner-Owens (214) 805-8069
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	65112034510030100
Acres(Usable/Gross):	15.30/19.21
Land-SF(Usable/Gross):	666,468/836,875
Usable/Gross Ratio:	0.80
Shape:	Irregular
Topography:	Gently Sloping
Corner Lot:	No
Frontage Type:	2 way, 1 lane each way
Zoning Code:	R
Zoning Desc.:	Retail
Flood Plain:	No
Flood Zone:	Approximately 3.7 acres of flood plain on the west
Flood Zone Designation:	AE
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This tract of land was purchased for future industrial development and possesses frontage/access along two (2) streets. It is noted that approximately 3.70 acres on the western boundary is located within the floodplain.

Comments (Cont'd)



Location & Property Identification

Property Name:	Commercial Land - US-80, Sunnyvale, TX
Sub-Property Type:	Commercial, Other
Address:	Northeast corner of US-80 and Jobson Road
City/State/Zip:	Sunnyvale, TX 75182
County:	Dallas
Submarket:	Sunnyvale
Market Orientation:	Suburban
IRR Event ID:	3020817



Sale Information

Sale Price:	\$5,400,000
Effective Sale Price:	\$5,400,000
Sale Date:	01/19/2023
Sale Status:	Closed
\$/Acre(Gross):	\$259,304
\$/Land SF(Gross):	\$5.95
\$/Acre(Usable):	\$259,304
\$/Land SF(Usable):	\$5.95
Grantor/Seller:	R&M Motley LLC
Grantee/Buyer:	Brosco Properties LLC
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202300011680
Verified By:	Stephen M. Lechtenberg
Verification Date:	06/27/2023
Confirmation Source:	Dan Robertson
Verification Type:	Confirmed-Seller Broker

Legal/Tax/Parcel ID:	20.825 Acre tract of land out of the T. Caldwell Survey, Abstract 335, Dallas County, Texas /
Acres(Usable/Gross):	20.83/20.83
Land-SF(Usable/Gross):	907,137/907,137
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	HC
Zoning Desc.:	Highway Commercial
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

The property is located on the northeast corner of the US Highway 80 Frontage Road and Jobson Road. The site is generally level and is at street grade and no floodplain is noted. The property has approximately 2,021 feet of frontage on US-80. The property was improved with three (3) leased industrial buildings at the time of sale and received \$45,000 annually in rent from three (3) billboards on the site. The property sold for future commercial redevelopment. The broker stated that the US Highway widening project did not impact the sale price. Surrounding

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
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Comments (Cont'd)

uses include several recently built Class A distribution warehouses on the across from US-80.

Location & Property Identification

Property Name:	Commercial Land - Dallas
Sub-Property Type:	Commercial, Industrial
Address:	North of Singleton Boulevard at Pueblo Street
City/State/Zip:	Dallas, TX 75212
County:	Dallas
Submarket:	Dallas
Market Orientation:	Suburban
Property Location:	5618 Pueblo
IRR Event ID:	3241866



Sale Information

Sale Price:	\$5,250,000
Effective Sale Price:	\$5,250,000
Sale Date:	05/01/2023
Recording Date:	05/01/2023
Sale Status:	Closed
\$/Acre(Gross):	\$239,507
\$/Land SF(Gross):	\$5.50
\$/Acre(Usable):	\$239,507
\$/Land SF(Usable):	\$5.50
Grantor/Seller:	Amir A Rupani
Grantee/Buyer:	Ar & Pr LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Recording No.:	84287
Verified By:	Mr. Parker Grudt
Verification Date:	06/06/2024
Confirmation Source:	Costar
Verification Type:	Confirmed-Other

Shape:	Irregular
Topography:	Gently Sloping
Corner Lot:	No
Frontage Type:	2 way, 1 lane each way
Zoning Code:	LI
Zoning Desc.:	Light Industrial
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Public Records

Comments

This property sold in May 2023 with a sale price of \$5.25 million. The property was listed for sale by Vanguard Real Estate Advisors. The property is an infill industrial development site zoned LI Light Industrial.

Improvement and Site Data

Legal/Tax/Parcel ID:	00-00069-422-800-0000
Acres(Usable/Gross):	21.92/21.92
Land-SF(Usable/Gross):	954,835/954,835
Usable/Gross Ratio:	1.00

Land Sales - Tract #20/21

Location & Property Identification

Property Name: Commercial Land - Balch Springs

Sub-Property Type: Commercial, Retail

Address: South corner of S. Belt Line Road and Lasater Road

City/State/Zip: Balch Springs, TX 75181

County: Dallas

Submarket: Mesquite

Market Orientation: Suburban

IRR Event ID: 3177433



Sale Information

Sale Price: \$929,000

Effective Sale Price: \$929,000

Sale Date: 05/22/2023

Sale Status: Closed

\$/Acre(Gross): \$177,392

\$/Land SF(Gross): \$4.07

\$/Acre(Usable): \$177,392

\$/Land SF(Usable): \$4.07

Grantee/Buyer: Vivacity Capital, LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: INT202300100095

Verified By: Ernest Gatewood

Verification Date: 12/01/2023

Confirmation Source: William Carr (214-692-2152)

Verification Type: Confirmed-Seller Broker

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-Planned Development

Zoning Desc.: Commercial

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This rectangular property was acquired for future commercial use.

Improvement and Site Data

Legal/Tax/Parcel ID: Tract 29.1, Robert Kleeberg Survey, A-716 / Tax #65071678610290100

Acres(Usable/Gross): 5.24/5.24

Land-SF(Usable/Gross): 228,124/228,124

Usable/Gross Ratio: 1.00

Location & Property Identification

Property Name:	Commercial site on US-80
Sub-Property Type:	Commercial, Retail
Address:	East side of US-80, south of Clements Drive
City/State/Zip:	Forney, TX 75126
County:	Kaufman
Submarket:	Forney
Market Orientation:	Suburban
IRR Event ID:	3253738



Sale Information

Sale Price:	\$1,000,000
Effective Sale Price:	\$1,000,000
Sale Date:	07/12/2024
Contract Date:	07/11/2024
Sale Status:	Closed
\$/Acre(Gross):	\$240,211
\$/Land SF(Gross):	\$5.51
\$/Acre(Usable):	\$240,211
\$/Land SF(Usable):	\$5.51
Grantor/Seller:	Beacon Hill Baptist Church
Grantee/Buyer:	Forney Creek Partners, LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	2024-0021386
Verified By:	Reid Pannell
Verification Date:	07/11/2024
Confirmation Source:	Contract of Sale
Verification Type:	Confirmed-Other

Sale Analysis

Commercial site on US-80

Current Use at T.O.S.:	Church
Proposed Use Change:	Yes
Proposed Use Desc.:	Commercial development

Occupancy

Occupancy Type Before Sale:	Owner Occupied
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Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington
Legal/Tax/Parcel ID:	JNO GREGG, TRACT 565.00; 4.163 ACRES / Tax #6534
Acres(Usable/Gross):	4.16/4.16
Land-SF(Usable/Gross):	181,340/181,340
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Vegetation:	Trees and grasses
Zoning Code:	MU
Zoning Desc.:	Mixed Use
Flood Plain:	Yes
Flood Zone:	Approx. 50% of land area in 100 year floodplain
Flood Zone Designation:	AE
Source of Land Info.:	Public Records

Comments

4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a



Comments (Cont'd)

commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.

4.16 AC located along US Hwy 80 in Forney, TX. Approximately 50% of the property, in the southeast portion, is located in a 100 year floodplain. Zoned for Mixed Use.

Location & Property Identification

Property Name: Commercial Land - Dallas, TX
 Sub-Property Type: Commercial, Other
 Address: Northwest side of Cedardale Drive, northwest of Bonnie View Road
 City/State/Zip: Dallas, TX 75241
 County: Dallas
 Submarket: Dallas
 Market Orientation: Suburban
 Property Location: 4551 Cedardale Drive
 IRR Event ID: 3308029



Sale Information

Sale Price: \$1,019,304
 Effective Sale Price: \$1,019,304
 Sale Date: 01/29/2024
 Contract Date: 01/29/2024
 Listing Price: \$1,019,304
 Listing Date: 04/06/2023
 Sale Status: Closed
 \$/Acre(Gross): \$174,538
 \$/Land SF(Gross): \$4.01
 \$/Acre(Usable): \$174,538
 \$/Land SF(Usable): \$4.01
 Grantor/Seller: Ramona Galloway, ETAL
 Grantee/Buyer: LDSR Real Property LP
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 202400032190
 Verified By: Ernest Gatewood
 Verification Date: 12/16/2024
 Confirmation Source: Jennifer Permenter (214-238-8000)
 Verification Type: Confirmed-Seller Broker

Legal/Tax/Parcel ID: Lots 41 and 42, Pleasant View Plantations, Block 8262 / Tax #00000800752000000 and 00000800755000000
 Acres(Usable/Gross): 5.84/5.84
 Land-SF(Usable/Gross): 254,390/254,390
 Usable/Gross Ratio: 1.00
 Shape: Rectangular
 Topography: Level
 Corner Lot: No
 Frontage Type: 2 way, 1 lane each way
 Zoning Code: CS
 Zoning Desc.: Community Service
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

This site is planned for commercial development.

Improvement and Site Data

Location & Property Identification

Property Name:	Commercial land - Dallas
Sub-Property Type:	Commercial, Other
Address:	Northeast corner of IH-20 and Cedar Ranch Drive
City/State/Zip:	Dallas, TX 75241
County:	Dallas
Submarket:	Dallas
Market Orientation:	Suburban
Property Location:	3221 LBJ Freeway
IRR Event ID:	2945308



Sale Information

Sale Price:	\$932,833
Effective Sale Price:	\$932,833
Sale Date:	01/20/2022
Listing Price:	\$1,100,000
Sale Status:	Closed
\$/Acre(Gross):	\$222,156
\$/Land SF(Gross):	\$5.10
\$/Acre(Usable):	\$222,156
\$/Land SF(Usable):	\$5.10
Grantor/Seller:	RGM Asset Management, LLC

Grantee/Buyer:	H & B Development and Construction, LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	202200017983
Verified By:	Ernest Gatewood
Verification Date:	11/17/2022
Confirmation Source:	James Ewing (214-692-1100)
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

Legal/Tax/Parcel ID:	Tract 3.1, Block 8291 / Tax #00000801163000100
Acres(Usable/Gross):	4.20/4.20

Land-SF(Usable/Gross):	182,908/182,908
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	CS
Zoning Desc.:	Commercial Service
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive.

Location & Property Identification

Property Name:	Commercial Land
Sub-Property Type:	Commercial, Retail
Address:	Southeast quadrant of US-175 and E. Malloy Bridge Road
City/State/Zip:	Seagoville, TX 75159
County:	Dallas
Submarket:	Seagoville
Market Orientation:	Suburban
IRR Event ID:	3251244



Sale Information

Sale Price:	\$1,961,200
Effective Sale Price:	\$1,961,200
Sale Date:	11/22/2022
Sale Status:	Closed
\$/Acre(Gross):	\$283,149
\$/Land SF(Gross):	\$6.50
\$/Acre(Usable):	\$283,149
\$/Land SF(Usable):	\$6.50
Grantor/Seller:	Joseph Kemp
Grantee/Buyer:	Brookshire Grocery Company
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202200301929
Verified By:	Brent Pitts, MAI, AI-GRS, R/W-AC
Verification Date:	07/02/2024
Confirmation Source:	Joseph Kemp
Verification Type:	Confirmed-Seller

Sale Analysis

Current Use at T.O.S.:	Vacant Land
Proposed Use Desc.:	Grocery Store

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	Lot 1R, Block 1, Joseph Kemp Addition, Seagoville
Acres(Usable/Gross):	6.93/6.93
Land-SF(Usable/Gross):	301,716/301,716
Usable/Gross Ratio:	1.00
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Type:	1 way, 2 lanes
Zoning Code:	LM
Zoning Desc.:	Light Manufacturing
Easements:	No
Easements Desc.:	Standard
Flood Plain:	No
Flood Zone Designation:	X
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

The property was purchased for development of a Brookshire's grocery store location. The property was

Comments (Cont'd)

zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.

This is a tract in Seagoville that wraps the southeast corner of US 175 and E Malloy Bridge Rd.

Land Sales - Tract #22

Location & Property Identification

Property Name: Commercial Land - Balch Springs

Sub-Property Type: Commercial, Retail

Address: South corner of S. Belt Line Road and Lasater Road

City/State/Zip: Balch Springs, TX 75181

County: Dallas

Submarket: Mesquite

Market Orientation: Suburban

IRR Event ID: 3177433



Sale Information

Sale Price: \$929,000

Effective Sale Price: \$929,000

Sale Date: 05/22/2023

Sale Status: Closed

\$/Acre(Gross): \$177,392

\$/Land SF(Gross): \$4.07

\$/Acre(Usable): \$177,392

\$/Land SF(Usable): \$4.07

Grantee/Buyer: Vivacity Capital, LLC

Property Rights: Fee Simple

Financing: Cash to seller

Document Type: Deed

Recording No.: INT202300100095

Verified By: Ernest Gatewood

Verification Date: 12/01/2023

Confirmation Source: William Carr (214-692-2152)

Verification Type: Confirmed-Seller Broker

Shape: Rectangular

Topography: Level

Corner Lot: Yes

Frontage Type: 2 way, 2 lanes each way

Zoning Code: PD-Planned Development

Zoning Desc.: Commercial

Flood Plain: No

Utilities: Water Public, Sewer

Source of Land Info.: Public Records

Comments

This rectangular property was acquired for future commercial use.

Improvement and Site Data

Legal/Tax/Parcel ID: Tract 29.1, Robert Kleeberg Survey, A-716 / Tax #65071678610290100

Acres(Usable/Gross): 5.24/5.24

Land-SF(Usable/Gross): 228,124/228,124

Usable/Gross Ratio: 1.00

Location & Property Identification

Property Name:	Commercial site on US-80
Sub-Property Type:	Commercial, Retail
Address:	East side of US-80, south of Clements Drive
City/State/Zip:	Forney, TX 75126
County:	Kaufman
Submarket:	Forney
Market Orientation:	Suburban
IRR Event ID:	3253738



Sale Information

Sale Price:	\$1,000,000
Effective Sale Price:	\$1,000,000
Sale Date:	07/12/2024
Contract Date:	07/11/2024
Sale Status:	Closed
\$/Acre(Gross):	\$240,211
\$/Land SF(Gross):	\$5.51
\$/Acre(Usable):	\$240,211
\$/Land SF(Usable):	\$5.51
Grantor/Seller:	Beacon Hill Baptist Church
Grantee/Buyer:	Forney Creek Partners, LLC
Assemblage:	No
Portfolio Sale:	No
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	2024-0021386
Verified By:	Reid Pannell
Verification Date:	07/11/2024
Confirmation Source:	Contract of Sale
Verification Type:	Confirmed-Other

Sale Analysis

Commercial site on US-80

Current Use at T.O.S.:	Church
Proposed Use Change:	Yes
Proposed Use Desc.:	Commercial development

Occupancy

Occupancy Type Before Sale:	Owner Occupied
-----------------------------	----------------

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington
Legal/Tax/Parcel ID:	JNO GREGG, TRACT 565.00; 4.163 ACRES / Tax #6534
Acres(Usable/Gross):	4.16/4.16
Land-SF(Usable/Gross):	181,340/181,340
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Vegetation:	Trees and grasses
Zoning Code:	MU
Zoning Desc.:	Mixed Use
Flood Plain:	Yes
Flood Zone:	Approx. 50% of land area in 100 year floodplain
Flood Zone Designation:	AE
Source of Land Info.:	Public Records

Comments

4.16 AC of land located along US Hwy 80 in Forney, TX. Upon purchase, the buyer planned to demolish all of the current improvements and subsequently construct a



Comments (Cont'd)

commercial development. Per conversation with the buyer, the demolition costs will be approximately \$50,000.

4.16 AC located along US Hwy 80 in Forney, TX. Approximately 50% of the property, in the southeast portion, is located in a 100 year floodplain. Zoned for Mixed Use.

Location & Property Identification

Property Name: Commercial Land - Dallas, TX
 Sub-Property Type: Commercial, Other
 Address: Northwest side of Cedardale Drive, northwest of Bonnie View Road
 City/State/Zip: Dallas, TX 75241
 County: Dallas
 Submarket: Dallas
 Market Orientation: Suburban
 Property Location: 4551 Cedardale Drive
 IRR Event ID: 3308029



Sale Information

Sale Price: \$1,019,304
 Effective Sale Price: \$1,019,304
 Sale Date: 01/29/2024
 Contract Date: 01/29/2024
 Listing Price: \$1,019,304
 Listing Date: 04/06/2023
 Sale Status: Closed
 \$/Acre(Gross): \$174,538
 \$/Land SF(Gross): \$4.01
 \$/Acre(Usable): \$174,538
 \$/Land SF(Usable): \$4.01
 Grantor/Seller: Ramona Galloway, ETAL
 Grantee/Buyer: LDSR Real Property LP
 Property Rights: Fee Simple
 Financing: Cash to seller
 Document Type: Warranty Deed
 Recording No.: 202400032190
 Verified By: Ernest Gatewood
 Verification Date: 12/16/2024
 Confirmation Source: Jennifer Permenter (214-238-8000)
 Verification Type: Confirmed-Seller Broker

Legal/Tax/Parcel ID: Lots 41 and 42, Pleasant View Plantations, Block 8262 / Tax #00000800752000000 and 00000800755000000
 Acres(Usable/Gross): 5.84/5.84
 Land-SF(Usable/Gross): 254,390/254,390
 Usable/Gross Ratio: 1.00
 Shape: Rectangular
 Topography: Level
 Corner Lot: No
 Frontage Type: 2 way, 1 lane each way
 Zoning Code: CS
 Zoning Desc.: Community Service
 Flood Plain: No
 Utilities: Water Public, Sewer
 Source of Land Info.: Public Records

Comments

This site is planned for commercial development.

Improvement and Site Data

Location & Property Identification

Property Name:	Commercial land - Dallas
Sub-Property Type:	Commercial, Other
Address:	Northeast corner of IH-20 and Cedar Ranch Drive
City/State/Zip:	Dallas, TX 75241
County:	Dallas
Submarket:	Dallas
Market Orientation:	Suburban
Property Location:	3221 LBJ Freeway
IRR Event ID:	2945308



Sale Information

Sale Price:	\$932,833
Effective Sale Price:	\$932,833
Sale Date:	01/20/2022
Listing Price:	\$1,100,000
Sale Status:	Closed
\$/Acre(Gross):	\$222,156
\$/Land SF(Gross):	\$5.10
\$/Acre(Usable):	\$222,156
\$/Land SF(Usable):	\$5.10
Grantor/Seller:	RGM Asset Management, LLC

Grantee/Buyer:	H & B Development and Construction, LP
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	202200017983
Verified By:	Ernest Gatewood
Verification Date:	11/17/2022
Confirmation Source:	James Ewing (214-692-1100)
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

Legal/Tax/Parcel ID:	Tract 3.1, Block 8291 / Tax #00000801163000100
Acres(Usable/Gross):	4.20/4.20

Land-SF(Usable/Gross):	182,908/182,908
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Type:	1 way, 2 lanes
Zoning Code:	CS
Zoning Desc.:	Commercial Service
Flood Plain:	No
Utilities:	Water Public, Sewer
Source of Land Info.:	Engineering Report

Comments

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive. The site was being purchased for industrial development. It sold on January 20, 2022 for \$932,833.

This property is 4.1990 acres and has heavy tree coverage. It is on the northeast corner of IH-20 service road and Cedar Ranch Drive.

Location & Property Identification

Property Name:	Commercial Land
Sub-Property Type:	Commercial, Retail
Address:	Southeast quadrant of US-175 and E. Malloy Bridge Road
City/State/Zip:	Seagoville, TX 75159
County:	Dallas
Submarket:	Seagoville
Market Orientation:	Suburban
IRR Event ID:	3251244



Sale Information

Sale Price:	\$1,961,200
Effective Sale Price:	\$1,961,200
Sale Date:	11/22/2022
Sale Status:	Closed
\$/Acre(Gross):	\$283,149
\$/Land SF(Gross):	\$6.50
\$/Acre(Usable):	\$283,149
\$/Land SF(Usable):	\$6.50
Grantor/Seller:	Joseph Kemp
Grantee/Buyer:	Brookshire Grocery Company
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Warranty Deed
Recording No.:	202200301929
Verified By:	Brent Pitts, MAI, AI-GRS, R/W-AC
Verification Date:	07/02/2024
Confirmation Source:	Joseph Kemp
Verification Type:	Confirmed-Seller

Sale Analysis

Current Use at T.O.S.:	Vacant Land
Proposed Use Desc.:	Grocery Store

Improvement and Site Data

MSA:	Dallas-Fort Worth-Arlington, TX
Legal/Tax/Parcel ID:	Lot 1R, Block 1, Joseph Kemp Addition, Seagoville
Acres(Usable/Gross):	6.93/6.93
Land-SF(Usable/Gross):	301,716/301,716
Usable/Gross Ratio:	1.00
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Type:	1 way, 2 lanes
Zoning Code:	LM
Zoning Desc.:	Light Manufacturing
Easements:	No
Easements Desc.:	Standard
Flood Plain:	No
Flood Zone Designation:	X
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All Available
Source of Land Info.:	Public Records

Comments

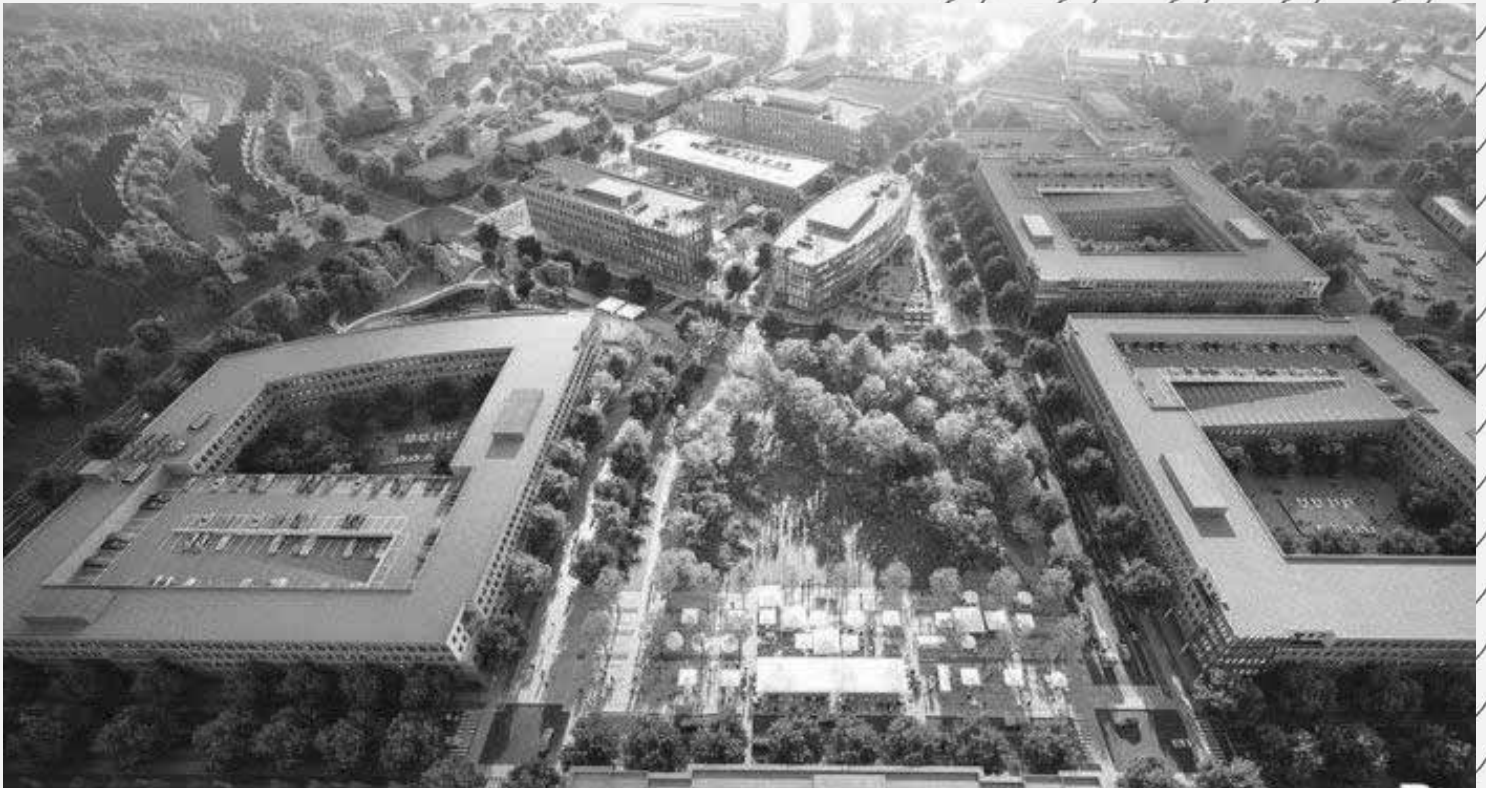
The property was purchased for development of a Brookshire's grocery store location. The property was

Comments (Cont'd)

zoned LM - Light Manufacturing at the time of sale, but was subsequently rezoned to PD-MU - Planned Development (Mixed Use). The confirming party stated the sale price as \$6.50/SF.

This is a tract in Seagoville that wraps the southeast corner of US 175 and E Malloy Bridge Rd.

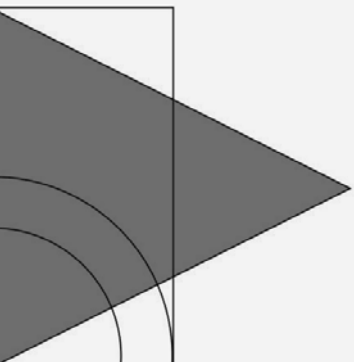
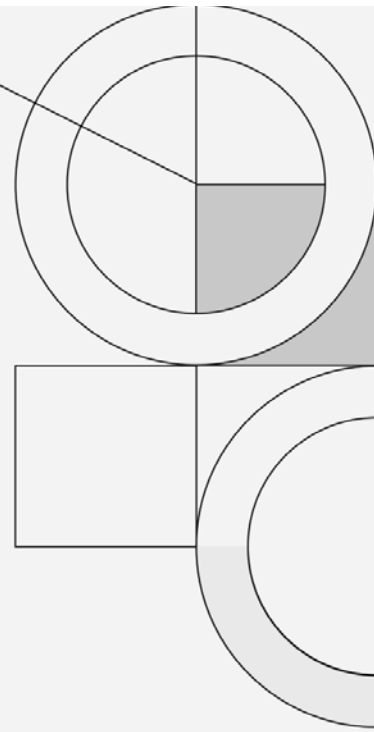
APPENDIX F
MARKET STUDY



University Hills – Dallas, TX
SAMCO Capital Markets
March 2025



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Background/Objectives, Key Contacts & Limiting Conditions

BACKGROUND & OBJECTIVES

SAMCO Capital Markets ("Client") is assessing a financing opportunity associated with a planned mixed-use development known as University Hills ("Subject Property") in Dallas, TX. Current plans for the Subject Property include 573 for-sale homes, 1,917 apartment units, 200,000 square feet of retail space, a 150-key hotel, 390,000 square feet of mixed-use (office/retail/flex), 340,200 square feet of office space, and 150,000 square feet of life sciences space.

Client's goal is to understand the market-based opportunity for the Subject Property considering current and expected market conditions.

KEY CONTACTS

The following key team members participated on this analysis:

Bryan Glasshagel, Senior Vice President, Mr. Glasshagel has over 25 years of experience in the real estate and banking industries. He regularly directs the analysis of residential and mixed-use communities in Houston and around Texas.

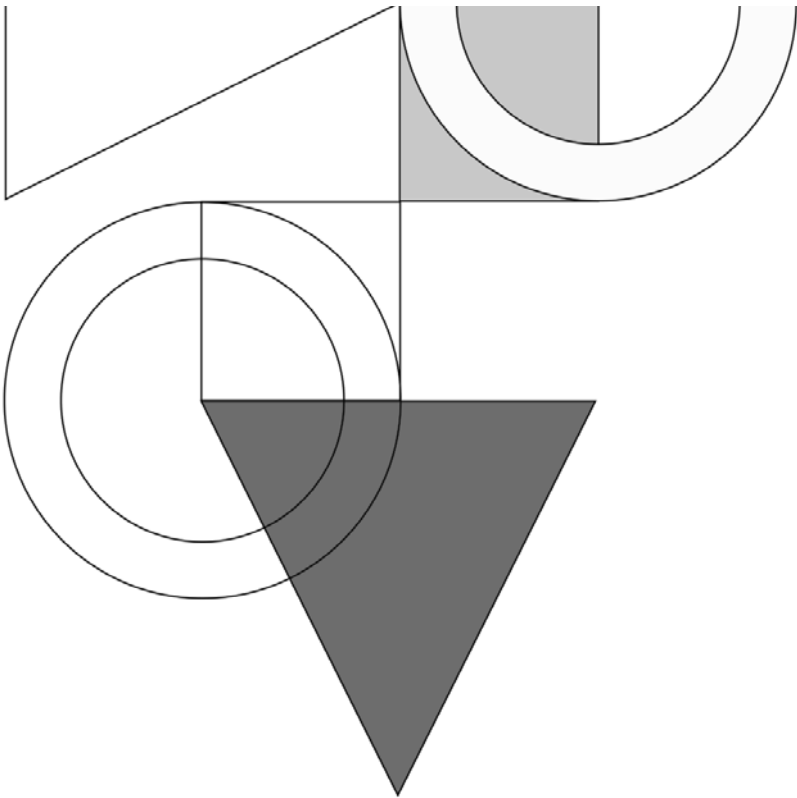
Patrick Lynch, Director, Mr. Lynch has 15 years of experience conducting market studies for a variety of residential product types across the United States and a masters degree in urban planning.

Joseph Mohr, Research Associate. Mr. Mohr has six years of experience in urban and regional planning, location intelligence, and site suitability analysis, including long-range planning for Texas school districts and site selection for new developments. With his background in Geography, he provides key insights on demographic characteristics and trends in an area and what that means for future development.

Additional support was provided as needed.

LIMITING CONDITIONS

Client is responsible for representations about the development plans, marketing expectations and for disclosure of any significant information that might affect the ultimate realization of the projected results. There will usually be differences between projected and actual results because events and circumstances frequently do not occur as expected, and the difference may be material. We have no responsibility to update our report for events and circumstances occurring after the date of our report. Payment of any and all of our fees and expenses is not in any way contingent upon any factor other than our providing services related to this report.



Project Overview

[illegible]

Note: While the Concept Plan provides for the above land uses, based on our projected demand forecast, Zonda has assumed that 165,000 square feet of the space identified as mixed-use will become retail space and the remaining 225,000 square feet will be office space. With that in mind, for purposes of this analysis, it is assumed that retail space at the Subject Property will be 365,000 square feet and total office space will be 565,200 square feet.

Site Aerial

Project Overview

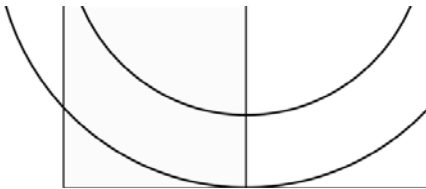
The Subject Property's surrounding land uses are supportive of a mixed-use development. Proximity to I-20 provides excellent visibility and access. An expanding UNT Dallas (currently constructing a \$100MM STEM building) could be a source of demand for housing and office space and the UNT Dallas DART station provides access to downtown Dallas in 30 minutes (potentially enabling a car-free commute). Homes in older subdivisions near the Subject Property tend to sell for \$225,000 to \$350,000.

Key	Name	Comments
1	UNT Dallas	Enrollment of 3,774 \$100MM / 128,000 SF STEM Building U/C
2	DART Station	Trains Every 20 Minutes. 30 Minutes to Downtown Dallas.
3	I-20	170,000 cars per day
4	Village of Runyon Springs	Subdivision dating to 2004. Average closing price of \$282,000 in last six months.
5	Alta Mesa Park	Subdivision dating to 1960s. Some newer homes as well. Average closing price of \$268,000.
6	Police Dept.	38,000 square foot South Central substation. Built in 2007.
7	Singing Hills Rec Center	26,650 square foot recreation/fitness center built in 2021.

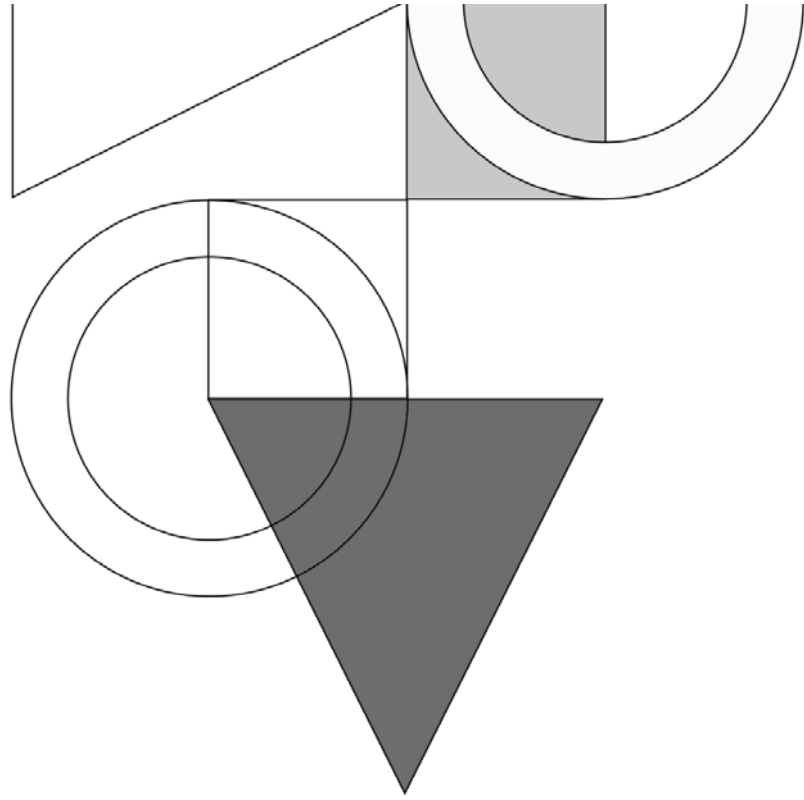


Acquisition date - 06 Dec 2024 16:50 UTC - Copyright © Bird.i Ltd. - Image © 2025 CNES / AirbusDS

Site Photos
Project Overview

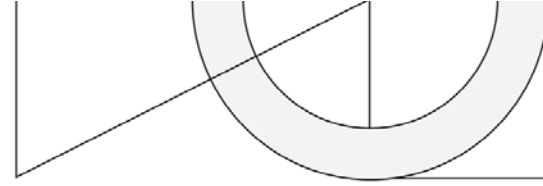


Key Findings and Recommendations



Summary of Key Conclusions

Key Findings and Recommendations



Our analysis indicates a strong opportunity exists for the development of the Subject Property for the proposed uses including for-sale residential, rental apartments, retail, office, and hotel based on the following factors:

- Rapid projected growth in the Dallas-Fort Worth MSA. Moody's expects the MSA to add 54,622 new households per year from 2025 through 2029. That level of growth is above historical averages and higher than any other MSA in the United States.
- An infill location with excellent access and visibility from I-20 and proximity to the University of North Dallas and its DART station. An estimated 1.4 million jobs are accessible within 30-minutes.
- Limited competition in the immediate vicinity for all product types. Strong sales at nearby for-sale communities suggest potential pent-up demand, which may extend to rental/retail development as well.
- Blank slate and mixed-use entitlement allows opportunity to create unique community with convenient, potentially walkable amenities, and mutually supporting uses. With proper design and execution, the synergy among the different land uses could support price/value appreciation over and above average market growth rates.
- As the Dallas-Fort Worth MSA continues to expand (and traffic concerns continue to grow), infill locations such as the Subject Property (especially with transit access) may become increasingly desirable.

Potential challenges the Subject Property may face include:

- The area around the Subject Property has been growing slowly (partly because it is relatively built-out in comparison to outlying suburbs) and median household incomes are below median levels found across the Metroplex. The Subject Property will be somewhat of a "pioneering" development despite a location that is proximate to downtown Dallas.
- Average mortgage rates (6.8% as of March 2025) and the 10-year treasury (4.32%) remain high relative to pre-pandemic averages, reducing housing affordability and potentially making financing more difficult for commercial property developers. However, home sales/prices in the market appear to have largely adjusted to the higher rates.
- We expect complete build-out of the Subject Property will not occur until 2041. The longer the development timeframe, the greater risk of exposure to cyclical/macro-economic downturns, which could affect pricing and/or absorption (this applies less to the single-family portion of the development, which is projected to sell-out in 3 years). Related to this concern, current federal policy changes related to tariffs, immigration, etc. may impact construction costs and potentially economic demand.



Summary of Key Conclusions

Key Findings

For Sale Residential

- Based on our analysis of for-sale communities in the competitive market area (CMA), we expect average base prices at each product series at the Subject Property to range from \$276,500 for the townhomes to \$364,700 for detached homes on 50’ wide lots. With projected spending on options/upgrades, lot premiums, and price impacting incentives included, we estimate the overall average closing price across all 573 for-sale homes at the Subject Property to be \$299,600 in March 2025 dollars. This pricing is supported by pricing at the nearby Ellington Woods (\$275,000 to \$320,000) and College Park (\$299,000 to \$370,900) subdivisions.
- Based on our assessment of absorption at nearby communities and the planned builders at the Subject Property, we expect for-sale absorption at the Subject Property to peak at 288 units per year and complete sell-out to occur by 2029. Average sales paces per program are projected to range from 4.0 to 8.0 homes per month. Overall average sales paces at Ellington Woods (9.3 per month) and College Park (19.0 per month) support these projected paces. A lack of competition in the area appears to be driving sales high sales paces at active new home communities in the CMA.

Summary of Key Conclusions
Key Findings

Rental Residential

- 1,917 rental apartment units are planned at the Subject Property. Based on our review of the site plan, we assume the apartments would likely be a mix of garden-style apartments (three-stories or less) and mid-rise/wrap style apartments.
- Based on our review of competing communities in and around the CMA, we expect garden style apartments at the Subject Property could achieve an average rent of \$1,821 (\$1.94/SF) while mid-rise/wrap apartments could achieve an average rent of \$1,845 (\$2.09/SF). The newest comparable communities, such as Jefferson Cedar Ridge (\$1,775 or \$1.96/SF) and Beacon on Westmoreland (\$1,708 or \$2.01/SF), support these projected rents. Concessions of up to six weeks free may be necessary during lease-up.
- Based on our projection of demand in the CMA, we believe the Subject Property could build out its capacity of 1,917 apartment units by 2041. That absorption schedule generally allows enough time for each delivered property to lease-up without competition from within the Subject Property (assuming an average lease-up pace of 20 units per month) and reasonable capture rates of total projected renter household growth in the CMA. The average projected deliveries of 128 units per year over the next 15 years is comparable to other neighborhoods in the Dallas-Forth Worth MSA that have seen significant deliveries of apartments, including Las Colinas (341 units per year), Bishop Arts District (226 units per year), and Mansfield (97 units per year).
- Based on an income approach to valuation, we expect garden-style apartments at the Subject Property to be valued at approximately \$222,000 per unit while mid-rise/wrap style units would likely be valued at \$224,000 per unit. That is reasonably consistent with recent transaction prices in the Dallas-Fort Worth MSA reported by RealPage (average of \$251,000 per unit for properties built in 2016 or later). As the Subject Property is built-out, the convenience of nearby office and retail space may contribute to rising rents and values.

Summary of Key Conclusions

Key Findings

Retail

- The Dallas-Fort Worth MSA retail market is healthy. The average vacancy rate is below 5%, average rent is up 4.5% YOY, and net absorption has been consistently positive over the last three years.
- Based on ESRI's forecasts of household growth within three miles and a 15-minute drive of the Subject Property, as well as projected household growth and office workers within the Subject Property itself, we expect the Subject Property could reasonably support 365,000 square feet of retail by 2041. This includes the 200,000 square feet of space designated for retail as well as 165,000 square of the 390,000 square feet designated as mixed-use.
- Based on a review of active listings in the region, we expect non-anchor retail space could likely rent for \$25/SF to \$30/SF on a triple net basis. Anchor space would likely rent for somewhat less (\$19/SF to \$23/SF). These rents position the Subject Property below Class A space in prime suburbs such as Frisco (\$30/SF to \$40/SF) and reasonably consistent with the newest properties proximate to the Subject Property.
- We estimate, based on an income approach, that non-anchor retail space at the Subject Property would be valued at approximately \$365/SF to \$438/SF, while anchor space would likely be valued at \$278/SF to \$336/SF. These estimates are reasonably consistent with actual transaction prices and listings of properties for sale in the region. It should be noted that actual valuations will vary based upon establishment type, tenants, and finish outs.

Summary of Key Conclusions

Key Findings

Office

- Due to the rise of remote work/COVID-disruptions, the Dallas-Fort Worth office market has experienced negative absorption in the last two years and a rising vacancy rate (25.2% as of 4Q24). Nonetheless, absorption now appears to be stabilizing and we expect positive absorption to resume in the coming years (assuming continued positive employment growth). A return to positive absorption will likely be supported by a growing “return to office” mindset among private and public employers.
- Based on our office demand forecast (and considerations of existing market vacancy) we conclude that the Subject Property could reasonably support 565,200 square feet of office space by 2041. We expect overall office construction volumes to remain muted until absorption can bring down current vacancy levels. Moreover, until new residential and retail development is in place (showing the site's viability), it may be challenging to secure significant tenants for a new Class A office building. Therefore, we assume that the first office development is delivered in 2033.
- Based on an analysis of competing office properties in the region, we conclude that new office space at the Subject Property could likely achieve average rents of \$28/SF to \$32/SF on a triple net basis. That positions it well below new space in prime suburbs or downtown but generally above the Class B space that is dominant in the immediate area.
- We estimate, based on an income approach, that office space at the Subject Property would be valued at approximately \$336/SF to \$384/SF. That estimate is generally supported by actual transaction prices (\$154/SF to \$551/SF) we were able to assess across the Metroplex.
- Life Sciences space typically achieves a significant rent/value premium. We expect new Life Sciences space at the Subject Property would be valued at \$700/SF. Forecasting demand/absorption potential for Life Sciences space is difficult as the industry sector is not as well established in Dallas as in other MSAs (such as Boston and the Bay Area). Nonetheless, growth is occurring in this sector in the market. We assumed delivery of the 150,000 square foot Life Sciences space in 2040 but this could occur sooner assuming tenant(s) are found.



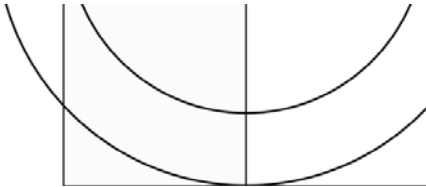
Summary of Key Conclusions

Key Findings

Hotel

- The hotel market in the Dallas South/East submarket remains healthy/stable. Average occupancy has been steady at 65% to 67% over the last three years and REVPAR is up 0.5% YOY. Since January 2019, average REVPAR increased 3.0% per year.
- Based on historical growth in hotel demand (room nights) and an average occupancy of 64%, Zonda expects the Dallas South/East submarket to need 2,896 new hotel rooms from 2025 through 2034. With the Subject Property's proximity to UNT Dallas and the DART Station, as well as the significant amounts of planned office and retail, it is a strong location for a new hotel. We have assumed delivery of the hotel in 2030, after a significant amount of retail is projected to be in place at the Subject Property.
- Based on our review of competing hotels near the Subject Property and in the region, we expect the Subject Property could support a mid to upper-mid tier hotel and achieve an average ADR of approximately \$160 to \$180. The proximity to retail and office and integration into a mixed-use community supports somewhat higher rates than nearby hotels (which top out at about \$150 per night).
- Based on the relationship between advertised rates and transaction prices for hotels that have sold (where transaction data was available), we expect a hotel at the Subject Property could be value at approximately \$150,000 per key. That is just under the overall average price per room for hotels in the Dallas-Fort Worth MSA as reported by CoStar in 4Q24.

Price & Absorption Forecast
 Key Findings



The table below summarizes the potential property value creation by new development at the Subject Property based on Zonda’s conclusions regarding pricing and absorption for each product type. In total, Zonda expects that new development at the Subject Property will support a total value of \$1.72 billion by 2041 when the last elements are projected to be delivered.

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Home Price Escalation	0.5%	2.00%	3.00%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Commercial Property Escalation	0%	3.00%	3.00%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

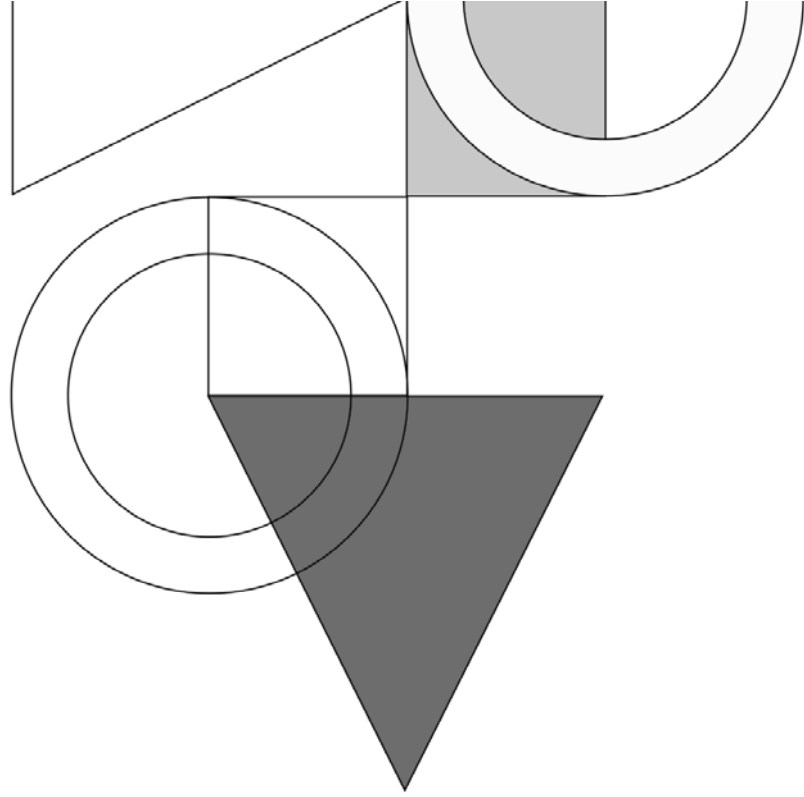
Projected Delivery/Closings of Future Development																	
Product	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Townhouses	0	48	96	96	21	0	0	0	0	0	0	0	0	0	0	0	0
Detached Homes 40' Lots	0	72	131	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Detached Homes 50' Lots	0	48	61	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Garden Apartments	0	0	370	0	0	0	0	0	0	277	0	147	120	122	0	0	0
Mid-Rise Apartments						271		271							112	115	112
Anchor Retail				40,000		30,000											
Non-Anchor Retail				14,236	22,724	23,036	23,036	23,036	23,036	23,036	23,336	23,336	23,336	23,336	23,336	22,990	3,190
Hotel						150											
Office									280,000			60,200		75,000	75,000	75,000	
Life Sciences Office																150,000	

Cumulative Deliveries/Closings of Future Development																	
Community	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Townhouses	0	48	144	240	261	261	261	261	261	261	261	261	261	261	261	261	261
Detached Homes 40' Lots	0	72	203	203	203	203	203	203	203	203	203	203	203	203	203	203	203
Detached Homes 50' Lots	0	48	109	109	109	109	109	109	109	109	109	109	109	109	109	109	109
Garden Apartments	0	0	370	370	370	370	370	370	647	647	794	914	1,036	1,036	1,036	1,036	1,036
Mid-Rise Apartments	0	0	0	0	0	271	271	542	542	542	542	542	542	542	654	769	881
Anchor Retail	0	0	0	40,000	40,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Non-Anchor Retail	0	0	0	14,236	36,960	59,996	83,032	106,068	129,104	152,140	175,476	198,812	222,148	245,484	268,820	291,810	295,000
Hotel	0	0	0	0	0	150	150	150	150	150	150	150	150	150	150	150	150
Office	0	0	0	0	0	0	0	0	280,000	280,000	280,000	340,200	340,200	415,200	490,200	565,200	565,200
Life Sciences Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	150,000	150,000

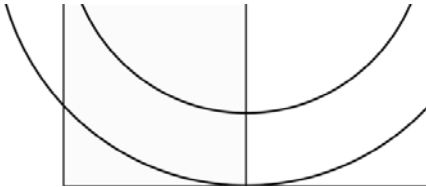
Avg. Value per Unit/SF of Future Development																	
Community	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Townhouses	\$273,600	\$279,100	\$287,500	\$296,100	\$305,000	\$314,200	\$323,600	\$333,300	\$343,300	\$353,600	\$364,200	\$375,100	\$386,400	\$398,000	\$409,900	\$422,200	\$434,900
Detached Homes 40' Lots	\$307,900	\$314,100	\$323,500	\$333,200	\$343,200	\$353,500	\$364,100	\$375,000	\$386,300	\$397,900	\$409,800	\$422,100	\$434,800	\$447,800	\$461,200	\$475,000	\$489,300
Detached Homes 50' Lots	\$354,100	\$361,200	\$372,000	\$383,200	\$394,700	\$406,500	\$418,700	\$431,300	\$444,200	\$457,500	\$471,200	\$485,300	\$499,900	\$514,900	\$530,300	\$546,200	\$562,600
Garden Apartments	\$222,000	\$228,660	\$235,520	\$242,585	\$249,863	\$257,359	\$265,080	\$273,032	\$281,223	\$289,660	\$298,349	\$307,300	\$316,519	\$326,014	\$335,795	\$345,869	\$356,245
Mid-Rise Apartments	\$224,000	\$230,720	\$237,642	\$244,771	\$252,114	\$259,677	\$267,468	\$275,492	\$283,756	\$292,269	\$301,037	\$310,068	\$319,370	\$328,952	\$338,820	\$348,985	\$359,454
Anchor Retail	\$307	\$316	\$326	\$335	\$346	\$356	\$367	\$378	\$389	\$401	\$413	\$425	\$438	\$451	\$464	\$478	\$493
Non-Anchor Retail	\$402	\$414	\$426	\$439	\$452	\$466	\$480	\$494	\$509	\$525	\$540	\$556	\$573	\$590	\$608	\$626	\$645
Hotel	\$150,000	\$154,500	\$159,135	\$163,909	\$168,826	\$173,891	\$179,108	\$184,481	\$190,016	\$195,716	\$201,587	\$207,635	\$213,864	\$220,280	\$226,888	\$233,695	\$240,706
Office	\$360	\$371	\$382	\$393	\$405	\$417	\$430	\$443	\$456	\$470	\$484	\$498	\$513	\$529	\$545	\$561	\$578
Life Sciences Office	\$700	\$721	\$743	\$765	\$788	\$811	\$836	\$861	\$887	\$913	\$941	\$969	\$998	\$1,028	\$1,059	\$1,091	\$1,123

Cumulative Value of Future Development																	
Community	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Townhouses	\$0	\$13,396,800	\$41,400,000	\$71,064,000	\$79,605,000	\$82,006,200	\$84,459,600	\$86,991,300	\$89,601,300	\$92,289,600	\$95,056,200	\$97,901,100	\$100,850,400	\$103,878,000	\$106,983,900	\$110,194,200	\$113,508,900
Detached Homes 40' Lots	\$0	\$22,615,200	\$65,670,500	\$67,639,600	\$69,669,600	\$71,760,500	\$73,912,300	\$76,125,000	\$78,418,900	\$80,773,700	\$83,189,400	\$85,666,300	\$88,264,400	\$90,903,400	\$93,623,600	\$96,425,000	\$99,323,400
Detached Homes 50' Lots	\$0	\$17,337,600	\$40,548,000	\$41,768,800	\$43,022,300	\$44,308,500	\$45,638,300	\$47,011,700	\$48,417,800	\$49,867,500	\$51,360,800	\$52,897,700	\$54,489,100	\$56,124,100	\$57,802,700	\$59,535,800	\$61,323,400
Garden Apartments	\$0	\$0	\$87,142,300	\$89,756,600	\$92,449,300	\$95,222,800	\$98,079,500	\$101,021,800	\$104,052,500	\$107,169,800	\$109,332,100	\$111,543,100	\$113,799,800	\$116,101,100	\$118,448,000	\$120,840,500	\$123,278,600
Mid-Rise Apartments	\$0	\$0	\$0	\$0	\$0	\$70,372,600	\$72,483,800	\$74,631,500	\$76,816,800	\$79,039,900	\$81,301,900	\$83,603,800	\$85,945,600	\$88,327,300	\$90,748,800	\$93,200,100	\$95,681,200
Anchor Retail	\$0	\$0	\$0	\$13,418,700	\$13,821,200	\$24,912,800	\$25,660,200	\$26,430,000	\$27,222,900	\$28,039,600	\$28,880,800	\$29,747,200	\$30,639,600	\$31,558,800	\$32,505,600	\$33,480,700	\$34,485,100
Non-Anchor Retail	\$0	\$0	\$0	\$6,253,500	\$16,722,700	\$27,959,800	\$39,856,100	\$52,441,000	\$65,745,100	\$79,800,300	\$94,801,700	\$110,631,300	\$127,325,400	\$144,921,600	\$163,459,000	\$182,761,400	\$202,902,100
Hotel	\$0	\$0	\$0	\$0	\$0	\$26,083,700	\$26,866,200	\$27,672,200	\$28,502,300	\$29,357,400	\$30,238,100	\$31,145,300	\$32,079,600	\$33,042,000	\$34,033,300	\$35,054,300	\$36,105,900
Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$127,690,400	\$131,521,100	\$135,466,800	\$169,529,900	\$174,615,800	\$219,504,700	\$266,929,700	\$317,002,700	\$326,512,800
Life Sciences Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$163,586,600	\$168,494,200
Total	\$0	\$53,349,600	\$234,760,800	\$289,901,200	\$315,290,100	\$442,626,900	\$466,956,000	\$567,009,500	\$723,447,200	\$837,468,900	\$875,188,100	\$989,592,000	\$1,070,661,400	\$1,195,975,300	\$1,324,809,600	\$1,624,729,900	\$1,715,809,100

For-Sale Residential Product, Pricing & Absorption



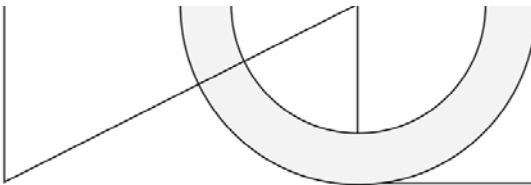
Projected Pricing – Subject Property
 For-Sale Residential Product, Pricing, and Absorption



Based on our analysis of prices at competing for-sale communities in the CMA, we conclude that average base prices per product series at the Subject Property could reasonably range from \$276,300 to \$364,700. With estimated spending on options/upgrades and lot premiums, as well as price impacting incentives included, we expect the Subject Property to support an overall average closing price of \$299,600 across all for-sale home lots. Among others, this pricing is supported by pricing at the nearby subdivision of Ellington Woods (\$275,000 to \$320,000) and College Park (\$299,000 to \$370,900). As the builders for the detached homes will be Lennar and D.R. Horton, we have assumed no spending on option/upgrades at the Subject Property.

Program	Builder	Units			Projected Avg. Sales Pace	Avg. Unit Size	Avg. Base Price	Typical Spending		Incentives	Estimated Closing Price	Est. Closing \$/SF	Mn. Qualifying				
		Total Units	Remaining to Close	Avg. Lot Width				Options / Upgrades	Lot Premiums				Mo. HOA	Base Tax	Addl Taxes	Est. Mo.Pmt.	Income
University Hills 40' (Lennar)	Lennar	101	101	40	6.0	1,631	\$301,000	\$0	\$1,500	\$6,000	\$296,500	\$182	\$50	2.2%	0.85%	\$2,341	\$94,000
University Hills 50' (Lennar)	Lennar	55	55	50	4.0	2,121	\$364,700	\$0	\$1,800	\$7,300	\$359,200	\$169	\$50	2.2%	0.85%	\$2,826	\$113,000
University Hills Townhouses	D.R. Horton	261	261	24	8.0	1,728	\$276,300	\$0	\$1,400	\$5,500	\$272,200	\$158	\$200	2.2%	0.85%	\$2,304	\$92,000
University Hills 40' (D.R. Horton)	D.R. Horton	102	102	40	6.0	1,818	\$319,400	\$0	\$3,200	\$6,400	\$316,200	\$174	\$50	2.2%	0.85%	\$2,494	\$100,000
University Hills 50' (D.R. Horton)	D.R. Horton	54	54	50	4.0	1,908	\$348,900	\$0	\$3,500	\$7,000	\$345,400	\$181	\$50	2.2%	0.85%	\$2,720	\$109,000
Total/Avg.		573	573	35	5.60	1,781	\$303,700	\$0	\$2,000	\$6,100	\$299,600	\$168	\$118	2.2%	0.85%	\$2,433	\$97,400

Price Appreciation – Subject Property
 For-Sale Residential Product, Pricing, and Absorption



We expect that average home prices at the Subject Property will increase by 0.5% in 2025, 2.0% in 2026, and 3.0% per year thereafter. This forecast is reasonably consistent with Zillow’s forecast for the “typical home value” in the Dallas-Fort Worth MSA (0.1% increase from February 2025 to January 2026). Moody’s is somewhat more conservative, forecasting 0.3% growth through in the median sale price of an existing home in 2025 and 0.2% in 2026 before rising to 3.5% by 2028.

Price Appreciation Rate			0.5%	2.0%	3.0%	3.0%	3.0%
Subject Series	Projected Avg. Price	Unsold Units	2025	2026	2027	2028	2029
University Hills 40' (Lennar)	\$296,500	101	\$298,000	\$304,000	\$313,100	\$322,500	\$332,200
University Hills 50' (Lennar)	\$359,200	55	\$361,000	\$368,200	\$379,200	\$390,600	\$402,300
University Hills Townhouses	\$272,200	261	\$273,600	\$279,100	\$287,500	\$296,100	\$305,000
University Hills 40' (D.R. Horton)	\$316,200	102	\$317,800	\$324,200	\$333,900	\$343,900	\$354,200
University Hills 50' (D.R. Horton)	\$345,400	54	\$347,100	\$354,000	\$364,600	\$375,500	\$386,800
Total/Overall Avg.	\$299,600	573	\$301,100	\$307,100	\$316,300	\$325,800	\$335,600
Avg. Based on Closings in Year				\$311,300	\$312,400	\$287,500	\$296,100
Avg. Based on Cum. Units Closed				\$317,500	\$323,700	\$326,900	\$335,600

Prices for the same floorplans in Dallas County are up slightly YOY. Zonda’s assessment of “same store” floorplan pricing levels at active builder programs across Dallas County shows that prices are stable or moving higher in most communities. On average, prices for the same floor plans increased by 0.5% from February 2024 to February 2025. The following table shows the percentage of tracked floorplans by base price direction over the last month, three months, six months, and 12 months:

	Price Changes in Same Floorplans in CMA			
	YOY Feb-2024-Feb-2025	6-Month Aug-2024-Feb-2025	3-Month Nov-2024-Feb-2025	1-Month Jan-2025-Feb-2025
Plans Decreasing in Price	39	55	45	33
Plans with No Change	101	102	195	214
Plans Increasing in Price	75	48	31	35
Plans Decreasing in Price	18%	27%	17%	12%
Plans with No Change	47%	50%	72%	76%
Plans Increasing in Price	35%	23%	11%	12%
Avg. Change	0.5%	-0.2%	-0.7%	-0.3%

18 Source: Zonda; Moody's; Zillow

Marketing and Absorption Assumptions – Subject Property

For-Sale Residential Product, Pricing, and Absorption

Based our analysis of sales paces at active communities in the CMA, we expect average sales paces per builder program at the Subject Property to range from 4.0 to 8.0 homes per month. With all programs selling simultaneously, we expect the Subject Property could achieve a total sales pace of 28.0 homes per month and sell out completely in the first half of 2029 (assuming all programs begin sales in July 2026.)

Subject Series	Builder	Builder	Avg. Mo.	Total	Unsold	Closings	2025	2026	2027	2028	2029
		Progs.	Pace per Prog.	Units	Units	Start					
University Hills 40' (Lennar)	Lennar	1	6.00	101	101	Jul-26	0	36	65	0	0
University Hills 50' (Lennar)	Lennar	1	4.00	55	55	Jul-26	0	24	31	0	0
University Hills Townhouses	D.R. Horton	1	8.00	261	261	Jul-26	0	48	96	96	21
University Hills 40' (D.R. Horton)	D.R. Horton	1	6.00	102	102	Jul-26	0	36	66	0	0
University Hills 50' (D.R. Horton)	D.R. Horton	1	4.00	54	54	Jul-26	0	24	30	0	0
Total/Avg.		5	5.60	573			0	168	288	96	21

Our hypothetical build-out of the Subject Property has several underlying marketing assumptions:

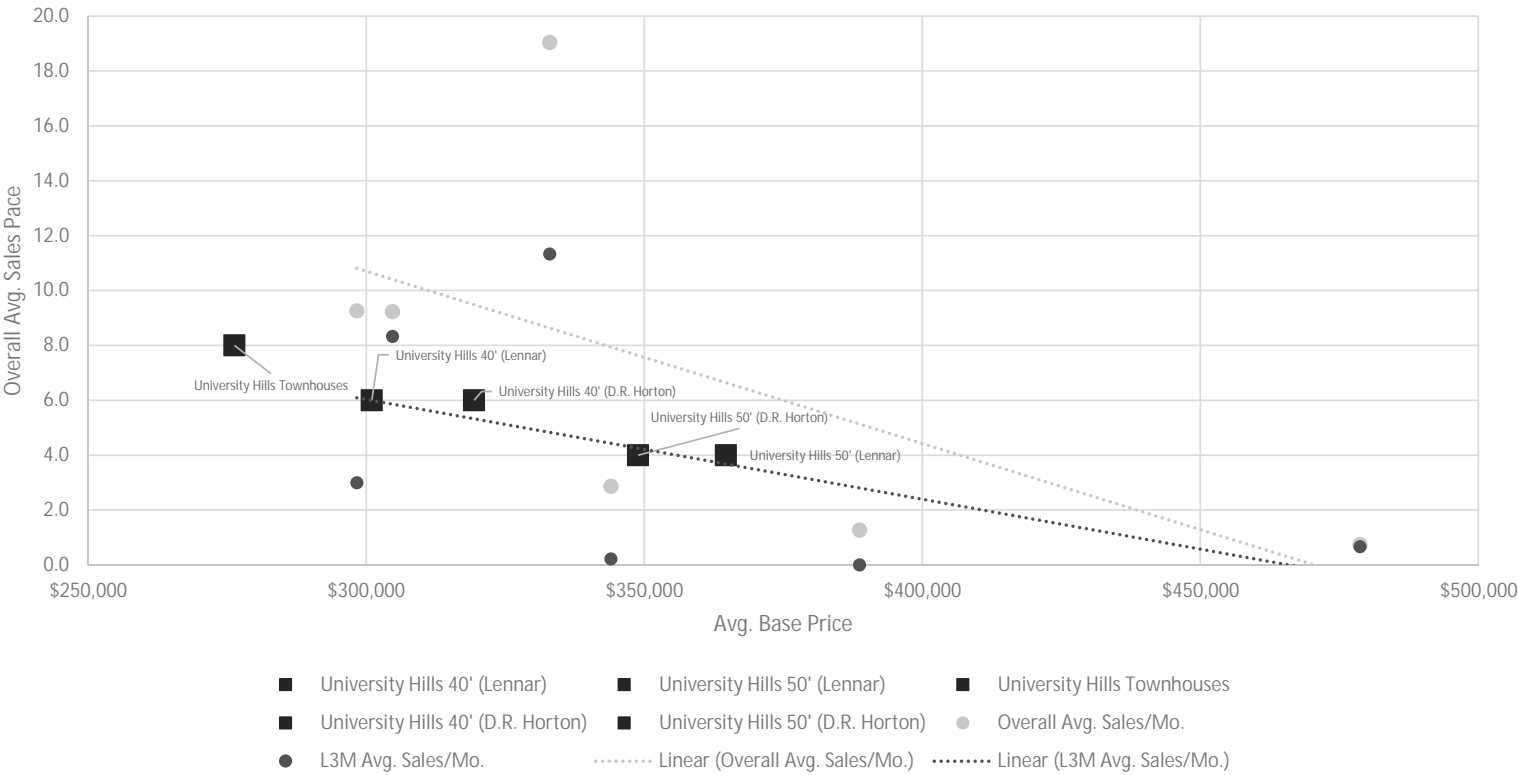
- ☐ Lot development and delivery pace that keeps up with the projected build-out schedule.
- ☐ A regional marketing program with staffed models and regular business hours.
- ☐ Continued positive employment and household growth across the Dallas-Fort Worth MSA.

As a comparison, the 25 most active new home communities across the Dallas-Fort Worth MSA started between 287 and 658 new homes each in 2024.

Projected Absorption per Program

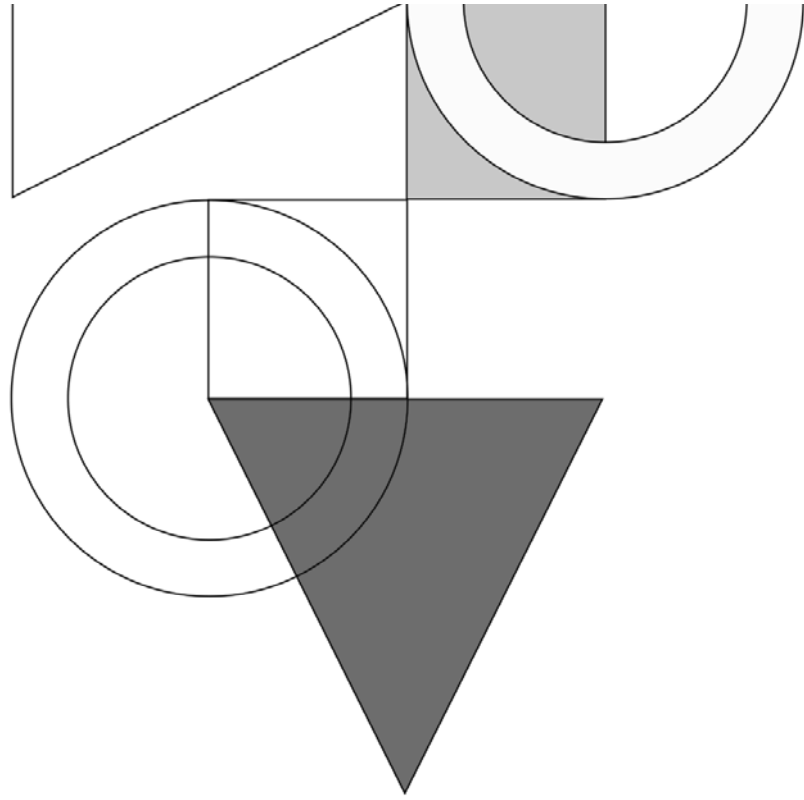
For-Sale Residential Product, Pricing, and Absorption

The chart below illustrates the relationship between average base prices and average sales paces at the surveyed competitive programs in the CMA. Lower priced programs tend to achieve faster sales paces. The projected sales paces at the Subject Property, which range from 4.0 to 8.0 homes per month, are well supported by sales paces at these competitive programs. Ellington Woods (Lennar community) sold an average of 9.3 homes per month while Starlight's Broadmoor Village townhouse community sold 9.2 homes per month. Finally, LGI's College Park achieved a pace of 19.0 sales per month.



20 Source: Zonda; Individual Communities

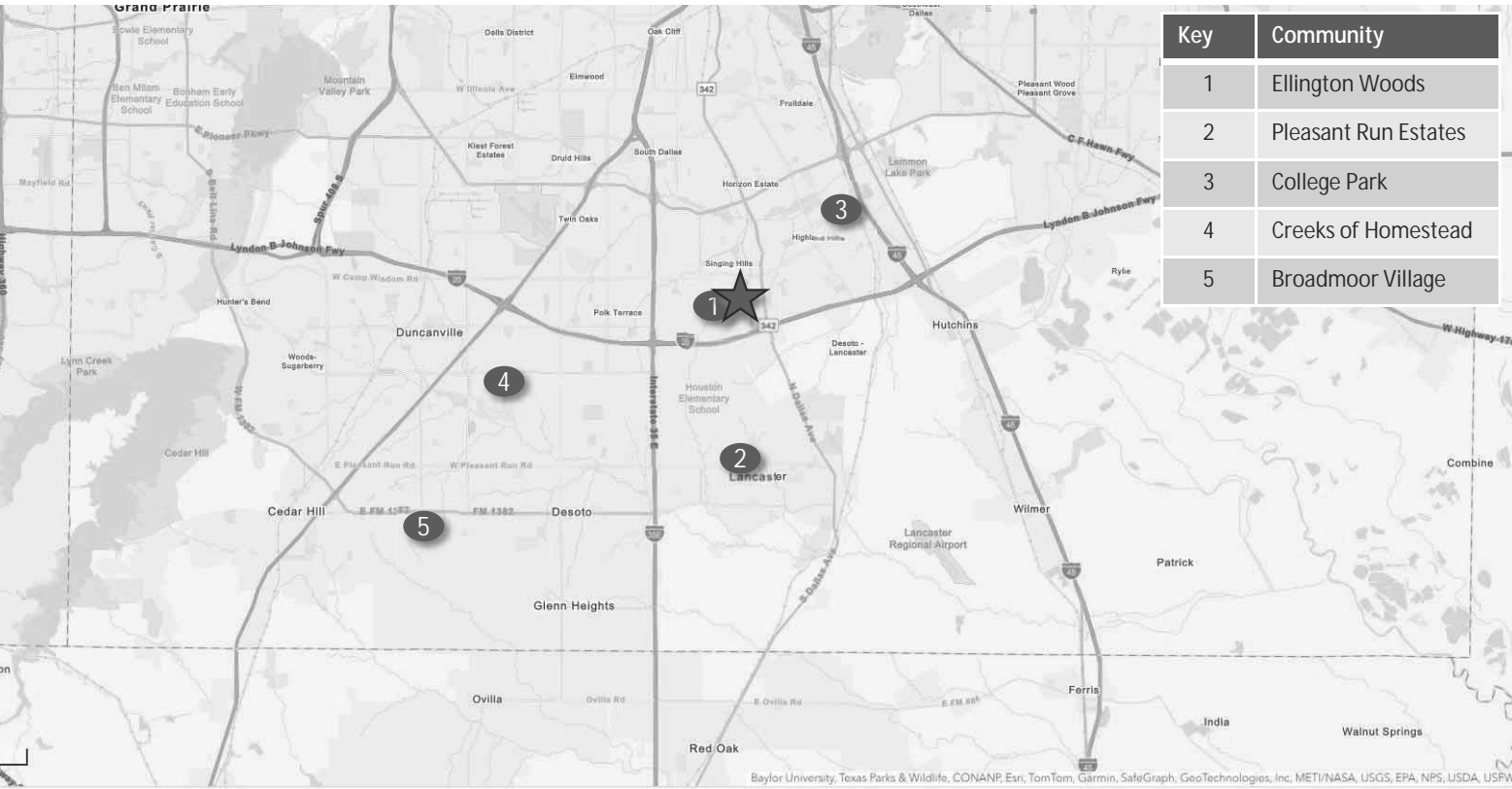
For-Sale Residential Competitive Market Assessment



Location of Surveyed New Home Communities

For-Sale Residential Competitive Market Assessment

We identified six builder programs in five communities in the CMA that guided our conclusions regarding pricing and absorption at the Subject Property. The surveyed programs include a townhouse community as well as detached homes on 40' to 60' wide lots.



Competitive Supply Summary

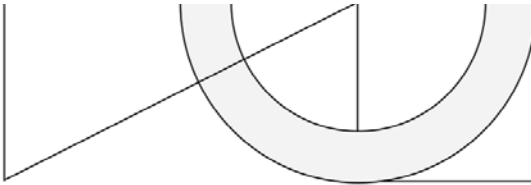
For-Sale Residential Competitive Market Assessment

New home base prices at surveyed communities in the CMA range from \$279,000 to \$603,000 The performance of the following select communities in the CMA guided our pricing and absorption conclusions for the Subject Property:

- ☐ **Ellington Woods (\$279,000 to \$325,000)** – A non-amenitized community of detached homes on 45’ wide lots just west of the Subject Property. Lennar is the only builder.
- ☐ **Pleasant Run Estates (\$329,000 to \$411,000)** – A non-amenitized community of detached homes on 60’ wide lots. Megatel and Robbie Hale homes are the active builders (both are nearing close-out as of February 2025).
- ☐ **College Park (\$299,000 to \$371,000)** – A community of detached homes on 50’ wide lots with minimal amenities. LGI is the only builder.
- ☐ **Creeks of Homestead (\$406,000 to \$603,000)** – A small-scale community of detached homes on 60’ wide lots with minimal amenities in DeSoto. Bloomfield is the only builder.
- ☐ **Broadmoor Village (\$299,000 to \$310,000)** – A small-scale community of townhouses on 26’ wide lots in Cedar Hill. Starlight is the only builder and there are minimal community amenities.

²³ Source: Zonda; Individual Communities

Competitive Supply Summary
For-Sale Residential Competitive Market Assessment



The average base price across all surveyed builder programs is \$357,900. With typical spending on options/upgrades, lot premiums, and price affecting incentives included, we estimate the average closing price to be \$366,800. Most surveyed builders are offering incentives towards closing costs or mortgage rate buydowns with some also offering “flex cash” or incentives that could affect the closing price of the home.

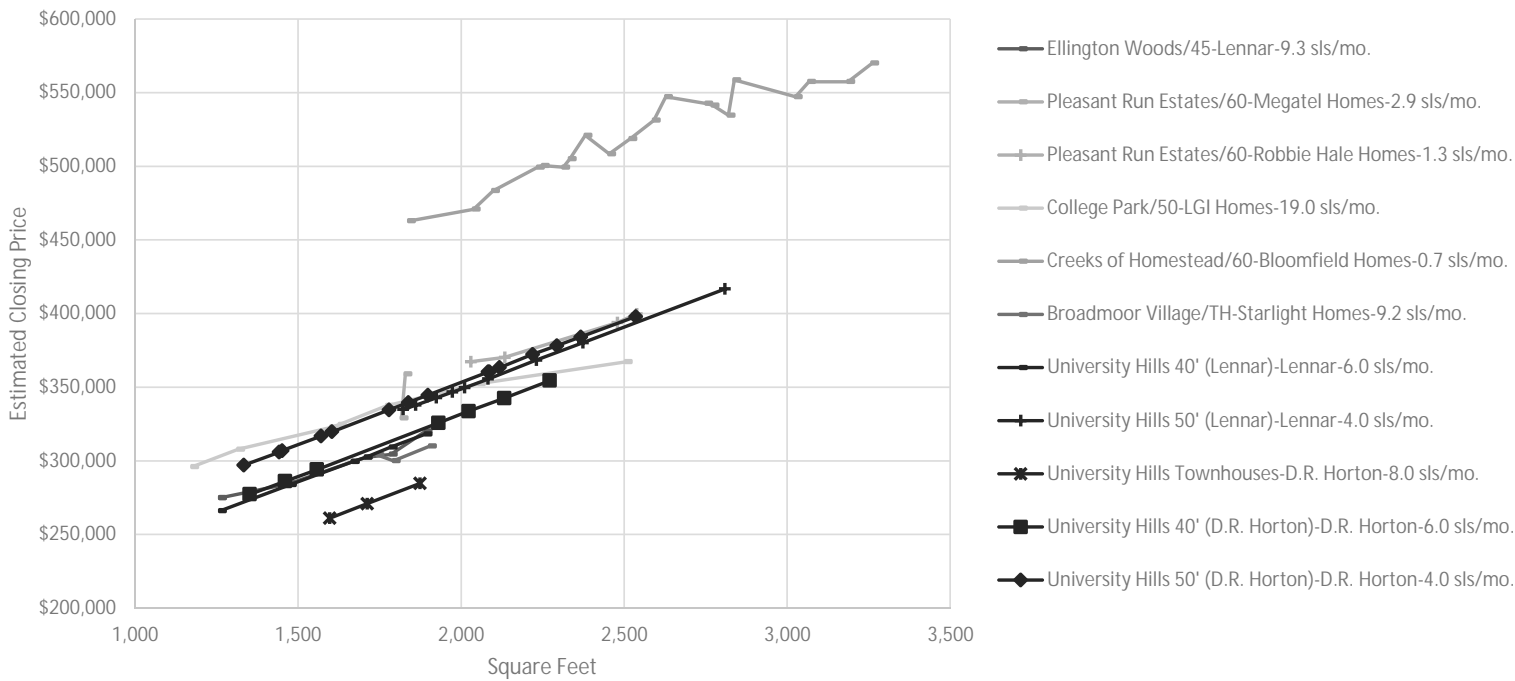
Program	Builder	Units	Units		Avg.	L3M		Overall	Avg.	Avg.	Avg. Unit Size	Base Price	Typical Spending		Incentives	Estimated Closing Price	Est. Closing \$/SF	Closing Cost Incentive	Mo. HOA	Total Tax	Est. Mo.Pmt.
			Remaining	Lot Width		Sales Pace	Sales Pace						Options / Upgrades	Lot Premiums							
Ellington Woods/45	Lennar	206	155	45		3.0	9.3			1,576		\$298,300	\$0	\$1,500	\$6,000	\$293,800	\$186	\$0	\$33	2.3%	\$2,116
Pleasant Run Estates/60	Megatel Homes	114	2	60		0.2	2.9			1,823		\$344,000	\$0	\$0	\$0	\$344,000	\$189	\$10,000	\$54	2.4%	\$2,656
Pleasant Run Estates/60	Robbie Hale Homes	61	10	60		0.0	1.3			2,296		\$388,700	\$0	\$1,900	\$7,800	\$382,800	\$167	\$0	\$54	2.4%	\$2,950
College Park/50	LGI Homes	258	120	50		11.3	19.0			1,721		\$333,000	\$0	\$3,300	\$6,700	\$329,600	\$191	\$10,000	\$35	2.0%	\$2,287
Creeks of Homestead/60	Bloomfield Homes	72	64	60		0.7	0.7			2,824		\$478,700	\$71,800	\$4,800	\$9,600	\$545,700	\$193	\$0	\$25	2.2%	\$3,875
Broadmoor Village/TH	Starlight Homes	126	80	26		8.3	9.2			1,813		\$304,700	\$0	\$0	\$0	\$304,700	\$168	\$12,000	\$225	2.4%	\$2,415
Total/Avg.		837	431			3.9	7.1			2,009		\$357,900	\$11,967	\$1,917	\$5,017	\$366,800	\$183	\$5,333	\$71	2.3%	\$2,717

24 Source: Zonda; Individual Communities; Note that units remaining in the table above refers to units remaining to sell. The number of units remaining to close may be higher as sales contracts typically precede closings.

Closing Price Positioning of the Subject Property

For-Sale Residential Competitive Market Assessment

Our recommended closing prices position the Subject Property competitively with Ellington Woods, College Park, and Pleasant Run Estates. The townhouses are positioned very close to Broadmoor Village (Starlight’s townhouse program in DeSoto). The slight premium that we have assumed over Ellington Woods (the closest property in terms of location and product) is due to the mixed-use nature of the Subject Property and its proximity to UNT Dallas and the DART station. If more of the retail and office were to be in place when sales were occurring, new home prices could be higher. However, we expect only a limited amount of retail and no office to be in place at the time of the complete build-out of the for-sale residential segment.

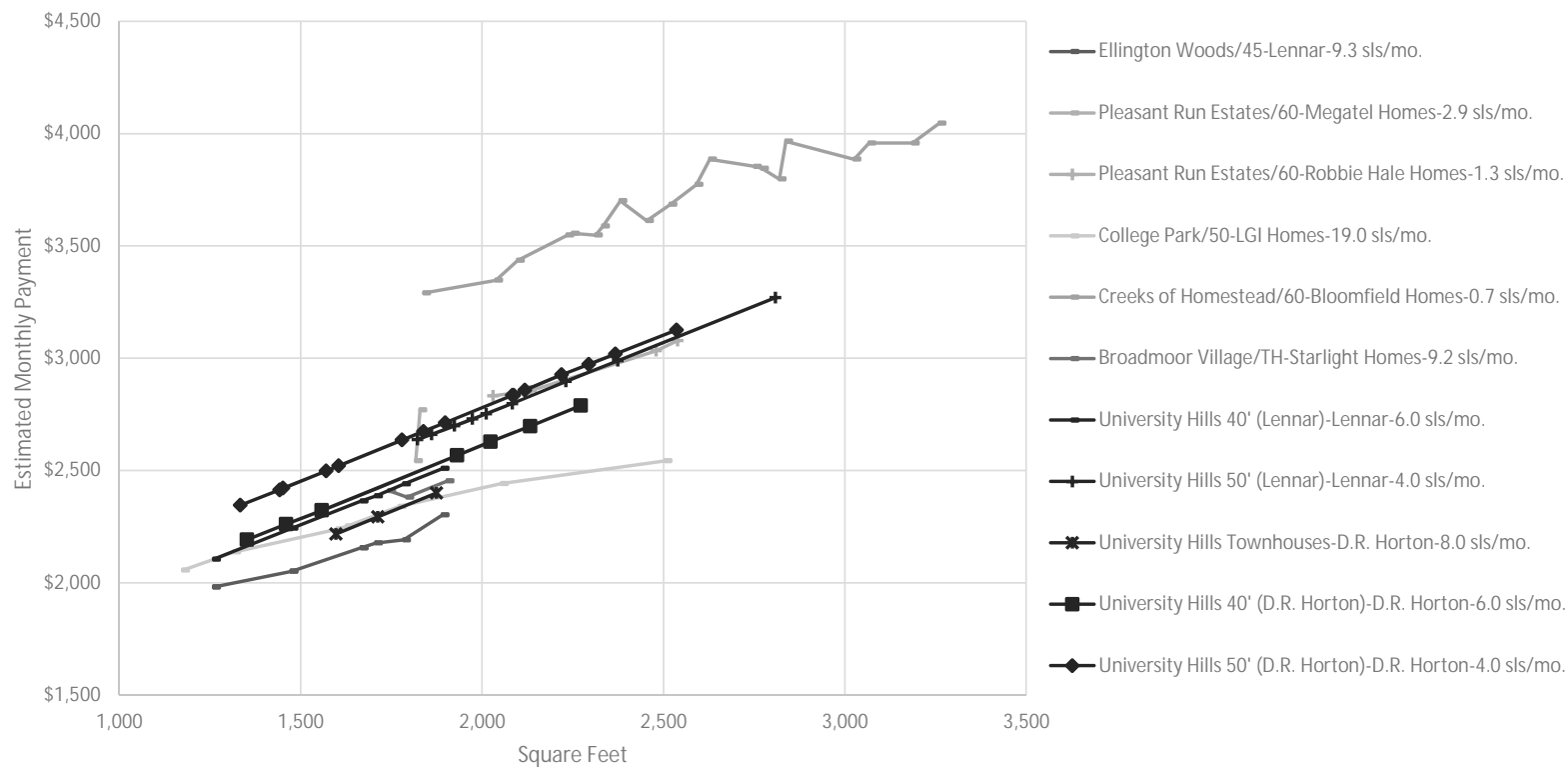


25 Source: Zonda; Individual Communities

Monthly Payment Positioning of the Subject Property

For-Sale Residential Competitive Market Assessment

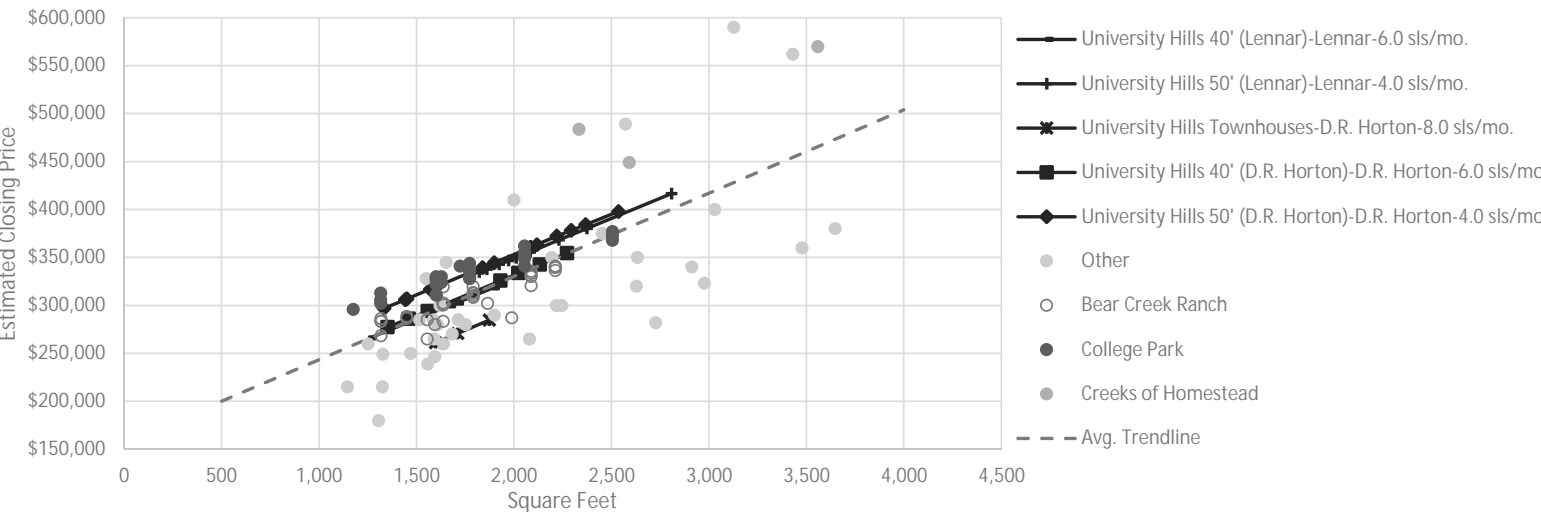
On a monthly payment basis (inclusive of estimated spending on options/upgrades, lot premiums, and incentives, property taxes, and HOA fees), the Subject Property's positioning moves up in comparison to its closing price positioning but is still competitive. Including taxes (0.85%) for the planned improvement district covering the single-family portion (Improvement Area #1A), the tax rate at the Subject Property is approximately 3.0%. That is somewhat higher than the surveyed competitive builder programs (2.0% to 2.9%).



Sale Price Positioning: MLS Home Closings Last Three Months

For-Sale Residential Competitive Market Assessment

Over the last three months, the average closing price for a new or recently built (last 10 years) in the CMA was \$324,100 or (\$168/SF). This price is comparable to our average projected closing price of \$299,600 (\$168/SF) at the Subject Property. The projected closing prices at the Subject Property (shown in black) generally follow pricing trendlines in the CMA. Note that Bear Creek Ranch is a D.R. Horton community on the far southern edge of the CMA and is not directly competitive with the Subject Property.



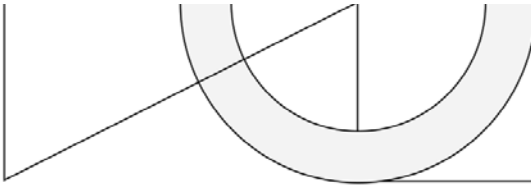
Closings from Oct 28 2024 to Feb 21 2025

Subdivision	Closings	Year Built	Average			
			Lot Size	Unit SF	Closing Price	PPSF
Bear Creek Ranch	30	2022	5,802	1,772	\$306,500	\$173
College Park	25	2024	5,000	1,790	\$334,500	\$187
Creeks of Homestead	3	2024	6,900	2,827	\$500,900	\$177
Other	38	2014	5,761	2,072	\$317,200	\$153
Total/Avg.	96	2019	5,611	1,928	\$324,100	\$168

27 Source: Zonda; NTREIS MLS

Starts, Closings, & Inventory

For-Sale Residential Competitive Market Assessment



Of the surveyed communities, College Park was the absorption leader with 121 closings and 134 annual starts in 2024 (despite opening in July 2024). Based on sales data, we expect Broadmoor Village and Ellington Woods will also record over 100 closings in a single year, once a they have a full year of sales activity. The supply of future lots in these communities is limited. All communities are likely to be sold out in five years or less. The higher estimate of remaining years in the table below is due to closings at Creeks of Homestead, Ellington Woods, and College Park beginning mid-year 2024 or later. Once a full year of closings is recorded, the remaining years estimate will be significantly lower.

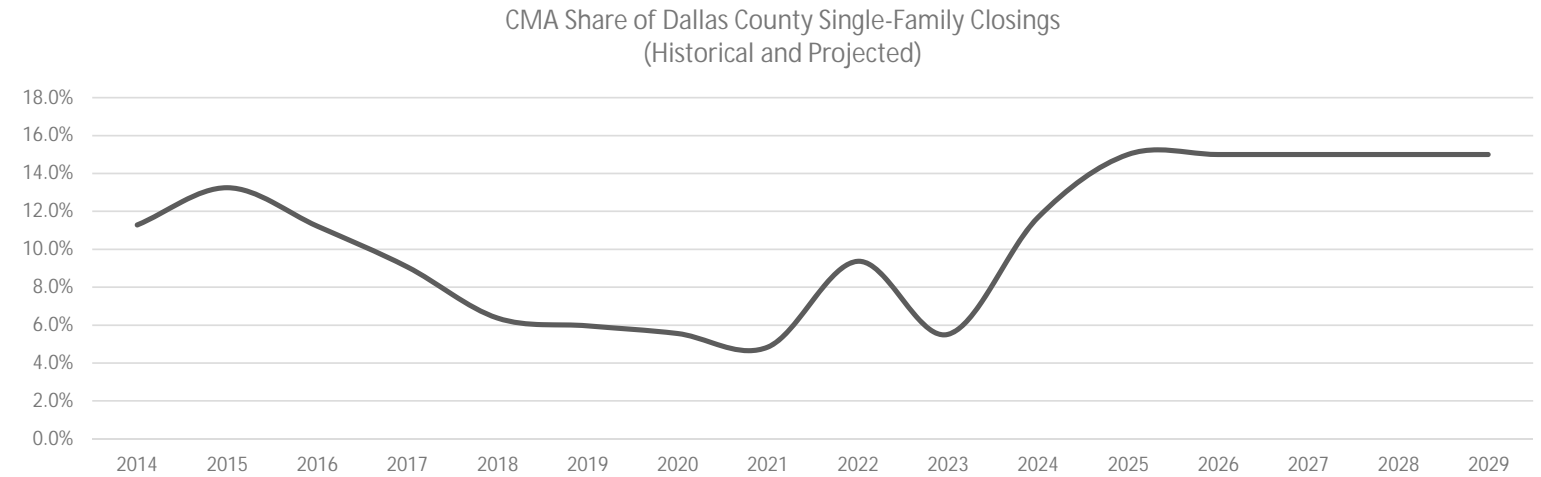
CMA Communities													
Active Projects	Annual Starts			Annual Closings			VDL Inventory		4Q2024 Spec/UC Inventory		Inventory +VDL	Future Lots	Remaining
	4Q 2024	4Q 2023	Peak	4Q 2024	4Q 2023	Peak	4Q 2024	4Q 2023	4Q 2024	4Q 2023	Months Rem.	4Q 2024	Years
Broadmoor Village	28	0	28	0	0	0	98	0	28	0	NA	0	NA
College Park	134	25	134	121	0	121	99	233	38	25	13.6	0	1.1
Creeks of Homestead	25	0	25	3	0	3	47	0	22	0	276.0	0	23.0
Ellington Woods	62	0	62	19	0	19	144	206	43	0	118.1	0	9.8
Pleasant Run Estates	10	1	48	15	32	32	56	66	11	16	53.6	0	4.5
Totals:	259	26	297	158	32	175	444	505	142	41	44.5	0	3.7

CMA and Subject Property Absorption

For-Sale Residential Competitive Market Assessment

The CMA's share of Dallas County new home closings decreased from 2015 to 2021 before increasing to 11.7% in 2024. The shifts in the CMA's market share are mainly a function of supply availability (as the area becomes increasingly built-out) as opposed to weaker demand. From mid 2017 to mid 2019, Zonda counted only four to eight actively-selling projects (as opposed to 14 projects in 2024). With the introduction of the Subject Property in 2026, we expect the CMA's share of the Dallas County new home market to increase to 15%. At its peak, the 288 sales at the Subject Property would then represent 59% of the CMA's new home closings. Considering the relatively limited competition in the CMA, this capture rate is reasonable.

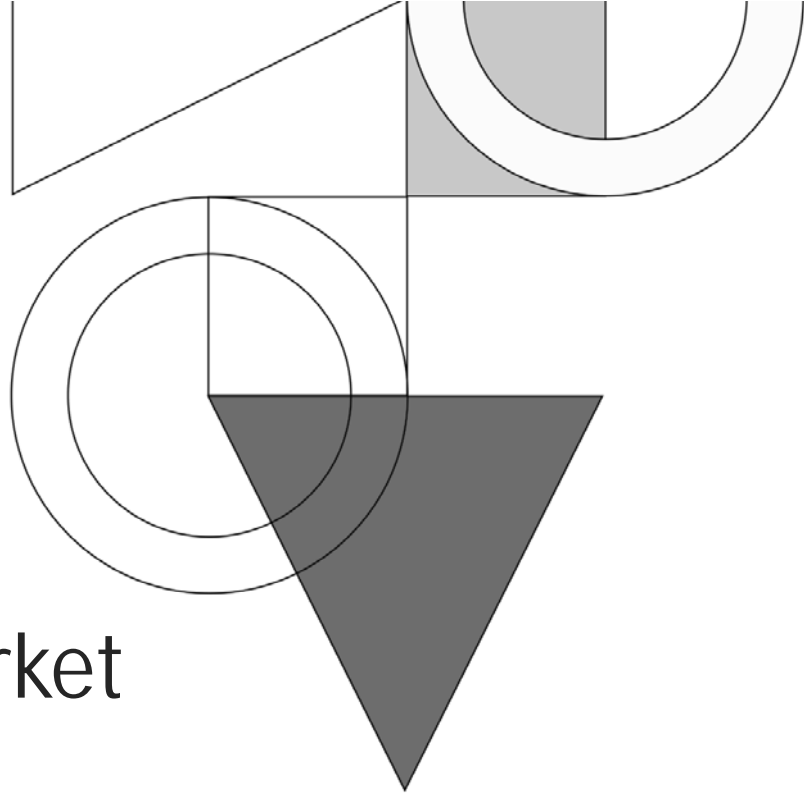
	Single-Family Closings															
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Dallas County (Moody's SF Starts)	3,937	4,924	5,324	5,059	4,636	5,557	5,514	7,565	5,847	5,280	5,503	4,237	4,201	4,121	3,989	3,822
Dallas County (Zonda Closings)	2,623	2,959	3,851	4,401	3,217	3,707	4,337	4,010	3,950	3,757	3,392	3,799	3,291	3,245	3,163	3,046
CMA Closings (Zonda)	296	392	432	399	205	221	241	194	370	207	396	570	494	487	474	457
CMA Share of Dallas County Closings (Zonda)	11.3%	13.2%	11.2%	9.1%	6.4%	6.0%	5.6%	4.8%	9.4%	5.5%	11.7%	15.0%	15.0%	15.0%	15.0%	15.0%
Subject Property Sales (Actual and Projected)											0	0	168	288	96	21
Subject Property Share of CMA Closings (Actual and Projected)									0.0%	0.0%	0.0%	0.0%	34.0%	59.2%	20.2%	4.6%



Build-out of Competitive Supply in the CMA For-Sale Residential Competitive Market Assessment

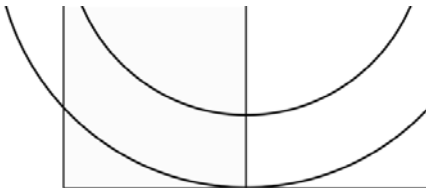
As of 4Q24, Zonda identified 16 actively-selling communities with at least one start in the last 12 months in the CMA. Together, these subdivisions closed a total of 395 homes in 2024. Three are likely to sell out in 2025. These include College Park (which accounted for 31% of CMA closings in 2024), Trees Farm, and Rolling Meadows. The sell-out of these communities will leave ample “excess demand” in the CMA that the Subject Property could capture.

Community	Lot Size Range	Closings (1Q2024-4Q2024)	Share of CMA Closings	Finished Spec/UC Homes	VDL	Paper Lots	Total Future Supply	2025	2026	2027	2028	2029	2030	2031
College Park (Dallas)	50-50	121	30.6%	38	99	0	137	137	Built Out	Built Out	Built Out	Built Out	Built Out	Built Out
Bear Creek Ranch (Lancaster)	50-50	86	21.8%	87	6	779	872	124	106	103	99	100	102	102
Trees Farm	85-85	42	10.6%	28	7	0	35	35	Built Out	Built Out	Built Out	Built Out	Built Out	Built Out
Rolling Meadows	50-50	33	8.4%	0	1	33	34	34	Built Out	Built Out	Built Out	Built Out	Built Out	Built Out
Homestead at Daniel Farms	50-80	32	8.1%	38	94	168	300	46	39	38	37	37	38	38
Ellington Woods	45-45	19	4.8%	43	144	0	187	27	23	23	22	22	23	23
Pleasant Run Estates (Lancaster)	60-60	15	3.8%	11	56	0	67	60	7	Built Out	Built Out	Built Out	Built Out	Built Out
Hidden Lakes Estates (Desoto)	90-90	11	2.8%	23	114	0	137	16	14	13	13	13	13	13
Ten Mile Creek Estates (DeSoto)	100-100	11	2.8%	8	62	0	70	16	14	13	13	13	2	Built Out
Kentsdale Farm	80-80	9	2.3%	12	33	0	45	13	11	11	10	Built Out	Built Out	Built Out
Summit Parks (DeSoto)	65-65	8	2.0%	7	44	0	51	12	10	10	9	9	1	Built Out
Cole Crossing Estates	80-80	4	1.0%	18	11	0	29	6	5	5	5	5	4	Built Out
Eagle Point Estates (Desoto)	110-110	4	1.0%	1	12	0	13	6	5	2	Built Out	Built Out	Built Out	Built Out
New Birth Worship Center Addition	50-50	0	0.0%	3	10	0	13	1	1	1	1	1	1	1
Boardwalk	63-63	0	0.0%	5	78	0	83	1	1	1	1	1	1	1
Pecan Hollow Estates Addition	60-60	0	0.0%	1	5	0	6	12	12	12	12	12	12	11
Total		395	100.0%	323	776	980	2,079	545	248	233	222	212	197	188
Demand Potential								570	487	474	457	458	468	468
Excess Demand								24	239	242	235	245	271	280
Cumulative Excess Demand									263	505	740	986	1,257	1,537

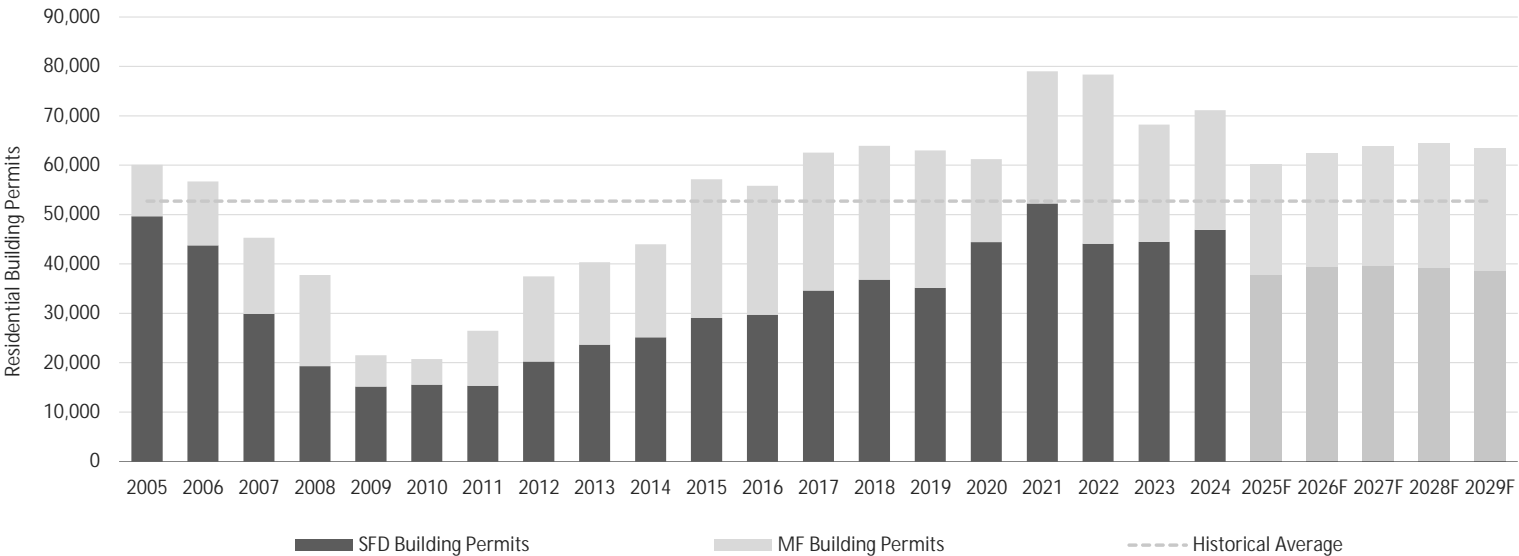


For-Sale Housing Market Analysis

Building Permits
 For-Sale Housing Market Analysis



Moody’s expects building activity in the Dallas-Fort Worth MSA to continue at a high level over the next five years. Total permits issued are projected to range from 60,100 to 63,900 permits per year from 2025 through 2029. That is above the long-term average of 52,000 permits issued per year from 2004 through 2024.



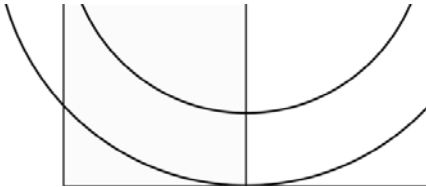
Source: Moody's Analytics; U.S. Bureau of Labor Statistics (BLS)

Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area - Moody's Analytics Five-Year Forecast

Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
Total Building Permits	57,146	55,800	62,524	63,893	62,955	61,222	78,997	78,325	68,197	71,138	60,129	62,554	63,846	64,433	63,435
Annual % Change	29.9%	-2.4%	12.1%	2.2%	-1.5%	-2.8%	29.0%	-0.9%	-12.9%	4.3%	-15.5%	4.0%	2.1%	0.9%	-1.5%
SFD Building Permits	29,038	29,703	34,604	36,832	35,160	44,415	52,224	44,076	44,482	46,897	37,800	39,469	39,646	39,313	38,577
Annual % Change	15.6%	2.3%	16.5%	6.4%	-4.5%	26.3%	17.6%	-15.6%	0.9%	5.4%	-19.4%	4.4%	0.4%	-0.8%	-1.9%
MF Building Permits	28,108	26,097	27,920	27,061	27,795	16,807	26,773	34,249	23,715	24,241	22,328	23,086	24,200	25,120	24,858
Annual % Change	49.0%	-7.2%	7.0%	-3.1%	2.7%	-39.5%	59.3%	27.9%	-30.8%	2.2%	-7.9%	3.4%	4.8%	3.8%	-1.0%

New Housing Summary

For-Sale Housing Market Analysis



As of 4Q24, there were 888 vacant developed lots in the CMA and another 405 lots under development and likely to deliver in the next one to two years. Given the 549 annual starts in the CMA as of 4Q24, the 888 vacant developed lots equates to 19.4 months of supply, slightly below the 20 to 24 months considered indicative of a balanced market. As the number of lots under development is well below the current pace of annual starts, the supply of VDL could decrease further over the next 12 months if lot improvement activity does not increase. This represents a good market environment for introducing new lots.

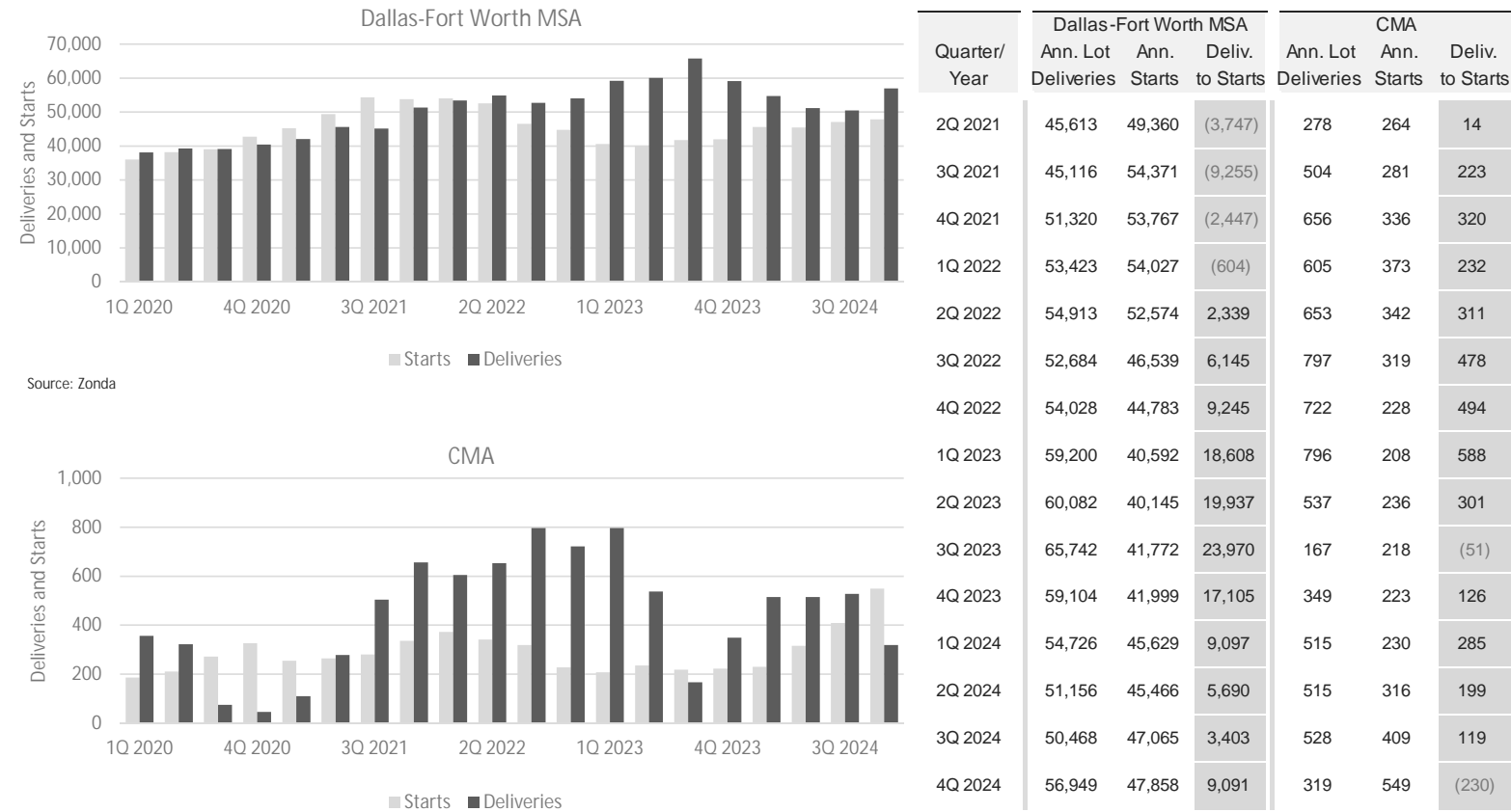
4Q 2024 Activity Attached and Detached	Annual		VDL Deliveries	New Housing Inventory				Vacant Developed Lots	Survey Stakes	Future Lots - Capital Improvement				Total	Future Lots Vacant Land
	Starts	Closings		Finished/ Vacant	Under Construction	Models	Total			Equipment Onsite	Excavation	Street Paving	Streets Installed		
Dallas-Fort Worth MSA	47,858	46,204	56,949	30,121	21,569	1,159	52,849	90,661	51	11,303	30,672	29,015	129	71,170	340,224
CMA	549	396	319	323	255	6	584	888	-	164	54	187	-	405	3,126
As a % of Dallas-Fort Worth MSA	1.1%	0.9%	0.6%	1.1%	1.2%	0.5%	1.1%	1.0%	0.0%	1.5%	0.2%	0.6%	0.0%	0.6%	0.9%
PAST			PRESENT				NEAR/MID-TERM							POTENTIAL FUTURE	

DEFINITIONS

- Annual Starts:** The number of homes started during the last four quarters. A "start" occurs when a slab or foundation is initiated.
- Annual Closings:** The # of homes closed during the last four quarters. A "closing" occurs when a home is moved into and occupied. Zonda tracks move-ins, as they are a better indicator of demand than deed deliveries.
- Models:** Must be fully finished, furnished and decorated.
- Finished Vacant:** Construction is complete, the site is clean, but there is no evidence of occupancy.
- Vacant Developed Lots:** Also referred to as "VDL" and "Finished Lots"; a lot on a recorded plat with streets and utilities in place, ready for construction of a new home.
- Future Lots:** Lots that are platted, but not yet developed.

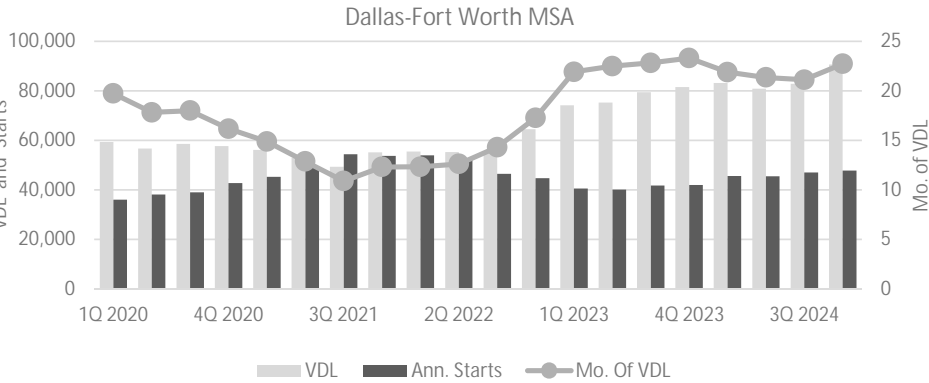
Annual Lot Deliveries
For-Sale Housing Market Analysis

Annual lot deliveries have kept pace with or exceeded the pace of starts in most quarters in the CMA since 2021. However, in 2024, starts exceeded deliveries by 230 units, drawing down the supply of VDL. This stands in contrast to the broader Dallas-Fort Worth MSA, where annual deliveries of new lots exceeded annual starts in every quarter since 2022.

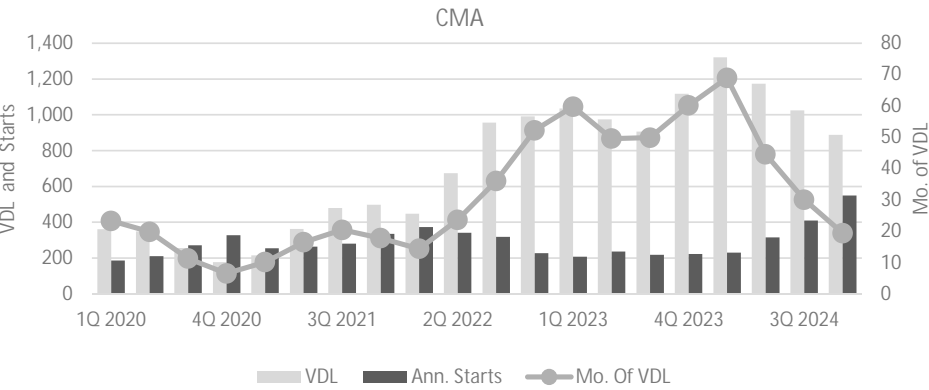


Vacant Developed Lots
 For-Sale Housing Market Analysis

The 15.6 month supply of VDL in the CMA is below the 20 to 24 months considered a balanced market. The months supply of VDL has dropped rapidly over the last two quarters as the pace of starts ramped up (annual starts are up 146% YOY).



Source: Zonda

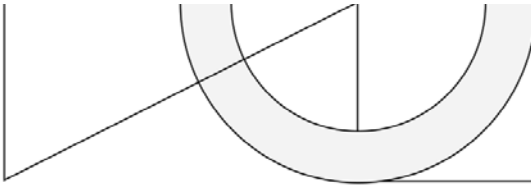


Source: Zonda

Quarter/ Year	Dallas-Fort Worth MSA			CMA		
	VDL	Ann. Starts	Mo. Of VDL	VDL	Ann. Starts	Mo. Of VDL
2Q 2021	52,955	49,360	12.9	363	264	16.5
3Q 2021	49,331	54,371	10.9	479	281	20.5
4Q 2021	55,223	53,767	12.3	498	336	17.8
1Q 2022	55,527	54,027	12.3	448	373	14.4
2Q 2022	55,294	52,574	12.6	674	342	23.6
3Q 2022	55,476	46,539	14.3	957	319	36.0
4Q 2022	64,465	44,783	17.3	992	228	52.2
1Q 2023	74,132	40,592	21.9	1,036	208	59.8
2Q 2023	75,228	40,145	22.5	975	236	49.6
3Q 2023	79,443	41,772	22.8	906	218	49.9
4Q 2023	81,570	41,999	23.3	1,118	223	60.2
1Q 2024	83,229	45,629	21.9	1,321	230	68.9
2Q 2024	80,918	45,466	21.4	1,174	316	44.6
3Q 2024	82,846	47,065	21.1	1,025	409	30.1
4Q 2024	90,661	47,858	22.7	888	549	19.4

New Home Starts & Closings by Base Price Range

For-Sale Housing Market Analysis



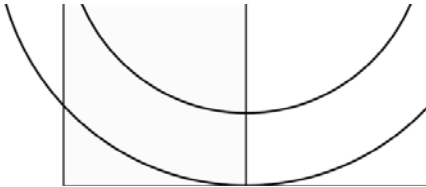
Currently, the CMA is heavily-oriented toward the entry-level segment. Nearly 64% of annual starts in 2024 in the CMA are estimated to be priced under \$350,000. The same price segment accounted for less than 25% of annual starts in the broader MSA. Most of the homes at the Subject Property (townhomes and single-family homes on 40’ wide detached lots) will target this established market segment.

Price Range Distribution of Starts and Vacant Developed Lots (VDLs)

				Pricing Cohort (Base Price)					
Category	<\$300K	\$300K-\$349K	\$350K-\$399K	\$400K-\$499K	\$500K-\$599K	\$600K-\$699K	\$700K-\$799K	>\$800K	Total
TOTAL PRODUCT - DALLAS-FORT WORTH MSA									
VDL - Mo. Of Supply	10.5	11.6	10.8	12.8	14.6	14.1	11.2	13.9	12.5
Starts (Annual)	3,834	6,561	7,104	10,265	6,251	3,805	1,820	2,509	42,149
% Distribution	9.1%	15.6%	16.9%	24.4%	14.8%	9.0%	4.3%	6.0%	100.0%
VDLs	3,355	6,315	6,399	10,969	7,626	4,481	1,705	2,896	43,746
% Distribution	7.7%	14.4%	14.6%	25.1%	17.4%	10.2%	3.9%	6.6%	100.0%
				Pricing Cohort (Base Price)					
Category	<\$300K	\$300K-\$349K	\$350K-\$399K	\$400K-\$499K	\$500K-\$599K	\$600K-\$699K	\$700K-\$799K	>\$800K	Total
TOTAL PRODUCT - CMA									
VDL - Mo. Of Supply	13.3	6.8	6.8	19.4	23.8	32.3	36.0	-	12.6
Starts (Annual)	72	258	39	57	70	23	1	0	520
% Distribution	13.8%	49.6%	7.5%	11.0%	13.5%	4.4%	0.2%	0.0%	100.0%
VDLs	80	147	22	92	139	62	3	0	545
% Distribution	14.7%	27.0%	4.0%	16.9%	25.5%	11.4%	0.6%	0.0%	100.0%

New Home Starts & Closings by Lot Width Range

For-Sale Housing Market Analysis



About 45% of annual starts in the CMA were on 50’ wide lots. The same lot segment accounted for a similar share of starts across the Dallas-Fort Worth MSA. While a smaller segment, homes on 40’ to 49’ wide accounted for 9% of starts in 2024 in the CMA.

Lot Size Range Distribution of Starts and Vacant Developed Lots (VDLs)

Category	Distribution by Lot Frontage								Total
	<40'	40'-49'	50'-59'	60'-69'	70'-79'	80'-89'	90'-99'	>100'	

TOTAL PRODUCT - DALLAS-FORT WORTH MSA

VDL - Mo. Of Supply	24.9	17.3	18.7	19.0	17.3	31.3	41.1	44.8	20.9
Starts (Annual)	4,114	7,690	21,059	7,445	2,803	900	243	2,862	47,116
% Distribution	8.7%	16.3%	44.7%	15.8%	5.9%	1.9%	0.5%	6.1%	100.0%
VDLs	8,551	11,080	32,776	11,807	4,052	2,346	832	10,694	82,138
% Distribution	10.4%	13.5%	39.9%	14.4%	4.9%	2.9%	1.0%	13.0%	100.0%

Category	Distribution by Lot Frontage								Total
	<40'	40'-49'	50'-59'	60'-69'	70'-79'	80'-89'	90'-99'	>100'	

TOTAL PRODUCT - CMA

VDL - Mo. Of Supply	-	27.9	6.5	70.0	0.1	12.0	90.0	80.7	15.6
Starts (Annual)	0	62	311	48	137	101	16	11	686
% Distribution	0.0%	9.0%	45.3%	7.0%	20.0%	14.7%	2.3%	1.6%	100.0%
VDLs	0	144	169	280	1	101	120	74	889
% Distribution	0.0%	16.2%	19.0%	31.5%	0.1%	11.4%	13.5%	8.3%	100.0%

Location of CMA Future Lot Supply
For-Sale Housing Market Analysis

As of 4Q24, a total of 3,533 future lots received either preliminary or final plat approvals in the CMA. Of this total, 405 lots (11.5% of total lots) are showing some physical signs of development activity (stakes, equipment, excavation, paving, streets, etc.). These figures include University Hills. The lots under development will likely be delivered over the next four to six quarters.



Community	Developer	Lots Under		Total
		Development	"Paper" Lots	
Bear Creek Ranch (Lancaster)	Centurion American Development Kimball I	0	779	779
University Hills (Lancaster)	I-20 Lancaster Development	0	312	312
University Hills TH (Lancaster)	I-20 Lancaster Development	0	261	261
Lancaster Mills	Lancaster Mills, LP	0	213	213
Mainland	MI Homes	0	192	192
Lancaster Development TH	Innovan Neighbors	0	183	183
Bend Brook		0	177	177
Homestead at Daniel Farms	Chad Adams Wildwood Development Inc	168	0	168
Beacon Hill (Lancaster)	Harlan Properties Inc	132	0	132
Wellington Park North		0	108	108
MYA City Home Lancaster	Shepherd Place Homes, Inc.	0	90	90
Parkville Villas (Desoto)	Sumeer Homes	0	89	89
Citivue	Citiline Homes	0	87	87
Lancaster Mills Townhomes	Lancaster Mills, LP	0	79	79
Phoenix Place TH		0	62	62
Lancaster Estates		0	61	61
Ambrose Hills Townhomes	Daydream Design Homes	0	60	60
Parkville Meadows	Keith Davis Wildwood Development Inc	55	0	55
Estates at West End Townhomes		0	51	51
Dodson Estates	JASZ Studio	50	0	50
Daniel's Creek		0	49	49
Herack Estates	Herack Estates Inc	0	48	48
Highland Hill		0	36	36
Monument Addition	Monument Properties, LLC	0	33	33
Rolling Meadows	Bloomfield Homes	0	33	33
Others		0	125	125
Total		405	3,128	3,533

Most Active Subdivisions
For-Sale Housing Market Analysis

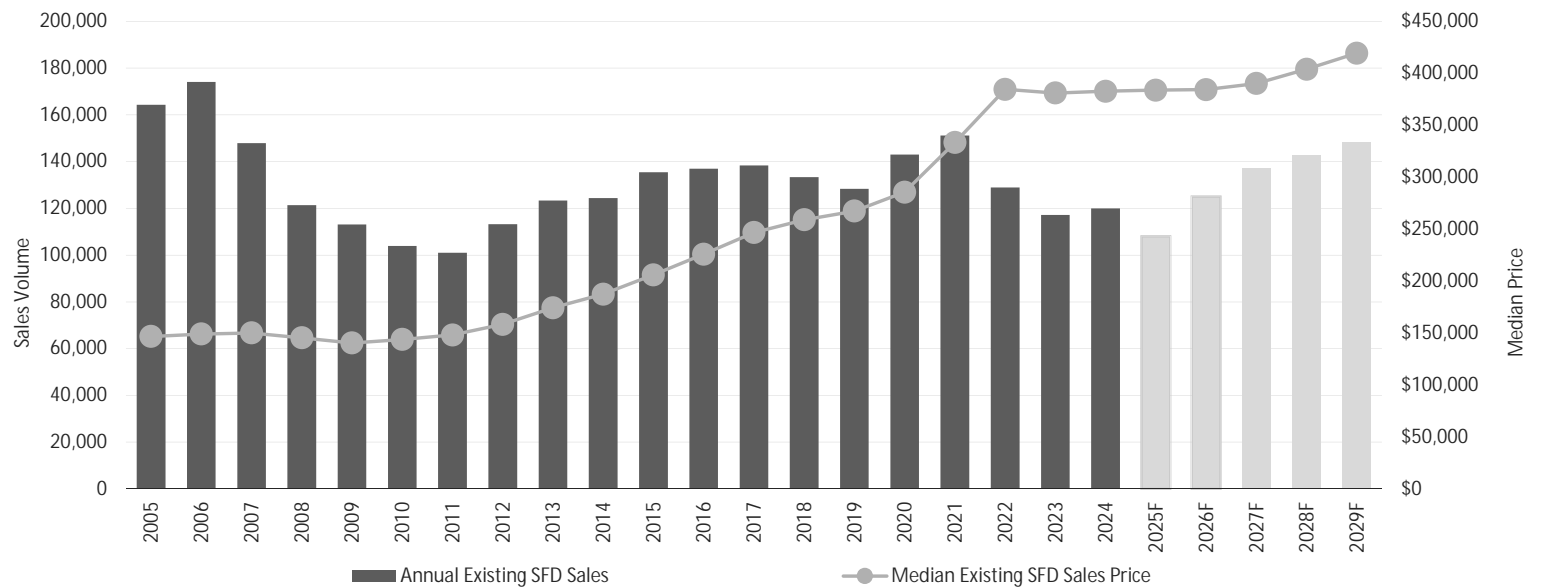
The 25 most active new communities in the Dallas-Fort Worth MSA started between 287 and 658 homes in 2024. Most communities offer product across multiple builders, lot sizes, and price points. The Subject Property's projected peak remaining absorption pace of 288 units falls just at the bottom of this list.

RANK	NAME	STYLE	ACTIVE BUILDERS	PRICE RANGE	ANN. STARTS	ANN. CLOSINGS	MARKET AREA
Totals					10,359	8,994	
1	Painted Tree*	Mixed	11	\$399-\$990	658	675	DAL/Northeast
2	Wildcat Ranch*	Single Family	4	\$230-\$379	633	397	DAL/Outer East
3	Spiritas Ranch*	Single Family	8	\$330-\$744	590	280	DAL/Outer Northwest
4	Silverado*	Single Family	1	\$311-\$481	578	642	DAL/Northeast
5	Tillage Farms*	Single Family	1	\$175-\$350	536	445	DAL/Northeast
6	Elevon*	Mixed	7	\$265-\$548	473	442	DAL/Outer East
7	Harvest*	Mixed	9	\$341-\$1,489	453	394	DAL/Outer Northwest
8	Madero*	Single Family	3	\$285-\$640	436	348	DAL/Outer Northwest
9	Solterra*	Mixed	14	\$292-\$663	432	237	DAL/East
10	Bridgewater (Collin Co)*	Single Family	1	\$215-\$464	431	524	DAL/Northeast
11	Eastridge*	Single Family	2	\$304-\$483	414	385	DAL/Northeast
12	Devonshire*	Mixed	10	\$275-\$698	398	393	DAL/Outer East
13	Cartwright Ranch*	Single Family	2	\$247-\$332	398	289	DAL/Outer East
14	Pecan Square*	Mixed	8	\$317-\$1,026	384	343	DAL/Outer Northwest
15	Eastland	Single Family	1	\$212-\$400	379	362	DAL/Outer East
16	Walsh Ranch*	Mixed	17	\$410-\$1,500	354	315	FTW/Parker County
17	Villages of Hurricane Creek*	Mixed	5	\$272-\$700	354	276	DAL/Northeast
18	Sutton Fields*	Single Family	5	\$241-\$770	332	382	DAL/Northeast
19	Lakehaven (Farmersville)	Single Family	2	\$245-\$479	328	327	DAL/Outer East
20	Lexington Frisco*	Mixed	2	\$438-\$1,769	311	234	DAL/Northeast
21	Windsong Ranch*	Mixed	9	\$477-\$2,300	306	383	DAL/Northeast
22	Winchester Crossing*	Single Family	1	\$334-\$420	299	178	DAL/Northeast
23	Walden Pond*	Single Family	7	\$223-\$500	298	306	DAL/Outer East
24	Trinity Falls*	Mixed	7	\$354-\$1,091	297	297	DAL/Northeast
25	Mosiac*	Mixed	6	\$350-\$1,403	287	140	DAL/Northeast

Existing Home Prices

For-Sale Housing Market Analysis

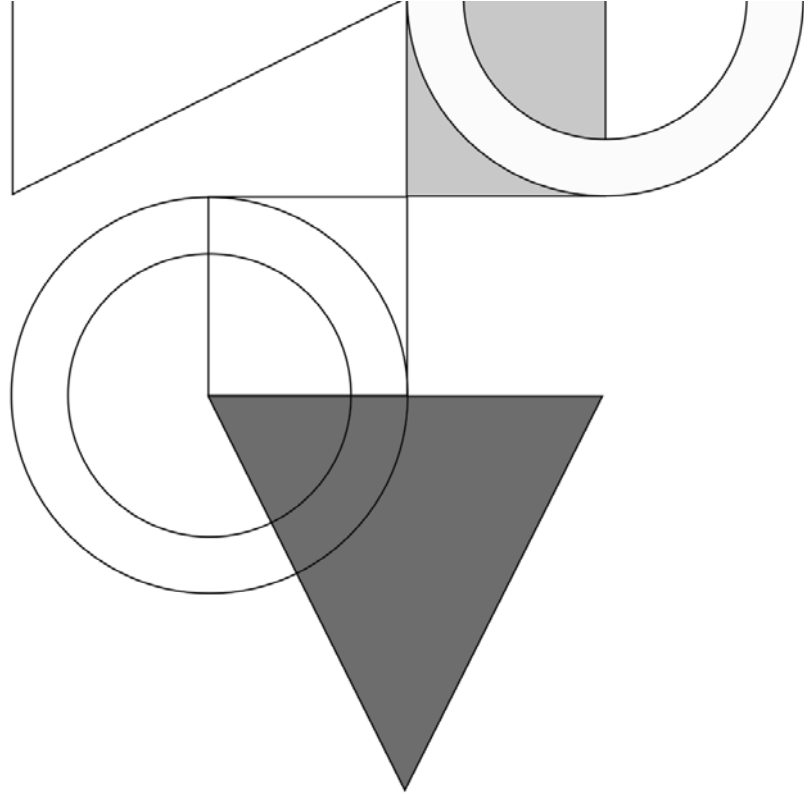
Moody's projects that the median existing home price in the Dallas-Fort Worth MSA will be roughly flat in 2025 and 2026 before returning to growth in 2027 and 2028 (1.5% and 3.5%). The volume of existing home sales in 2025 is projected to decline 10% before returning to growth in 2026.

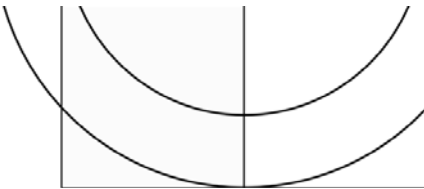


Source: National Association of Realtors (NAR); Zonda Price Forecast; Moody's Analytics Sales Forecast

Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area - Moody's Analytics Five-Year Forecast															
Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
Annual Existing SFD Sales	135,476	136,935	138,364	133,380	128,365	143,049	151,126	128,939	117,187	120,030	108,020	125,052	136,918	142,817	148,194
Annual % Change	8.9%	1.1%	1.0%	-3.6%	-3.8%	11.4%	5.6%	-14.7%	-9.1%	2.4%	-10.0%	15.8%	9.5%	4.3%	3.8%
Median Existing SFD Sales Price	\$205,941	\$225,834	\$246,688	\$259,014	\$267,349	\$285,567	\$333,442	\$384,528	\$381,074	\$382,728	\$383,726	\$384,319	\$390,187	\$403,891	\$419,447
Annual % Change	9.9%	9.7%	9.2%	5.0%	3.2%	6.8%	16.8%	15.3%	-0.9%	0.4%	0.3%	0.2%	1.5%	3.5%	3.9%

Apartment Product, Pricing & Absorption





Overall Market Position Recommendations

Apartment Product, Pricing & Absorption

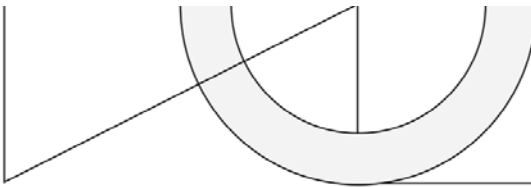
Based on our analysis of apartment communities in and around the CMA, Zonda concludes that a typical garden-style apartment community at the Subject Property could likely achieve an average rent of \$1,821 per month (\$1.93/SF) while mid-rise / wrap product would likely achieve an average rent of \$1,835 per month (\$2.08/SF) due to better amenities and potentially finishes. The development programs shown below are intended to be representative of typical apartment communities of each type if they were built at the Subject Property with the aim of estimating an overall average rent per unit. They do not represent any specific apartment project. The 1,917 planned apartment units at the Subject Property will consist of several distinct projects of different unit counts and unit mixes that will vary from what is shown below. With that said, the programs below provide a reasonable guide to achievable average rents.

Property Name Location																							
Product Details		Client/Developer Lease Summary		Type	Mix	Size SF	Bed	Bath	Pkg Typ	Lease Up Rate	Base Monthly Rent	\$/SF	Est. Avg. Prem.	Avg. Monthly Rent	\$/SF	Concessions	Net. Eff. Base Rent		\$/SF	Net. Eff. Avg Rent		\$/SF	
■ University Hills Garden Apartments Dallas, TX	Garden MF	Total Units: 250 Est Market Entry Jul - 2027	TBD	Apt.	54	625	1	1.0	O	20.0	\$1,397	\$2.24	\$10	\$1,407	\$2.25	\$0	\$1,397	\$2.24	\$1,407	\$2.25			
				Apt.	56	725	1	1.0	O		\$1,529	\$2.11	\$10	\$1,539	\$2.12	\$0	\$1,529	\$2.11	\$1,539	\$2.12			
				Apt.	60	1,050	2	2.0	O		\$1,966	\$1.87	\$10	\$1,976	\$1.88	\$0	\$1,966	\$1.87	\$1,976	\$1.88			
				Apt.	56	1,200	2	2.0	O		\$2,157	\$1.80	\$10	\$2,167	\$1.81	\$0	\$2,157	\$1.80	\$2,167	\$1.81			
				Apt.	24	1,325	3	2.0	O		\$2,311	\$1.74	\$10	\$2,321	\$1.75	\$0	\$2,311	\$1.74	\$2,321	\$1.75			
Summary Statistics:						945				20.0	\$1,821	\$1.93	\$10	\$1,831	\$1.94	\$0	\$1,821	\$1.93	\$1,831	\$1.94			
■ University Hills Mid-Rise Apartments Dallas, TX	Mid-Rise	Total Units: 250 Est Market Entry Jul - 2027	TBD	Apt.	60	600	1	1.0	O	20.0	\$1,460	\$2.43	\$10	\$1,470	\$2.45	\$0	\$1,460	\$2.43	\$1,470	\$2.45			
				Apt.	60	700	1	1.0	O		\$1,576	\$2.25	\$10	\$1,586	\$2.27	\$0	\$1,576	\$2.25	\$1,586	\$2.27			
				Apt.	60	1,000	2	2.0	O		\$2,008	\$2.01	\$10	\$2,018	\$2.02	\$0	\$2,008	\$2.01	\$2,018	\$2.02			
				Apt.	54	1,150	2	2.0	O		\$2,187	\$1.90	\$10	\$2,197	\$1.91	\$0	\$2,187	\$1.90	\$2,197	\$1.91			
				Apt.	16	1,300	3	2.0	O		\$2,377	\$1.83	\$10	\$2,387	\$1.84	\$0	\$2,377	\$1.83	\$2,387	\$1.84			
Summary Statistics:						884				20.0	\$1,835	\$2.08	\$10	\$1,845	\$2.09	\$0	\$1,835	\$2.08	\$1,845	\$2.09			

42 Source: Zonda; Individual Communities; Parking Type O = Open Surface Lot/Deck

Rent Appreciation

Apartment Product, Pricing & Absorption



Based largely on RealPage’s forecast of the average apartment rent in the Dallas-Plano-Irving Metropolitan Division, we expect average annual rents at the Subject Property to increase 1.5% in 2025 (from current levels) and 3.0% per year thereafter. While YOY rent growth in the CMA (-1.2% of 4Q24) was slightly negative in 2024, average occupancy ticked up significantly in 4Q24 and the volume of units under construction across the Dallas-Plano-Irving Metropolitan Division has steadily fallen. Assuming steady economic growth, demand for apartments should continue to grow. This demand will likely be met with less new supply in 2027 and beyond due to challenges in financing that have limited the development pipeline. Note that while this forecast assumes steady 3% rent growth in 2026 and beyond, higher rates of appreciation are certainly possible at the Subject Property as retail/restaurant space is delivered. The convenience of walkable retail and other amenities typically supports rent premiums over similar product without such benefits.

Net Effective - Average Rent Appreciation Schedule																			
Community	Type	Net Effective Average	2025 0.0%	2026 1.5%	2027 3.00%	2028 3.00%	2029 3.00%	2030 3.00%	2031 3.00%	2032 3.00%	2033 3.00%	2034 3.00%	2035 3.00%	2036 3.00%	2037 3.00%	2038 3.00%	2039 3.00%	2040 3.00%	2041 3.00%
University Hills Garden Apartments	Garden MF	\$1,831	\$1,831	\$1,858	\$1,914	\$1,971	\$2,031	\$2,092	\$2,154	\$2,219	\$2,285	\$2,354	\$2,425	\$2,497	\$2,572	\$2,649	\$2,729	\$2,811	\$2,895
University Hills Mid-Rise Apartments	Mid-Rise	\$1,845	\$1,845	\$1,872	\$1,928	\$1,986	\$2,046	\$2,107	\$2,170	\$2,235	\$2,303	\$2,372	\$2,443	\$2,516	\$2,592	\$2,669	\$2,749	\$2,832	\$2,917
Community Summary		\$1,838	\$1,838	\$1,865	\$1,921	\$1,979	\$2,038	\$2,099	\$2,162	\$2,227	\$2,294	\$2,363	\$2,434	\$2,507	\$2,582	\$2,659	\$2,739	\$2,821	\$2,906

Net Effective - Average Rent Per Square Foot Appreciation Schedule																			
Community	Type	Net Effective Average	2025 0.0%	2026 1.5%	2027 3.0%	2028 3.0%	2029 3.0%	2030 3.0%	2031 3.0%	2032 3.0%	2033 3.0%	2034 3.0%	2035 3.0%	2036 3.0%	2037 3.0%	2038 3.0%	2039 3.0%	2040 3.0%	2041 3.0%
University Hills Garden Apartments	Garden MF	\$1.94	\$1.94	\$1.97	\$2.02	\$2.09	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.56	\$2.64	\$2.72	\$2.80	\$2.89	\$2.97	\$3.06
University Hills Mid-Rise Apartments	Mid-Rise	\$2.09	\$2.09	\$2.12	\$2.18	\$2.25	\$2.32	\$2.38	\$2.46	\$2.53	\$2.61	\$2.68	\$2.76	\$2.85	\$2.93	\$3.02	\$3.11	\$3.20	\$3.30
Community Summary		\$2.01	\$2.01	\$2.04	\$2.10	\$2.17	\$2.23	\$2.30	\$2.37	\$2.44	\$2.51	\$2.59	\$2.66	\$2.74	\$2.83	\$2.91	\$3.00	\$3.09	\$3.18

⁴³ Source: RealPage; Zonda

Additional Revenue Streams

Apartment Product, Pricing & Absorption

Additional revenue streams above and beyond base rents can be achieved at the Subject Property. Additional revenues at the Subject Property can be generated via:

- ☐ Unit Premiums: \$20 to \$200 per month for individual unit premiums (amenity views/proximity, units with larger yards).
- ☐ Short-Term Leases: 0% to 20% rent premiums for under 12-month leases (premiums vary widely based on daily pricing).
- ☐ Pet Deposits/Rent: Upfront deposits of \$250 to \$400 (non-refundable portion) and \$15 to \$25 per month per pet.
- ☐ Application Fees: Upfront fee of \$55 to \$99 per lease applicant.
- ☐ Administrative Fees: Upfront fee of \$100 to \$200 per lease.
- ☐ Detached Garages: \$120 to \$200 per month.

Rental Communities			App Fee	Admin Fee	Garage	Pet Fee	Pet Monthly	Trash	Other
1	Bellwether Ridge	SunRidge Management Group	\$75	\$125	\$175	\$300	\$25	-	-
2	Beacon on Westmoreland	Velo Residential	\$75	\$150	\$150	\$300	\$20	\$35	-
3	DeSoto Town Center	Willow Bridge	\$90	\$100	\$120	\$250	\$15	\$25	-
4	Hampton Road Duplexes	Private	\$99	\$150	-	\$250	\$25	-	-
5	Boardwalk Heights	Portico Property Management	\$55	\$200	-	\$400	\$25	-	-
6	The Ovilla	Willo Bridge	\$99	\$100	\$150	\$350	\$20	-	-
7	Emerson at Red Oak	Greystar	\$75	\$150	\$200	\$350	\$25	\$25	-
8	Jefferson Cedar Ridge	ZRS Mgmt.	\$75	\$150	\$150	\$400	\$25	\$35	\$80

Community Amenities
Apartment Product, Pricing & Absorption

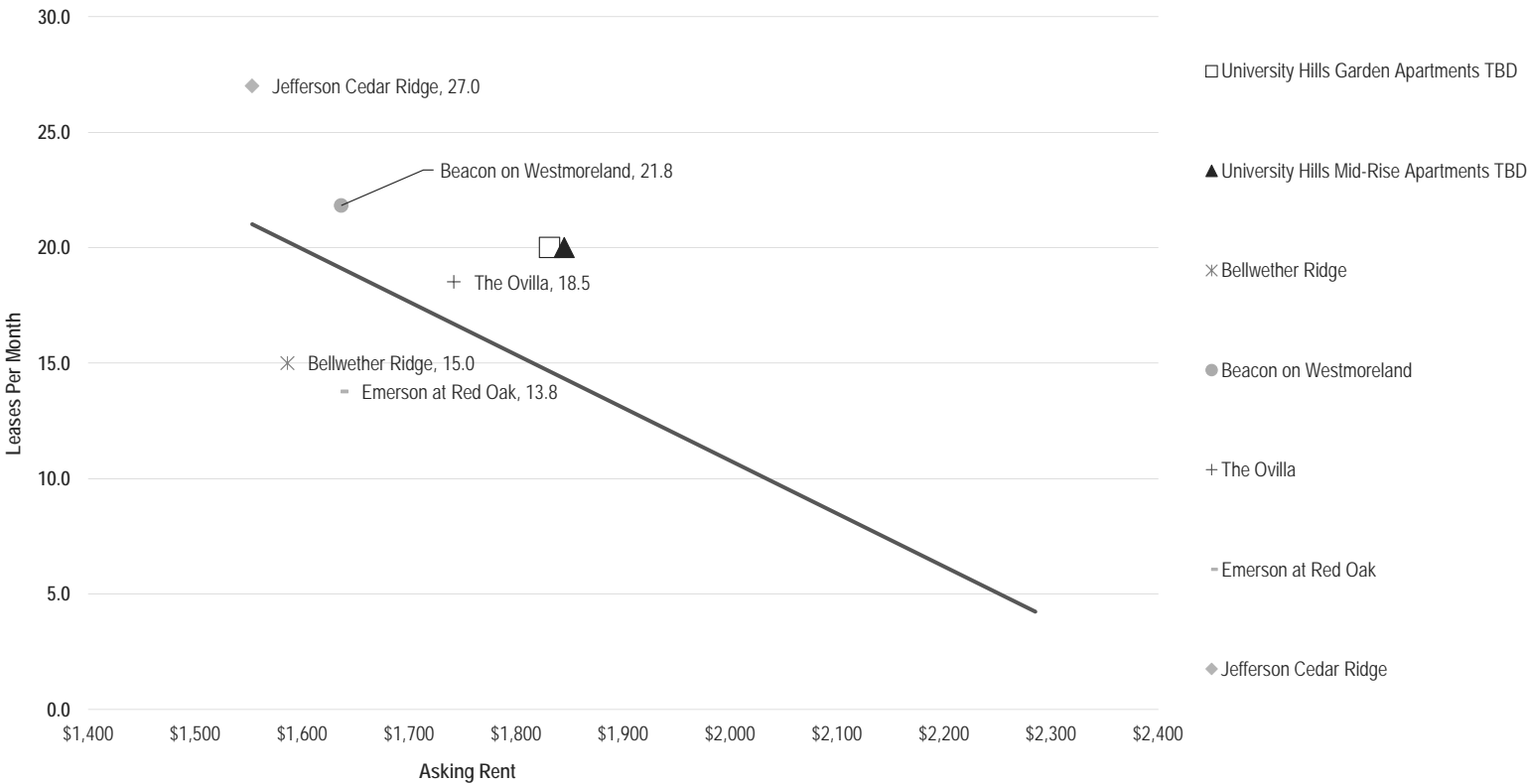
Our hypothetical apartment program at the Subject Property assumes the inclusion of community amenities that are similar to other Class A rental communities in the area. The mid-rise apartments are assumed to have elevators and secured corridors. Note that the assumed amenity package is substantially superior to the nearby communities.

Community Amenities	Subject (Garden Apts)	Subject (Mid-Rise Apts)	Rental Communities						
			Bellwether Ridge	Beacon on Westmoreland	DeSoto Town Center	Hampton Road Duplexes	Boardwalk Heights	The Ovilla	Emerson at Red Oak
Bicycle Storage									
Clubhouse	X	X	X	X	X			X	X
Demonstration/Outdoor Kitchen		X							
Dog Park	X	X	X	X				X	X
Dog Wash	X	X	X					X	X
Elevators		X							
Fitness Center	X	X	X	X	X			X	X
Media Room									
Package Lockers	X	X							
Playground			X	X					
Pool	X	X	X	X	X			X	X
Rooftop Deck		X							
Secured Corridors		X							
Walking Trail									
Unit Features									
Ceiling Height	9'	9'	9'	9'	9'	9'	9'	9'	9'
Appliances	Stainless	Stainless	Black	Stainless	Black	Stainless	Stainless	Stainless	Stainless
Counters	Quartz	Quartz	Granite	Quartz	Laminate	Granite	Granite	Granite	Granite
Living Area Flooring	Plank	Plank	Plank	Plank	Plank	Plank	Plank	Plank	Plank
Nest Thermostats			-	-	-	-	-	-	-
Washers/Dryers	Included	Included	Included	Connections	Connections	Included	Included	Included	Included
Tile Backsplash	X	X	X	X	X	-	X	X	X
Fenced Backyard							X		

Lease-up Pace

Apartment Product, Pricing & Absorption

Lease-up paces at the surveyed rental communities ranged from 13.8 to 27.0 units per month. We expect apartments at the Subject Property could lease-up at a pace of 20.0 units per month.



⁴⁶ Source: ALN; Zonda; RealPage

Marketing, Delivery, & Absorption Assumptions

Apartment Product, Pricing & Absorption

The Subject Property will contain an estimated 1,917 apartment units at build out. Our projected absorption schedule for these units (assuming 95% occupancy) is below. Deliveries are projected to be staggered such that each delivered project is fully leased before lease-up at the next project begins (assuming an average pace of 20 leases per month). Further, the total projected absorption timeframe is balanced against projected renter household growth in the CMA over the same period. Finally, these absorption projections are checked for reasonability when compared to historical apartment development at other locations in Dallas in the last 20 years.

Hypothetical Community Lease Up Schedule																			
Community	Type	Est Monthly Lease Up	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
University Hills Garden Apartments	Garden MF	20			240	111						240	23	140	114	116	0	0	0
University Hills Mid-Rise Apartments	Mid-Rise	20			0	0	0	240	18	240	18						106	109	106
Community Summary		40	0	0	240	111	0	240	18	240	18	240	23	140	114	116	106	109	106

Marketing, Delivery, & Absorption Assumptions

Apartment Product, Pricing & Absorption

Our projected delivery of 1,917 apartment units over 15 years amounts to an average of approximately 128 units per year. While substantial, other neighborhoods have achieved similar or even higher absorption. For example, 6,477 units were built in Las Colinas (major mixed-use community east of the DFW Airport) from 2006 through 2024 (average of 341 units per year). The Bishop Arts District neighborhood (seven miles north of the Subject Property) has seen 1,584 units delivered in the seven years from 2018 through 2024 (average of 226 units per year). These numbers provide confidence that the planned number of apartments units at the Subject Property could be reasonable built / stabilized over a 15 year period.

Cedar Hill	Units	Yr. Built	Mansfield	Units	Yr. Built	Bishop	Units	Yr. Built	Las Colinas	Units	Yr Built
Gates of Cedar Hill	252	1999	Mansions of Mansfield	208	2008	Victor Prosper	216	2018	Monterra Las Colinas	282	2008
Legacy of Cedar Hill	600	2001	Evolv	334	2012	Bishop Flats	118	2018	Jefferson Lumen	433	2021
Midtown Cedar Hill	354	2015	Regalia Mansfield	154	2015	Vance at Bishop Unior	302	2019	The BLVD	256	2013
The Jane at Preston Trail	300	2020	Parc at Mansfield	93	2016	Madison at Bishop Art:	113	2020	Fountain Pointe	386	2015
Covey Homes Waterford	158	2023	Mansfield on the Green	156	2018	Bishop North	246	2021	Promenade on Las Colina	387	2020
Total	1,664		The Sydney	354	2022	TreeHaus	31	2021	Cortland Las Colinas	371	2017
Avg. Units/Yr.	67		Haven at Mansfield	257	2023	Bishop Highline	155	2021	Cayman Las Colinas	307	2017
			Total	1,556		212 Melba	55	2022	Delante	258	2007
			Avg. Units/Yr.	97		Victor Prosper II	210	2024	Gables Water Street	316	2018
						Bishop Canopy	138	2024	Crest at Las Colinas	359	2017
						Total	1,584		The Carolyn	319	2020
						Avg. Units/Yr.	226		880 LYN	293	2022
									Lakeside Urban Center	317	2013
									Lakeshore Lofts	341	2009
									801 Lasco	422	2018
									AMLI Campion Trail	482	2015
									Olympus Las Colinas	367	2006
									The Mustang	275	2024
									MAA Las Colinas	306	2006
									Total	6,477	
									Avg. Units/Yr.	341	

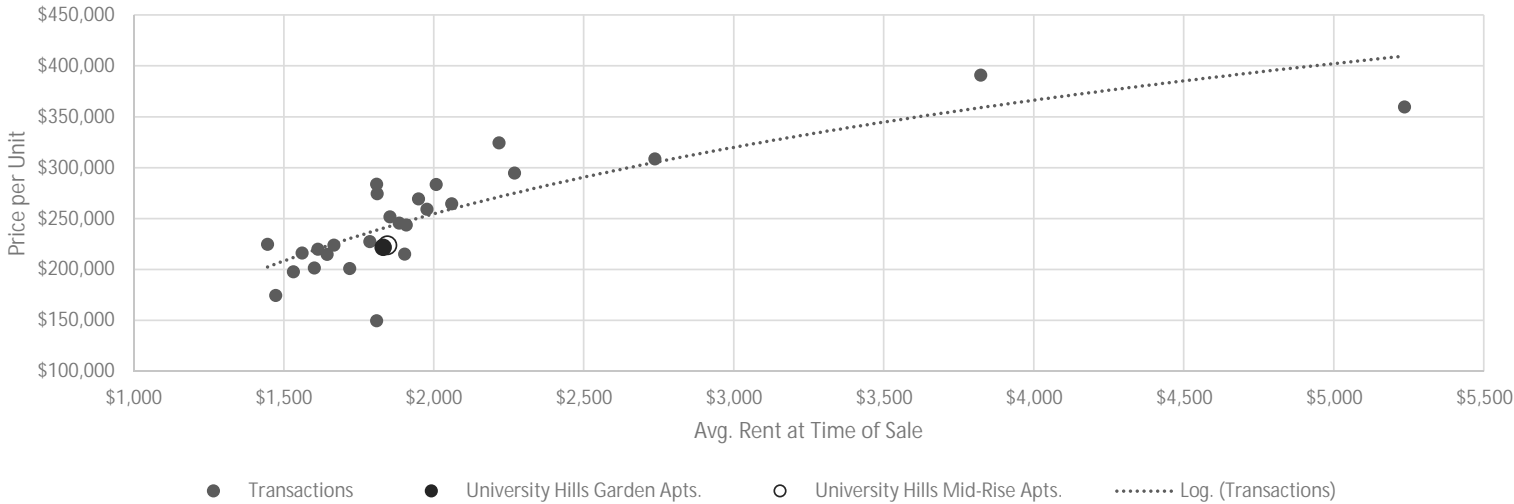
Estimated Assessed Value of Rental Units

Apartment Product, Pricing & Absorption

Based on an income capitalization approach, Zonda expects garden-style apartments at the Subject Property to be valued at approximately \$212,000 to \$233,000 per unit and the mid-rise units to be valued at \$213,000 to \$235,000 per unit. These estimates are based on average expense ratios for newly constructed apartments in the Dallas-Plano-Irving Metropolitan Division, as reported by RealPage, as well as a projected cap rate ranging from 5.0% to 5.5%.

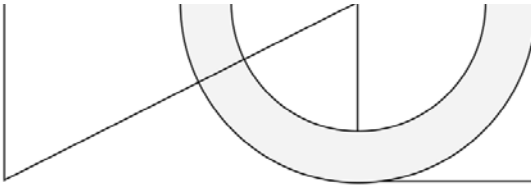
Product	Unit Type	Avg. Size (SF)	Monthly Rent	Annual per Unit						Value Estimates per Unit		
				Rent	Other Revenue(5.0%)	Vacancy Loss(5.0%)	Gross Income	Operating Expenses(47.0%)	NOI	Min Cap Rate 5.00%	Max Cap Rate 5.50%	Average 5.25%
University Hills Garden Apartments	Apt.	945	\$1,831	\$21,976	\$1,099	-\$1,099	\$21,976	-\$10,329	\$11,647	\$233,000	\$212,000	\$222,000
University Hills Mid-Rise Apartments	Apt.	884	\$1,845	\$22,139	\$1,107	-\$1,107	\$22,139	-\$10,406	\$11,734	\$235,000	\$213,000	\$224,000
Total/Avg.		915	\$1,838	\$22,058	\$1,103	-\$1,103	\$22,058	-\$10,367	\$11,691	\$234,000	\$213,000	\$223,000

Given our concluded rents at the Subject Property, the projected values per unit are reasonable when compared to transactions reported by RealPage (shown on the chart below).



⁴⁹ Source: RealPage; Zonda

Apartment Transactions in the Dallas-Irving Metro Division
Apartment Product, Pricing & Absorption

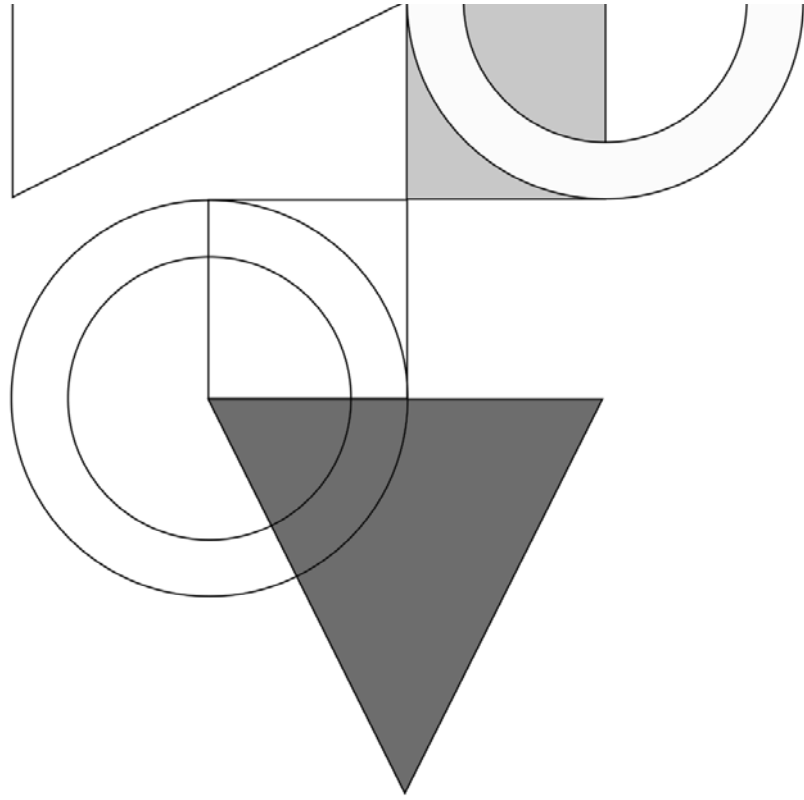


Recent transaction prices for apartment properties built in 2016 or later in the Dallas-Irving Metropolitan Division ranged from \$150,000 per unit to \$391,000 per unit. Reported cap rates ranged from 4.2% to 6.6%. In its cap rate survey for the first half of 2024, CBRE estimated cap rates of 4.7% to 5.5% for Class A multifamily properties in the Dallas-Fort Worth MSA. The projected values per unit of \$212,000 to \$235,000 per unit at the Subject Property fall near the middle of the range.

Property Name	Submarket	Sales Date	Sales Price	Deal Qualifier	Price/Unit	Cap Rate	Stories	Year Built	Avg. Rent at Time of Sale
The Aster	Oak Lawn/Park Cities	2024-09-13	\$105,600,000	Confirmed	\$391,111		22	2021	\$3,823
Novel Turtle Creek	Oak Lawn/Park Cities	2023-12-18	\$74,100,000	Approximate	\$359,709	4.70%	20	2022	\$5,236
The Montgomery at Watters Creek	Allen/McKinney	2023-09-20	\$120,100,000	Appraised	\$324,595	4.87%	5	2022	\$2,218
The Townhomes at Bluebonnet Trails	Ellis County	2024-12-24	\$35,200,000	Approximate	\$308,772		2	2021	\$2,737
Victory Place	Intown Dallas	2024-09-17	\$103,840,000	Confirmed	\$295,000	4.21%	25	2017	\$2,269
Avalon West Plano	Carrollton/Farmers Branch	2023-10-13	\$142,000,000	Confirmed	\$284,000	5.30%	4	2018	\$1,810
Arise Craig Ranch	Allen/McKinney	2023-07-25	\$76,600,000	Appraised	\$283,704	4.81%	4	2018	\$2,008
Alexan Cathedral Arts	East Dallas	2024-10-01	\$106,000,000	Confirmed	\$274,611		4	2024	\$1,811
Muse at Midtown	North Dallas	2024-03-28	\$77,900,000	Appraised	\$269,550	4.89%	6	2020	\$1,949
Essence on Maple	Oak Lawn/Park Cities	2024-09-10	\$90,000,000	Appraised	\$264,706	4.30%	6	2019	\$2,060
The Jade at Frisco	Frisco	2024-07-10	\$110,000,000	Appraised	\$259,434	4.33%	3	2023	\$1,977
The Hendry	Garland	2023-07-20	\$100,500,000	Approximate	\$251,880	5.00%	3	2018	\$1,854
Atlas Bluewood	Frisco	2023-07-11	\$66,826,354	Appraised	\$245,685	6.64%	3	2022	\$1,885
The James at Canyon Creek	Richardson	2024-02-29	\$101,150,000	Approximate	\$243,735	5.30%	3	2020	\$1,908
Prosper Crossing	Frisco	2023-09-15	\$73,700,000	Appraised	\$227,469	5.45%	3	2022	\$1,787
Woodlands of Denton I	Denton	2024-08-15	\$33,300,000	Appraised	\$225,000	5.17%	3	2018	\$1,446
Axis Kessler Park	North Oak Cliff/West Dallas	2024-08-07	\$67,000,000	Approximate	\$224,080	5.21%	3	2018	\$1,667
The Venue at Craig Ranch	Allen/McKinney	2025-01-09	\$61,000,000	Approximate	\$220,217		4	2017	\$1,614
Eastpark	Denton	2024-09-23	\$72,000,000	Appraised	\$216,216	5.05%	4	2022	\$1,561
Domain at Midtown Park	Northeast Dallas	2024-03-13	\$85,000,000	Approximate	\$215,190	5.27%	3	2017	\$1,903
The Hightone	Denton	2023-08-31	\$81,250,000	Confirmed	\$214,947	6.09%	3	2023	\$1,645
The District in Little Elm	Frisco	2024-06-18	\$65,300,000	Approximate	\$201,543		4	2023	\$1,602
Woodlands at the Preserve	Garland	2023-11-16	\$73,200,000	Confirmed	\$201,099	4.45%	4	2020	\$1,720
Discovery Park	Denton	2024-05-13	\$56,000,000	Confirmed	\$197,880	4.56%	4	2020	\$1,532
Infinity on Yorktown	North Oak Cliff/West Dallas	2024-12-18	\$39,500,000	Approximate	\$174,779		3	2016	\$1,473
The Royalton at Discovery	Rockwall/Rowlett/Wylie	2024-10-25	\$44,200,000	Appraised	\$149,831		3	2023	\$1,810
Average					\$250,952				

50 Source: RealPage; Zonda; Brazos County CAD

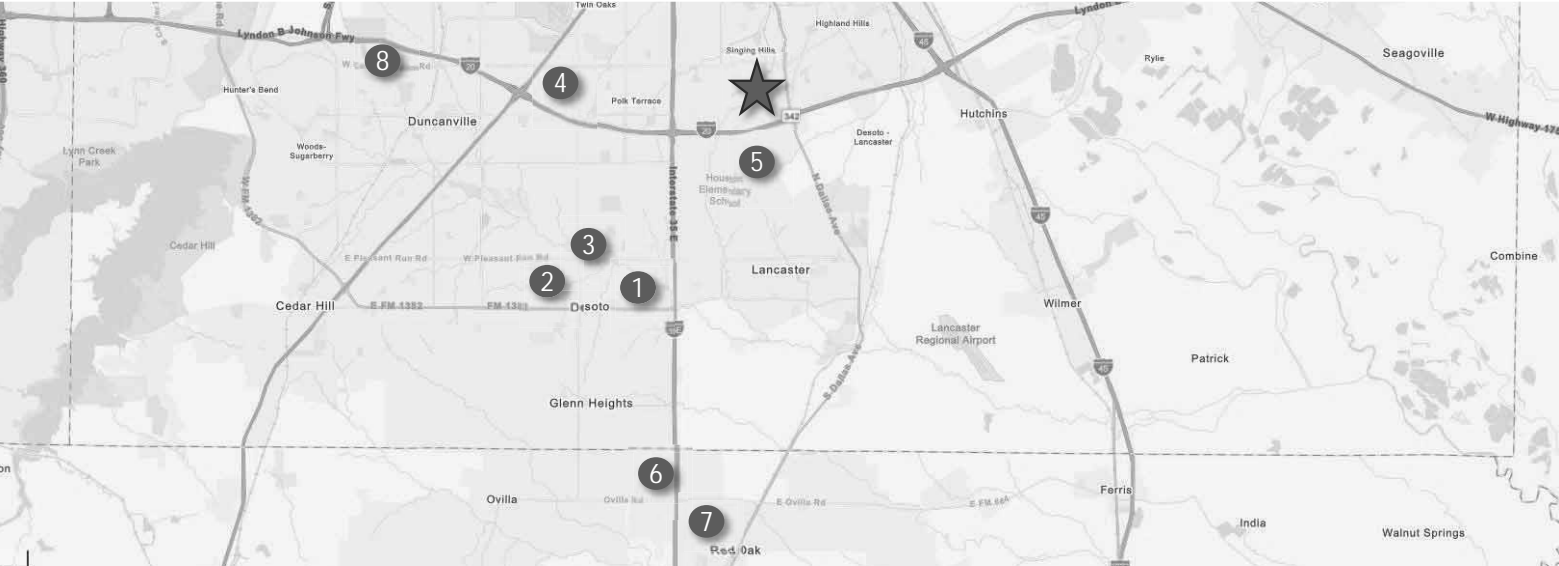
Apartment Competitive Supply



Location of Surveyed Rental Communities

Apartment Competitive Supply

While there are no newly built apartment communities in the immediate area, we identified eight properties within about nine miles of the Subject Property that can provide guidance on likely achievable rents. While a different product configuration, our assessment includes two built-to-rent/duplex communities as they represent some of the newest rental communities near the Subject Property.



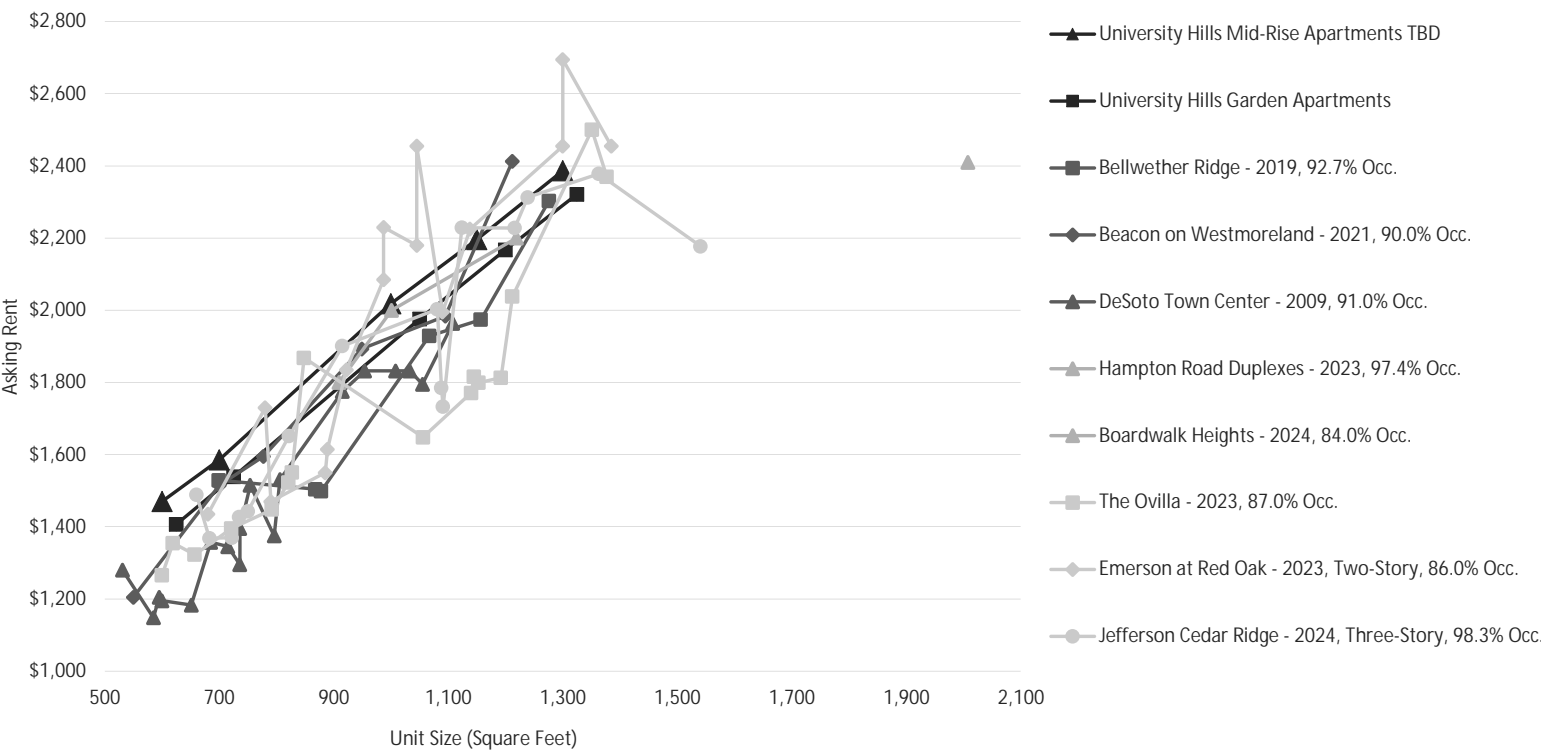
#	Community/Project	Management Company/ Builder	Story	Units	Occ.	Unit Size Range			Rent Range			Rent/SF			Avg. Conc.	Eff. Rent Avg	Eff. Rent/SF Avg	JSPW
						Min	Max	Avg	Min	Max	Avg	Min	Max	Avg				
Rental Communities						697	1,377	974	\$1,397	\$2,408	\$1,793	\$1.61	\$2.21	\$1.89	(\$152)	\$1,645	\$1.73	
1	Bellwether Ridge	SunRidge Management Group	Three	150	92.7%	699	1,276	937	\$1,499	\$2,303	\$1,730	\$1.71	\$2.19	\$1.85	(\$149)	\$1,586	\$1.69	
2	Beacon on Westmoreland	Velo Residential	Three	194	90.0%	550	1,212	849	\$1,205	\$2,413	\$1,708	\$1.81	\$2.19	\$2.01	(\$74)	\$1,637	\$1.93	
3	DeSoto Town Center	Willow Bridge	Three	161	91.0%	531	1,108	831	\$1,148	\$1,964	\$1,592	\$1.70	\$2.41	\$1.93	(\$249)	\$1,327	\$1.61	
4	Hampton Road Duplexes	Private	One	80	97.4%	909	1,219	1,051	\$1,800	\$2,200	\$2,010	\$1.80	\$2.00	\$1.92	(\$17)	\$1,993	\$1.91	
5	Boardwalk Heights	Portico Property Management	One	65	84.0%	2,008	2,008	2,008	\$2,410	\$2,410	\$2,410	\$1.20	\$1.20	\$1.20	(\$125)	\$2,285	\$1.14	
6	The Ovilla	Willo Bridge	Three	288	87.0%	600	1,377	1,051	\$1,266	\$2,500	\$1,825	\$1.52	\$2.20	\$1.77	(\$83)	\$1,742	\$1.68	
7	Emerson at Red Oak	Greystar	Two	306	86.0%	680	1,385	904	\$1,435	\$2,695	\$1,785	\$1.75	\$2.35	\$1.98	(\$169)	\$1,637	\$1.82	
8	Jefferson Cedar Ridge	ZRS Mgmt.	Three	360	98.3%	660	1,541	917	\$1,368	\$2,378	\$1,775	\$1.41	\$2.26	\$1.96	(\$229)	\$1,553	\$1.71	

52 Source: Zonda, RealPage, ALN

Recommended Rent Positioning

Apartment Competitive Supply

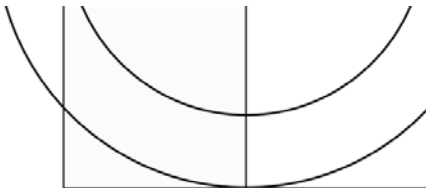
Our projected asking rents for the Subject Property's apartments position them competitively with the surveyed competition. While the Subject Property will offer newer units than the surveyed competition, the location may be initially perceived as weaker. As the Subject Property develops, and retail/office space is added, concerns over the location are likely to dissipate and the mixed-use aspect of the Subject Property will likely become a distinct advantage over the competition. Therefore, an upper-end of the market rent position may be achievable in 2030 and beyond.



Source: Individual Communities; RealPage; ALN; Zonda

Community Profile: The Beacon on Westmoreland

Apartment Competitive Supply



Beacon on Westmoreland is a 194-unit apartment property in DeSoto. As of March 2025, the property is 90% occupied. After opening in 2021, it leased up at an average pace of 21.8 units per month. Current asking rents range from \$1,205 (\$2.19/SF) to \$2,413 (\$1.99/SF) per month. The property is currently offering a concession of six weeks free on new leases.

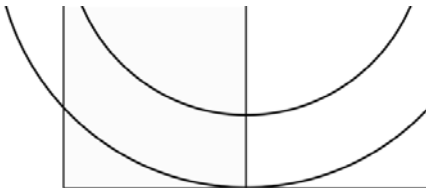


⁵⁴ Source: Zonda; Individual Communities

Community Profile: Jefferson Cedar Ridge

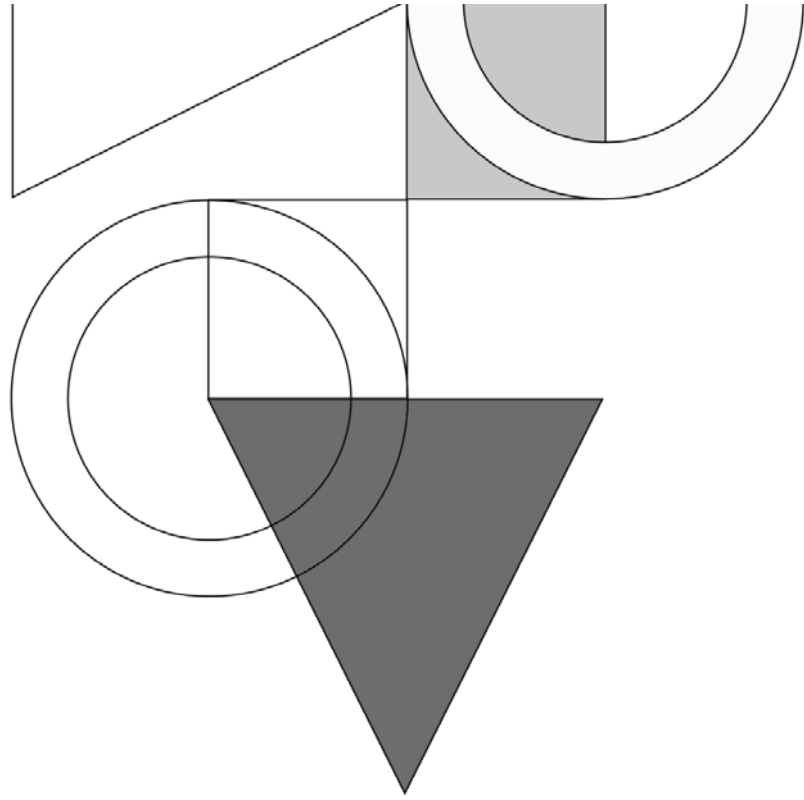
Apartment Competitive Supply

Jefferson Cedar Ridge is a 360-unit property located about eight miles west of the Subject Property and just off I-20. After opening in January 2024, it is now 98% occupied and leased up at an estimated pace of 27.0 units per month. Jefferson Cedar Ridge is currently offering a concession of up to six weeks free on new leases. Current rents range from \$1,368 (\$2.00/SF) to \$2,378 (\$1.74/SF) per month.



⁵⁵ Source: Zonda; Individual Communities

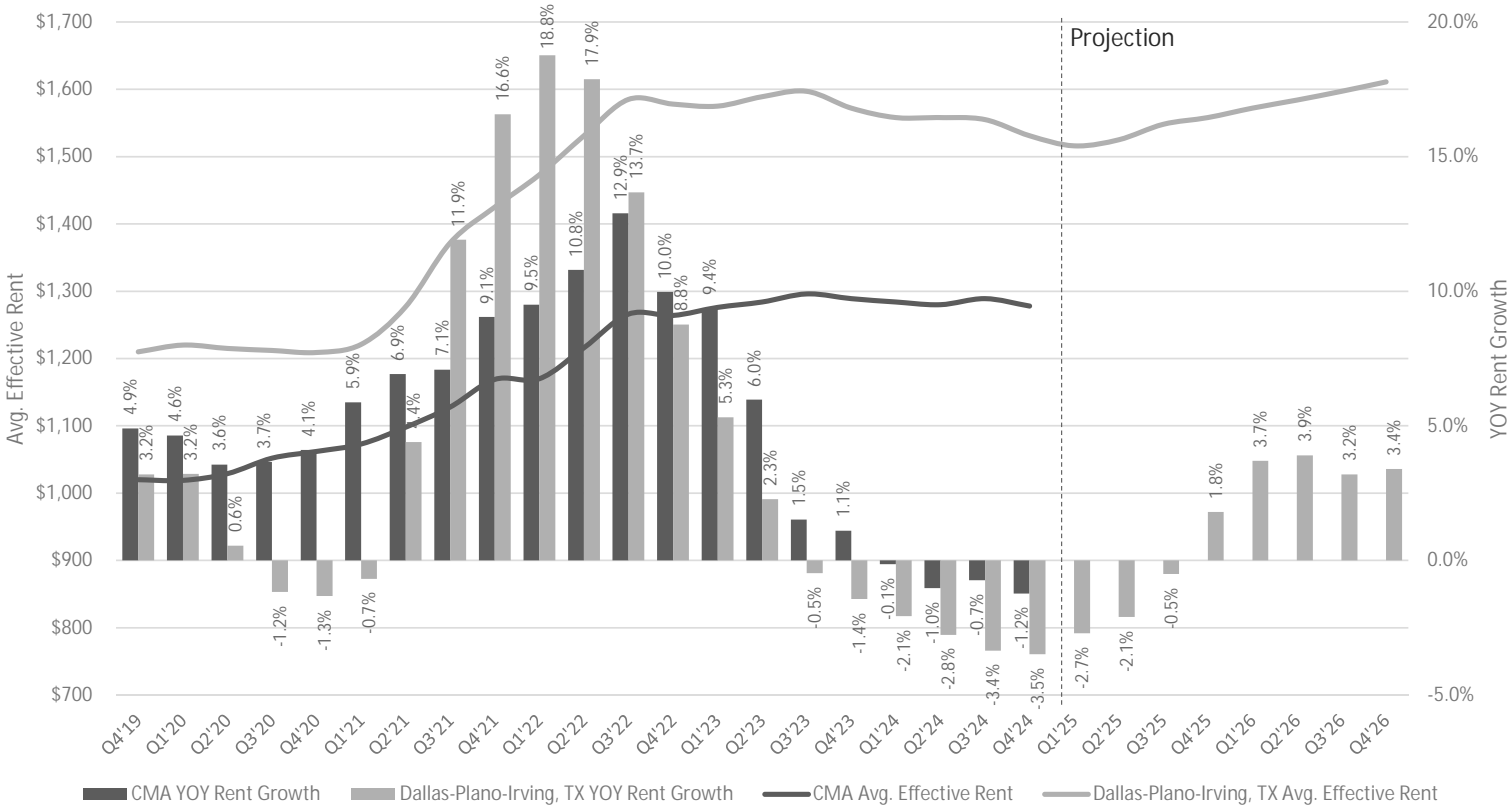
Rental Market Conditions



Rent Growth

Rental Market Conditions

The average effective rent in the CMA is down by 1.2% YOY, which is a smaller decline than the 3.5% YOY drop in rents in the overall Dallas-Plano-Irving Metropolitan Division. Despite the decrease, the average rent in the CMA has been stable at just under \$1,300 per month since 3Q23. RealPage expects rents across the MSA to begin increasing again in late 2025. We expect this trend carry over to the CMA as well.

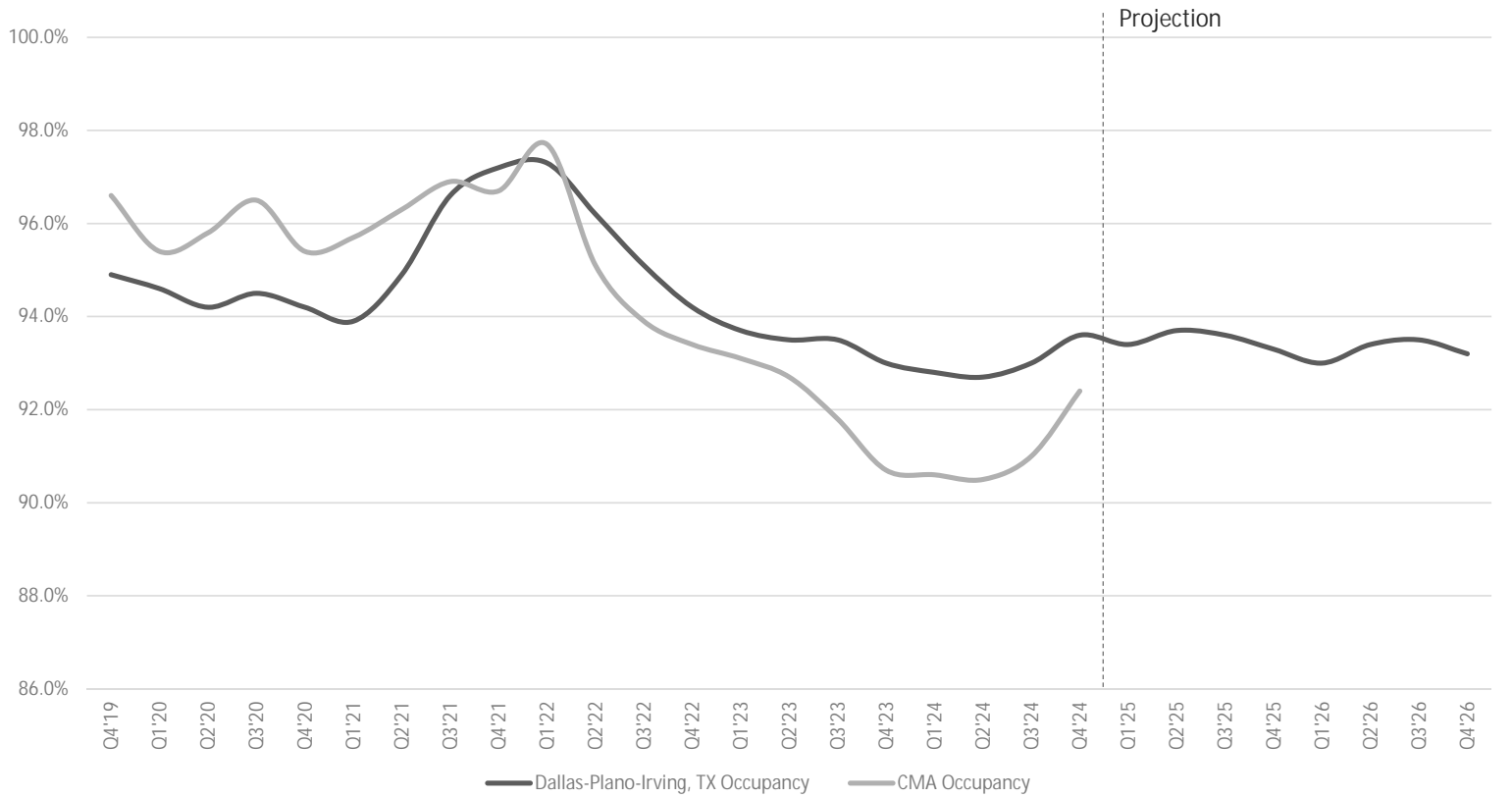


57 Source: RealPage

Occupancy

Rental Market Conditions

Average occupancy in the CMA stood at 92.4% as of 4Q24. Although average occupancy in the CMA has fallen somewhat below the overall Dallas-Plano-Irving Metropolitan Division average, it trended up sharply in 4Q24. RealPage expects average occupancy across the Dallas-Plano-Irving Metropolitan Division to remain near 93% through 2026.

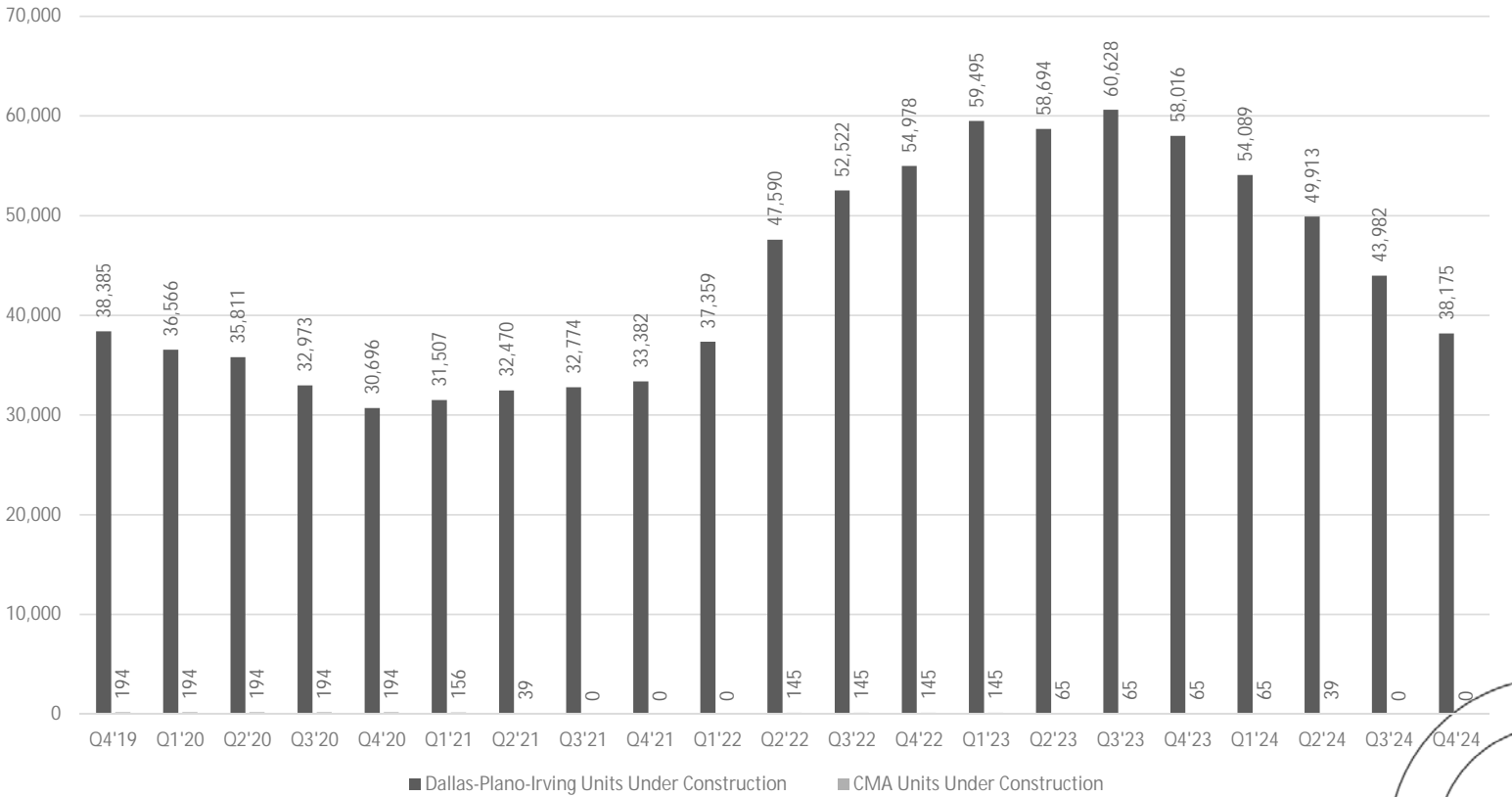


58 Source: RealPage

Units Under Construction

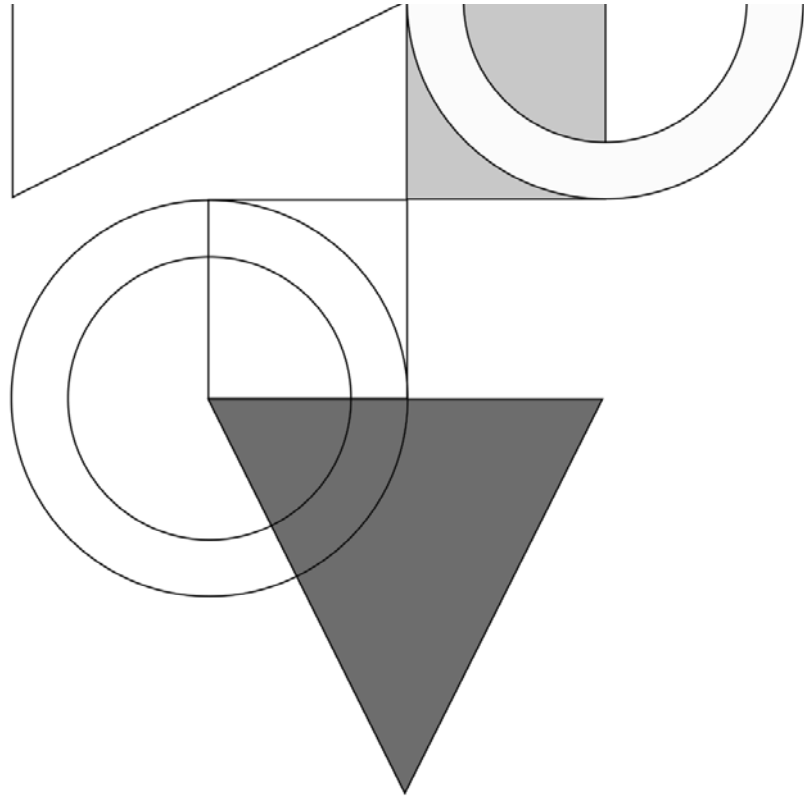
Rental Market Conditions

As of 4Q24, RealPage identified 38,175 units under construction in the Dallas-Plano-Irving Metropolitan Division. The volume of units under construction has been trending downward since 3Q23 as interest rates have risen and capital market conditions have become more challenging. Notably, RealPage did not identify any units under construction in the CMA (construction in the CMA has been limited over the last four to five years).



59 Source: RealPage

Retail Analysis



Competitive Retail Supply

Retail Analysis

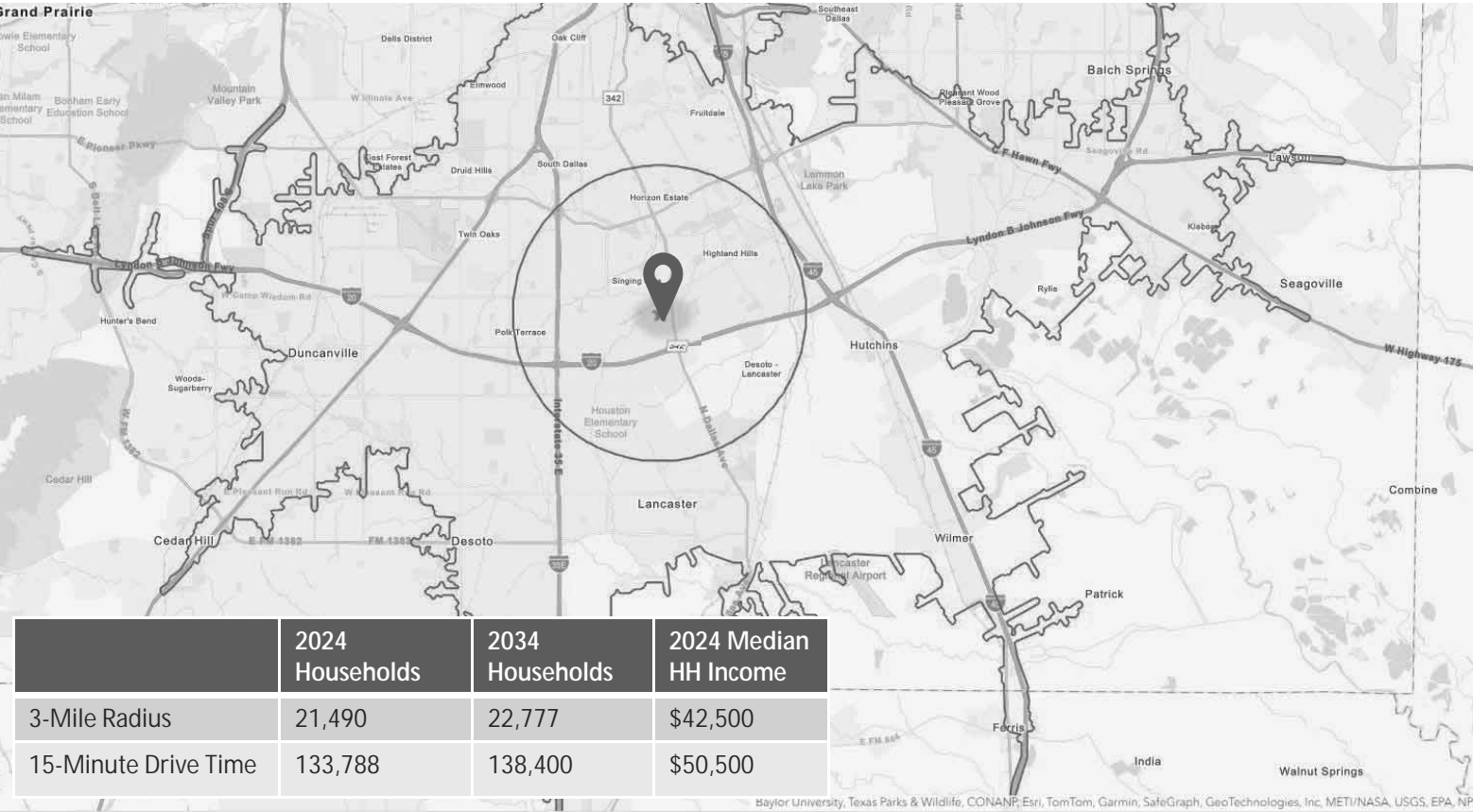
Competition from existing retail within three-miles of the Subject Property is fairly limited. Other than convenience stores and restaurants (mainly fast food), the only major store is a Wal-Mart about three-miles away and two pharmacies about two to three miles north. The nearest significant concentration of retail (including grocery) is about four miles west of the Subject Property at the Wheatland Towne Crossing. The lack of significant nearby competition creates an opportunity for retail at the Subject Property.



Primary and Secondary Trade Area Definition

Retail Analysis

Zonda defined two retail trade areas for the Subject Property. These include a three mile radius with 21,490 households in 2024 and 22,777 households in 2034 (based on Zonda projections). The secondary trade area (15-minute drive time) contains an estimated 133,788 households in 2024 and is projected to grow to 138,400 households by 2034.



Retail Analysis

Applying that average to the existing households in the Primary Trade Area, we estimate they generate demand for 2.86 million SF of retail space in 2024. With projected household growth at the Subject Property (2,388 households by 2041) and projected growth elsewhere in the Primary Trade Area (assumed to be 0.4% per year based on ESRI's forecast from 2024-2029), we expect retail demand from households in the Primary Trade Area will grow to 3.22 million SF. Given limited competition and the fact that most new households in the Primary Trade Area will live at the Subject Property, we expect the Subject Property's retail to capture a substantial portion (66%) of this demand growth.

Finally, we expect office workers at the Subject Property to support demand for retail space. An ICSC Study concluded that office workers spent between \$106 to \$315 (adjusted to 2025 dollars) per week depending on the scale of nearby retail. We assume \$250 per week per worker in our analysis.

In total, we expect sufficient demand to support up to 412,480 square feet of retail space at the Subject Property by 2041.

Dallas-Fort Worth MSA	2021	2022	2023	2024	Avg.
Rentable Building Area (Partners/Costar)	404,878,273	408,685,050	419,755,586	428,828,186	
Occupancy Rate (Partners/Costar)	94.3%	95.0%	95.4%	95.3%	95.2%
Occupied Space (Partners/Costar)	381,800,211	388,250,798	400,446,829	408,673,261	
Households (Moody's)	2,852,164	2,938,163	2,991,064	3,056,048	
Occupied Space (SF) per Household	134	132	134	134	133
Primary Trade Area (3-Mile Radius)	2024	2029	2034	2039	2041
Households (ESRI)	21,490	21,584	21,670	21,757	21,792
Subject Property Households	0	911	1,674	2,173	2,388
Total Primary Trade Area Households	21,490	22,495	23,344	23,930	24,180
Retail Demand per Household (SF)	133	133	133	133	133
Total Retail Demand (SF)	2,858,000	2,992,000	3,105,000	3,183,000	3,216,000
Demand Growth (SF)		134,000	113,000	78,000	33,000
Subject Property Demand (SF)		88,440	74,580	51,480	21,780
Subject Property Capture of Demand Growth		66%	66%	66%	66%
Secondary Trade Area (15-Minute Drive Time)	2024	2029	2034	2039	2041
Households	133,788	136,004	138,400	140,698	141,644
Households Excluding those in Primary Trade Area	112,298	113,509	115,055	116,768	117,464
Retail Demand per Household (SF)	133	133	133	133	133
Secondary Trade Area Retail Demand (SF)	14,936,000	15,097,000	15,302,000	15,530,000	15,623,000
Demand Growth (SF)		161,000	205,000	228,000	93,000
Subject Property Demand (SF)		16,100	20,500	22,800	9,300
Subject Property Capture of Demand Growth		10%	10%	10%	10%
Office Workers	2024	2029	2034	2039	2041
Total Office Space	0	0	280,000	490,200	565,200
Occupied Space (90%)		0	252,000	441,180	508,680
Office SF per Employee		158	151	143	142
Est. Office Employment		0	1,669	3,085	3,582
Est. Weekly Retail Spending per Employee	\$250	\$250	\$250	\$250	\$250
Working Weeks per Year	48	48	48	48	48
Est. Total Annual Office Worker Spending		\$0	\$20,026,000	\$37,022,000	\$42,987,000
Est. Avg. Retail Sales/SF		\$400	\$400	\$400	\$400
Subject Property Demand (SF)		0	50,100	92,600	107,500
Demand Growth (SF)		0	50,100	42,500	14,900
Total Subject Property Retail Demand (SF)		104,540	145,180	116,780	45,980
Cumulative Subject Property Retail Demand (SF)		104,540	249,720	366,500	412,480
Avg. Annual Demand		20.908	29.036	23.356	22.990

⁶³ Sources: Moody's, ESRI, ICSC "Office-Worker Retail Spending in a Digital Age" (2012)

Retail Center Qualifications

Retail Analysis

Based upon our analysis of data sources such as ULI, CoStar, and ICSC, Community shopping centers that include 100,000 to 350,000 square feet typically require over 150,000 people within a 20-minute drive of the Subject Property. ESRI estimates that there are currently nearly 1.0 million people within a 20-minute drive.

Within that 20-minute drive-time there is a substantial amount of competition. However, the competition within three miles of the Subject Property is limited. Moreover, with an expected 2,388 households projected to take residence at the Subject Property (along with office workers), the Subject Property will have significant “built-in demand.”

Finally, if well designed and executed (walkability in mind), the quality of the Subject Property’s retail and overall experience could be superior and unique in comparison to most of the retail in the region, which tends to be car-oriented retail.

General Guidelines for a Retail Primary Trade Area & Conclusions									
Type of Center	Typical Retail Center Size (SF)	Minimum Population Support Required	Drive Time	Subject Site Population (2024)	Subject Site Population (2029)*	Does Subject Site Qualify?	Competition Level	Location/ Site Attributes	Opportunity for Subject
Regional	250,000 - 600,000	150,000 or more	20.0	994,597	1,028,673	Yes	Medium	Medium	Medium

Source: ULI, ESRI, CoStar, ICSC, Zonda

Source: ULI, ESRI, CoStar, ICSC, Zonda

Average Daily Traffic Volume Retail Analysis

The southern edge of the Subject Property will be visible to the heavy traffic on I-20 (over 170,000 cars per day) providing strong support for retail development. Traffic along Lancaster Road, where the remainder of the retail is planned, is far less at approximately 17,000 cars per day. Nevertheless, anchor stores and advertisement along I-20 could help draw traffic into the Subject Property, supporting retail throughout the development.



Competitive Supply – Rent Comps

Retail Analysis

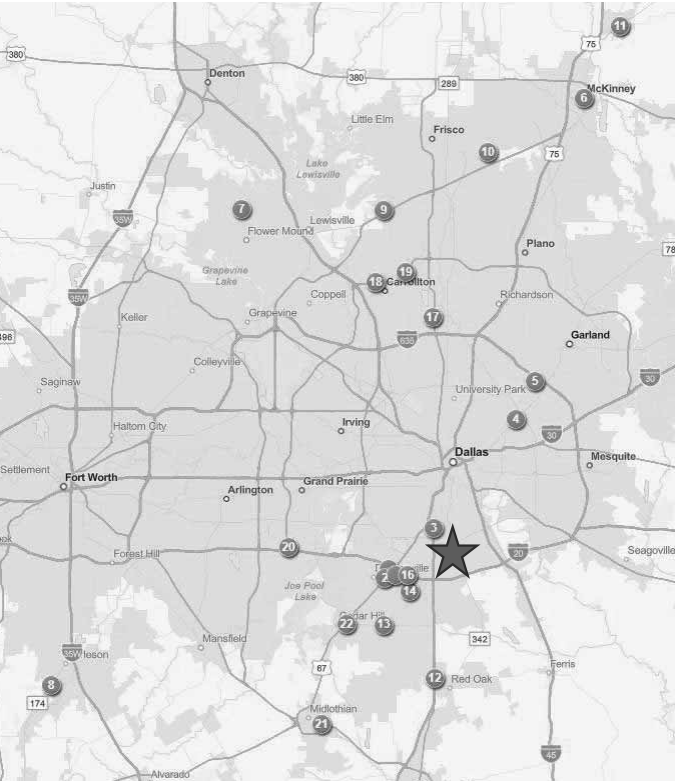
Asking rents (NNN) at listed shopping centers in the region range from \$10/SF for old Class C space to approximately \$55/SF for new space in prime suburban locations within planned mixed-use communities. The closest and newest retail to the Subject Property (4315 Riverside Drive) has asking rents of \$28/SF to \$30/SF. Based on the Subject Property’s excellent visibility to I-20, mixed-use character, and relatively low-income demographics of the surrounding area, we expect non-anchor space to achieve average rents of \$25/SF to \$30/SF. Based on data provided by Reis, we estimate that anchor space at the Subject Property would rent for 25% less, or approximately \$19/SF to \$23/SF. These represent initial rents. As the property is developed, rents may increase (over and above standard market appreciation rates).

Map Key	Address	City	Description	Rental Rate/SF/YR.	Year Built	Total Space	Vacant Space	Vacancy
1	3215 W Pleasant Run Rd.	Lancaster	Aging, dilapidated strip shopping center	\$10-17	1985	24,025	10,608	44%
2	4315 Riverside Rd.	Dallas	Outparcel in front of new apartments	\$28-\$30	2025	9,900	9,900	100%
3	202 W Center St.	Duncanville	Newly renovated strip center	\$25	1977/2024	14,400	12,400	86%
4	15080 E Beltwood	Addison	Well-maintained strip center in good location	\$25	1980	9,485	1,500	16%
5	4135 Belt Line Rd.	Addison	Strip center in good location with substantial traffic	\$22	2008	45,000	1,450	3%
6	5101 Highway 121	The Colony	Strip center with excellent visibility in prime suburb	\$38	2015	10,100	3,690	37%
7	800 N Hwy 77	Waxahachie	Ancillary space in newly renovated HEB	\$42	NA	136,158	3,300	2%
8	2008 Commerce St.	Dallas	Boutique, downtown space in old building	\$30	1925	9,000	2,500	28%
9	809 S MacArthur Blvd.	Coppell	Modern suburban strip center	\$30	2023	29,000	2,400	8%
10	100 S Main St.	Duncanville	Attractive strip center	\$22	2003	23,000	1,700	7%
11	1515 N Cockrell Hill Rd.	Dallas	Strip center, near interstate exit and Wal-Mart	\$35	2004	25,066	3,525	14%
12	7101 Custer Road	Frisco	Brand new strip center in affluent submarket	\$33-\$40	2025	56,128	20,000	36%
13	10393 Dallas Parkway	Frisco	Retail space in major planned mixed-use community	\$55	2025	36,000	36,000	100%
14	921 Belt Line Rd.	DeSoto	Wal-mart anchored strip center	\$23	2010	36,900	11,700	32%
15	1314 W Wintergreen Rd.	DeSoto	Under construction strip center	\$26	2025	19,000	19,000	100%
16	Ovilla and Uhl Road	Red Oak	Proposed strip center	\$18-28	2026	36,000	36,000	100%
Total						519,162	175,673	34%

Based on our triple net rent estimates, a 95% occupancy rate, and a cap rate of 6.5% (CBRE estimates a range of 6.25% to 7.00% for retail properties in Dallas), we estimate that non-anchor retail space at the Subject Property could be valued at a range from \$365/SF to \$438/SF. Anchor retail space would likely be valued at \$278/SF to \$336/SF. Our value forecast on assumes the middle of these ranges (\$402/SF for non-anchor space and \$307/SF for anchor space).

Retail Property Transactions
Retail Analysis

Recent transaction prices for select recently built retail spaces in the Dallas-Fort Worth MSA ranged from \$100/SF (empty big box store) to \$1,300/SF (fast food restaurant in Duncanville). However, most transactions fell in the range of \$300/SF to \$400/SF. Prices on active listings range from \$166/SF to \$754/SF. However, seven of the 11 listings fall within a range of \$340/SF to \$571/SF. Most advertised cap rates fall in the range of 6.0% to 7.0%. While actual valuations will vary depending on tenant quality, lease terms, building quality, and cap rates, this data generally supports our estimates of value for the Subject Property.

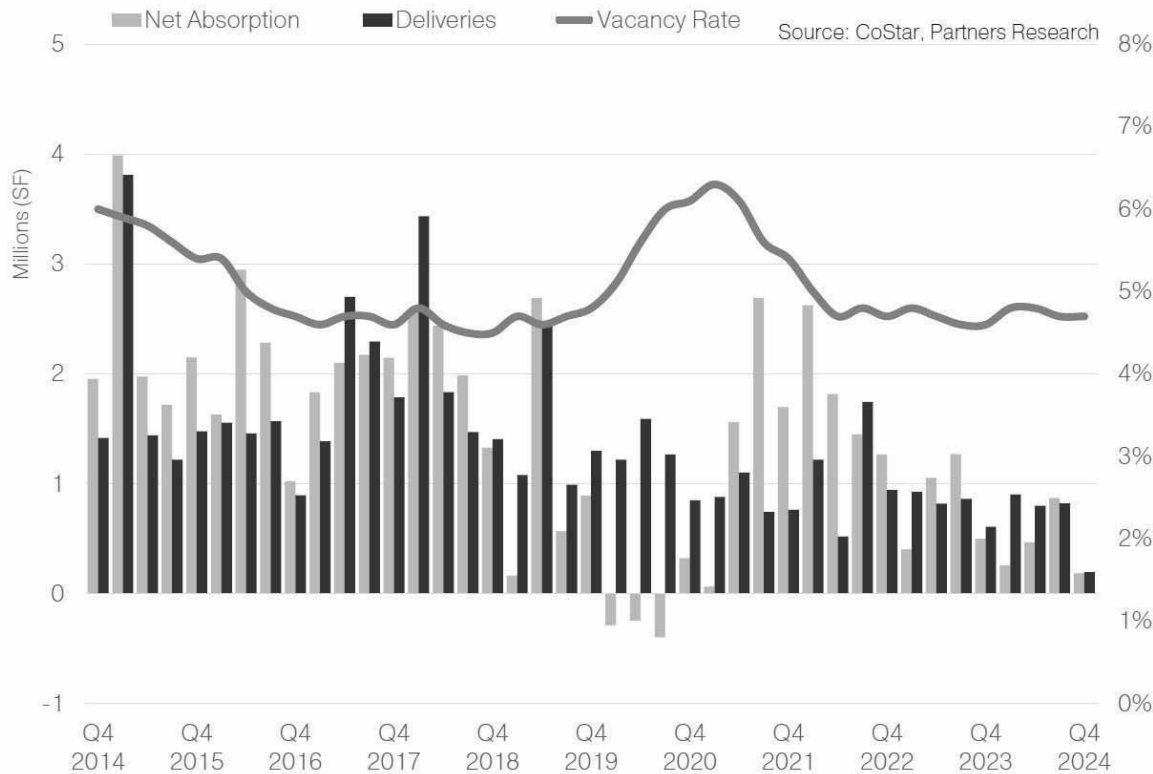


Transactions									
Map Key	Address	City	Description	Year Built	Total Space	Price	Price/SF	Date Sold	
1	7500 S Westmoreland Rd.	Dallas	Gas Station/Rest.	2017	4,800	\$3,827,740	\$797	2/11/2024	
2	802 S Cockrell Hill Rd.	Duncanville	Fast Food	2005	2,946	\$3,830,400	\$1,300	12/23/2024	
3	3510 S Beckley Ave.	Dallas	Family Dollar	2018	9,373	\$1,400,000	\$149	4/9/2024	
4	8989 Garland Rd.	Dallas	Showroom	2016	5,733	\$3,427,410	\$598	2/14/2025	
5	11361 Mccree Rd.	Dallas	Strip Center	2019	6,603	\$2,234,400	\$338	9/5/2024	
6	205 W Louisiana St.	McKinney	Strip Center	2017	29,680	\$6,800,000	\$229	1/10/2025	
7	3621 Justin Rd.	Flower Mound	Big Box	2012	70,759	\$7,088,900	\$100	2/27/2024	
8	1421 SW Wilshire Blvd.	Burleson	CVS Pharmacy	2010	13,123	\$5,180,000	\$395	7/5/2024	
9	3805 Main St.	The Colony	Strip Center	2008	18,043	\$3,458,000	\$192	12/18/2024	
10	7040 Independence Pkwy	Frisco	Strip Center	2013	15,840	\$5,362,560	\$339	2/26/2024	
11	2435 State Highway 121	Melissa	Strip Center	2021	11,930	\$4,389,000	\$368	2/11/2025	
Avg.							\$249		
Listings									
Map Key	Address	City	Description	Year Built	Total Space	Price	Price/SF	Asking Cap Rate	
12	406 N I-35	Red Oak	Dairy Queen	2011	3,043	\$2,293,255	\$754	6.75%	
13	1305 W Belt Line Rd.	DeSoto	CVS	2004	13,813	\$4,700,000	\$340	8.36%	
14	2010 N Hampton Rd.	DeSoto	Strip Center	2007	23,340	\$4,565,000	\$196	7%	
15	3335 W Wheatland Rd.	Dallas	Strip Center	2014	9,572	\$4,490,000	\$469	6.50%	
16	2420 W Wheatland Rd.	Dallas	CVS	2009	13,420	\$8,523,000	\$635	5.25%	
17	14655 Dallas Parkway	Dallas	Restaurant (Vacant)	1999	10,500	\$6,000,000	\$571	NA	
18	2810 E Trinity Mills Rd.	Carrollton	Shopping Center	1985/2016	126,864	\$21,000,000	\$166	6.0%	
19	3099 Frankford Road	Dallas	Day Care	2024	10,089	\$5,765,143	\$571	7.0%	
20	3806 Highway 161	Grand Prairie	Strip Center	2022	16,047	\$6,475,000	\$404	6.44%	
21	6661 Aspen Pkwy.	Midlothian	Strip Center	2023	10,238	\$4,510,000	\$441	6.75%	
22	125 N. Clark St.	Cedar Hill	Strip Center	2007	11,660	\$4,100,000	\$352	6.34%	
							\$291		

Dallas-Fort Worth MSA Retail Market Trends

Retail Analysis

The retail market in the Dallas-Fort Worth MSA is healthy, with a vacancy rate of 4.7% as of 4Q24. Net absorption has been positive in every quarter since 4Q20. In 2024, net absorption totaled 1.8 million square feet. Availability of new supply has likely been the limiting factor to absorption rather than demand.





Dallas-Fort Worth MSA Retail Market Trends

Retail Analysis

Average asking rents for retail space in the Dallas-Fort Worth MSA increased 4.5% YOY from \$19.21/SF to \$20.08/SF, a further indication of the retail market’s strength. The vacancy rate of 4.7% ticked up only slightly from 4.6% in 4Q23. While net absorption in 4Q24 (187,031 SF) was well below 4Q23 levels (2.7 million SF), that is likely a function of limited supply. Only 198,000 SF of new retail space was delivered in 4Q24 compared to over 1.0 million SF in 4Q23.

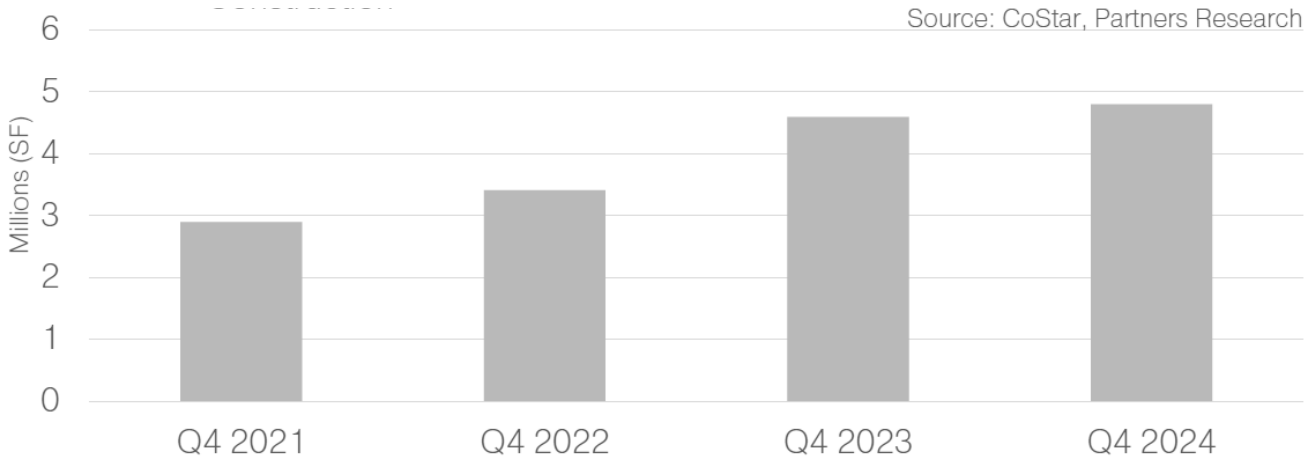
	CURRENT Q4 2024	PRIOR QUARTER Q3 2024		PRIOR YEAR Q4 2023	
Vacancy (%)	4.7%	4.7%	▬	4.6%	⬆️
Vacancy Direct (%)	4.6%	4.6%	▬	4.6%	▬
Availability (%)	5.0%	5.1%	⬇️	5.1%	⬇️
Availability Direct (%)	4.9%	5.0%	⬇️	5.0%	⬇️
Net Absorption (SF)	187,031	872,396	⬇️	2,730,977	⬇️
Leasing Activity (SF)	1,857,442	2,333,785	⬇️	2,433,834	⬇️
Deliveries (SF)	197,767	823,146	⬆️	1,076,909	⬇️
Construction (SF)	4,805,034	4,201,033	⬆️	4,593,126	⬆️
Inventory (SF)	428,828,186	426,882,970	⬆️	425,383,053	⬆️
Avg Asking NNN Rent (\$)	20.08	20.65	⬇️	19.21	⬆️

69 Source: Partners 4Q24 Dallas-Fort Worth Retail Market Report (containing data from CoStar)

Dallas-Fort Worth MSA Retail Construction

Retail Analysis

The pipeline of retail space under construction rose to 4.8 million square feet in 4Q24, up slightly YOY. According to Partners/CoStar, most of the space under construction is in the northern suburbs of the Dallas-Fort Worth MSA. As this space delivers, we expect net absorption in the market to increase.



70 Source: Partners 4Q24 Dallas-Fort Worth Retail Market Report (containing data from CoStar)

Dallas-Fort Worth MSA Retail Market Trends
Retail Analysis

The Southeast Dallas submarket has an average asking rent of \$16.17 (among the lowest of all submarkets in the MSA). While weaker demographics (lower incomes) certainly play a part in these lower rents, an aging stock of retail stores likely also contributes to the lower rents. We expect new buildings, thoughtfully integrated into a mixed-use master-planned community such as that planned at the Subject Property, could achieve significantly above average rents in the submarket. Average vacancy in the Southeast Dallas submarket (4.9%) is roughly the same as the broader market (4.7%).

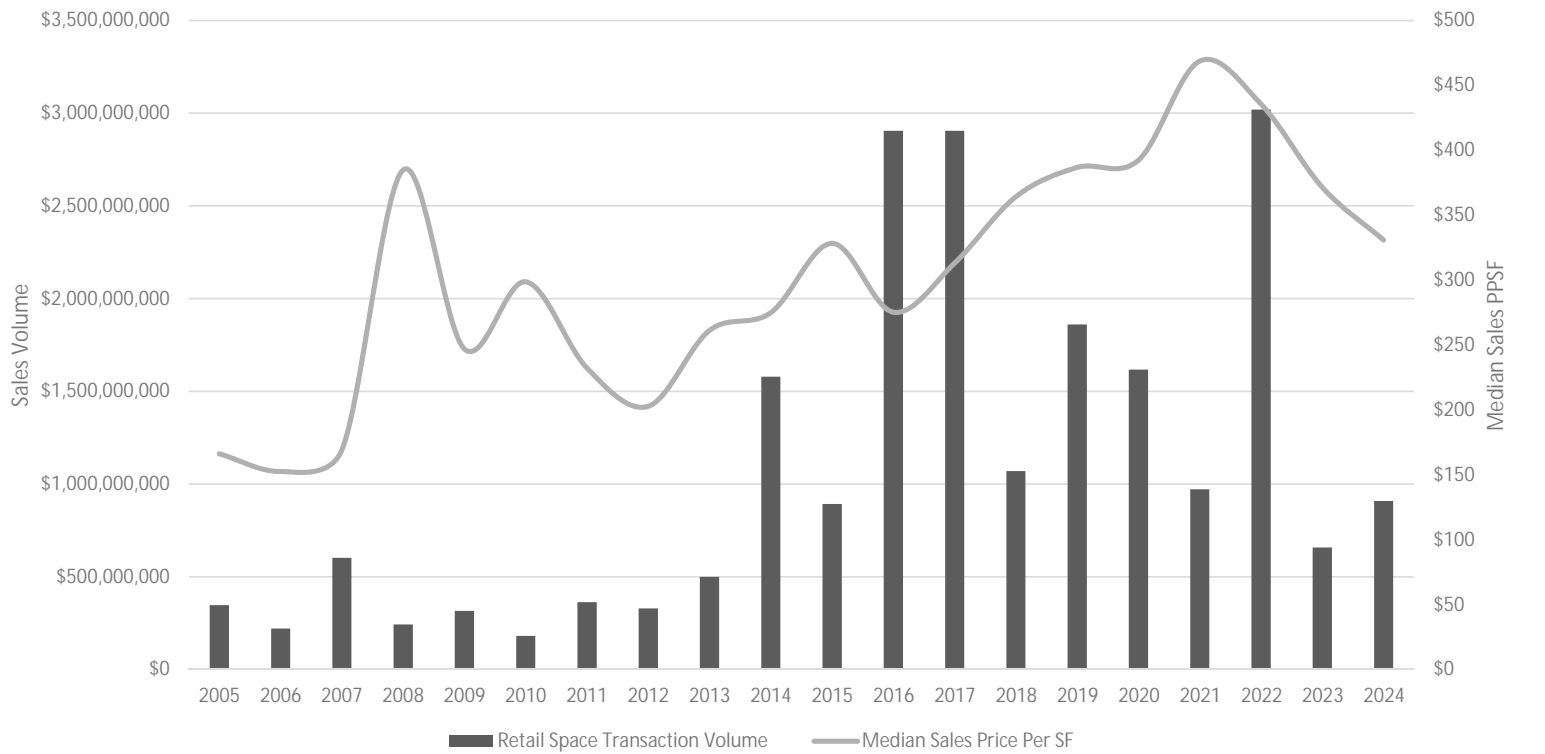
Submarket	Net Rentable Area	Vacancy	Q4 2024 Net Absorption	YTD Net Absorption	Q4 2024 Leasing Activity	Q4 2024 Deliveries	YTD Deliveries	Under Construction	Total Avg Asking Rent NNN
	(SF)	(%)	(SF)	(SF)	(SF)	(SF)	(SF)	(SF)	(\$/PSF)
Central Dallas	19,006,000	4.5%	-68,830	-166,641	49,004	14,400	64,443	5,857	26.56
Central Fort Worth	33,467,980	6.2%	-66,254	-90,741	101,527	0	17,000	214,170	17.62
East Dallas Outlying	9,486,467	2.6%	24,838	28,549	57,090	19,204	71,904	224,254	22.05
Far North Dallas	77,539,122	4.6%	225,241	571,879	466,003	46,368	597,797	1,526,169	22.11
Mid-Cities	68,512,388	5.2%	85,328	116,401	269,312	18,250	360,417	441,811	18.36
Near North Dallas	25,707,762	4.6%	-137,611	-193,667	114,530	0	54,161	10,000	18.36
North Central Dallas	49,479,031	4.6%	107,459	538,689	282,844	40,584	511,376	938,464	25.94
Southeast Dallas	19,240,617	4.9%	-24,981	-120,589	82,805	6,096	51,596	199,926	16.17
Southwest Dallas	24,000,330	5.9%	-45,887	81,579	93,137	0	70,827	47,600	15.69
Southwest Outlying	17,933,565	3.1%	33,581	70,837	64,503	5,000	191,479	335,485	20.14
Suburban Fort Worth	42,246,848	3.6%	94,976	686,947	144,622	26,865	416,813	786,971	18.40
West Dallas	42,208,076	4.1%	-40,829	265,474	132,065	21,000	269,758	74,327	20.26
DFW Total	428,828,186	4.7%	187,031	1,788,717	1,857,442	197,767	2,677,571	4,805,034	20.08

⁷¹ Source: Partners 4Q24 Dallas-Fort Worth Retail Market Report (containing data from CoStar)

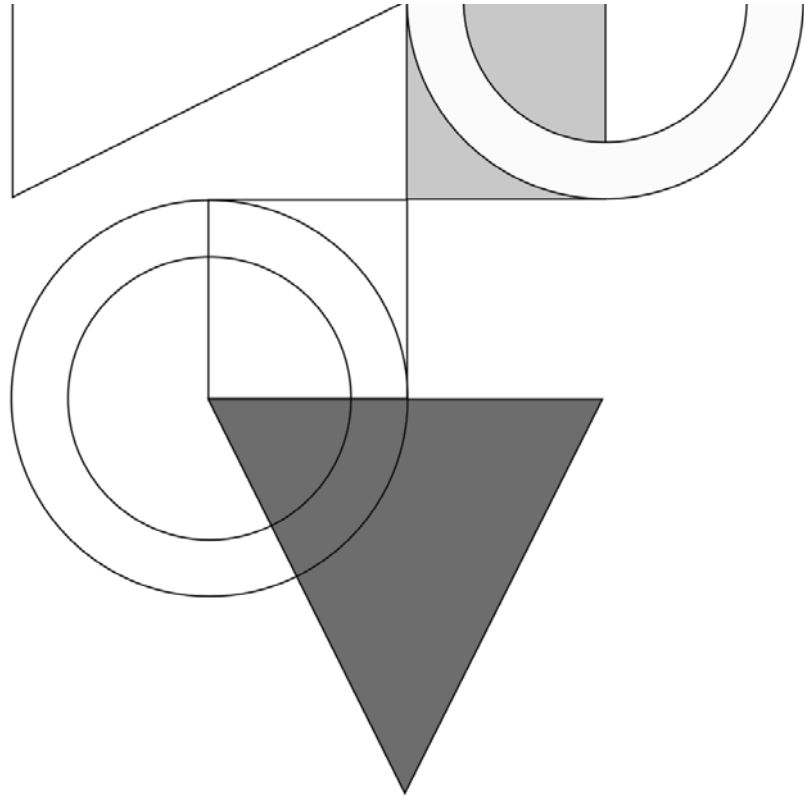
Retail Transaction Trends in the Dallas-Fort Worth MSA

Retail Analysis

The median price per square foot across all retail space sold in 2024 in the Dallas-Fort Worth MSA was \$331/SF (according to estimates from Moody's CRE/Reis). Considering that retail at the Subject Property would be brand new, this price per square foot is generally supportive of the concluded retail value per square foot at the Subject Property. Transaction volume in 2024 totaled \$908 million up from \$658 million in 2023, according to data from Reis.



Office Analysis



Dallas-Fort Worth MSA Office Demand
Office Analysis

Based on employment forecasts from Moody's analytics and an extension of historical trends (regarding the share of employment in typical office-using sectors and the amount of occupied space per office employee), we expect annual net absorption of office space in the Dallas-Fort Worth MSA to total 44.2 million SF from 2025 through 2040. However, completions of new space are projected to lag absorption for the next 10 years to allow the current vacancy rate (25.2% as of 4Q24) to fall to 18% in the Dallas-Ft. Worth MSA (more typical of the long-term average office vacancy rate). As a result, new completions of office space in the market are projected to total 29.5 million SF from 2025 through 2040.

Year	Total Employment ¹	Office-Using ² Employment	Office-Using Share of Total	Office Demand per Employee (SF) ³	Est. MSA Office Demand	Annual Absorption	MSA Total Inventory	MSA Vacancy Rate	MSA Completions
2010	2,930,875	757,540	25.8%						
2011	3,005,442	787,724	26.2%						
2012	3,084,600	817,172	26.5%						
2013	3,174,758	848,435	26.7%						
2014	3,286,642	883,998	26.9%						
2015	3,401,558	913,327	26.9%						
2016	3,505,750	946,856	27.0%						
2017	3,598,550	972,852	27.0%						
2018	3,686,275	1,002,505	27.2%						
2019	3,788,017	1,039,761	27.4%						
2020	3,667,750	1,031,522	28.1%						
2021	3,841,775	1,110,765	28.9%						
2022	4,091,775	1,216,355	29.7%	170	206,860,000		270,052,728	23.4%	
2023	4,228,642	1,240,660	29.3%	165	204,230,000	-2,630,000	272,307,331	25.0%	2,254,603
2024	4,296,938	1,245,648	29.0%	167	207,559,000	3,329,000	277,485,043	25.2%	5,177,712
2025	4,376,555	1,276,400	29.2%	165	210,556,000	2,997,000	280,379,628	24.9%	2,894,585
2026	4,432,745	1,301,400	29.4%	163	212,533,000	1,977,000	281,368,130	24.5%	988,502
2027	4,477,166	1,323,200	29.6%	162	213,933,000	1,400,000	282,068,130	24.2%	700,000
2028	4,521,819	1,345,100	29.7%	160	215,299,000	1,366,000	282,751,130	23.9%	683,000
2029	4,570,366	1,368,500	29.9%	158	216,854,000	1,555,000	283,528,630	23.5%	777,500
2030	4,650,347	1,401,400	30.1%	157	219,846,000	2,992,000	285,024,630	22.9%	1,496,000
2031	4,731,728	1,435,100	30.3%	155	222,882,000	3,036,000	286,542,630	22.2%	1,518,000
2032	4,814,534	1,469,607	30.5%	154	225,959,000	3,077,000	288,081,130	21.6%	1,538,500
2033	4,898,788	1,504,839	30.7%	152	229,062,000	3,103,000	289,632,630	20.9%	1,551,500
2034	4,984,517	1,540,853	30.9%	151	232,198,000	3,136,000	291,200,630	20.3%	1,568,000
2035	5,071,746	1,577,668	31.1%	149	235,369,000	3,171,000	292,786,130	19.6%	1,585,500
2036	5,160,501	1,615,298	31.3%	148	238,573,000	3,204,000	294,388,130	19.0%	1,602,000
2037	5,250,810	1,653,763	31.5%	146	241,811,000	3,238,000	296,007,130	18.3%	1,619,000
2038	5,342,699	1,693,079	31.7%	145	245,084,000	3,273,000	297,643,630	17.7%	1,636,500
2039	5,436,197	1,733,265	31.9%	143	248,393,000	3,309,000	302,918,290	18.0%	5,274,660
2040	5,531,330	1,774,339	32.1%	142	251,736,000	3,343,000	306,995,120	18.0%	4,076,830
Annual Avg. (2025-2040)						2,761,063			1,844,380
Total						44,177,000			29,510,077

1/Moody's Analytics
2/Moody's Analytics (Employment in the Professional and Business Services, Information, and Financial Activities Sectors)
3/Historical numbers based on occupied office space (as reported in the Partners/CoStar market reports) divided by office-using employment. Future based on Zonda projection.

County and Subject Property Demand

Office Analysis

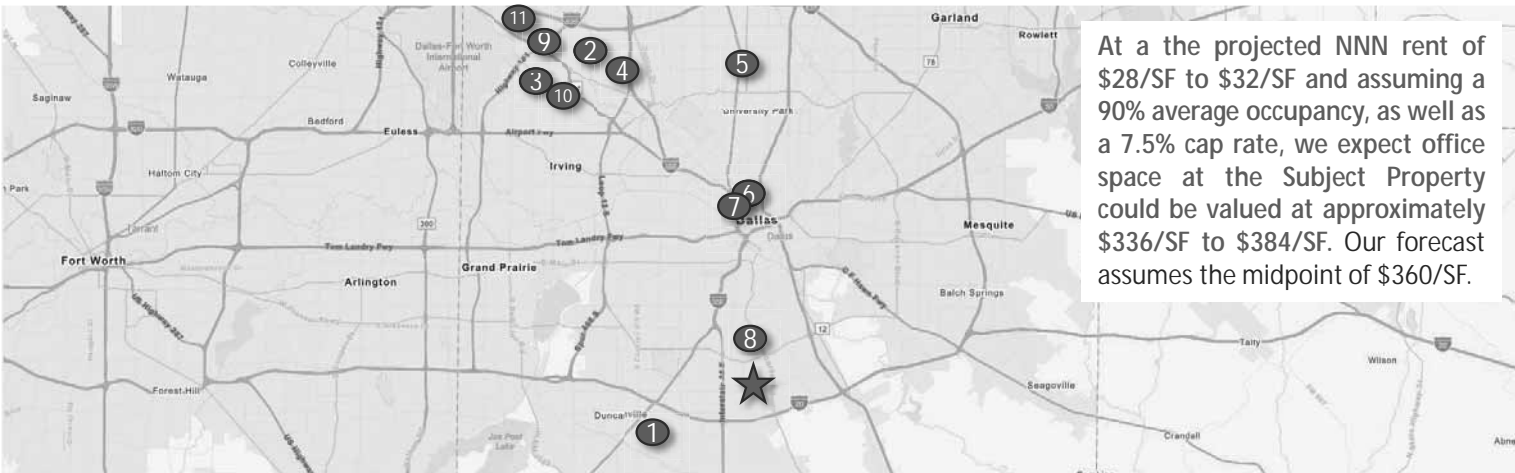
Zonda estimated that approximately 1/3 of new office completions in the Dallas-Fort Worth MSA would occur in Dallas County based on the county's share of MSA office-using employment growth from 2014 through 2023. Completions in 2025 are based on projects known to be under construction. As the Subject Property is located outside of any established office submarkets and almost all the county's recent office development has been in the CBD (or north of it), we estimate that the Subject Property could only reasonably expect to "capture" 7.5% of total projected demand in the county. That would amount to a total of 634,200 SF by 2040. The Subject Property plan designates 340,200 SF for office (excluding life sciences) and an additional 390,000 SF towards mixed-use (of which some could be office). In total, we expect the Subject Property could support 565,200 SF of office space by 2040 (excluding life sciences). That amounts to 5.3% of the total projected completions in Dallas County from 2025-2040. Note that our projected delivery schedule is not tied exactly to the potential completions amount, as it is only a rough guide and building sizes do not correspond to projected annual absorption amounts.

Year	Dallas County Completions (SF)	Est. Subject Capture Potential	Potential Subject Completions	Cum. Potential Subject Completions	Projected Subject Completions	Cum. Projected Completions
2025	1,785,844	0.0%	0	0		0
2026	326,200	0.0%	0	0		0
2027	231,000	7.5%	17,300	17,300		0
2028	225,400	7.5%	16,900	34,200		0
2029	256,600	7.5%	19,200	53,400		0
2030	493,700	7.5%	37,000	90,400		0
2031	500,900	7.5%	37,600	128,000		0
2032	507,700	7.5%	38,100	166,100		0
2033	512,000	7.5%	38,400	204,500	280,000	280,000
2034	517,400	7.5%	38,800	243,300		280,000
2035	523,200	7.5%	39,200	282,500		280,000
2036	528,700	7.5%	39,700	322,200	60,200	340,200
2037	534,300	7.5%	40,100	362,300		340,200
2038	540,000	7.5%	40,500	402,800	75,000	415,200
2039	1,740,600	7.5%	130,500	533,300	75,000	490,200
2040	1,345,400	7.5%	100,900	634,200	75,000	565,200
Annual Avg. (2025-2040)	660,559		39,638		113,040	
Total	10,568,944		634,200		565,200	

Competitive Supply - Rent Comps

Office Analysis

A review of current listings at properties throughout Dallas County provides a basis for reasonably estimating what rents new Class A office buildings at the Subject Property might reasonably achieve. New properties in top suburban submarkets and downtown are asking \$40/SF and up (NNN). 10-15 year old Class A properties in solid suburban locations are asking \$20/SF to \$28/SF, while smaller Class B properties are generally asking \$18/SF to \$25/SF. Based on these figures, we expect new office buildings at the Subject Property could ask \$28/SF to \$32/SF (NNN). Higher rents may be possible when most of the retail and amenities are in place at the Subject Property. The approach of using regional comps is necessary as comparable office buildings do not exist in proximity to the Subject Property.



At a the projected NNN rent of \$28/SF to \$32/SF and assuming a 90% average occupancy, as well as a 7.5% cap rate, we expect office space at the Subject Property could be valued at approximately \$336/SF to \$384/SF. Our forecast assumes the midpoint of \$360/SF.

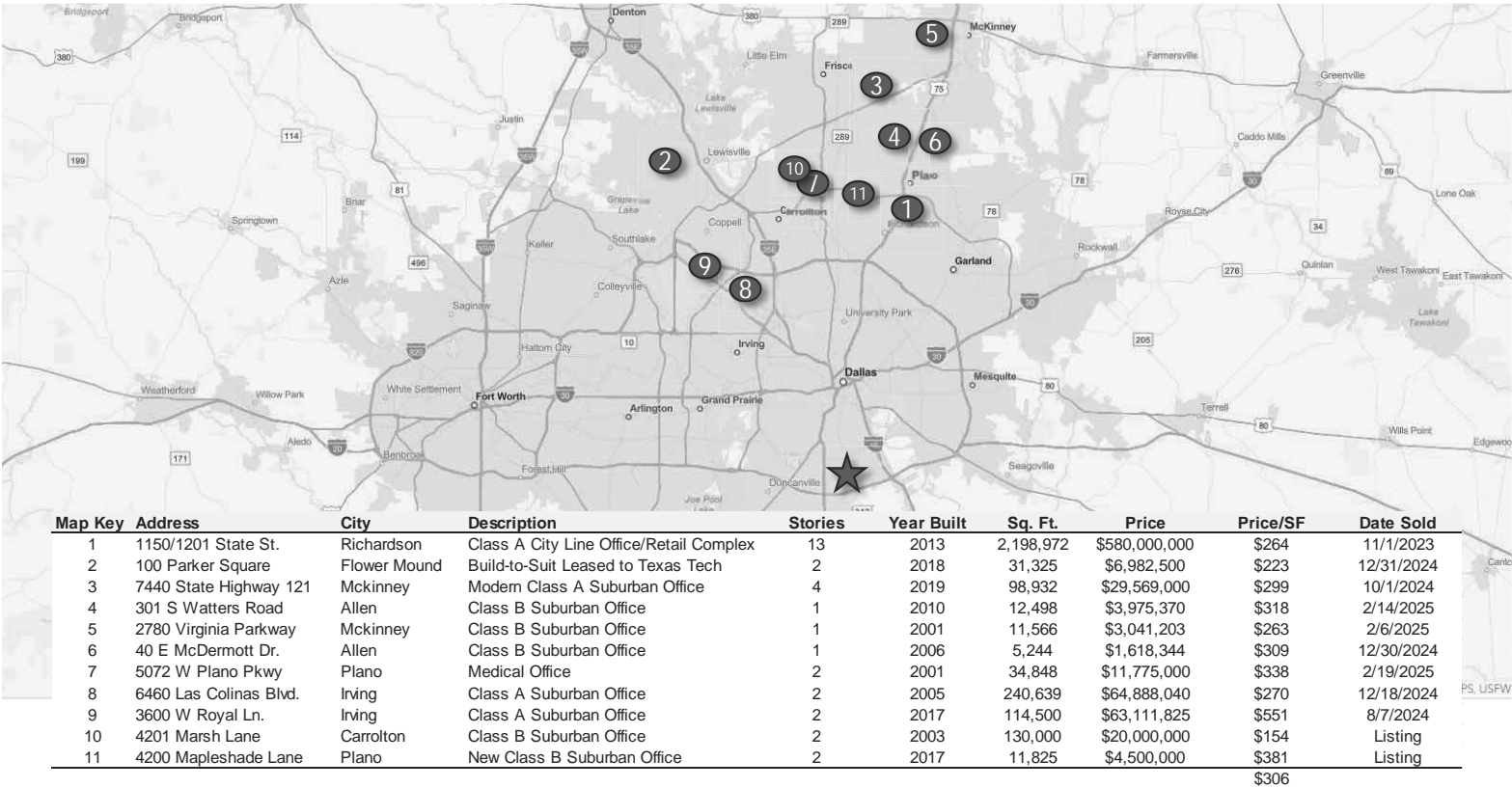
Map Key	Address	City	Rental		Description	Stories	Year Built	Total Space	Vacant Space	Vacancy
			Rate/SF/YR.	(NNN)						
1	920 E Highway 67	Duncanville	\$23		Medical Office	1	2017	10,744	1,265	12%
2	6655 Deseo Dr.	Irving	\$23		Single-Tenant Office Bldg.	1	2005	14,912	14,912	100%
3	1410 Westridge Circle	Irving	\$28		Class A Suburban Office	3	2019	122,000	6,724	6%
4	11511 Luna Rd.	Irving	\$20		Class A Suburban Office	6	2000/2018	180,504	59,029	33%
5	10711 Preston Rd.	Dallas	\$40		Renovated Office Bldg. in "A" Submarket	2	1979/2023	11,377	2,586	23%
6	1717 Mckinney Ave.	Dallas	\$49		Trophy CBD Office	19	2008	369,017	79,431	22%
7	2371 Victory Ave	Dallas	\$40		Planned Class A CBD Office	23	2028	470,000	466,000	99%
8	4315 S Lancaster	Dallas	\$18		Class B Office Near Subject Property. Renovated 2021	1	1951/2021	26,720	7,801	29%
9	6031 Connection Dr.	Irving	\$24		Class A Suburban Office	8	2023	265,020	36,266	14%
10	4701 Fuller Dr.	Irving	\$34		New Class B Suburban Office	1	2025	50,000	30,000	60%
11	2001 W John Carpenter Dr.	Irving	\$20		Class A Suburban Office	3	2009	112,150	112,150	100%
Total								1,632,444	629,947	39%

⁷⁶ Sources: CREXi.com, Loopnet

Competitive Supply – Transactions

Office Analysis

Due to limited availability of data on prices and transactions, as well as a lack of new Class A office in proximity to the Subject Property, sales comps are shown for a variety of product types in various locations throughout the Dallas-Fort Worth MSA. Prices for closed transactions in the last 18 months ranged from \$223/SF to \$551/SF for office properties built since 2000. In comparison to these properties, the Subject Property would offer newer and better product (in some cases substantially better) but its location would be considered inferior due to the weaker demographics surrounding the Subject Property and the lack of an established office submarket in the area.



⁷⁷ Source: Crexi.com, Loopnet, CoStar News



Life Sciences Office

Office Analysis

The Subject Property calls for the development of 150,000 square feet of “Life Sciences” office space. In the real estate context, Life Sciences denotes spaces for biotechnology and/or medical/pharmaceutical research. It typically contains laboratories and rents at a premium to traditional office space.

Based on data from CBRE in other metros, we estimate that Life Sciences space could achieve a 75% rent premium over traditional Class A office space. CBRE estimates that Life Sciences space in Houston rents for an average of \$51.20 on a triple net basis. They estimate the average Class A office rent at \$38.53 on a full service gross basis. Assuming a \$10/SF adjustment to convert the traditional Class A office rent to triple net, the Life Sciences rent represents an 80% rent premium. Using the same approach for CBRE’s data in Raleigh-Durham results in a similar estimated rent premium for Life Sciences space (75%). Data specific to Dallas is not available. Applying a 75% premium to our projected office rent at the Subject Property of \$28/SF to \$32/SF results in a projected rent for a Life Sciences building at the Subject Property of \$49/SF to \$56/SF.

Life Sciences space tends to sell at lower cap rates than traditional office space. CBRE estimates that, at a national level, Life Sciences/R&D space typically commands a somewhat lower cap rate than traditional office space. As of 4Q24, they estimated the national average cap rate for Life Sciences/R&D properties at 6.5% as compared to approximately 7.25% for traditional office space. Assuming an average Life Sciences rent of \$52.50/SF (NNN), a 90% average occupancy rate, and a cap rate of 6.75% (75 bps lower than our conclusion for traditional office at the Subject Property), Life Sciences space at the Subject Property could be valued at \$700/SF.

Two NAICS industry sectors (Biotech R&D and Pharmaceutical Manufacturing) are typically (though not universally) used as metrics of Life Sciences activity in a market. In the Dallas-Fort Worth MSA these two sectors accounted for an estimated 8,050 employees as of 2Q24, according to data from the Bureau of Labor Statistics. Life Sciences employment in Dallas has grown at a 5.5% average annual growth rate since 2020. Life Sciences in the Dallas-Fort Worth MSA may also receive a boost from the federal government’s recently announced (2023) decision to select it as one of three major metro areas in the United States to receive funds from ARPA-H, a \$2.5 billion initiative to fund research into cancer, diabetes, and Alzheimer’s (among other ailments).

The Dallas-Fort Worth MSA’s +/-8,000 employees make up a small industry base compared to some of the major Life Sciences markets in the United States (Boston-Cambridge and San Francisco each have over 100,000 employees). Locations with better proximity to a major research university and/or hospital may be better locations for such development than the Metroplex. As such, while Life Sciences office is certainly possible at the Subject Property (a single major commitment from one company could cover the 150,000 square feet of space), there is little basis for Zonda to project when a Life Sciences campus may be developed at the Subject Property. Our forecast assumes its development occurs near the end of build-out of all other components of the Subject Property (2040).

⁷⁸ Sources: CBRE 2025 US Life Sciences Outlook February 2025

Dallas-Fort Worth Office Market Trends - Vacancy

Office Analysis

The average office vacancy rate in the Dallas-Fort Worth MSA rose from approximately 19% in 4Q19 to 25.2% as of 4Q24. Negative net absorption in 2020 and 2022, primarily as a result of COVID-related job losses and subsequent flexibility regarding remote work are largely responsible for this increase in vacancy. While the delivery and construction of new office space has continued (2.9M SF are under construction as of 4Q24), the pace of new deliveries has slowed in comparison to pre-COVD times (2014 through 2019).

	CURRENT Q4 2024	PRIOR QUARTER Q3 2024		PRIOR YEAR Q4 2023	
Vacant Total	25.2%	25.2%	▬	25.0%	⬆️
Vacant Direct	23.0%	22.8%	⬆️	22.2%	⬆️
Available Total	26.6%	27.0%	⬇️	27.6%	⬇️
Available Direct	23.5%	23.7%	⬇️	24.3%	⬇️
Net Absorption (SF)	-132,955	1,363,852	⬇️	-513,028	⬆️
Leasing Activity (SF)	3,771,051	3,776,948	▬	3,836,619	⬇️
Construction (SF)	2,894,585	4,181,421	⬇️	5,630,972	⬇️
Deliveries (SF)	682,531	1,806,245	⬇️	288,833	⬆️
Avg Asking Rent (Gross)	\$30.85	\$30.73	⬆️	\$30.82	▬
Inventory (SF)	277,485,043	273,654,915	⬆️	272,307,331	⬆️

⁷⁹ Sources: Partners Q424 Dallas-Fort Worth Office Market Report

Dallas-Fort Worth Office Market Trends - Vacancy

Office Analysis

While most quarters in the last three to four years have seen negative net absorption of office space, 3Q24 saw significant positive net absorption of over 1.0 million SF. A continued / sustained return to positive absorption will likely be supported by a growing “return to office” mindset among private and public employers.

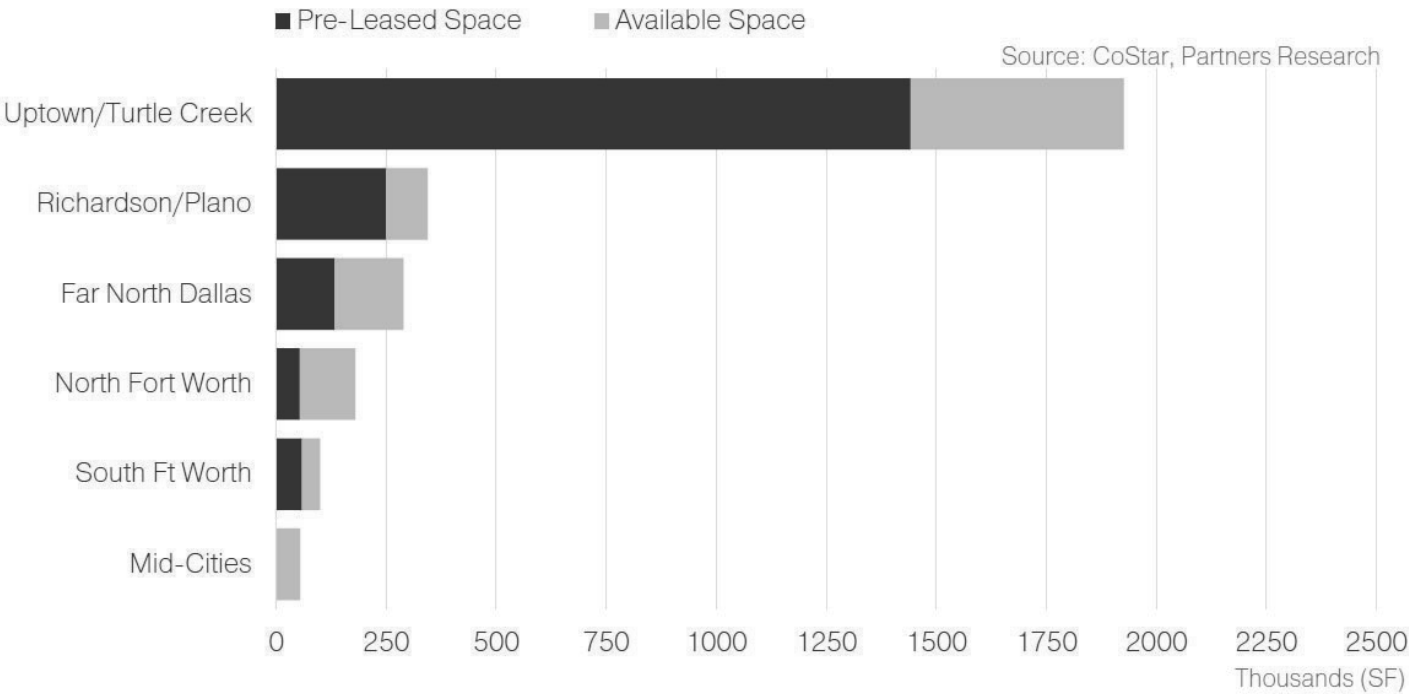


⁸⁰ Sources: Partners Q424 Dallas-Fort Worth Office Market Report

Dallas-Fort Worth Office Market Trends - Construction

Office Analysis

Nearly half of all office space currently under construction in the Dallas-Fort Worth MSA is in the premier Uptown/Turtle Creek submarket and most of that is pre-leased. Costar did not track any office space under construction in South Dallas (near the Subject Property). While this is a positive for the Subject Property in terms of limited competition, it also reflects current market perceptions of where new office development is attractive. The development of new residential and retail space (and aggressive marketing) at the Subject Property may be needed to help change those perceptions.



81 Sources: Partners Q424 Dallas-Fort Worth Office Market Report

Dallas-Fort Worth Office Market Trends - Rents

Office Analysis

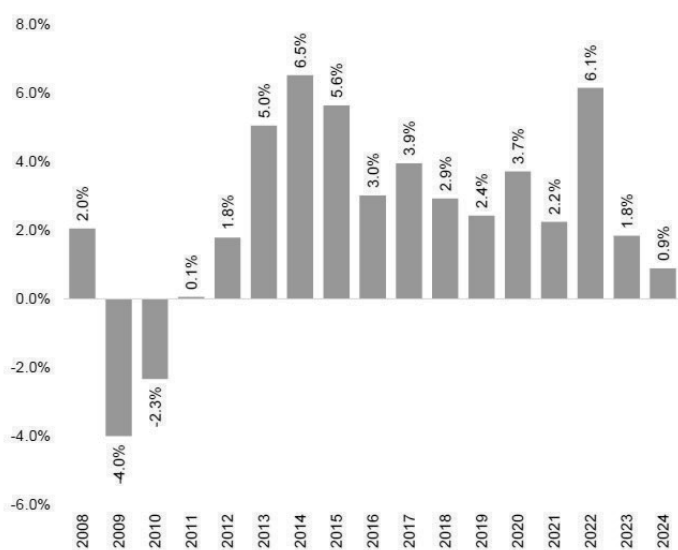
Overall YOY average rent growth has been positive in every year since 2011, a remarkable feat given the COVID-related disruptions to occupancy and vacancy. A job market that recovered quickly from the COVID shock likely contributed to this performance. The growing gap between Class A rents and Class B rents is also of note. Since 1Q19, the average Class A rent increased 17% compared to about a 9% increase for Class B space. Broker market reports noted a “flight to quality” dynamic, where tenants are vacating older space and moving into Class A space. Partners estimates that in 2024, Class B absorption was negative 842,000 SF, while Class A absorption was positive 1.07 million SF. This is a trend that could support new construction, including at the Subject Property, despite the high overall market vacancy rate. With that said, Partners/CoStar indicated that overall Class A vacancy is higher than Class B vacancy as of 4Q24.



Class A vs. Class B Avg. Rents



Overall Avg. YOY Rent Growth

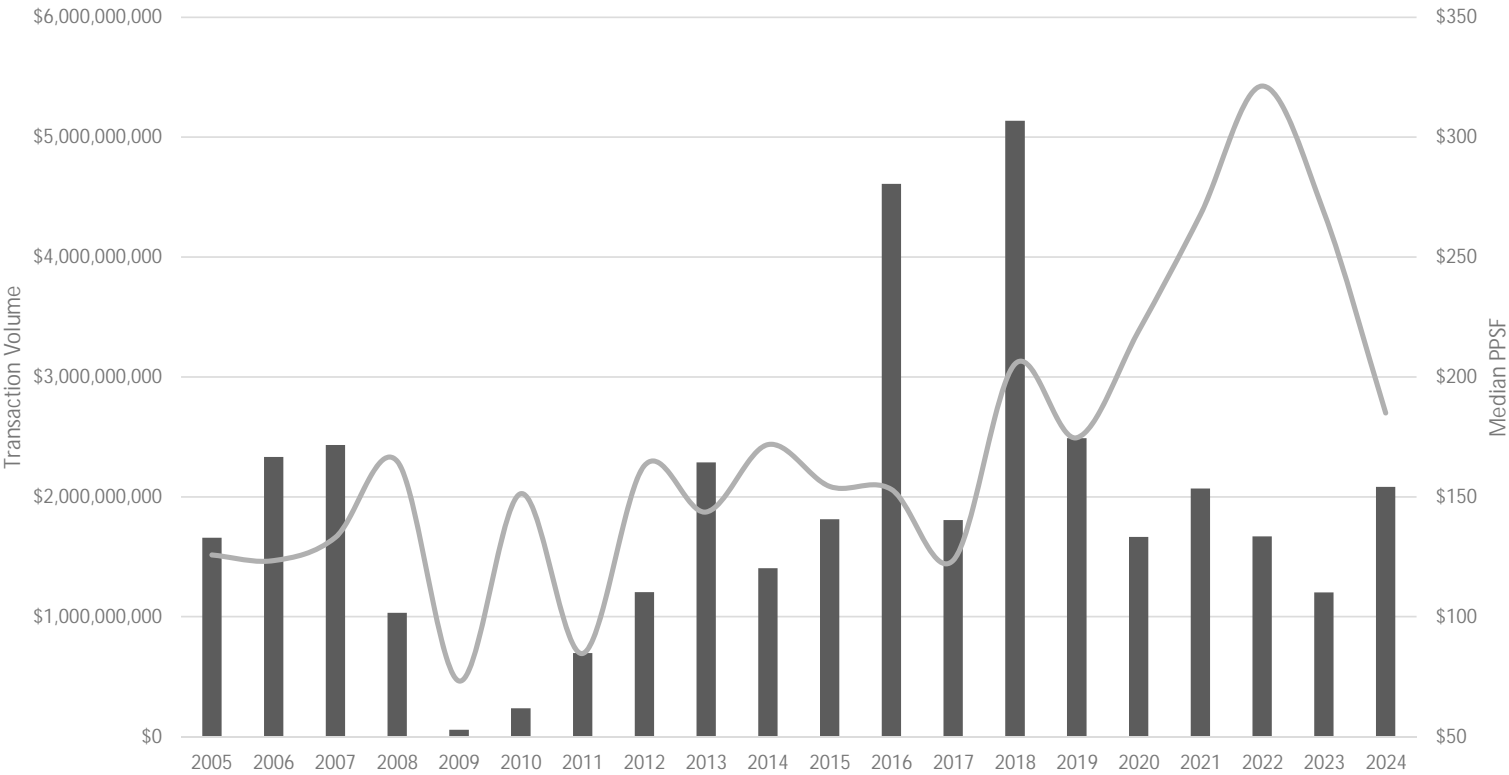


⁸² Sources: Newmark 4Q24 Office Market Report, Partners 4Q24 Office Market Report (Both reports rely on data from CoStar)

Dallas-Fort Worth Office Market Trends - Transactions

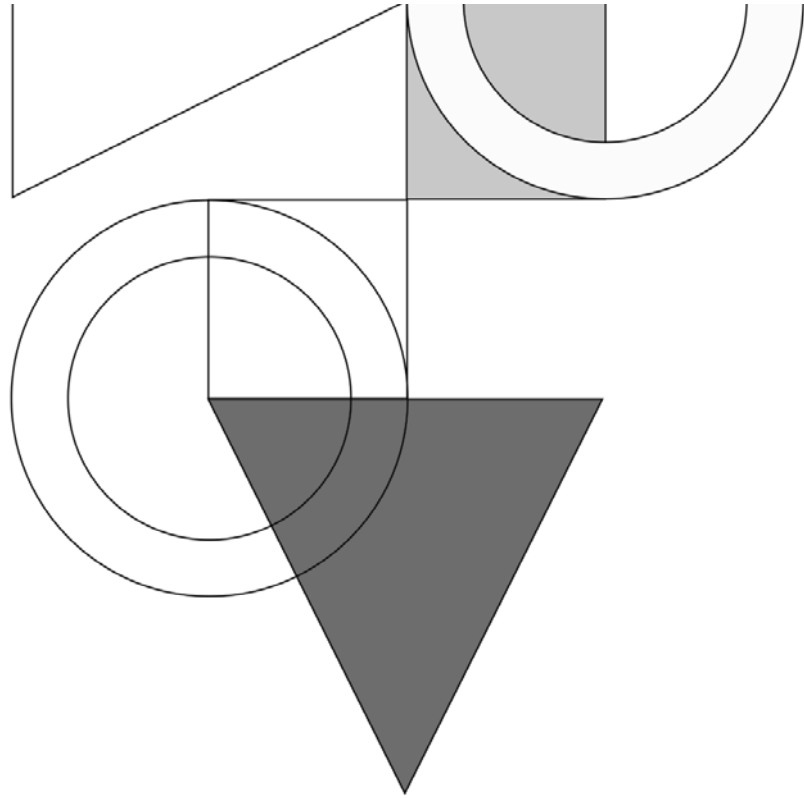
Office Analysis

Based on Moody's CRE/Reis data, the median price per square foot for office properties in 2024 was \$185/SF, down significantly from 2022 (\$321/SF). With that said, current prices are consistent with the median price in 2018 and 2019 (\$175/SF to \$205/SF), suggesting that the market is beginning to normalize. In 2024, the market's transaction volume was over \$2.0 billion (67 separate transactions). This suggests that investor interest in the Dallas-Fort Worth MSA remains strong.



⁸³ Sources: Moody's CRE/Reis

Hotel Analysis



Hotel Demand Forecast

Hotel Analysis

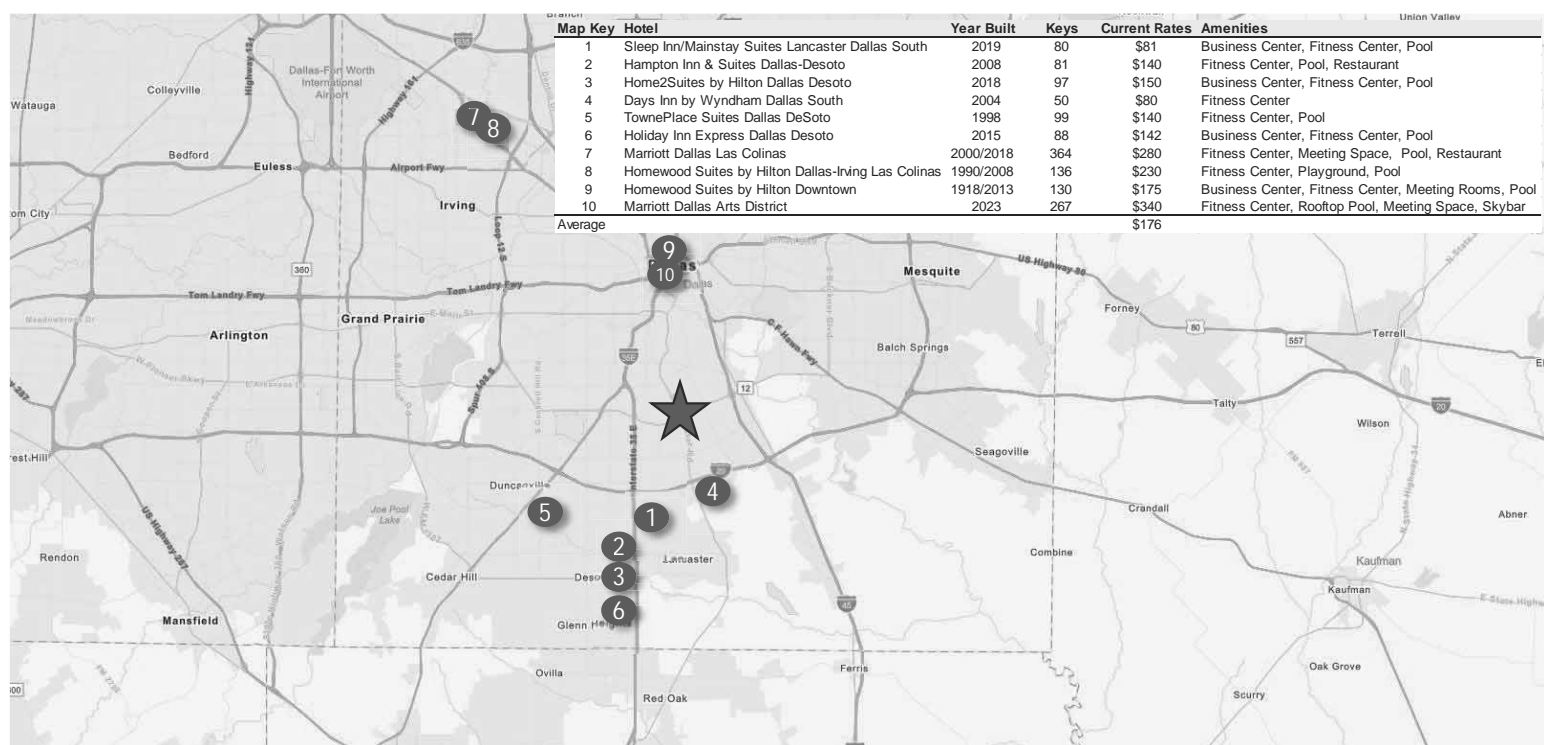
Based on a continuation of historical trends in terms of demand growth, the Dallas South/East submarket (as defined by STR) would need to add 2,896 hotel rooms by 2034 to maintain a steady occupancy rate of 64%. The 150 rooms at the Subject Property would represent just 5.2% of this projected demand. Considering the mixed-use nature (retail and office specifically) of the Subject Property, its proximity to I-20, and relatively short distance to downtown Dallas (less than eight miles away), this appears to be easily achievable.

Year	Annual Demand Room Nights	YOY Growth	Supply Room Nights	Supply Rooms	Supply Growth	Occupancy
2017	2,718,632		4,110,745	11,262		66%
2018	2,758,678	1.5%	4,248,325	11,639	3.3%	65%
2019	2,841,081	3.0%	4,410,043	12,082	3.8%	64%
2020	2,464,071	-13.3%	4,511,856	12,361	2.3%	55%
2021	3,141,719	27.5%	4,670,517	12,796	3.5%	67%
2022	3,163,819	0.7%	4,758,180	13,036	1.9%	66%
2023	3,122,665	-1.3%	4,775,160	13,083	0.4%	65%
2024	3,132,573	0.3%	4,824,549	13,218	1.0%	65%
2017-2024 Avg. Ann. Growth	59,134	2.0%	101,972	279	2.3%	
2025	3,196,643	2.0%	4,936,174	13,524	2.3%	65%
2026	3,262,024	2.0%	5,096,912	13,964	3.3%	64%
2027	3,328,742	2.0%	5,201,159	14,250	2.0%	64%
2028	3,396,824	2.0%	5,307,538	14,541	2.0%	64%
2029	3,466,299	2.0%	5,416,092	14,839	2.0%	64%
2030	3,537,195	2.0%	5,526,867	15,142	2.0%	64%
2031	3,609,541	2.0%	5,639,908	15,452	2.0%	64%
2032	3,683,367	2.0%	5,755,260	15,768	2.0%	64%
2033	3,758,702	2.0%	5,872,972	16,090	2.0%	64%
2034	3,835,579	2.0%	5,993,091	16,419	2.0%	64%
2025-2034 Avg. Ann. Growth	70,993	2.0%	117,435	322	2.2%	
2025-2034 Total Growth	638,935		1,056,917	2,896		

⁸⁵ Source: STR (Historical Data), Zonda (forecast)

Hotel Analysis

Most recently built hotels near the Subject Property are two or three star hotels with limited amenities. Daily rates at these hotels top out at around \$150. To provide additional context on potential rates, three hotels outside the CMA are shown (two in Las Colinas and two in Downtown Dallas). Assuming a mid-tier three-star hotel brand (e.g. Hampton, Ramada, Homewood Suites, Courtyard by Marriott), we expect a hotel at the Subject Property could likely achieve daily rates of \$160 to \$180. Achievable rates could increase as the retail, restaurants, and on-site office space are built out.

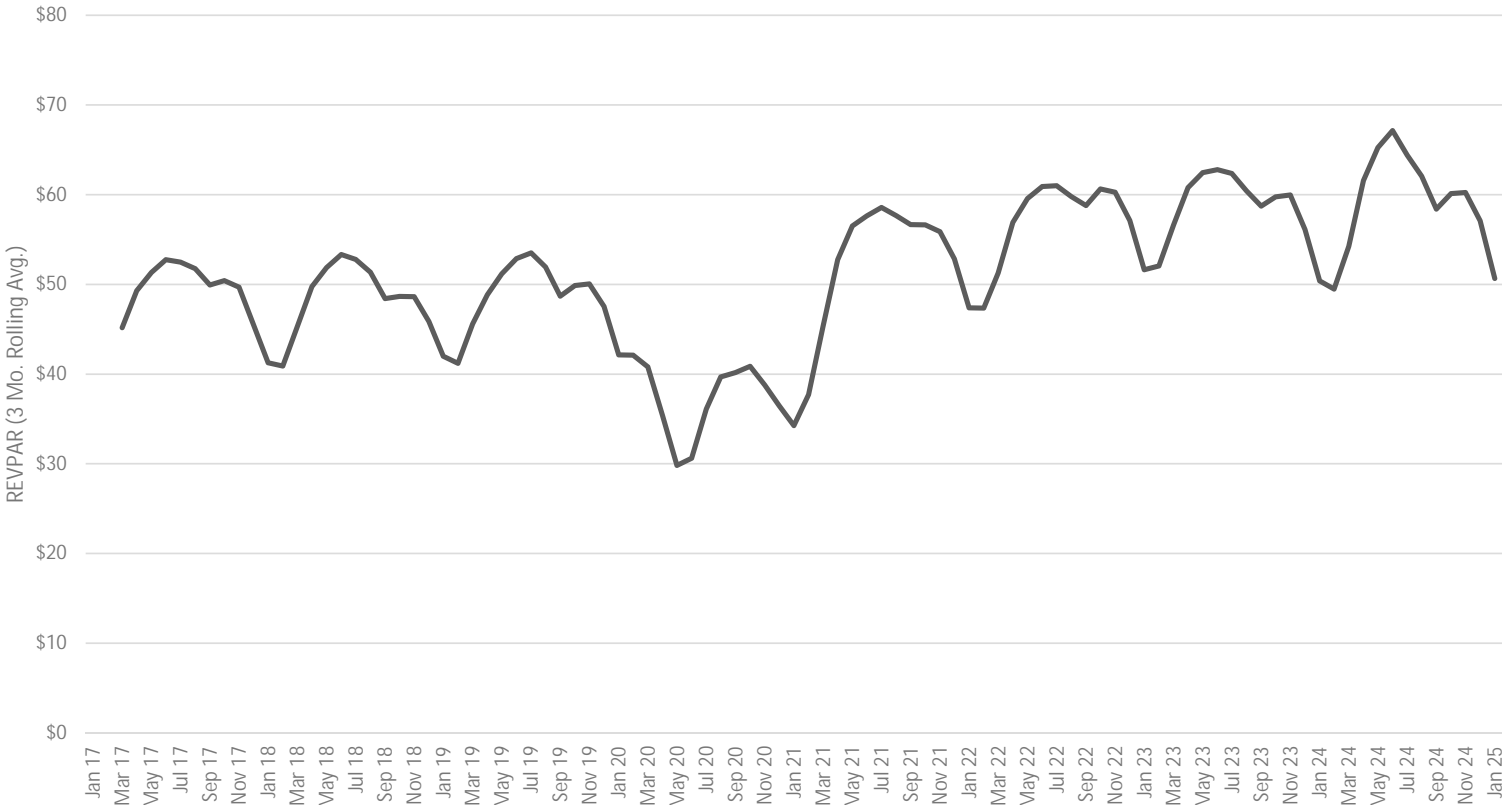


⁸⁶ Sources: Zonda, Individual Hotels, Travel Weekly

Dallas South/East Submarket Hotel Trends - REVPAR

Hotel Analysis

REVPAR in the Dallas South/East submarket has steadily increased. The November 2024 to January 2025 three-month average REVPAR of \$50.67 is up 0.5% YOY. From January 2019 to January 2025, REVPAR grew at an annual average rate of 3.0%.



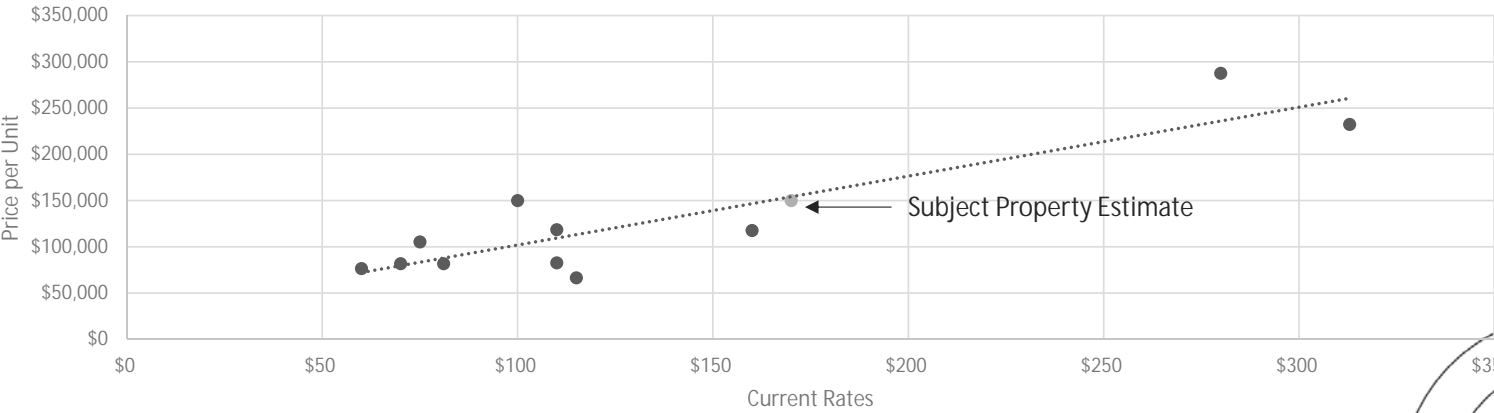
87 Source: STR

Hotel Transactions

Hotel Analysis

Recent transaction prices for hotels in the Dallas-Fort Worth MSA ranged from approximately \$67,000 per unit to \$288,000 per unit. Based on these transactions (as well as two listings) and given our projected ADR of approximately \$170 at the Subject Property, we expect a hotel at the Subject Property would likely sell for approximately \$150,000 per key.

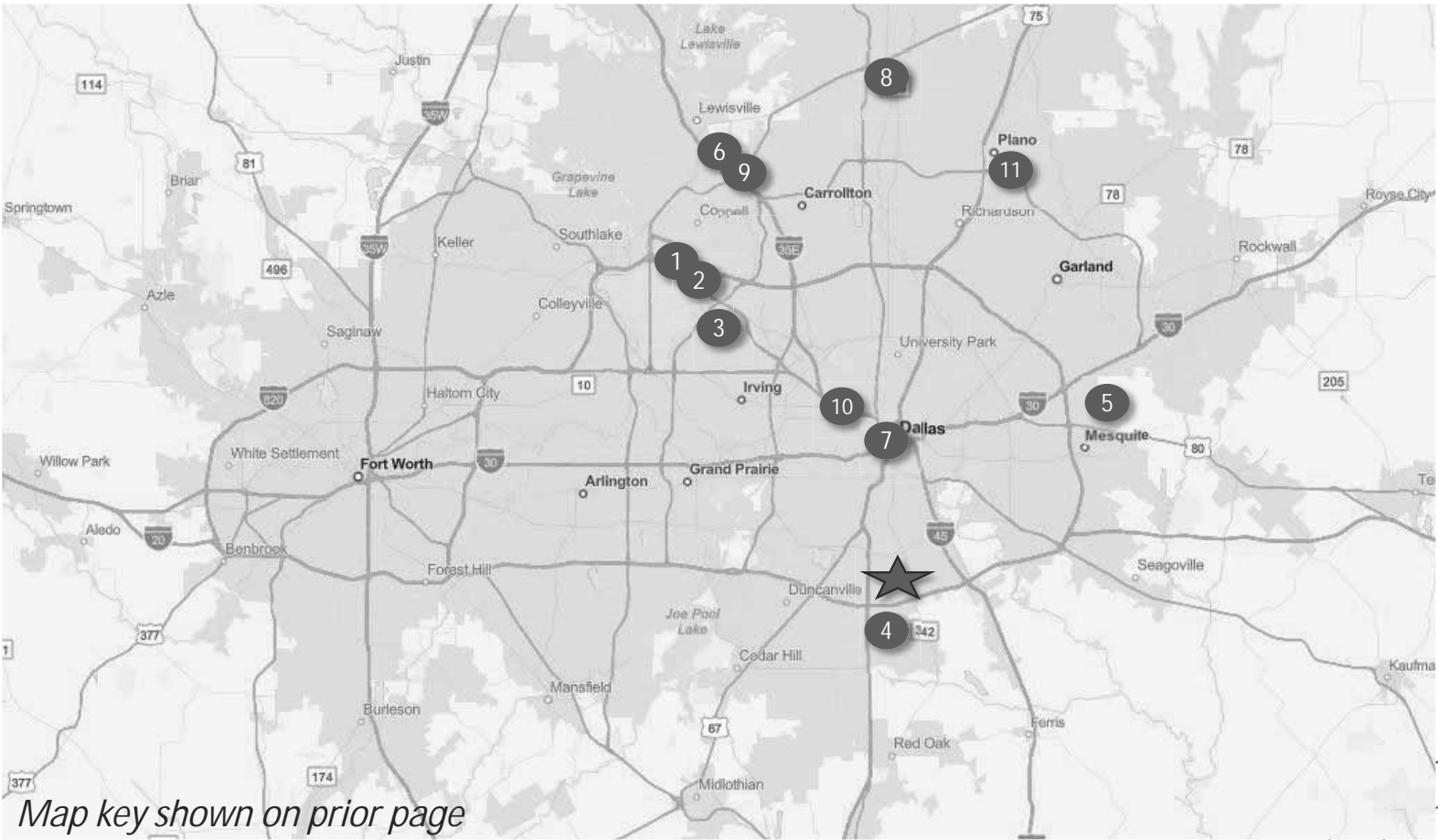
Map Key	Address	Current Brand	Current Rates	City	Year Built	Units	Price	Price/Unit	Date Sold
1	7825 Heathrow Dr.	Hawthorn ES	\$60	Irving	1998	146	\$11,172,000	\$76,500	9/3/2024
2	5000 Plaza Dr.	Candlewood Suites	\$110	Irving	1999	96	\$11,371,500	\$118,500	3/25/2024
3	1201 Executive Circle	Sonesta ES Suites	\$110	Irving	1999	117	\$9,675,750	\$82,700	8/14/2024
4	3508 N I-35 E	Mainstay/Sleep Inn	\$81	Lancaster	2018	80	\$6,543,600	\$81,800	6/21/2024
5	2100 N Beltline Rd.	Surestay Plus	\$70	Mesquite	2003	58	\$4,735,864	\$81,700	6/5/5024
6	700 Hebron Parkway	Homewood Suites	\$115	Lewisville	1995	96	\$6,397,300	\$66,600	12/30/2024
7	1201 Main St.	Westin	\$313	Dallas	1968/2015	326	\$75,750,000	\$232,400	4Q24
8	5805 Granite Parkway	Hilton	\$280	Plano	2014	299	\$86,000,000	\$287,600	6/20/2023
9	450 E Corporate Dr.	Home2 Suites	\$160	Lewisville	2019	122	\$14,350,700	\$117,600	Under Contract
10	1521 Inwood Rd.	Comfort Inn and Suites	\$100	Inwood	2008	85	\$12,750,000	\$150,000	Listing
11	2301 N George Bush Hwy	Comfort Inn and Suites	\$75	Plano	2008	76	\$8,000,000	\$105,300	Listing
						1,501		\$150,600	



88 Sources: Crexi, Loopnet, CoStar News, LW Hospitality Advisors

Hotel Transactions Map

Hotel Analysis

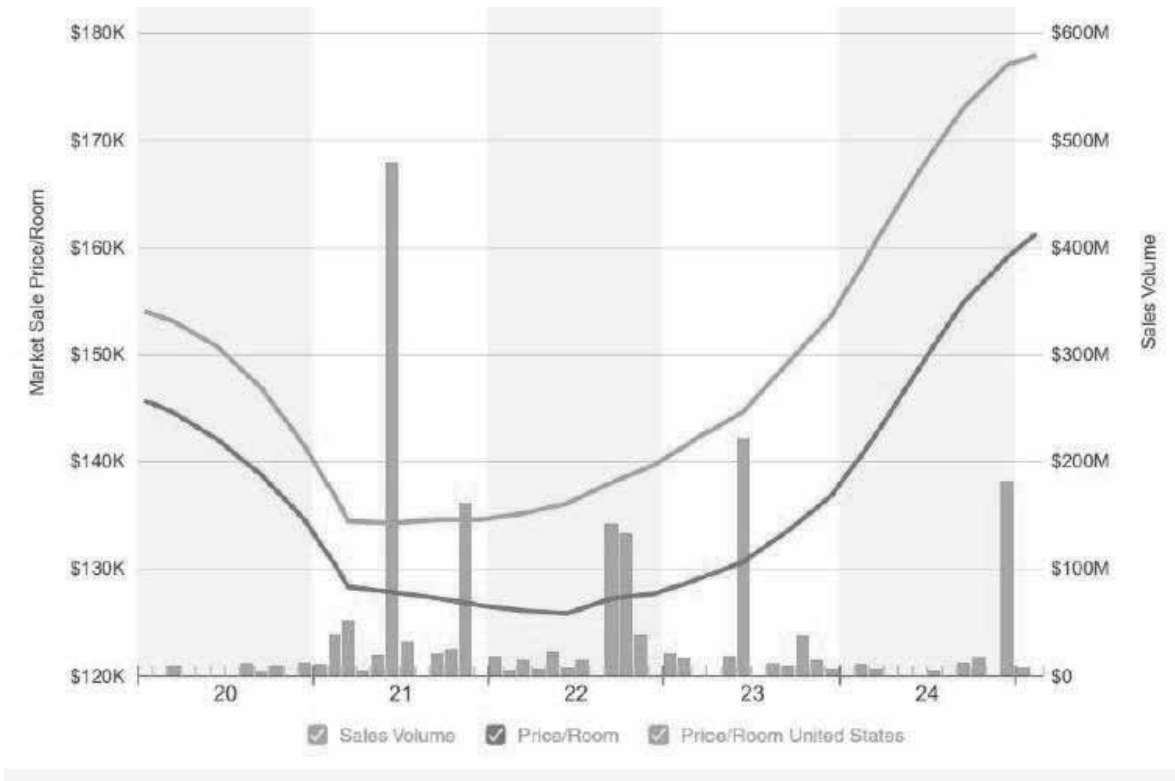


⁸⁹ Sources: Crexi, Loopnet, CoStar, LW Hospitality Advisors

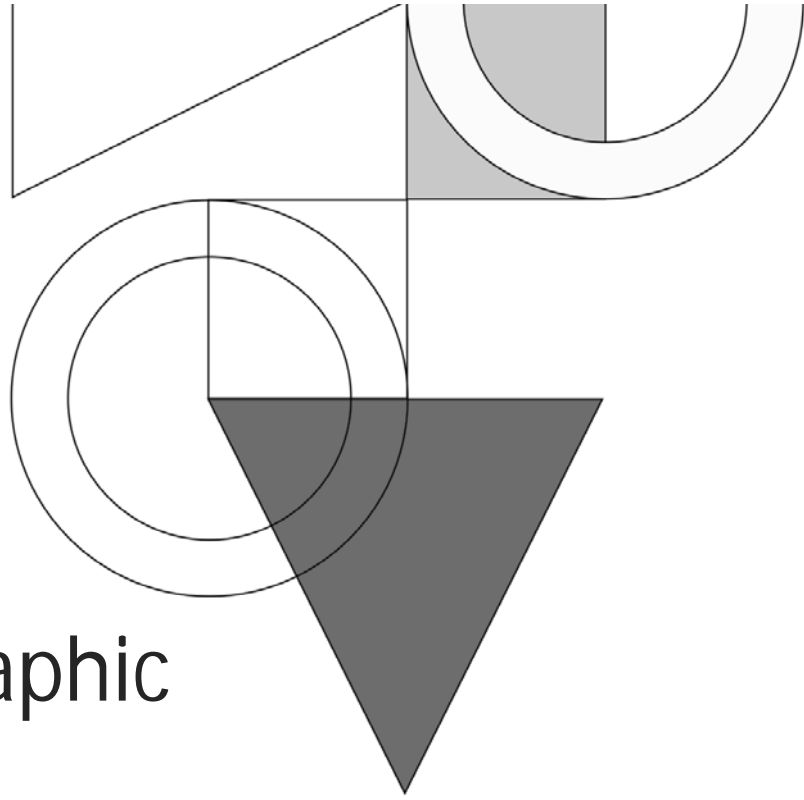
Hotel Transaction Volume and Avg. Price per Unit

Hotel Analysis

The average price per room for hotels in the Dallas-Fort Worth MSA increased significantly. Based on data from CoStar (as reported in a Matthews Real Estate Investment Services report), the median price per room for hotels in the Dallas-Fort Worth MSA increased from less than \$130,000 per room in 1Q23 to over \$160,000 per room in 4Q24.



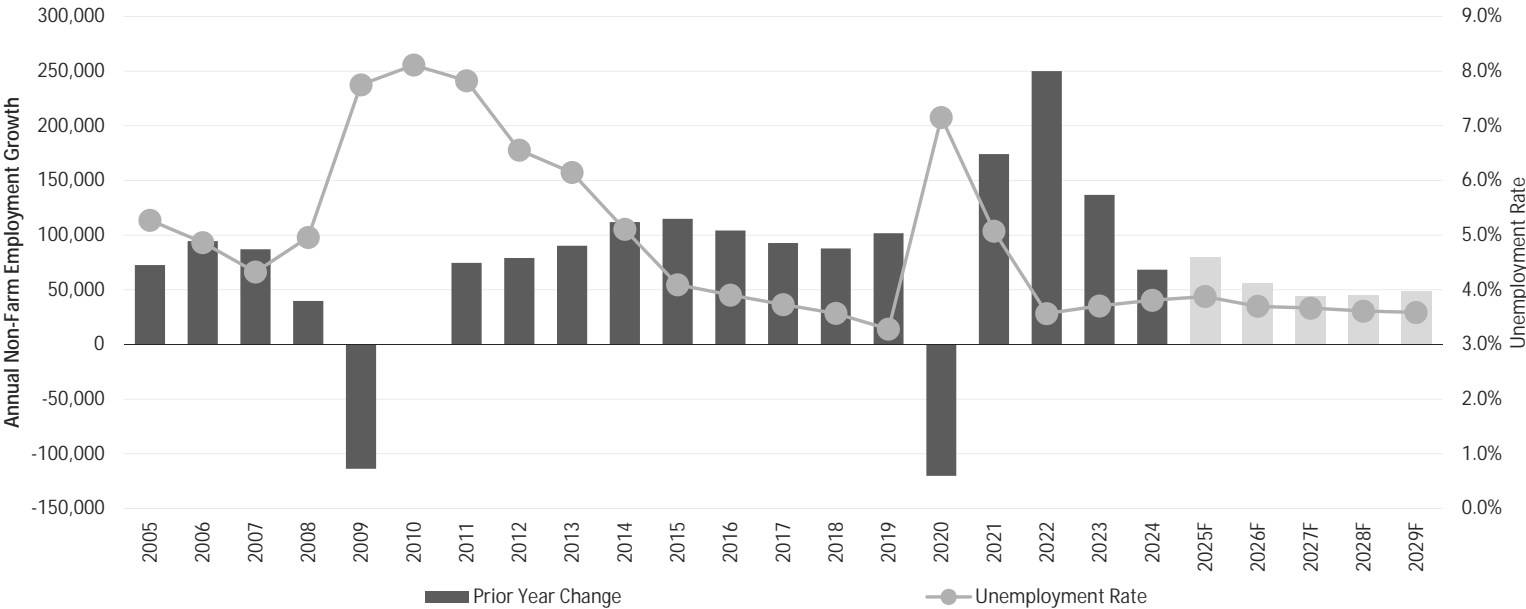
⁹⁰ Source: Matthews Real Estate Investment Services 2024 Annual Report (Dallas-Fort Worth MSA). Report sources data from CoStar.



Economic & Demographic Analysis

Employment Growth
Economic & Demographic Analysis

As of February 2025, Moody's baseline forecast calls for steady job growth in the Dallas-Ft. Worth MSA and a low unemployment rate. Moody's estimates that the Metroplex added 68,297 jobs in 2024 and will add 79,616 jobs in 2025. Thereafter job growth is projected to moderate to an average of 54,686 new jobs per year through 2029. The unemployment rate is projected to remain low at 3.6% to 3.7%.



Source: Moody's Analytics; U.S. Bureau of Labor Statistics (BLS)

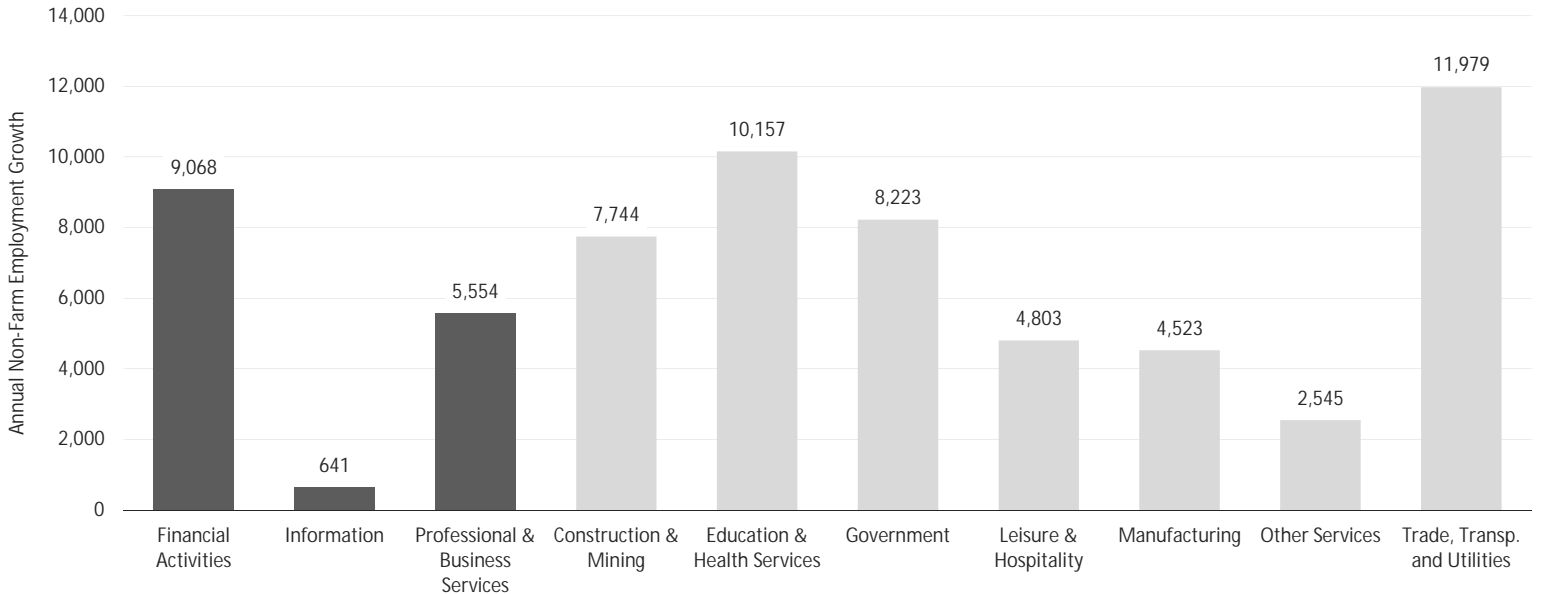
Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area - Moody's Analytics Five-Year Forecast

Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
Non-Farm Employment	3,401,558	3,505,750	3,598,550	3,686,275	3,788,017	3,667,750	3,841,775	4,091,775	4,228,642	4,296,938	4,376,555	4,432,745	4,477,166	4,521,819	4,570,366
Prior Year Change	114,917	104,192	92,800	87,725	101,742	(120,267)	174,025	250,000	136,867	68,297	79,616	56,190	44,422	44,652	48,547
Annual % Change	3.5%	3.1%	2.6%	2.4%	2.8%	-3.2%	4.7%	6.5%	3.3%	1.6%	1.9%	1.3%	1.0%	1.0%	1.1%
Unemployment Rate	4.1%	3.9%	3.7%	3.6%	3.3%	7.2%	5.1%	3.6%	3.7%	3.8%	3.9%	3.7%	3.7%	3.6%	3.6%

Employment Growth by Sector

Economic & Demographic Analysis

Job growth in the Dallas MSA was broad based over the last year. All employment sectors experienced growth. Trade, Transportation and Utilities (+11,979), Education and Health Services (+10,157), and Financial Activities (+9,068) were the top threes sectors. Other notable sectors include Government (+8,223) and Construction and Mining (+7,744).

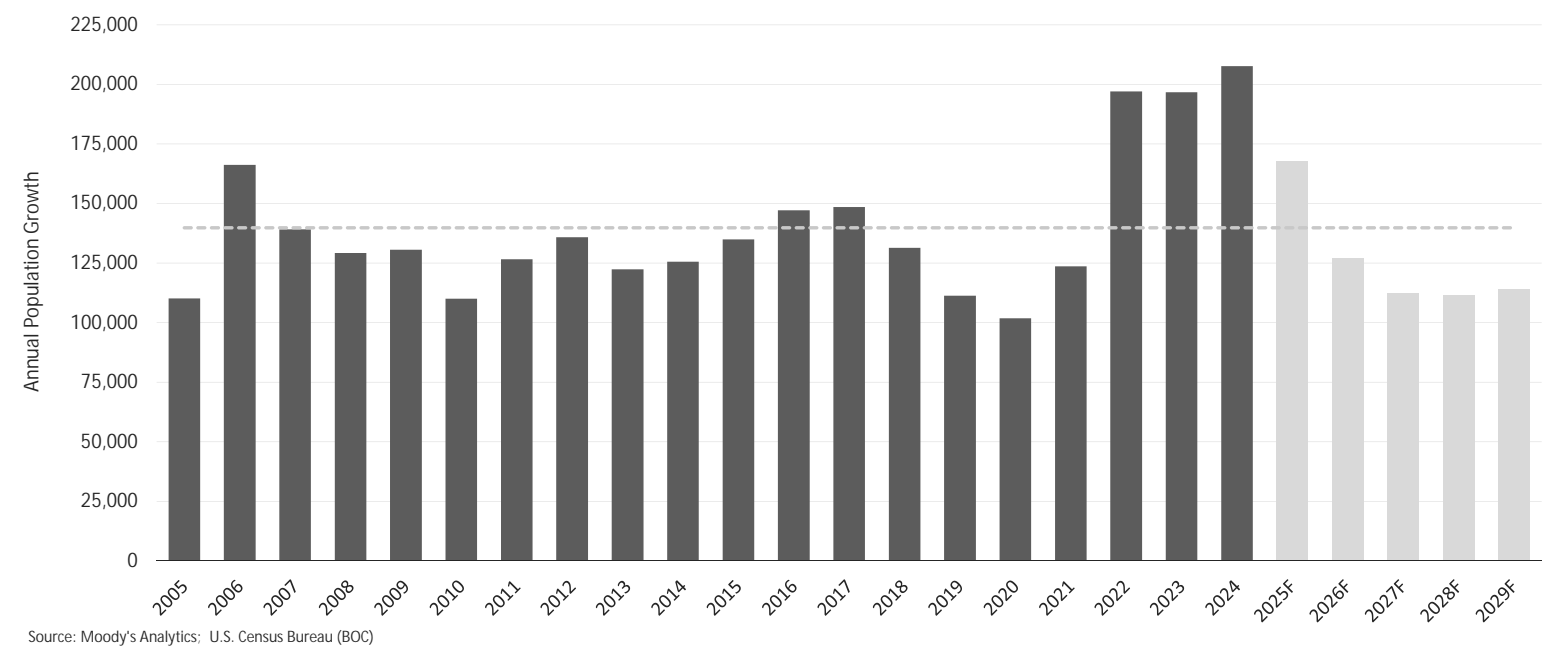


Source: Moody's Analytics; U.S. Bureau of Labor Statistics (BLS)

Category	Financial Activities	Information	Professional & Business Services	Construction & Mining	Education & Health Services	Government	Leisure & Hospitality	Manufacturing	Other Services	Trade, Transp. and Utilities
Current Month (Jan-2025)	380,587	91,965	782,904	241,881	524,435	489,750	433,132	315,765	143,741	915,626
Current Month (Jan-2024)	371,519	91,324	777,350	234,136	514,278	481,527	428,329	311,242	141,196	903,647
12-Month Change	9,068	641	5,554	7,744	10,157	8,223	4,803	4,523	2,545	11,979

Population Growth
Economic & Demographic Analysis

Population growth is expected to slow down in the Metroplex. Moody's projects future growth to average 126,372 people per year from 2025 through 2029. While this is marginally lower than the historical average of 139,816, the Dallas-Fort Worth MSA is nonetheless projected to remain the fastest growing MSA in the United States.



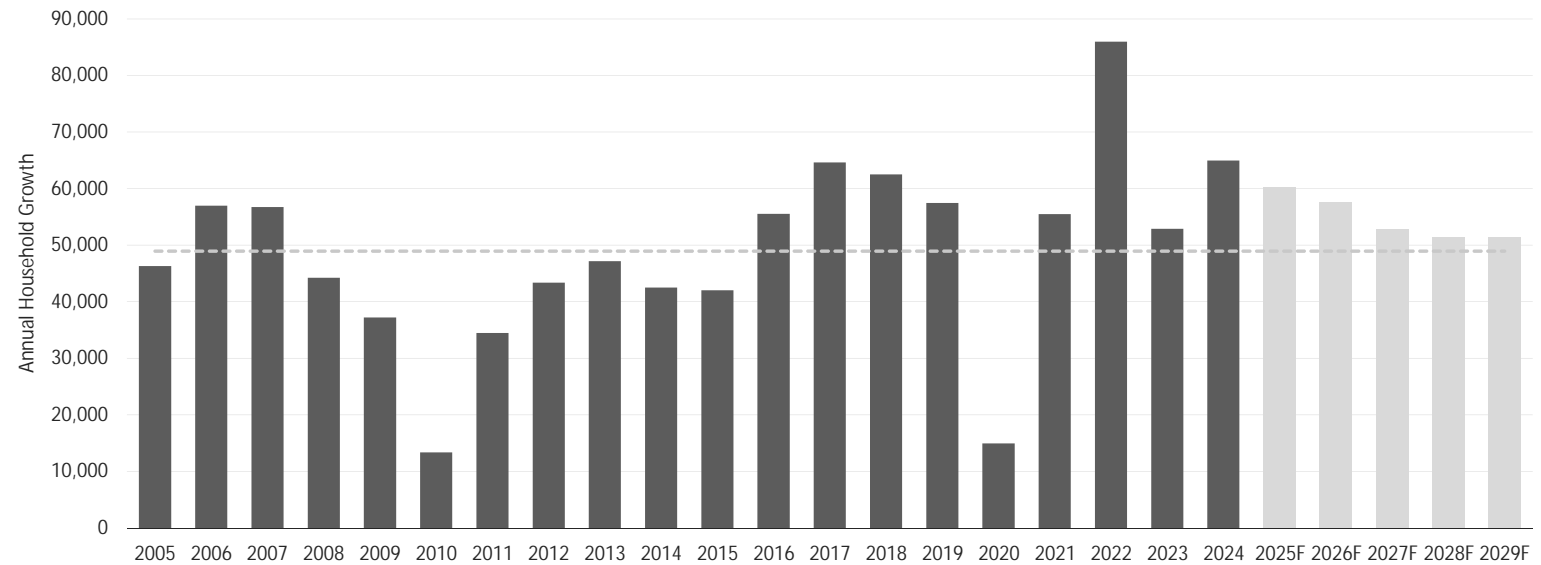
Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area - Moody's Analytics Five-Year Forecast

Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
Total Population	7,097,287	7,244,454	7,393,023	7,524,487	7,635,824	7,737,680	7,861,312	8,058,352	8,255,013	8,462,645	8,630,227	8,757,067	8,869,229	8,980,607	9,094,506
Prior Year Change	134,969	147,167	148,569	131,464	111,337	101,856	123,632	197,040	196,661	207,632	167,582	126,840	112,163	111,378	113,899
Annual % Change	1.9%	2.1%	2.1%	1.8%	1.5%	1.3%	1.6%	2.5%	2.4%	2.5%	2.0%	1.5%	1.3%	1.3%	1.3%

Household Growth

Economic & Demographic Analysis

Strong household growth is anticipated in the Metroplex. Moody's estimates that an average of 54,622 households per year will be added from 2025 through 2029, well above historical averages. From 2004 through 2024, the Metroplex added an average of 48,951 households annually. If accurate, demand for new housing of all types should increase over historical averages.

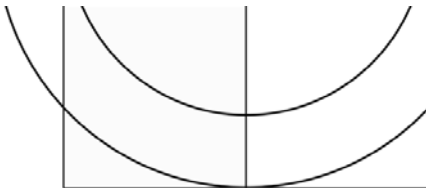


Source: Moody's Analytics; U.S. Census Bureau (BOC)

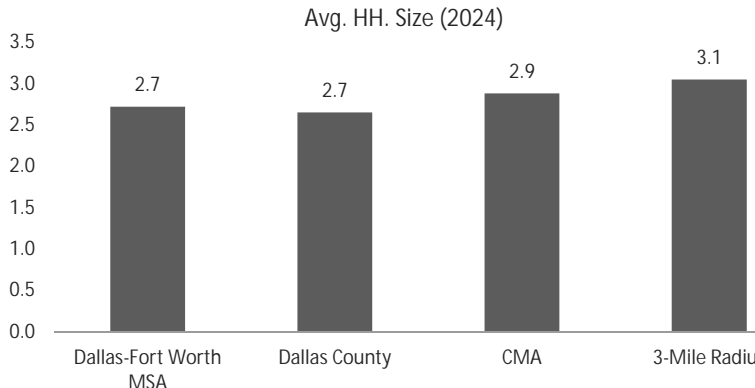
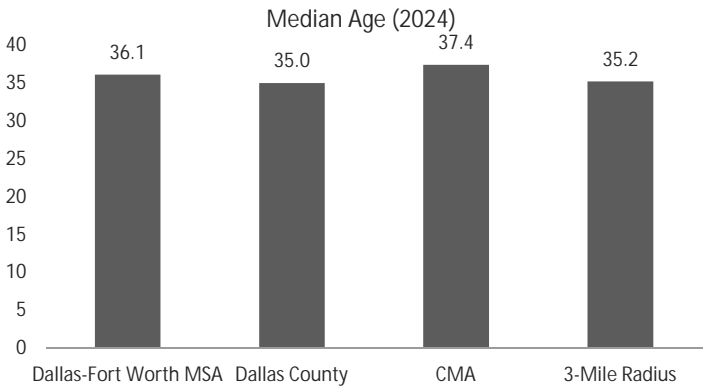
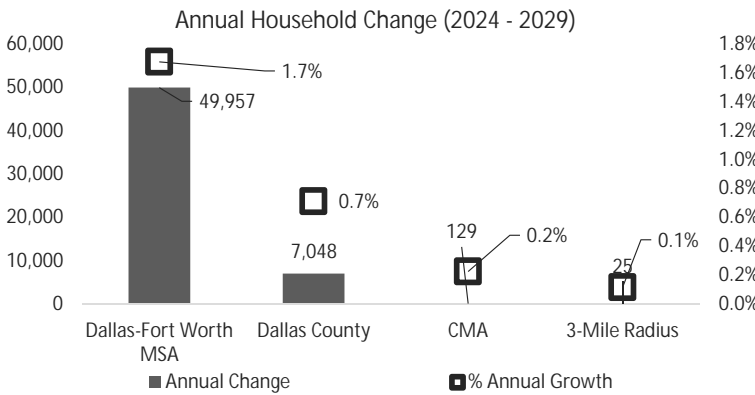
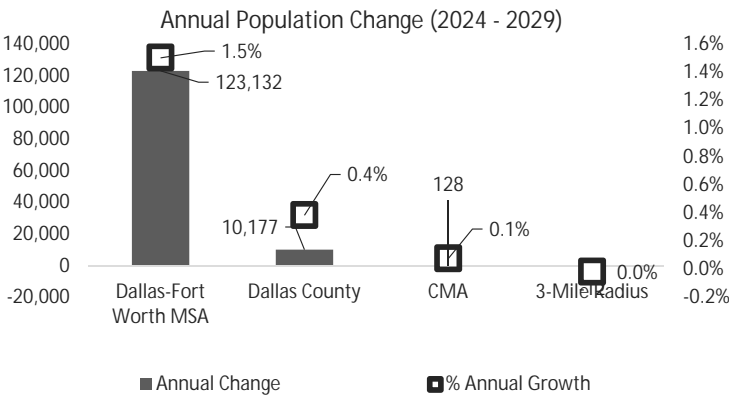
Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area - Moody's Analytics Five-Year Forecast															
Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
Total Households	2,541,516	2,597,046	2,661,706	2,724,229	2,781,680	2,796,654	2,852,164	2,938,163	2,991,064	3,056,048	3,116,296	3,173,826	3,226,521	3,277,859	3,329,158
Prior Year Change	42,025	55,529	64,660	62,523	57,451	14,973	55,510	85,999	52,900	64,985	60,247	57,530	52,695	51,338	51,299
Annual % Change	1.7%	2.2%	2.5%	2.3%	2.1%	0.5%	2.0%	3.0%	1.8%	2.2%	2.0%	1.8%	1.7%	1.6%	1.6%

Demographic Characteristics

Economic & Demographic Analysis



ESRI is projecting steady household and population growth in the Dallas-Fort Worth MSA at levels similar to Moody's. Growth in the CMA and within three miles is projected to be limited. That is primarily a function of limited land availability and supply of new development. We expect the significant quantity of units at the Subject Property to alter this projected growth trajectory.

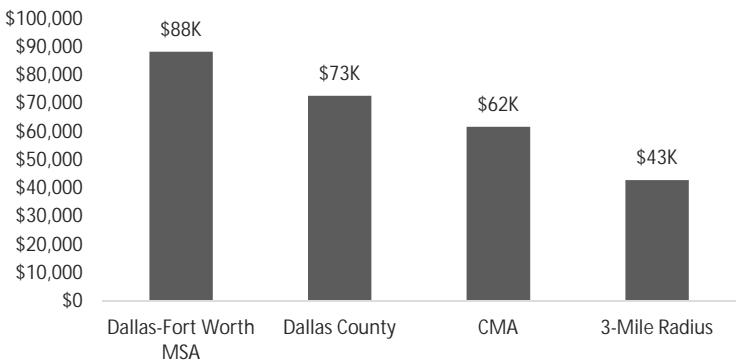


Demographic Characteristics

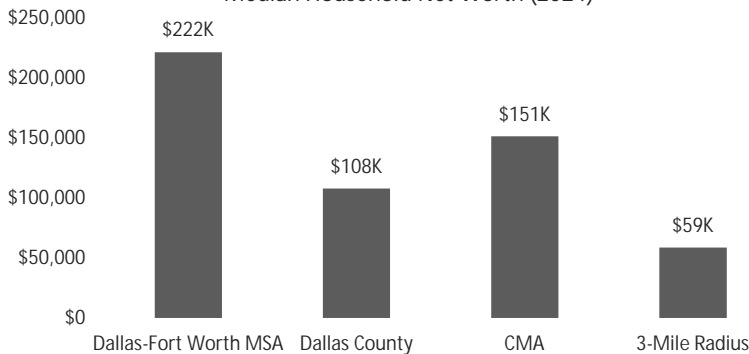
Economic & Demographic Analysis

The CMA has a median household income of \$62,000 per year (30% less than the MSA median). Within three-miles of the Subject Property, the median household income is even lower at \$43,000 per year. However, given reasonably affordable and new product, we expect the Subject Property will be able to draw residents in from across Dallas County and the Metroplex and will not be dependent on immediate area residents for demand.

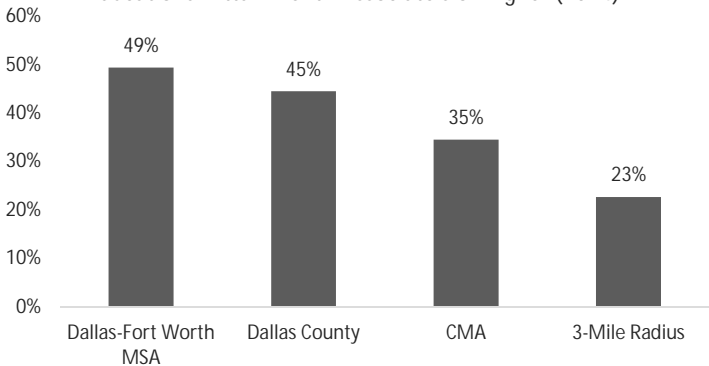
Median Household Income (2024)



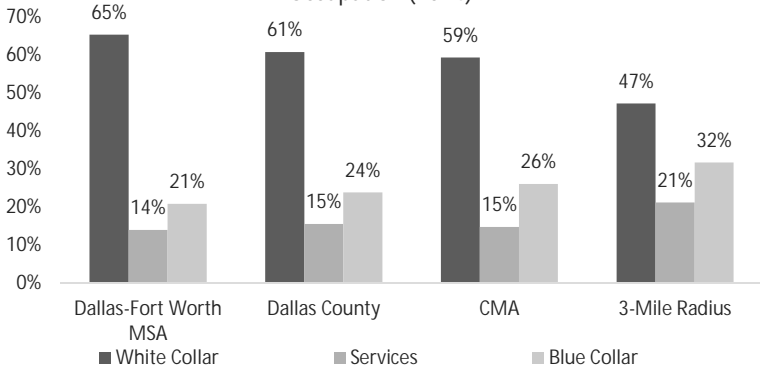
Median Household Net Worth (2024)



Educational Attainment - Associate's or Higher (2024)



Occupation (2024)

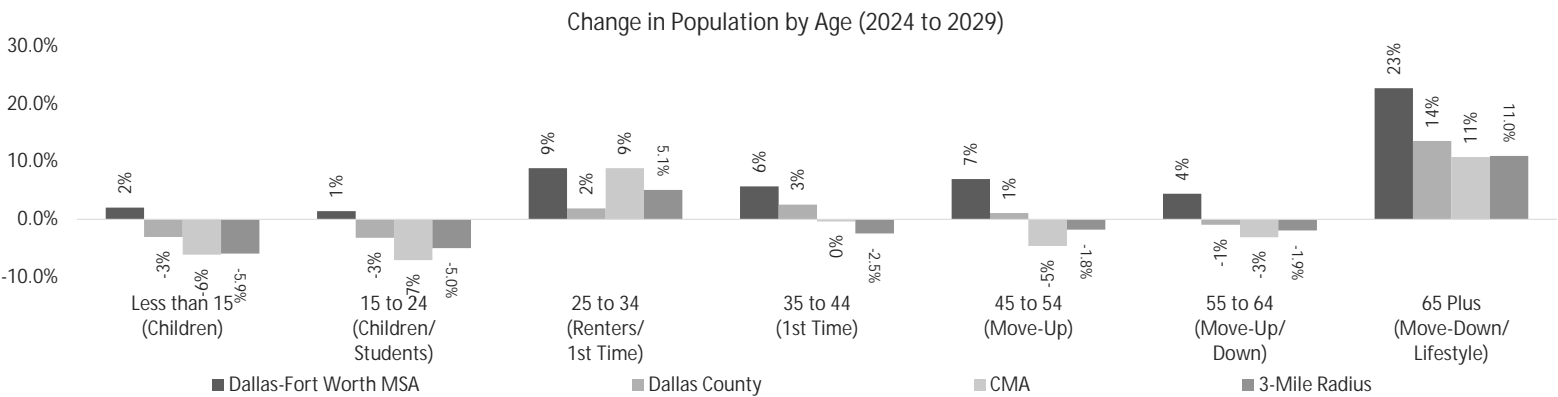
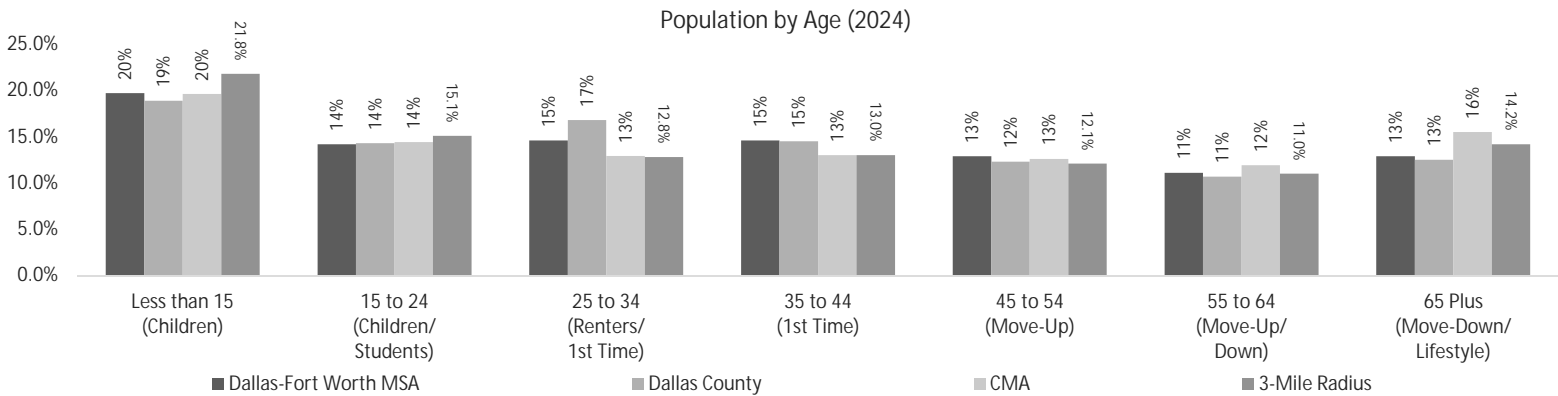


97 Source: ESRI

Age Distributions

Economic & Demographic Analysis

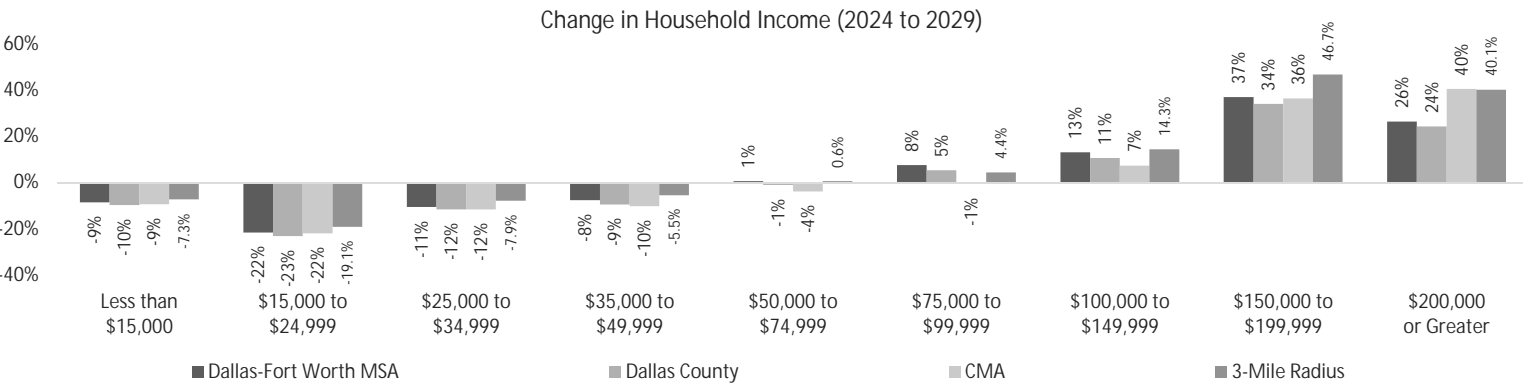
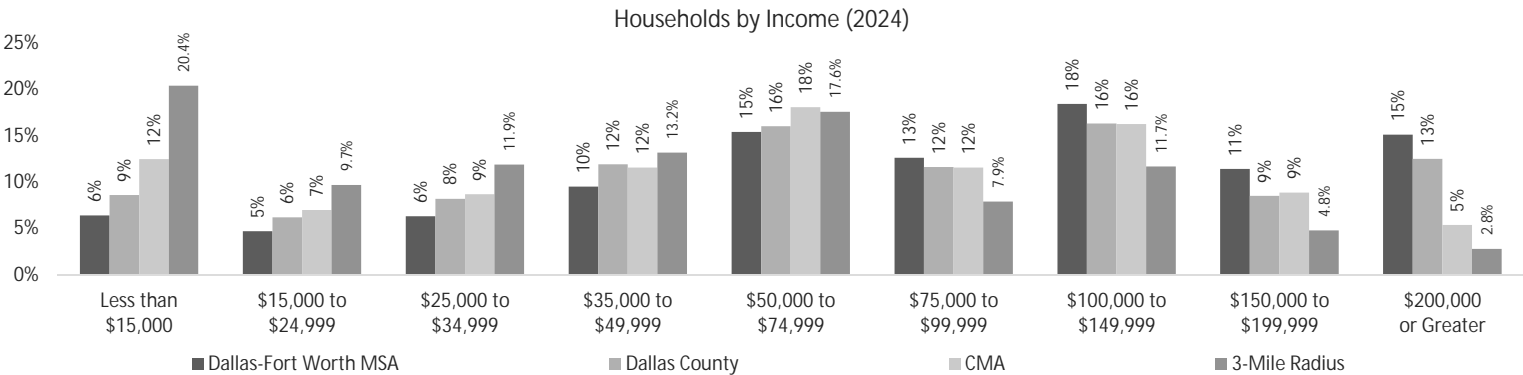
The CMA's population is characterized by a slightly higher concentration of young children than the broader Dallas-Fort Worth MSA and Dallas County. However, retirees over the age of 65 are projected to see the fastest growth. Generally, we expect the primary renter demographic will be singles and childless couples/roommates under the age of 35, while homebuyers will likely be young, value-oriented families and couples without children or empty nesters.

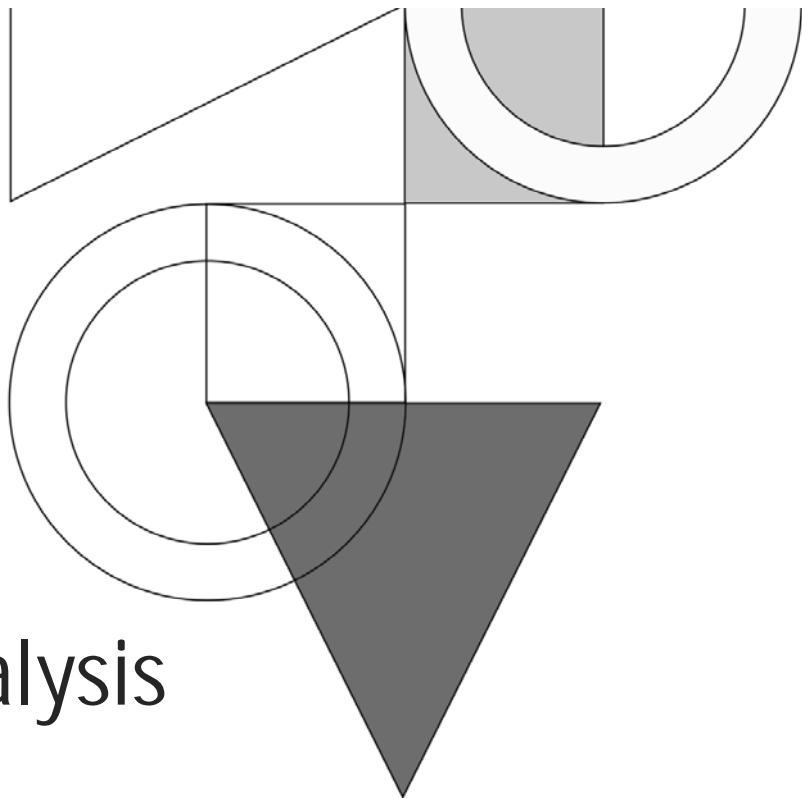


Income Distributions

Economic & Demographic Analysis

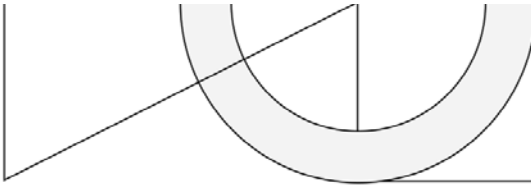
While household incomes in the CMA skew lower than the broader MSA, 30% of existing households in the CMA have incomes over \$100,000 per year. ESRI projects households with incomes over \$100,000 will see the fastest growth over the next five years throughout the MSA, including in Dallas County and the CMA.





Housing Demand Analysis

CMA and Subject Property Absorption
Housing Demand Analysis



To test our residential absorption projections for reasonableness, Zonda prepared a growth forecast for Dallas County and the CMA. Using our projected CMA home closings as a proxy for homeowner household growth, and assuming the current homeownership rate in the CMA (64%) remains constant, our projections would require that the CMA capture 10.1% to 12.6% of Dallas County's projected growth (by Moody's) from 2025 through 2029. Since 2010, the CMA has captured between 0% and about 6% of Dallas County household growth in any given year. While our forecast assumes an increase in the CMA's share of this growth, we believe this is reasonable given that the CMA's low capture rate was driven by a lack of supply / development activity. The Subject Property will represent a significant addition to new supply and should allow for more rapid growth in the CMA.

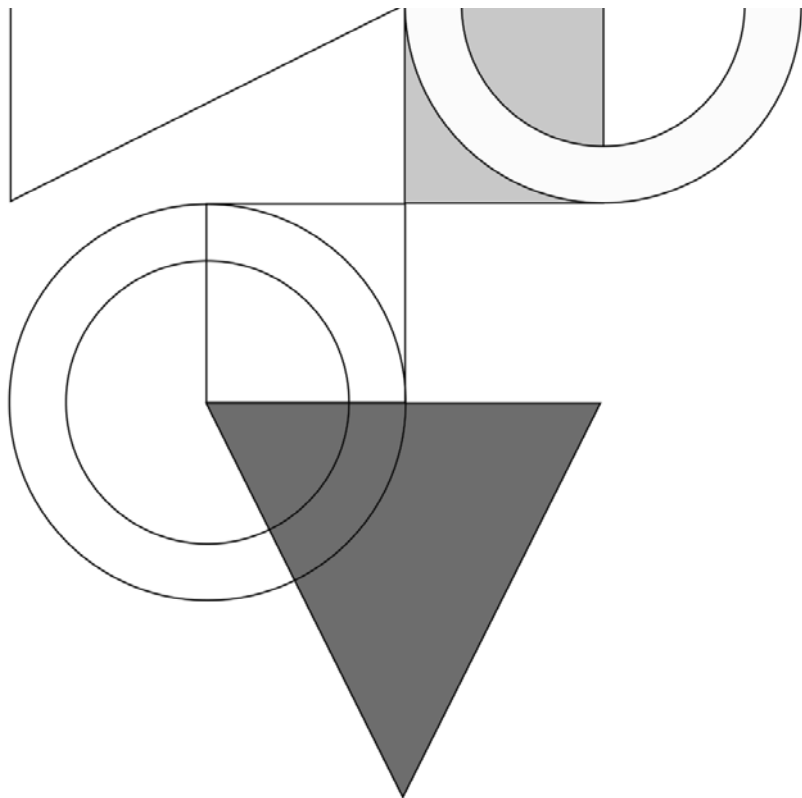
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Dallas County Households ¹	932,479	947,900	958,714	967,223	973,054	980,691	986,641	990,909	997,957	1,005,005	1,012,052	1,019,100	1,026,148	1,033,245	1,040,390	1,047,585	1,054,830	1,062,125	1,069,470	1,076,866	1,084,314	1,091,812	1,099,363	1,106,966	1,114,621
Dallas County Growth	15,353	15,421	10,814	8,509	5,831	7,637	5,950	4,268	7,048	7,048	7,048	7,048	7,048	7,097	7,146	7,195	7,245	7,295	7,345	7,396	7,447	7,499	7,551	7,603	7,655
CMA Households ²	55,649	56,313	56,615	56,945	57,028	56,983	56,968	57,008	57,898	58,670	59,430	60,172	60,885	61,595	62,310	63,029	63,754	64,483	65,218	65,957	66,702	67,452	68,207	68,967	69,733
CMA Growth	704	664	302	330	83	-45	-15	40	890	771	761	741	714	710	715	720	724	729	735	740	745	750	755	760	766
CMA Share of County Growth	4.6%	4.3%	2.8%	3.9%	1.4%	-0.6%	-0.3%	0.9%	12.6%	10.9%	10.8%	10.5%	10.1%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Homeowner Households (64%) ³					36,498	36,469	36,460	36,485	37,055	37,549	38,035	38,510	38,967	39,421	39,878	40,339	40,802	41,269	41,739	42,213	42,689	43,169	43,652	44,139	44,629
Renter Households (20%)					20,530	20,514	20,508	20,523	20,843	21,121	21,395	21,662	21,919	22,174	22,431	22,691	22,951	23,214	23,478	23,745	24,013	24,283	24,555	24,828	25,104
CMA Homeowner Household Growth						-29	-10	26	570	494	487	474	457	454	457	460	464	467	470	473	477	480	483	487	490
CMA Renter Household Growth						-16	-5	14	321	278	274	267	257	255	257	259	261	263	264	266	268	270	272	274	276
Subject Property Projected For-Sale Absorption								0	0	0	168	288	96	21	0	0	0	0	0	0	0	0	0	0	0
Share of CMA Homeowner HH Growth								0%	0%	0%	34%	59%	20%	5%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Subject Property Projected Rental Absorption (Occupied Apt. Units)					0	0	0	0	0	0	240	111	0	240	17	240	17	240	23	140	114	116	106	109	106
Subject Property Total Occupied Rental Units					0	0	0	0	0	0	240	351	351	591	608	848	865	1,105	1,128	1,268	1,382	1,498	1,604	1,713	1,819
Share of CMA Renter HH Growth								0%	0%	88%	42%	0%	94%	7%	93%	7%	91%	9%	53%	43%	43%	39%	40%	38%	
Cumulative Subject Property Households									168	696	903	924	1,164	1,181	1,421	1,438	1,678	1,701	1,841	1,955	2,071	2,177	2,286	2,392	

From 2025 through 2041, our projected for-sale absorption at the Subject Property accounts for 7% of projected CMA for-sale demand (30% of demand from 2026 through 2029 during active sales). Our projected apartment absorption accounts for 40% of total renter household growth from 2025 through 2041. Given the limited competition in the CMA, these are reasonable capture rates.

1/Moody's through 2029. Zonda thereafter
 2/ESRI for historical data. Future projection is Zonda's
 3/Based on ESRI for 2024, assumed to remain constant in the future

101
 Source: Zonda

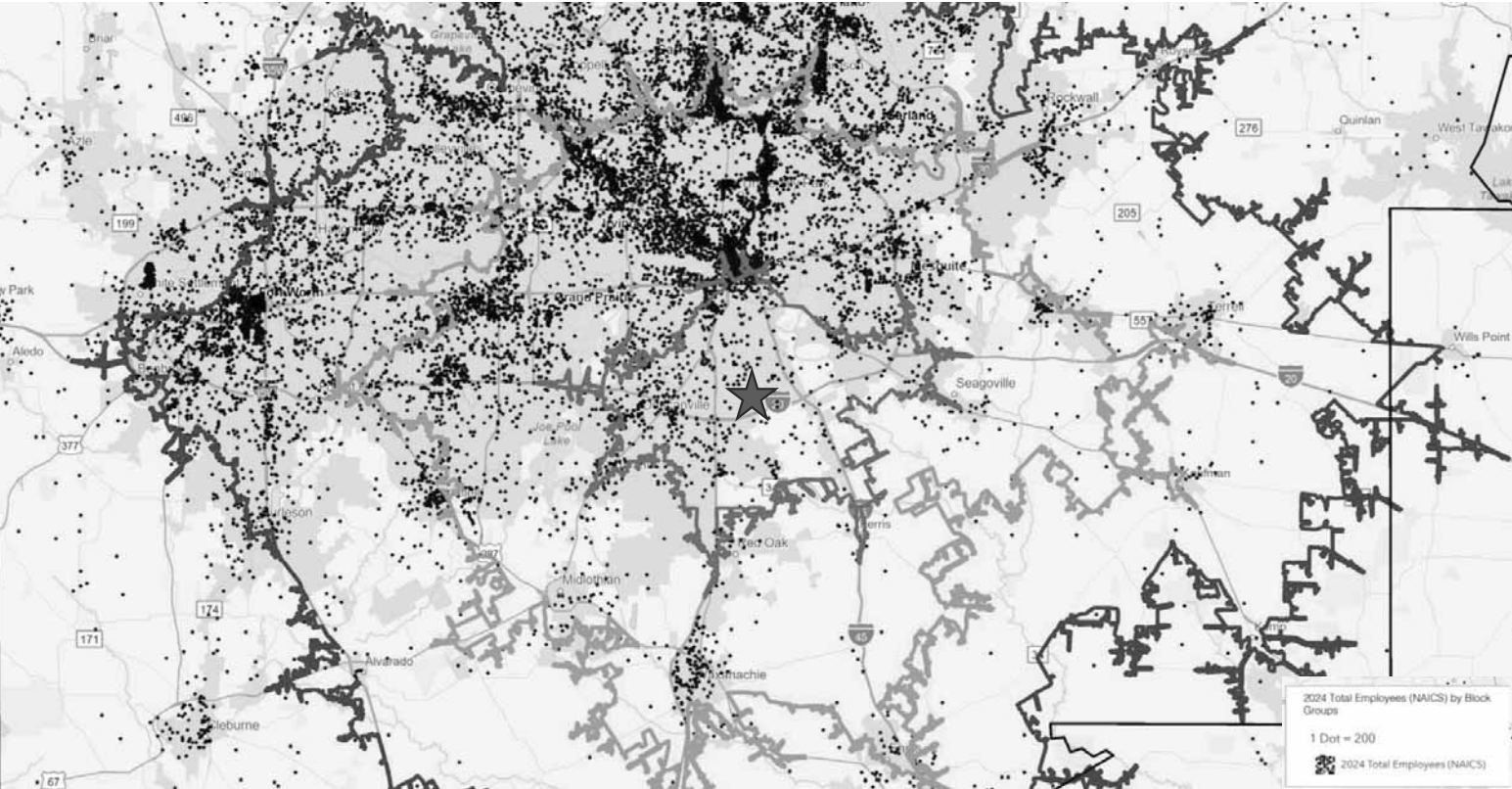
Location Analysis



Regional Proximity to Employment

Location Analysis

The Subject Property offers strong access to local employment. An estimated 1.4MM jobs are accessible within a 30-minute rush hour drive and 2.8MM jobs are accessible within a 45-minute drive. Major employers in the Metroplex include AT&T, Texas Instruments, McKesson, CBRE, Baylor Scott & White Health and Southwest Airlines. Accessibility to employment is a key strength of the Subject Property and a distinguishing factor in comparison to location in further outlying suburbs.

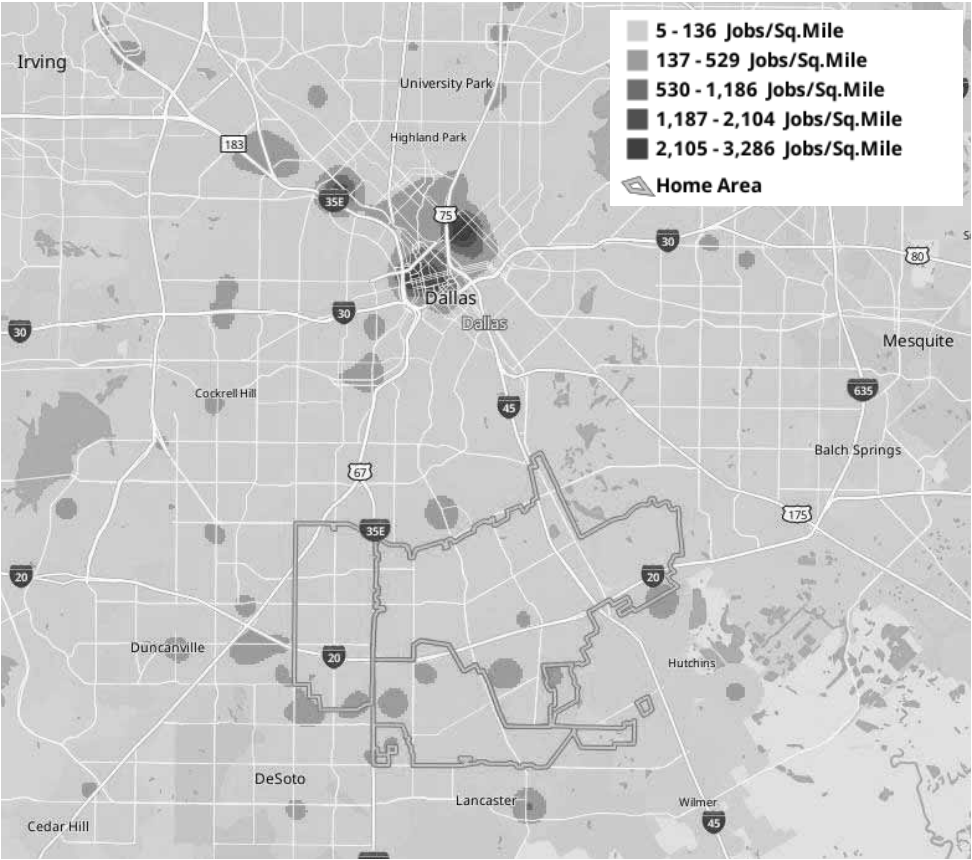


103 Source: ESRI

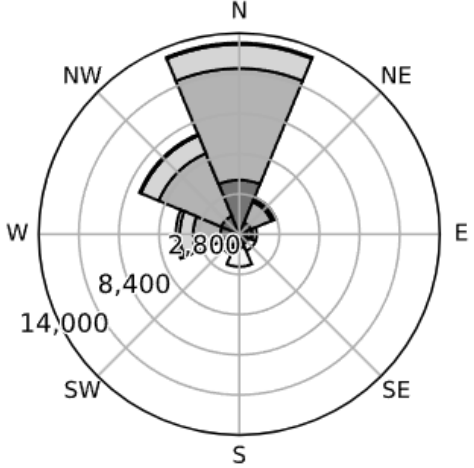
Commute Patterns

Location Analysis

Relatively short commuting distances are an advantage of the Subject Property. Nearly 79% of existing CMA residents work within 25 miles of their home, many in downtown Dallas.



Job Counts by Distance/Direction in 2022
All Workers



Jobs by Distance - Home Census Block to
Work Census Block

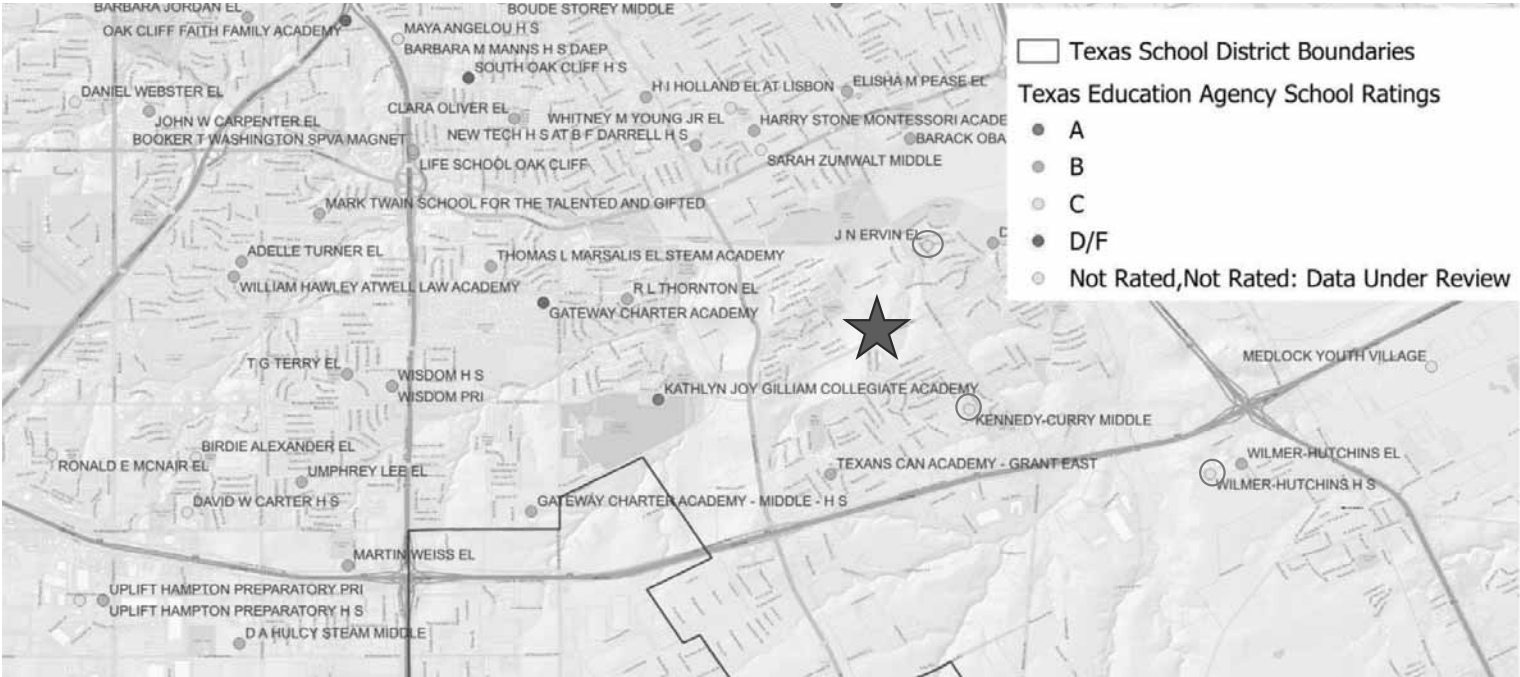
	2022	
	Count	Share
Total Primary Jobs	34,297	100.0%
Less than 10 miles	10,053	29.3%
10 to 24 miles	16,888	49.2%
25 to 50 miles	4,355	12.7%
Greater than 50 miles	3,001	8.8%

School Performance

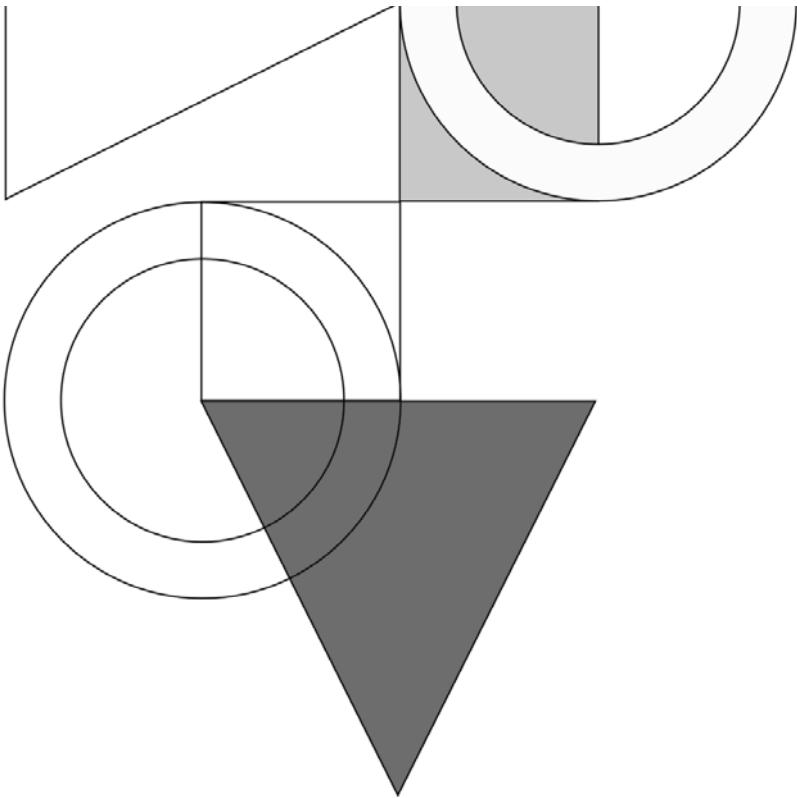
Location Analysis

The Subject Property is in the Dallas ISD, which the Texas Education Agency (TEA) gives a “B” rating (86/100). The individual schools serving the Subject Property receive “C” ratings. While school ratings are not as high as some suburban areas, they are reasonable for an infill location. We do not see school quality as a significant obstacle for most buyers/renters at the Subject Property (particularly given that younger/older singles and couples will be key resident profiles).

Texas Education Agency School Scores								Average Scores
Project	District	Elementary	TEA Score	Middle	TEA Score	High	TEA Score	Avg. TEA Score
Subject Property	DALLAS ISD	J N ERVIN EL	C/77	KENNEDY-CURRY MIDDLE	C/78	WILMER-HUTCHINS H S	C/76	77



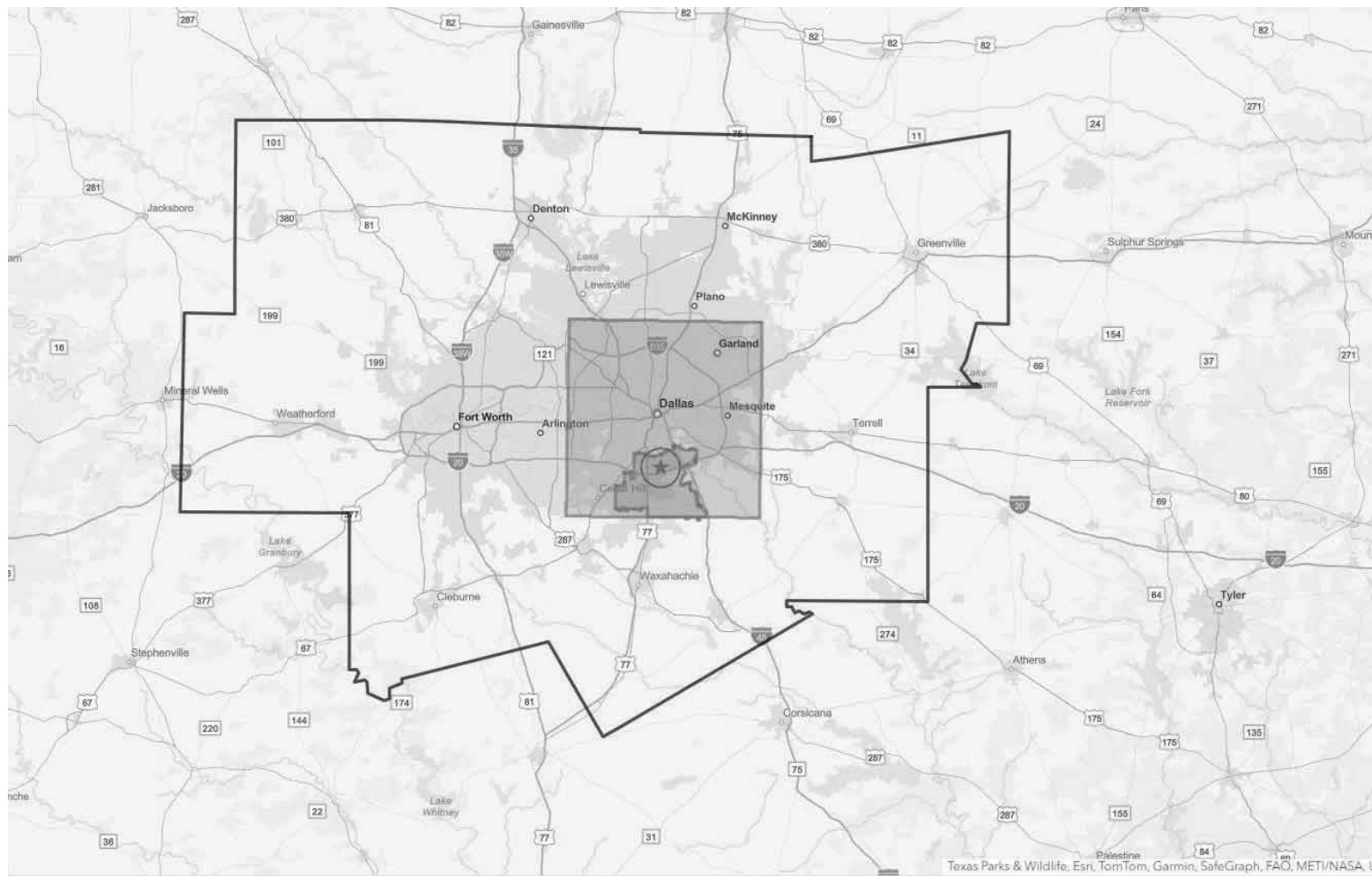
¹⁰⁵ Source: GreatSchools.org; Texas Education Agency (TEA)



Appendix

Definition of the Residential Competitive Market Area (CMA)

Appendix



Subject Property Detail (For-Sale Housing)
Appendix



University Hills 40' (Lennar)

		Garage					Avg.	Est.	Est.	Est.	Est.	HOA	Prop.	MUD Tax/	Est.	Min. Required.	
Builder	Lennar	Units	Beds/Baths	Bays	Levels	Sq. Ft.	Base Price	Options	Lot Premium	Incentive	Closing Price	\$/SF	Fee	Tax	Assmt.	Mo. Payment	Income
		17	3/2	2	1	1,260	\$270,000		\$1,350	\$5,400	\$265,950	\$211	\$50	2.2%	0.85%	\$2,105	\$84,000
Avg. Lot Width	40'	17	3/2	2	1	1,474	\$288,000		\$1,440	\$5,760	\$283,680	\$192	\$50	2.2%	0.85%	\$2,242	\$90,000
Avg. Lot Depth	115'	17	3/2	2	1	1,667	\$304,000		\$1,520	\$6,080	\$299,440	\$180	\$50	2.2%	0.85%	\$2,364	\$95,000
Avg. Lot Size	4,600	17	3/2.5	2	1	1,707	\$307,000		\$1,535	\$6,140	\$302,395	\$177	\$50	2.2%	0.85%	\$2,387	\$95,000
		17	3/2.5	2	2	1,784	\$314,000		\$1,570	\$6,280	\$309,290	\$173	\$50	2.2%	0.85%	\$2,440	\$98,000
Sales Start Date	Jul-26	17	4/3	2	2	1,891	\$323,000		\$1,615	\$6,460	\$318,155	\$168	\$50	2.2%	0.85%	\$2,509	\$100,000
Closings Start Date	Jul-26	Avg./Total		101		1,631	\$301,000		\$1,500	\$6,000	\$296,500	\$182	\$50	2.2%	0.85%	\$2,341	\$94,000
Projected Closings/Month	6.00																
Actual Sales/Month	0.00																
Total Lots/Homes	101																
Homes Sold	0																
Homes Closed	0																
Remaining Units to Sell	101																
Remaining Units to Close	101																
Property Tax Rate	2.2%																
MUD Tax Rate/Assmt.	0.8%																
Total Tax Rate	3.0%																
HOA Fee	\$50																

Subject Property Detail (For-Sale Housing)
Appendix



University Hills 50' (Lennar)

		Garage					Avg.	Est.	Est.	Est.	Est.	HOA	Prop.	MUD Tax/	Est.	Min. Required.	
Builder	Lennar	Units	Beds/Baths	Bays	Levels	Sq. Ft.	Base Price	Options	Lot Premium	Incentive	Closing Price	\$/SF	Fee	Tax	Assmt.	Mo. Payment	Income
		6	3/2	2	1	1,822	\$340,000		\$1,700	\$6,800	\$334,900	\$184	\$50	2.2%	0.85%	\$2,638	\$106,000
Avg. Lot Width	50'	6	3/2	2	1	1,861	\$343,000		\$1,715	\$6,860	\$337,855	\$182	\$50	2.2%	0.85%	\$2,661	\$106,000
Avg. Lot Depth	115'	6	3/2	2	1	1,924	\$348,000		\$1,740	\$6,960	\$342,780	\$178	\$50	2.2%	0.85%	\$2,699	\$108,000
Avg. Lot Size	5,750	6	3/2.5	2	1	1,973	\$352,000		\$1,760	\$7,040	\$346,720	\$176	\$50	2.2%	0.85%	\$2,730	\$109,000
		6	3/2.5	2	2	2,011	\$355,000		\$1,775	\$7,100	\$349,675	\$174	\$50	2.2%	0.85%	\$2,752	\$110,000
Sales Start Date	Jul-26	6	4/3	2	2	2,083	\$361,000		\$1,805	\$7,220	\$355,585	\$171	\$50	2.2%	0.85%	\$2,798	\$112,000
Closings Start Date	Jul-26	6	4/3	2	2	2,231	\$374,000		\$1,870	\$7,480	\$368,390	\$165	\$50	2.2%	0.85%	\$2,897	\$116,000
Projected Closings/Month	4.00	6	4/2	2	2	2,374	\$386,000		\$1,930	\$7,720	\$380,210	\$160	\$50	2.2%	0.85%	\$2,988	\$120,000
Actual Sales/Month	0.00	6	5/4	2	2	2,809	\$423,000		\$2,115	\$8,460	\$416,655	\$148	\$50	2.2%	0.85%	\$3,270	\$131,000
		Avg./Total	55			2,121	\$364,700		\$1,800	\$7,300	\$359,200	\$169	\$50	2.2%	0.85%	\$2,826	\$113,000
Total Lots/Homes	55																
Homes Sold	0																
Homes Closed	0																
Remaining Units to Sell	55																
Remaining Units to Close	55																
Property Tax Rate	2.2%																
MUD Tax Rate/Assmt.	0.8%																
Total Tax Rate	3.0%																
HOA Fee	\$50																

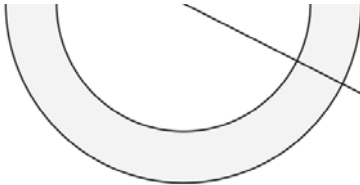
Subject Property Detail (For-Sale Housing)
Appendix



University Hills Townhouses

		Garage					Avg.	Est.	Est.	Est.	Est.	HOA	Prop.	MUD Tax/	Est.	Min. Required.	
Builder	D.R. Horton	Units	Beds/Baths	Bays	Levels	Sq. Ft.	Base Price	Options	Lot Premium	Incentive	Closing Price	\$/SF	Fee	Tax	Assmt.	Mo. Payment	Income
		87	3/2	2	2	1,597	\$265,000		\$1,325	\$5,300	\$261,025	\$163	\$200	2.2%	0.85%	\$2,217	\$89,000
Avg. Lot Width	24'	87	3/2	2	2	1,712	\$275,000		\$1,375	\$5,500	\$270,875	\$158	\$200	2.2%	0.85%	\$2,293	\$92,000
Avg. Lot Depth	90'	87	3/2.5	2	2	1,874	\$289,000		\$1,445	\$5,780	\$284,665	\$152	\$200	2.2%	0.85%	\$2,400	\$96,000
Avg. Lot Size	2,160	Avg./Total	261			1,728	\$276,300		\$1,400	\$5,500	\$272,200	\$158	\$200	2.2%	0.85%	\$2,304	\$92,000
Sales Start Date	Jul-26																
Closings Start Date	Jul-26																
Projected Closings/Month	8.00																
Actual Sales/Month	0.00																
Total Lots/Homes	261																
Homes Sold	0																
Homes Closed	0																
Remaining Units to Sell	261																
Remaining Units to Close	261																
Property Tax Rate	2.2%																
MUD Tax Rate/Assmt.	0.8%																
Total Tax Rate	3.0%																
HOA Fee	\$200																

Subject Property Detail (For-Sale Housing)
Appendix



University Hills 40' (D.R. Horton)

			Garage					Avg.	Est.	Est.	Est.	Est.	HOA	Prop.	MUD Tax/	Est.	Min. Required.	
Builder	D.R. Horton		Units	Beds/Baths	Bays	Levels	Sq. Ft.	Base Price	Options	Lot Premium	Incentive	Closing Price	\$/SF	Fee	Tax	Assmt.	Mo. Payment	Income
			15	3/2	2	1	1,352	\$280,000		\$2,800	\$5,600	\$277,200	\$205	\$50	2.2%	0.85%	\$2,192	\$88,000
Avg. Lot Width	40'		15	3/2	2	1	1,460	\$289,000		\$2,890	\$5,780	\$286,110	\$196	\$50	2.2%	0.85%	\$2,261	\$90,000
Avg. Lot Depth	120'		15	3/2	2	1	1,558	\$297,000		\$2,970	\$5,940	\$294,030	\$189	\$50	2.2%	0.85%	\$2,322	\$93,000
Avg. Lot Size	#VALUE!		15	3/2	2	1	1,931	\$329,000		\$3,290	\$6,580	\$325,710	\$169	\$50	2.2%	0.85%	\$2,567	\$103,000
			15	4/2.5	2	2	2,023	\$337,000		\$3,370	\$6,740	\$333,630	\$165	\$50	2.2%	0.85%	\$2,628	\$105,000
Sales Start Date	Jul-26		15	4/2.5	2	2	2,133	\$346,000		\$3,460	\$6,920	\$342,540	\$161	\$50	2.2%	0.85%	\$2,697	\$108,000
Closings Start Date	Jul-26		15	4/2.5	2	1	2,272	\$358,000		\$3,580	\$7,160	\$354,420	\$156	\$50	2.2%	0.85%	\$2,789	\$112,000
Projected Closings/Month	6.00		Avg./Total	102			1,818	\$319,400		\$3,200	\$6,400	\$316,200	\$174	\$50	2.2%	0.85%	\$2,494	\$100,000
Actual Sales/Month	0.00																	
Total Lots/Homes	102																	
Homes Sold	0																	
Homes Closed	0																	
Remaining Units to Sell	102																	
Remaining Units to Close	102																	
Property Tax Rate	2.2%																	
MUD Tax Rate/Assmt.	0.8%																	
Total Tax Rate	3.0%																	
HOA Fee	\$50																	

Subject Property Detail (For-Sale Housing)
Appendix



University Hills 50' (D.R. Horton)

		Garage						Avg.	Est.	Est.	Est.	Est.	HOA	Prop.	MUD Tax/	Est.	Min. Required.
Builder	D.R. Horton	Units	Beds/Baths	Bays	Levels	Sq. Ft.	Base Price	Options	Lot Premium	Incentive	Closing Price	\$/SF	Fee	Tax	Assmt.	Mo. Payment	Income
		4	3/2	2	1	1,333	\$300,000		\$3,000	\$6,000	\$297,000	\$223	\$50	2.2%	0.85%	\$2,345	\$94,000
Avg. Lot Width	50'	4	3/2	2	1	1,442	\$309,000		\$3,090	\$6,180	\$305,910	\$212	\$50	2.2%	0.85%	\$2,414	\$97,000
Avg. Lot Depth	120'	4	3/2	2	1	1,451	\$310,000		\$3,100	\$6,200	\$306,900	\$212	\$50	2.2%	0.85%	\$2,422	\$97,000
Avg. Lot Size	6,000	4	4/2	2	1	1,570	\$320,000		\$3,200	\$6,400	\$316,800	\$202	\$50	2.2%	0.85%	\$2,498	\$100,000
		4	4/2	2	1	1,604	\$323,000		\$3,230	\$6,460	\$319,770	\$199	\$50	2.2%	0.85%	\$2,521	\$101,000
Sales Start Date	Jul-26	4	4/3	2	1	1,779	\$338,000		\$3,380	\$6,760	\$334,620	\$188	\$50	2.2%	0.85%	\$2,636	\$105,000
Closings Start Date	Jul-26	4	4/3	2	1	1,838	\$343,000		\$3,430	\$6,860	\$339,570	\$185	\$50	2.2%	0.85%	\$2,674	\$107,000
Projected Closings/Month	4.00	4	4/3	2	2	1,898	\$348,000		\$3,480	\$6,960	\$344,520	\$182	\$50	2.2%	0.85%	\$2,713	\$109,000
Actual Sales/Month	0.00	4	4/2.5	2	1	2,083	\$364,000		\$3,640	\$7,280	\$360,360	\$173	\$50	2.2%	0.85%	\$2,835	\$113,000
		4	4/2.5	2	2	2,087	\$364,000		\$3,640	\$7,280	\$360,360	\$173	\$50	2.2%	0.85%	\$2,835	\$113,000
		4	5/3	2	1	2,118	\$367,000		\$3,670	\$7,340	\$363,330	\$172	\$50	2.2%	0.85%	\$2,858	\$114,000
Total Lots/Homes	54	4	4/2.5	2	1	2,219	\$376,000		\$3,760	\$7,520	\$372,240	\$168	\$50	2.2%	0.85%	\$2,927	\$117,000
Homes Sold	0	4	4/3	2	1	2,294	\$382,000		\$3,820	\$7,640	\$378,180	\$165	\$50	2.2%	0.85%	\$2,973	\$119,000
Homes Closed	0	4	4/2.5	2	2	2,367	\$388,000		\$3,880	\$7,760	\$384,120	\$162	\$50	2.2%	0.85%	\$3,019	\$121,000
Remaining Units to Sell	54	4	5/3	2	2	2,536	\$402,000		\$4,020	\$8,040	\$397,980	\$157	\$50	2.2%	0.85%	\$3,126	\$125,000
Remaining Units to Close	54	Avg./Total	54			1,908	\$348,900		\$3,500	\$7,000	\$345,400	\$181	\$50	2.2%	0.85%	\$2,720	\$109,000
Property Tax Rate	2.2%																
MUD Tax Rate/Assmt.	0.8%																
Total Tax Rate	3.0%																
HOA Fee	\$50																

Competitive Supply Detail (For-Sale Housing)
Appendix

Ellington Woods/45

Builder	Lennar	Beds/ Gar.				Base Price	Est.	Est.	Est.	Est.	Closing	Closing Cost	HOA	Total	Prop.	MUD Tax/	Est.	Min. Required.
		Units	Baths	Bays	Lvs.	Sq. Ft.	Options	Lot Prem.	Incentive	Closing Price	Price/SF	Incentives	Fee	Tax Rate	Tax	Assmt.	Mo. Payment	Income
		23	3/2	2	1	1,260		\$278,999	\$1,395	\$5,580	\$274,814	\$218	\$33	2.3%	2.3%		\$1,981	\$79,000
Avg. Lot Width	45'	23	3/2	2	1	1,260		\$278,999	\$1,395	\$5,580	\$274,814	\$218	\$33	2.3%	2.3%		\$1,981	\$79,000
Avg. Lot Depth	125'	23	3/2	2	1	1,474		\$288,999	\$1,445	\$5,780	\$284,664	\$193	\$33	2.3%	2.3%		\$2,051	\$82,000
Avg. Lot Size	5,625	23	3/2	2	1	1,474		\$288,999	\$1,445	\$5,780	\$284,664	\$193	\$33	2.3%	2.3%		\$2,051	\$82,000
		23	4/2	2	1	1,667		\$303,999	\$1,520	\$6,080	\$299,439	\$180	\$33	2.3%	2.3%		\$2,156	\$86,000
Sales Start Date	Sep-24	23	4/2	2	1	1,667		\$303,999	\$1,520	\$6,080	\$299,439	\$180	\$33	2.3%	2.3%		\$2,156	\$86,000
Overall Avg. Sales/Mo.	9.26	23	4/2	2	1	1,707		\$306,999	\$1,535	\$6,140	\$302,394	\$177	\$33	2.3%	2.3%		\$2,177	\$87,000
L3 Mo. Avg.Sale/Mo.	3.00	23	4/2	2	1	1,784		\$308,999	\$1,545	\$6,180	\$304,364	\$171	\$33	2.3%	2.3%		\$2,191	\$88,000
		23	4/2	2	2	1,891		\$324,999	\$1,625	\$6,500	\$320,124	\$169	\$33	2.3%	2.3%		\$2,303	\$92,000
		Avg./Total	206			1,576		\$298,300	\$1,500	\$6,000	\$293,800	\$186	\$33	2.3%	2.3%		\$2,116	\$85,000
Total Lots/Homes	206																	
Homes Sold	51																	
Homes Closed	19																	
Remaining Units to Sell	155																	
Remaining Units to Close	187																	
Property Tax Rate	2.3%																	
MUD Tax Rate/Assmt.	0.0%																	
Total Tax Rate	2.3%																	
HOA Fee	\$33																	

Competitive Supply Detail (For-Sale Housing)
Appendix



Pleasant Run Estates/60

Builder	Megatel Homes	Beds/ Gar.				Base Price	Est.	Est.	Est.	Est.	Closing	Closing Cost	HOA	Total	Prop.	MUD Tax/	Est.	Min. Required.
		Units	Baths	Bays	Lvs.	Sq. Ft.	Options	Lot Prem.	Incentive	Closing Price	Price/SF	Incentives	Fee	Tax Rate	Tax	Assmt.	Mo. Payment	Income
Avg. Lot Width	60'	57	3/2	2	1	1,829				\$359,000	\$196	\$10,000	\$54	2.9%	2.9%		\$2,770	\$111,000
Avg. Lot Depth	120'	57	3/2	2	1	1,817				\$329,000	\$181	\$10,000	\$54	2.9%	2.9%		\$2,543	\$102,000
Avg. Lot Size	7,200	Avg./Total	114			1,823				\$344,000	\$189	\$10,000	\$54	2.9%	2.9%		\$2,656	\$106,000
Sales Start Date	Nov-21																	
Overall Avg. Sales/Mo.	2.86																	
L3 Mo. Avg.Sale/Mo.	0.22																	
Total Lots/Homes	114																	
Homes Sold	112																	
Homes Closed	47																	
Remaining Units to Sell	2																	
Remaining Units to Close	67																	
Property Tax Rate	2.9%																	
MUD Tax Rate/Assmt.	0.0%																	
Total Tax Rate	2.9%																	
HOA Fee	\$54																	

Competitive Supply Detail (For-Sale Housing)
Appendix



Pleasant Run Estates/60

				Beds/		Gar.				Est.		Est.		Est.		Est.		Closing		Closing Cost		HOA		Total		Prop.		MUD Tax/		Est.		Min. Required.	
Builder	Robbie Hale Homes	Units	Baths	Bays	Lvts.	Sq. Ft.	Base Price		Options	Lot Prem.	Incentive	Closing Price		Price/SF	Incentives	Fee	Tax Rate	Tax	Assmt.	Mo. Payment	Income												
		15	4/3	2	2	2,030	\$372,900			\$1,865	\$7,458	\$367,307		\$181		\$54	2.9%	2.9%		\$2,832	\$113,000												
Avg. Lot Width	60'	15	4/3	2	2	2,134	\$375,900			\$1,880	\$7,518	\$370,262		\$174		\$54	2.9%	2.9%		\$2,855	\$114,000												
Avg. Lot Depth	110'	15	4/3	2	2	2,480	\$399,900			\$2,000	\$7,998	\$393,902		\$159		\$54	2.9%	2.9%		\$3,034	\$121,000												
Avg. Lot Size	6,600	15	4/2	2	2	2,539	\$405,900			\$2,030	\$8,118	\$399,812		\$157		\$54	2.9%	2.9%		\$3,078	\$123,000												
Avg./Total		61				2,296	\$388,700			\$1,900	\$7,800	\$382,800		\$167		\$54	2.9%	2.9%		\$2,950	\$118,000												
Sales Start Date	Oct-21																																
Overall Avg. Sales/Mo.	1.27																																
L3 Mo. Avg.Sale/Mo.	0.00																																
Total Lots/Homes	61																																
Homes Sold	51																																
Homes Closed	0																																
Remaining Units to Sell	10																																
Remaining Units to Close	61																																
Property Tax Rate	2.9%																																
MUD Tax Rate/Assmt.	0.0%																																
Total Tax Rate	2.9%																																
HOA Fee	\$54																																

Competitive Supply Detail (For-Sale Housing)
Appendix



College Park/50

		Beds/ Gar.				Est.		Est.	Est.	Est.	Closing	Closing Cost	HOA	Total	Prop.	MUD Tax/	Est.	Min. Required.	
Builder	LGI Homes	Units	Baths	Bays	Lvs.	Sq. Ft.	Base Price	Options	Lot Prem.	Incentive	Closing Price	Price/SF	Incentives	Fee	Tax Rate	Tax	Assmt.	Mo. Payment	Income
		37	3/2	2	1	1,175	\$298,900		\$2,989	\$5,978	\$295,911	\$252	\$10,000	\$35	2.0%	2.0%		\$2,056	\$82,000
Avg. Lot Width	50'	37	3/2	2	1	1,316	\$310,900		\$3,109	\$6,218	\$307,791	\$234	\$10,000	\$35	2.0%	2.0%		\$2,137	\$85,000
Avg. Lot Depth	100'	37	3/2	2	1	1,600	\$325,900		\$3,259	\$6,518	\$322,641	\$202	\$10,000	\$35	2.0%	2.0%		\$2,239	\$90,000
Avg. Lot Size	5,000	37	3/2	2	2	1,627	\$327,900		\$3,279	\$6,558	\$324,621	\$200	\$10,000	\$35	2.0%	2.0%		\$2,252	\$90,000
		37	4/2	2	2	1,772	\$340,900		\$3,409	\$6,818	\$337,491	\$190	\$10,000	\$35	2.0%	2.0%		\$2,340	\$94,000
Sales Start Date	Jul-24	37	4/2	2	2	2,054	\$355,900		\$3,559	\$7,118	\$352,341	\$172	\$10,000	\$35	2.0%	2.0%		\$2,442	\$98,000
Overall Avg. Sales/Mo.	19.05	37	5/2	2	2	2,505	\$370,900		\$3,709	\$7,418	\$367,191	\$147	\$10,000	\$35	2.0%	2.0%		\$2,543	\$102,000
L3 Mo. Avg.Sale/Mo.	11.33	Avg./Total	258			1,721	\$333,000		\$3,300	\$6,700	\$329,600	\$191	\$10,000	\$35	2.0%	2.0%		\$2,287	\$91,000
Total Lots/Homes	258																		
Homes Sold	138																		
Homes Closed	121																		
Remaining Units to Sell	120																		
Remaining Units to Close	137																		
Property Tax Rate	2.0%																		
MUD Tax Rate/Assmt.	0.0%																		
Total Tax Rate	2.0%																		
HOA Fee	\$35																		

Competitive Supply Detail (For-Sale Housing)
Appendix



Creeks of Homestead/60

		Beds/ Gar.				Est.		Est.		Est.		Est.		Closing	Closing Cost	HOA	Total	Prop.	MUD Tax/	Est.	Min. Required.
Builder	Bloomfield Homes	Units	Baths	Bays	Lvs.	Sq. Ft.	Base Price	Options	Lot Prem.	Incentive	Closing Price	Price/SF	Incentives	Fee	Tax Rate	Tax	Assmt.	Mo. Payment	Income		
		3	3/2	2	1	1,840	\$405,990	\$60,899	\$4,060	\$8,120	\$462,829	\$252		\$25	2.2%	2.2%		\$3,290	\$132,000		
Avg. Lot Width	60'	3	4/2	2	1	2,038	\$412,990	\$61,949	\$4,130	\$8,260	\$470,809	\$231		\$25	2.2%	2.2%		\$3,347	\$134,000		
Avg. Lot Depth	120'	3	3/2	2	1	2,098	\$423,990	\$63,599	\$4,240	\$8,480	\$483,349	\$230		\$25	2.2%	2.2%		\$3,435	\$137,000		
Avg. Lot Size	7,200	3	4/2	2	1	2,235	\$437,990	\$65,699	\$4,380	\$8,760	\$499,309	\$223		\$25	2.2%	2.2%		\$3,548	\$142,000		
		3	3/2	2	1	2,250	\$438,990	\$65,849	\$4,390	\$8,780	\$500,449	\$222		\$25	2.2%	2.2%		\$3,556	\$142,000		
Sales Start Date	Feb-24	3	3/2	2	1	2,313	\$437,990	\$65,699	\$4,380	\$8,760	\$499,309	\$216		\$25	2.2%	2.2%		\$3,548	\$142,000		
Overall Avg. Sales/Mo.	0.75	3	4/3	2	2	2,333	\$442,990	\$66,449	\$4,430	\$8,860	\$505,009	\$216		\$25	2.2%	2.2%		\$3,588	\$144,000		
L3 Mo. Avg.Sale/Mo.	0.67	3	3/2	2	2	2,381	\$456,990	\$68,549	\$4,570	\$9,140	\$520,969	\$219		\$25	2.2%	2.2%		\$3,701	\$148,000		
		3	4/3	2	2	2,454	\$445,990	\$66,899	\$4,460	\$8,920	\$508,429	\$207		\$25	2.2%	2.2%		\$3,612	\$144,000		
		3	3/2	2	1	2,519	\$454,990	\$68,249	\$4,550	\$9,100	\$518,689	\$206		\$25	2.2%	2.2%		\$3,685	\$147,000		
Total Lots/Homes	72	3	3/2	2	2	2,591	\$465,990	\$69,899	\$4,660	\$9,320	\$531,229	\$205		\$25	2.2%	2.2%		\$3,773	\$151,000		
Homes Sold	8	3	4/3	2	2	2,628	\$479,990	\$71,999	\$4,800	\$9,600	\$547,189	\$208		\$25	2.2%	2.2%		\$3,886	\$155,000		
Homes Closed	3	3	4/3	2	2	2,752	\$475,990	\$71,399	\$4,760	\$9,520	\$542,629	\$197		\$25	2.2%	2.2%		\$3,853	\$154,000		
Remaining Units to Sell	64	3	3/3	2	2	2,771	\$474,990	\$71,249	\$4,750	\$9,500	\$541,489	\$195		\$25	2.2%	2.2%		\$3,845	\$154,000		
Remaining Units to Close	69	3	4/2	2	2	2,820	\$468,990	\$70,349	\$4,690	\$9,380	\$534,649	\$190		\$25	2.2%	2.2%		\$3,797	\$152,000		
		3	4/3	2	2	2,838	\$489,990	\$73,499	\$4,900	\$9,800	\$558,589	\$197		\$25	2.2%	2.2%		\$3,966	\$159,000		
Property Tax Rate	2.2%	3	4/2	2	2	3,026	\$479,990	\$71,999	\$4,800	\$9,600	\$547,189	\$181		\$25	2.2%	2.2%		\$3,886	\$155,000		
MUD Tax Rate/Assmt.	0.0%	3	4/3	2	2	3,067	\$488,990	\$73,349	\$4,890	\$9,780	\$557,449	\$182		\$25	2.2%	2.2%		\$3,958	\$158,000		
Total Tax Rate	2.2%	3	4/2	2	2	3,187	\$488,990	\$73,349	\$4,890	\$9,780	\$557,449	\$175		\$25	2.2%	2.2%		\$3,958	\$158,000		
		3	5/3	2	2	3,261	\$499,990	\$74,999	\$5,000	\$10,000	\$569,989	\$175		\$25	2.2%	2.2%		\$4,047	\$162,000		
HOA Fee	\$25	3	4/3	2	2	3,527	\$529,990	\$79,499	\$5,300	\$10,600	\$604,189	\$171		\$25	2.2%	2.2%		\$4,288	\$172,000		
		3	4/3	2	2	3,695	\$528,990	\$79,349	\$5,290	\$10,580	\$603,049	\$163		\$25	2.2%	2.2%		\$4,280	\$171,000		
		3	4/3	2	2	3,774	\$552,990	\$82,949	\$5,530	\$11,060	\$630,409	\$167		\$25	2.2%	2.2%		\$4,473	\$179,000		
		3	5/4	2	2	3,979	\$579,990	\$86,999	\$5,800	\$11,600	\$661,189	\$166		\$25	2.2%	2.2%		\$4,690	\$188,000		
		3	5/4	2	2	4,226	\$602,990	\$90,449	\$6,030	\$12,060	\$687,409	\$163		\$25	2.2%	2.2%		\$4,875	\$195,000		
Avg./Total		72					2,824	\$478,700	\$71,800	\$4,800	\$9,600	\$545,700	\$193		\$25	2.2%	2.2%		\$3,875	\$155,000	

Competitive Supply Detail (For-Sale Housing)
Appendix



Broadmoor Village/TH

Builder	Starlight Homes	Beds/ Gar.				Sq. Ft.	Base Price	Est.	Est.	Est.	Est.	Closing	Closing Cost	HOA	Total	Prop.	MUD Tax/	Est.	Min. Required.
		Units	Baths	Bays	Lvs.			Options	Lot Prem.	Incentive	Closing Price	Price/SF	Incentives	Fee	Tax Rate	Tax	Assmt.	Mo. Payment	Income
Avg. Lot Width	26'	42	3/2	2	2	1,743	\$303,990				\$303,990	\$174	\$12,000	\$225	2.4%	2.4%		\$2,410	\$96,000
Avg. Lot Depth	90'	42	3/2	2	2	1,793	\$299,990				\$299,990	\$167	\$12,000	\$225	2.4%	2.4%		\$2,382	\$95,000
Avg. Lot Size	2,340	42	4/2	2	2	1,904	\$309,990				\$309,990	\$163	\$12,000	\$225	2.4%	2.4%		\$2,453	\$98,000
		Avg./Total	126			1,813	\$304,700				\$304,700	\$168	\$12,000	\$225	2.4%	2.4%		\$2,415	\$97,000
Sales Start Date	Sep-24																		
Overall Avg. Sales/Mo.	9.23																		
L3 Mo. Avg.Sale/Mo.	8.33																		
Total Lots/Homes	126																		
Homes Sold	46																		
Homes Closed	0																		
Remaining Units to Sell	80																		
Remaining Units to Close	126																		
Property Tax Rate	2.4%																		
MUD Tax Rate/Assmt.	0.0%																		
Total Tax Rate	2.4%																		
HOA Fee	\$225																		

Competitive Supply Detail (Rental Housing)
Appendix



Rental Communities		Floorplan Summary				Current Rents			Current Rent \$/SF			Concessions	Net Effective			Net Effective \$/SF		
Project		Size			Pkg													
Project Detail	Mix	SF	Bed	Bath	Type	Low	High	Avg.	Low	High	Avg.	Total	Low	High	Avg.	Low	High	Avg.
1 BELLWETHER RIDGE SUNRIDGE MANAGEMENT GROUP DESOTO THREE-STORY YEAR BUILT - 2019																		
% Leased/Occupancy: 92.7/92.7	39	699	1	1.0	O	\$1,529	\$1,529	\$1,529	\$2.19	\$2.19	\$2.19	(\$127)	\$1,402	\$1,402	\$1,402	\$2.01	\$2.01	\$2.01
Total Units/Leased: 150/139	27	868	1	1.0	O	\$1,504	\$1,504	\$1,504	\$1.73	\$1.73	\$1.73	(\$125)	\$1,379	\$1,379	\$1,379	\$1.59	\$1.59	\$1.59
Available Units: 11	18	878	1	1.0	O	\$1,499	\$1,499	\$1,499	\$1.71	\$1.71	\$1.71	(\$125)	\$1,374	\$1,374	\$1,374	\$1.57	\$1.57	\$1.57
Lease-Up Rate: 15.0	42	1,067	2	2.0	1-Car DAG	\$1,929	\$1,929	\$1,929	\$1.81	\$1.81	\$1.81	(\$161)	\$1,768	\$1,768	\$1,768	\$1.66	\$1.66	\$1.66
	12	1,157	2	2.0	1-Car DAG	\$1,974	\$1,974	\$1,974	\$1.71	\$1.71	\$1.71	(\$165)	\$1,810	\$1,810	\$1,810	\$1.56	\$1.56	\$1.56
	12	1,276	2	2.0	1-Car DAG	\$2,303	\$2,303	\$2,303	\$1.80	\$1.80	\$1.80	(\$192)	\$2,111	\$2,111	\$2,111	\$1.65	\$1.65	\$1.65
	150	937				\$1,499	\$2,303	\$1,730	\$1.71	\$2.19	\$1.85	(\$144)	\$1,374	\$2,111	\$1,586	\$1.56	\$2.01	\$1.69
2 BEACON ON WESTMORELAND VELO RESIDENTIAL DESOTO THREE-STORY YEAR BUILT - 2021																		
% Leased/Occupancy: 90.0/90.0	15	550	0	1.0	O	\$1,205	\$1,205	\$1,205	\$2.19	\$2.19	\$2.19	(\$50)	\$1,155	\$1,155	\$1,155	\$2.10	\$2.10	\$2.10
Total Units/Leased: 194/175	29	700	1	1.0	O	\$1,515	\$1,515	\$1,515	\$2.16	\$2.16	\$2.16	(\$63)	\$1,452	\$1,452	\$1,452	\$2.07	\$2.07	\$2.07
Available Units: 19	79	777	1	1.0	O	\$1,595	\$1,595	\$1,595	\$2.05	\$2.05	\$2.05	(\$66)	\$1,529	\$1,529	\$1,529	\$1.97	\$1.97	\$1.97
Turnover/Monthly: 0.0	30	949	2	2.0	O	\$1,893	\$1,893	\$1,893	\$1.99	\$1.99	\$1.99	(\$79)	\$1,814	\$1,814	\$1,814	\$1.91	\$1.91	\$1.91
Lease-Up Rate: 21.8	29	1,095	2	2.0	O	\$1,984	\$1,984	\$1,984	\$1.81	\$1.81	\$1.81	(\$83)	\$1,901	\$1,901	\$1,901	\$1.74	\$1.74	\$1.74
	12	1,212	3	2.0	O	\$2,413	\$2,413	\$2,413	\$1.99	\$1.99	\$1.99	(\$101)	\$2,312	\$2,312	\$2,312	\$1.91	\$1.91	\$1.91
	194	849				\$1,205	\$2,413	\$1,708	\$1.81	\$2.19	\$2.01	(\$71)	\$1,155	\$2,312	\$1,637	\$1.74	\$2.10	\$1.93



Competitive Supply Detail (Rental Housing)
Appendix

Rental Communities		Floorplan Summary																				
Project		Size	Bed	Bath	Pkg	Current Rents				Current Rent \$/SF				Concessions	Net Effective				Net Effective \$/SF			
Project Detail	Mix	SF			Type	Low	-	High	Avg.	Low	-	High	Avg.	Total	Low	-	High	Avg.	Low	-	High	Avg.
3	DESOTO TOWN CENTER WILLOW BRIDGE DESOTO THREE-STORY YEAR BUILT - 2009																					
% Leased/Occupancy: 93.0/91.0	1	531	0	1.0	O	\$1,280	-	\$1,280	\$1,280	\$2.41	-	\$2.41	\$2.41	(\$213)	\$1,067	-	\$1,067	\$1,067	\$2.01	-	\$2.01	\$2.01
Total Units/Leased: 161/150	1	585	0	1.0	O	\$1,148	-	\$1,148	\$1,148	\$1.96	-	\$1.96	\$1.96	(\$191)	\$957	-	\$957	\$957	\$1.64	-	\$1.64	\$1.66
Available Units: 11	4	595	0	1.0	O	\$1,205	-	\$1,205	\$1,205	\$2.03	-	\$2.03	\$2.03	(\$201)	\$1,004	-	\$1,004	\$1,004	\$1.69	-	\$1.69	\$1.69
Turnover/Monthly: 0.0	1	600	0	1.0	O	\$1,195	-	\$1,195	\$1,195	\$1.99	-	\$1.99	\$1.99	(\$199)	\$996	-	\$996	\$996	\$1.66	-	\$1.66	\$1.66
Lease-Up Rate: 0.0	1	651	0	1.0	O	\$1,183	-	\$1,183	\$1,183	\$1.82	-	\$1.82	\$1.82	(\$197)	\$986	-	\$986	\$986	\$1.51	-	\$1.51	\$1.51
	3	685	0	1.0	O	\$1,357	-	\$1,357	\$1,357	\$1.98	-	\$1.98	\$1.98	(\$226)	\$1,131	-	\$1,131	\$1,131	\$1.65	-	\$1.65	\$1.65
	1	715	0	1.0	O	\$1,345	-	\$1,345	\$1,345	\$1.88	-	\$1.88	\$1.88	(\$224)	\$1,121	-	\$1,121	\$1,121	\$1.57	-	\$1.57	\$1.57
	1	736	0	1.0	O	\$1,295	-	\$1,295	\$1,295	\$1.76	-	\$1.76	\$1.76	(\$216)	\$1,079	-	\$1,079	\$1,079	\$1.47	-	\$1.47	\$1.47
	1	736	1	1.0	O	\$1,395	-	\$1,395	\$1,395	\$1.90	-	\$1.90	\$1.90	(\$233)	\$1,163	-	\$1,163	\$1,163	\$1.58	-	\$1.58	\$1.58
	95	754	1	1.0	O	\$1,515	-	\$1,515	\$1,515	\$2.01	-	\$2.01	\$2.01	(\$253)	\$1,263	-	\$1,263	\$1,263	\$1.67	-	\$1.67	\$1.67
	1	796	0	1.0	O	\$1,375	-	\$1,375	\$1,375	\$1.73	-	\$1.73	\$1.73	(\$229)	\$1,146	-	\$1,146	\$1,146	\$1.44	-	\$1.44	\$1.44
	1	806	0	1.0	O	\$1,531	-	\$1,531	\$1,531	\$1.90	-	\$1.90	\$1.90	(\$255)	\$1,276	-	\$1,276	\$1,276	\$1.58	-	\$1.58	\$1.58
	1	915	2	1.0	O	\$1,775	-	\$1,775	\$1,775	\$1.94	-	\$1.94	\$1.94	(\$296)	\$1,479	-	\$1,479	\$1,479	\$1.62	-	\$1.62	\$1.62
	1	954	2	2.0	O	\$1,832	-	\$1,832	\$1,832	\$1.92	-	\$1.92	\$1.92	(\$305)	\$1,527	-	\$1,527	\$1,527	\$1.60	-	\$1.60	\$1.60
	1	1,008	2	2.0	O	\$1,832	-	\$1,832	\$1,832	\$1.82	-	\$1.82	\$1.82	(\$305)	\$1,527	-	\$1,527	\$1,527	\$1.51	-	\$1.51	\$1.51
	44	1,033	2	2.0	O	\$1,832	-	\$1,832	\$1,832	\$1.77	-	\$1.77	\$1.77	(\$305)	\$1,527	-	\$1,527	\$1,527	\$1.48	-	\$1.48	\$1.48
	1	1,055	2	2.0	O	\$1,795	-	\$1,795	\$1,795	\$1.70	-	\$1.70	\$1.70	(\$299)	\$1,496	-	\$1,496	\$1,496	\$1.42	-	\$1.42	\$1.42
	2	1,108	2	2.0	O	\$1,964	-	\$1,964	\$1,964	\$1.77	-	\$1.77	\$1.77	(\$327)	\$1,637	-	\$1,637	\$1,637	\$1.48	-	\$1.48	\$1.48
	161	831				\$1,148	-	\$1,964	\$1,592	\$1.70	-	\$2.41	\$1.92	(\$265)	\$957	-	\$1,637	\$1,327	\$1.42	-	\$2.01	\$1.60
4	HAMPTON ROAD DUPLEXES PRIVATE DALLAS ONE-STORY YEAR BUILT - 2023																					
% Leased/Occupancy: 97.0/97.4	25	909	2	2.0	2-Car DAG	\$1,800	-	\$1,800	\$1,800	\$1.98	-	\$1.98	\$1.98	(\$17)	\$1,783	-	\$1,783	\$1,783	\$1.96	-	\$1.96	\$1.96
Total Units/Leased: 80/78	26	1,001	2	2.0	2-Car DAG	\$2,000	-	\$2,000	\$2,000	\$2.00	-	\$2.00	\$2.00	(\$17)	\$1,983	-	\$1,983	\$1,983	\$1.98	-	\$1.98	\$1.98
Available Units: 2	29	1,219	3	2.0	2-Car DAG	\$2,200	-	\$2,200	\$2,200	\$1.80	-	\$1.80	\$1.80	(\$17)	\$2,183	-	\$2,183	\$2,183	\$1.79	-	\$1.79	\$1.79
Turnover/Monthly: 0.0																						
Lease-Up Rate: 0.0																						
	80	1,051				\$1,800	-	\$2,200	\$2,010	\$1.80	-	\$2.00	\$1.91	(\$17)	\$1,783	-	\$2,183	\$1,993	\$1.79	-	\$1.98	\$1.90

Competitive Supply Detail (Rental Housing)
Appendix

Rental Communities		Floorplan Summary				Current Rents			Current Rent \$/SF			Concessions	Net Effective			Net Effective \$/SF		
Project		Size	Bed	Bath	Pkg	Low - High Avg.			Low - High Avg.			Total	Low - High Avg.			Low - High Avg.		
Project Detail	Mix	SF			Type													
5 BOARDWALK HEIGHTS PORTICO PROPERTY MANAGEMENT LANCASTER ONE-STORY YEAR BUILT - 2024																		
% Leased/Occupancy: 86.0/84.0	65	2,008	4	2.0	O	\$2,410 -	\$2,410	\$2,410	\$1.20 -	\$1.20	\$1.20	(\$125)	\$2,285 -	\$2,285	\$2,285	\$1.14 -	\$1.14	\$1.14
Total Units/Leased: 65/56																		
Available Units: 9																		
Turnover/Monthly: 0.0																		
Lease-Up Rate: 4.3																		
	65	2,008				\$2,410 -	\$2,410	\$2,410	\$1.20 -	\$1.20	\$1.20	(\$125)	\$2,285 -	\$2,285	\$2,285	\$1.14 -	\$1.14	\$1.14
6 THE OVILLA WILLO BRIDGE RED OAK THREE-STORY YEAR BUILT - 2023																		
% Leased/Occupancy: 87.0/87.0	11	600	1	1.0	O	\$1,266 -	\$1,266	\$1,266	\$2.11 -	\$2.11	\$2.11	(\$83)	\$1,183 -	\$1,183	\$1,183	\$1.97 -	\$1.97	\$1.97
Total Units/Leased: 288/251	11	619	1	1.0	O	\$1,355 -	\$1,355	\$1,355	\$2.19 -	\$2.19	\$2.19	(\$83)	\$1,272 -	\$1,272	\$1,272	\$2.05 -	\$2.05	\$2.05
Available Units: 37	11	657	1	1.0	O	\$1,323 -	\$1,323	\$1,323	\$2.01 -	\$2.01	\$2.01	(\$83)	\$1,240 -	\$1,240	\$1,240	\$1.89 -	\$1.89	\$1.89
Turnover/Monthly: 0.0	11	721	1	1.0	O	\$1,395 -	\$1,395	\$1,395	\$1.93 -	\$1.93	\$1.93	(\$83)	\$1,312 -	\$1,312	\$1,312	\$1.82 -	\$1.82	\$1.82
Lease-Up Rate: 18.5																		
	12	792	1	1.0	O	\$1,448 -	\$1,448	\$1,448	\$1.83 -	\$1.83	\$1.83	(\$83)	\$1,365 -	\$1,365	\$1,365	\$1.72 -	\$1.72	\$1.72
	12	821	1	1.0	O	\$1,523 -	\$1,523	\$1,523	\$1.86 -	\$1.86	\$1.86	(\$83)	\$1,440 -	\$1,440	\$1,440	\$1.75 -	\$1.75	\$1.75
	12	827	1	1.0	O	\$1,551 -	\$1,551	\$1,551	\$1.88 -	\$1.88	\$1.88	(\$83)	\$1,468 -	\$1,468	\$1,468	\$1.77 -	\$1.77	\$1.77
	12	848	1	1.0	O	\$1,868 -	\$1,868	\$1,868	\$2.20 -	\$2.20	\$2.20	(\$83)	\$1,785 -	\$1,785	\$1,785	\$2.10 -	\$2.10	\$2.10
	21	1,056	2	2.0	O	\$1,648 -	\$1,648	\$1,648	\$1.56 -	\$1.56	\$1.56	(\$83)	\$1,565 -	\$1,565	\$1,565	\$1.48 -	\$1.48	\$1.48
	21	1,140	2	2.0	O	\$1,771 -	\$1,771	\$1,771	\$1.55 -	\$1.55	\$1.55	(\$83)	\$1,688 -	\$1,688	\$1,688	\$1.48 -	\$1.48	\$1.48
	12	1,145	1	1.0	O	\$1,816 -	\$1,816	\$1,816	\$1.59 -	\$1.59	\$1.59	(\$83)	\$1,733 -	\$1,733	\$1,733	\$1.51 -	\$1.51	\$1.51
	21	1,153	2	2.0	O	\$1,799 -	\$1,799	\$1,799	\$1.56 -	\$1.56	\$1.56	(\$83)	\$1,716 -	\$1,716	\$1,716	\$1.49 -	\$1.49	\$1.49
	22	1,192	2	2.0	O	\$1,813 -	\$1,813	\$1,813	\$1.52 -	\$1.52	\$1.52	(\$83)	\$1,730 -	\$1,730	\$1,730	\$1.45 -	\$1.45	\$1.45
	22	1,212	2	2.0	O	\$2,038 -	\$2,038	\$2,038	\$1.68 -	\$1.68	\$1.68	(\$83)	\$1,955 -	\$1,955	\$1,955	\$1.61 -	\$1.61	\$1.61
	32	1,351	3	3.0	O	\$2,500 -	\$2,500	\$2,500	\$1.85 -	\$1.85	\$1.85	(\$83)	\$2,417 -	\$2,417	\$2,417	\$1.79 -	\$1.79	\$1.79
	22	1,377	2	2.0	O	\$2,370 -	\$2,370	\$2,370	\$1.72 -	\$1.72	\$1.72	(\$83)	\$2,287 -	\$2,287	\$2,287	\$1.66 -	\$1.66	\$1.66
	265	1,051				\$1,266 -	\$2,500	\$1,825	\$1.52 -	\$2.20	\$1.74	(\$83)	\$1,183 -	\$2,417	\$1,742	\$1.45 -	\$2.10	\$1.66



Competitive Supply Detail (Rental Housing)

Appendix

Rental Communities		Floorplan Summary				Current Rents			Current Rent \$/SF			Concessions	Net Effective			Net Effective \$/SF		
Project		Size	Bed	Bath	Pkg													
Project Detail	Mix	SF			Type	Low	-	High	Avg.	Low	-	High	Avg.	Total	Low	-	High	Avg.
7 EMERSON AT RED OAK GREYSTAR RED OAK TWO-STORY YEAR BUILT - 2023																		
% Leased/Occupancy: 90.0/86.0	44	680	1	1.0	O	\$1,435	-	\$1,435	\$1,435	\$2.11	-	\$2.11	\$2.11	(\$120)	\$1,315	-	\$1,315	\$1,315
Total Units/Leased: 306/275	38	780	1	1.0	1-Car DAG	\$1,730	-	\$1,730	\$1,730	\$2.22	-	\$2.22	\$2.22	(\$144)	\$1,586	-	\$1,586	\$1,586
Available Units: 31	44	790	1	1.0	O	\$1,470	-	\$1,470	\$1,470	\$1.86	-	\$1.86	\$1.86	(\$123)	\$1,348	-	\$1,348	\$1,348
Turnover/Monthly: 0.0	38	885	1	1.0	O	\$1,550	-	\$1,550	\$1,550	\$1.75	-	\$1.75	\$1.75	(\$129)	\$1,421	-	\$1,421	\$1,421
Lease-Up Rate: 13.8	16	889	1	1.0	O	\$1,615	-	\$1,615	\$1,615	\$1.82	-	\$1.82	\$1.82	(\$135)	\$1,480	-	\$1,480	\$1,480
	22	922	1	1.0	1-Car DAG	\$1,835	-	\$1,835	\$1,835	\$1.99	-	\$1.99	\$1.99	(\$153)	\$1,682	-	\$1,682	\$1,682
	16	987	2	2.0	O	\$2,085	-	\$2,085	\$2,085	\$2.11	-	\$2.11	\$2.11	(\$174)	\$1,911	-	\$1,911	\$1,911
	16	987	2	2.0	1-Car DAG	\$2,230	-	\$2,230	\$2,230	\$2.26	-	\$2.26	\$2.26	(\$186)	\$2,044	-	\$2,044	\$2,044
	6	1,045	2	2.0	1-Car DAG	\$2,180	-	\$2,180	\$2,180	\$2.09	-	\$2.09	\$2.09	(\$182)	\$1,998	-	\$1,998	\$1,998
	6	1,045	2	2.0	O	\$2,455	-	\$2,455	\$2,455	\$2.35	-	\$2.35	\$2.35	(\$205)	\$2,250	-	\$2,250	\$2,250
	32	1,090	2	2.0	O	\$1,995	-	\$1,995	\$1,995	\$1.83	-	\$1.83	\$1.83	(\$166)	\$1,829	-	\$1,829	\$1,829
	12	1,138	2	2.0	O	\$2,225	-	\$2,225	\$2,225	\$1.96	-	\$1.96	\$1.96	(\$185)	\$2,040	-	\$2,040	\$2,040
	4	1,300	3	2.0	O	\$2,455	-	\$2,455	\$2,455	\$1.89	-	\$1.89	\$1.89	(\$205)	\$2,250	-	\$2,250	\$2,250
	4	1,300	3	2.0	1-Car DAG	\$2,695	-	\$2,695	\$2,695	\$2.07	-	\$2.07	\$2.07	(\$225)	\$2,470	-	\$2,470	\$2,470
	8	1,385	3	2.0	O	\$2,455	-	\$2,455	\$2,455	\$1.77	-	\$1.77	\$1.77	(\$205)	\$2,250	-	\$2,250	\$2,250
	306	904				\$1,435	-	\$2,695	\$1,785	\$1.75	-	\$2.35	\$1.98	(\$149)	\$1,315	-	\$2,470	\$1,637



Competitive Supply Detail (Rental Housing)
Appendix

Rental Communities		Floorplan Summary				Current Rents			Current Rent \$/SF			Concessions	Net Effective			Net Effective \$/SF		
Project		Size			Pkg													
Project Detail	Mix	SF	Bed	Bath	Type	Low	-	High	Avg.	Low	-	High	Avg.	Total	Low	-	High	Avg.
8	JEFFERSON CEDAR RIDGE ZRS MGMT. DALLAS THREE-STORY YEAR BUILT - 2024																	
% Leased/Occupancy: 98.0/98.3	42	660	1	1.0	O	\$1,489	-	\$1,489	\$1,489	\$2.26	-	\$2.26	\$2.26	(\$186)	\$1,303	-	\$1,303	\$1,303
Total Units/Leased: 360/353	24	683	1	1.0	O	\$1,368	-	\$1,368	\$1,368	\$2.00	-	\$2.00	\$2.00	(\$171)	\$1,197	-	\$1,197	\$1,197
Available Units: 7	66	722	1	1.0	O	\$1,370	-	\$1,370	\$1,370	\$1.90	-	\$1.90	\$1.90	(\$171)	\$1,199	-	\$1,199	\$1,199
Turnover/Monthly: 0.0	12	735	1	1.0	O	\$1,427	-	\$1,427	\$1,427	\$1.94	-	\$1.94	\$1.94	(\$178)	\$1,249	-	\$1,249	\$1,249
Lease-Up Rate: 27.0	12	750	1	1.0	O	\$1,443	-	\$1,443	\$1,443	\$1.92	-	\$1.92	\$1.92	(\$180)	\$1,263	-	\$1,263	\$1,263
	36	822	1	1.0	O	\$1,652	-	\$1,652	\$1,652	\$2.01	-	\$2.01	\$2.01	(\$207)	\$1,446	-	\$1,446	\$1,446
	12	915	1	1.0	O	\$1,901	-	\$1,901	\$1,901	\$2.08	-	\$2.08	\$2.08	(\$238)	\$1,663	-	\$1,663	\$1,663
	36	1,081	2	2.0	O	\$2,003	-	\$2,003	\$2,003	\$1.85	-	\$1.85	\$1.85	(\$250)	\$1,753	-	\$1,753	\$1,753
	6	1,088	2	2.0	O	\$1,785	-	\$1,785	\$1,785	\$1.64	-	\$1.64	\$1.64	(\$223)	\$1,562	-	\$1,562	\$1,562
	6	1,091	2	2.0	O	\$1,733	-	\$1,733	\$1,733	\$1.59	-	\$1.59	\$1.59	(\$217)	\$1,516	-	\$1,516	\$1,516
	69	1,124	2	2.0	O	\$2,229	-	\$2,229	\$2,229	\$1.98	-	\$1.98	\$1.98	(\$279)	\$1,950	-	\$1,950	\$1,950
	12	1,216	2	2.0	O	\$2,228	-	\$2,228	\$2,228	\$1.83	-	\$1.83	\$1.83	(\$279)	\$1,950	-	\$1,950	\$1,950
	12	1,239	2	2.0	O	\$2,313	-	\$2,313	\$2,313	\$1.87	-	\$1.87	\$1.87	(\$289)	\$2,024	-	\$2,024	\$2,024
	12	1,363	3	2.0	O	\$2,378	-	\$2,378	\$2,378	\$1.74	-	\$1.74	\$1.74	(\$297)	\$2,081	-	\$2,081	\$2,081
	3	1,541	3	2.0	O	\$2,177	-	\$2,177	\$2,177	\$1.41	-	\$1.41	\$1.41	(\$272)	\$1,905	-	\$1,905	\$1,905
	360	917				\$1,368	-	\$2,378	\$1,775	\$1.41	-	\$2.26	\$1.94	(\$222)	\$1,197	-	\$2,081	\$1,553
															\$1.24	-	\$1.97	\$1.69



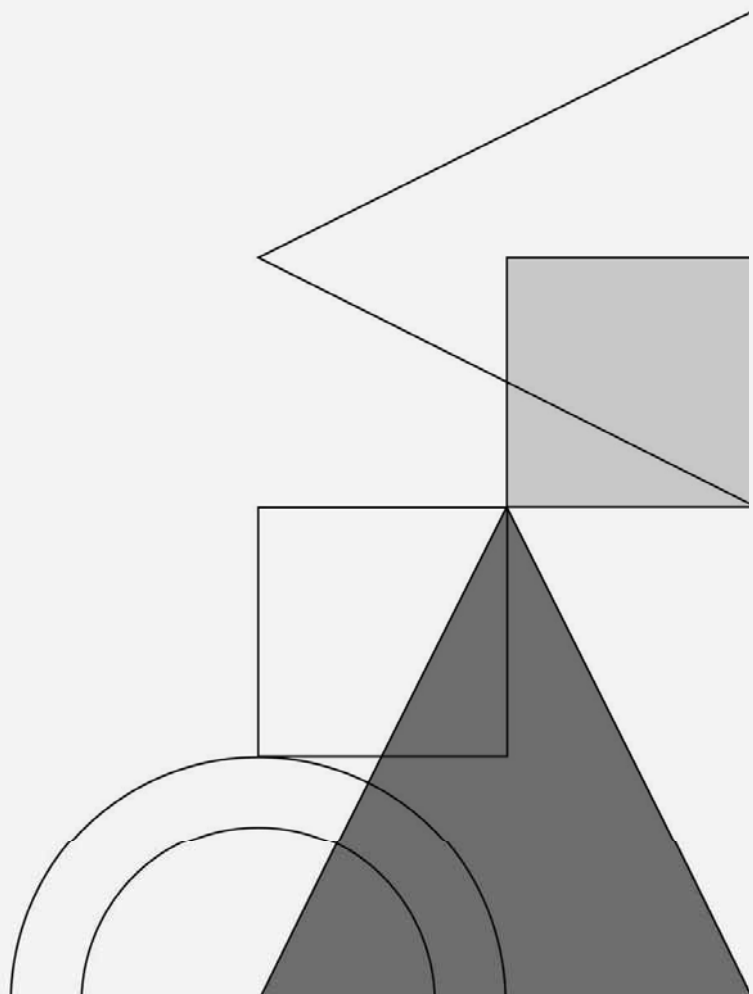
Thank you!

Zonda

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Newport Beach, CA 92660

(877) 966-3210



No person has been authorized to give any information or to make any representations other than those contained in this limited offering memorandum and, if given or made, such information and representations must not be relied upon as having been authorized. This limited offering memorandum does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Bonds to which it relates or any offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this limited offering memorandum nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the Issuer's affairs since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

\$35,344,967.00

I-20 Lancaster Fund, LLC
Development Mortgage Backed and Limited
Revenue Bonds (Taxable), Series 2025

**LIMITED OFFERING
MEMORANDUM**

SAMCO Capital Markets, Inc.

April 24, 2025