

Red 5/18/18

SIGN: _____
REQ# 345770
PO# 764515

THE REAL ESTATE CENTER

4900 W. Expressway 83 Ste. 229 PMIAppraisals.com 956-227-0928
McAllen Fax: 1-866-405-9124
TX, 78501 rdlc79@icloud.com

2/24/2018

Commissioner Joe Flores
Hidalgo County Precinct #3
724 BreyFogle Rd.
Mission, TX
78574

Re: Appraisal Report, Real Estate Appraisal
Texan Gardens
Iowa Rd. & 7 Mile Line, Mission,
Hidalgo County, TX, 78574

Invoice #: 2018-03
File Name: County-2018

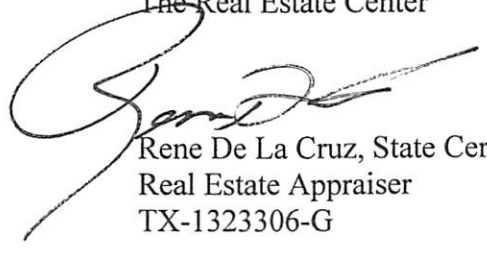
Dear Commissioner Flores:

The table below details our invoice for services:

Service	Total
Appraisal Report, Real Estate Appraisal	
File Name: County-2018	\$3,200
Additional Copies	\$0
Total	\$3,200

Terms: 30 Days Net

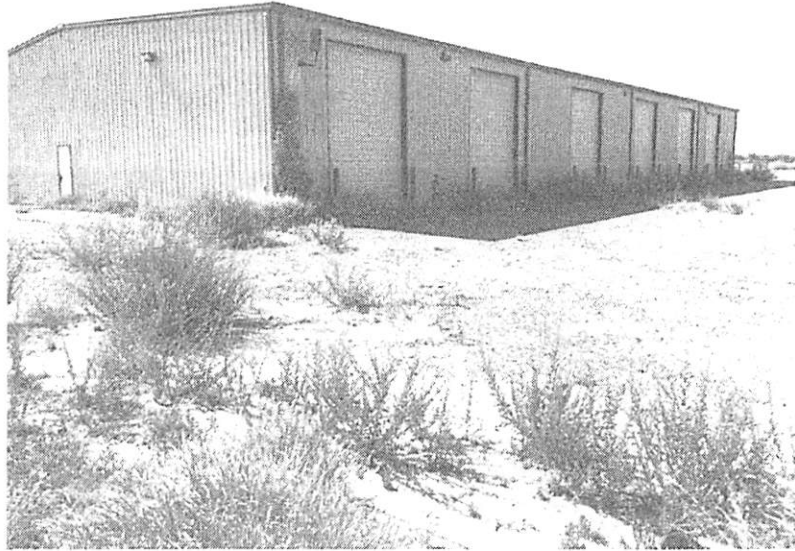
Respectfully submitted,
The Real Estate Center


Rene De La Cruz, State Certified General
Real Estate Appraiser
TX-1323306-G

INVOICE RECEIVED BY
N. Clark ON 3/9/18
GOODS/SERVICES RECEIVED BY
V. Bellon ON 2/24/18
8-1200-431-00-123-005-0-710

**APPRAISAL REPORT
REAL ESTATE APPRAISAL**

Of
Pool Company of Texas, LTD



Iowa Rd. & 7 Mile Line, Mission
Hidalgo County
TX. 78574

As of
January 24, 2018

Prepared For

Commissioner Joe Flores
Hidalgo County Precinct #3
724 BreyFogle Rd.
Mission, TX, 78574

Prepared by

THE REAL ESTATE CENTER
Rene De La Cruz,
State Certified General Real Estate Appraiser,
TX-1323306-G

File Name:
County-2018

THE REAL ESTATE CENTER

The Real Estate Center
4900 W. Expressway 83 Ste. 229
McAllen,
TX, 78501

956-227-0928
Fax: 1-866-405-9124
rdlc79@icloud.com
PMIAppraisals.com

Hidalgo County Precinct #3
724 BreyFogle Rd.
Mission, TX
78574

Re: Appraisal Report
Pool Company of Texas, LTD
Iowa Rd. & 7 Mile Line, Mission,
Hidalgo County, TX, 78574

File Name: County-2018

Dear Commissioner: Commissioner Joe Flores

At your request, I have prepared an appraisal for the above referenced property, which may be briefly described as follows:

Warehouse Facility used for trucking and parking.

Please reference page 9 of this report for essential information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis and valuation methodology.

I certify that I have no present or contemplated future interest in the property beyond this estimate of value. The appraiser has not performed any prior services regarding the subject within the previous three years of the appraisal date.

Your attention is directed to the Limiting Conditions and Assumptions section of this report (page 7). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, I note the following:

Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal.

Extraordinary Assumptions:

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumptions and Hypothetical Conditions (if any), I have made the following value conclusion(s):

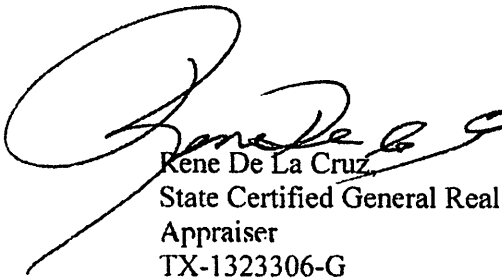
Current As Is Market Value:

The "As Is" market value of the Fee Simple estate of the property, as of January 24, 2018, is

Eight Hundred Eleven Thousand Three Hundred Seventy Dollars (\$811,370)

The market exposure time preceding January 24, 2018 would have been nine months and the estimated marketing period as of January 24, 2018 is nine months.

Respectfully submitted,
The Real Estate Center



Rene De La Cruz
State Certified General Real Estate
Appraiser
TX-1323306-G

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Summary of Important Facts and Conclusions

GENERAL

Subject: Texan Gardens
Iowa Rd. & 7 Mile Line, Mission,
Hidalgo County, TX, 78574

Warehouse Facility used for trucking and parking.

Owner: Encino Transport, L.L.C.

Legal Description: The West 1/2 of the West 1/2 of Lots 1, 2, 3 and 4, Block 19, Texan Gardens Subdivision

Date of Report: February 24, 2018

Intended Use: The intended use is for Possible Purchase by Hidalgo County Precinct #3.

Intended User(s): Hidalgo County Precinct #3.

Assessment:

Real Estate Assessment and Taxes							
Tax ID	Land	Improvements	Other	Total	Other Rate	Tax Rate	Taxes
D3200-00-030-0000-01	\$95,000	\$317,675	\$0	\$412,675	\$2.23	\$2.23	\$9,203

Notes:

Sale History: The subject has not sold in the last three years, according to public records and has been owned by the owner for over Ten (10) years.

Current Listing/Contract(s): The subject is not currently listed for sale, or under contract.

Land:

Parcel ID	Land Summary				Topography	Shape
	Gross Land Area (Acres)	Gross Land Area (Sq Ft)	Usable Land Area (Acres)	Usable Land Area (Sq Ft)		
T2200-00-019-0001-05	9.99	435,164	9.99	435,164	Seems Level	Roughly rectangular

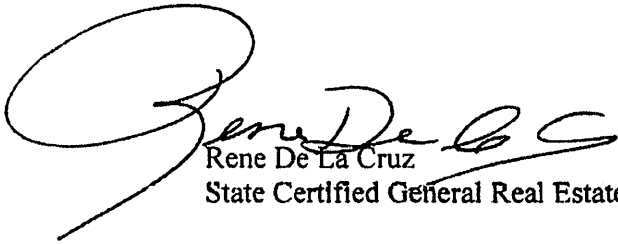
Notes:

Zoning: Un-Zone
Highest and Best Use of the Site: Present Use
Type of Value: Market Value

VALUE INDICATIONS

Sales Comparison Approach: \$220,000

Reconciled Value(s): As Is
Value Conclusion(s) \$811,370
Effective Date(s) January 24, 2018
Property Rights Fee Simple



Rene De La Cruz
State Certified General Real Estate Appraiser

Limiting Conditions and Assumptions

Acceptance of and/or use of this report constitutes acceptance of the following limiting conditions and assumptions; these can only be modified by written documents executed by both parties.

This appraisal is to be used only for the purpose stated herein. While distribution of this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed; this report is intended to be used in whole and not in part.

No part of this appraisal, its value estimates or the identity of the firm or the appraiser(s) may be communicated to the public through advertising, public relations, media sales, or other media.

All files, work papers and documents developed in connection with this assignment are the property of The Real Estate Center. Information, estimates and opinions are verified where possible, but cannot be guaranteed. Plans provided are intended to assist the client in visualizing the property; no other use of these plans is intended or permitted.

No hidden or unapparent conditions of the property, subsoil or structure, which would make the property valuable, were discovered by the appraiser(s) or made known to the appraiser(s). No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there is no existence of hazardous materials or conditions, in any form, on or near the subject property.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of the appraiser nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, nor for any expertise or knowledge required to discover them.

Unless stated herein, the property is assumed to be outside of areas where flood hazard insurance is mandatory. Maps used by public and private agencies to determine these areas are limited with respect to accuracy. Due diligence has been exercised in interpreting these maps, but no responsibility is assumed for misinterpretation.

Good title, free of liens, encumbrances and special assessments is assumed. No responsibility is assumed for matters of a legal nature.

Necessary licenses, permits, consents, legislative or administrative authority from any local, state or Federal government or private entity are assumed to be in place or reasonably obtainable.

It is assumed there are no zoning violations, encroachments, easements or other restrictions which would affect the subject property, unless otherwise stated.

The appraiser(s) are not required to give testimony in Court in connection with this appraisal. If the appraisers are subpoenaed pursuant to a court order, the client agrees to pay the appraiser(s) The Real Estate Center's regular per diem rate plus expenses.

Appraisals are based on the data available at the time the assignment is completed. Amendments/modifications to appraisals based on additional information made available after the appraisal was completed will be made, as soon as reasonably possible, for an additional fee.

Americans with Disabilities Act (ADA) of 1990

A civil rights act passed by Congress guaranteeing individuals with disabilities equal opportunity in public accommodations, employment, transportation, government services, and telecommunications. Statutory deadlines become effective on various dates between 1990 and 1997. The Real Estate Center has not made a determination regarding the subject's ADA compliance or non-compliance. **Non-compliance could have a negative impact on value, however this has not been considered or analyzed in this appraisal.**

Scope of Work

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). Therefore, the appraiser must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

This appraisal is prepared for Commissioner.

The problem to be solved is to estimate the 'as is' market value of the subject property. The intended use is for Possible Purchase by Hidalgo County Precinct #3. This appraisal is intended for the use of Hidalgo County Precinct #3.

SCOPE OF WORK

Report Type:	This is a Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a summary or description of the appraisal process, subject and market data and valuation analyses.
Property Identification:	A Survey done by Kurt Schumacher License No. 6333 dated 02-06-2018.
Inspection:	A visual inspection of the subject property has been made, and photographs taken.
Market Area and Analysis of Market Conditions:	An analysis of market conditions has been made. The appraiser maintains and has access to comprehensive databases for this market area and has reviewed the market for sales and listings relevant to this analysis.
Highest and Best Use Analysis:	A limited as vacant and as improved highest and best use analysis for the subject has been made. Physically possible, legally permissible and financially feasible uses were considered, and the maximally productive use was concluded.

Type of Value: Market Value

Valuation Analyses

Cost Approach: A cost approach was applied as there is adequate data to develop a land value and the depreciation accrued to the improvements can be reasonably measured.

Sales Comparison Approach: A sales approach was not applied as there is inadequate market data to develop a value estimate for this approach.

Income Approach: An income approach was not applied as the subject is not an income producing property. No income statements were obtained by the Appraiser.

Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal.

Extraordinary Assumptions:

- The Appraiser used five comparables to justify Land value and also to support each other to come out with a final weighted value for land. The Appraiser added the depreciated value of improvements using the Marshall & Swift Cost Guide. The Direct sales Comparison and Income Approach were considered not reliable since there was not enough data in the immediate area and would be misleading.

Comments

- The Appraiser used five comparables to justify Land value and also to support each other to come out with a final weighted value for land. The Appraiser added the depreciated value of improvements using the Marshall & Swift Cost Guide. The Direct sales Comparison and Income Approach were considered not reliable since there was not enough data in the immediate area and would be misleading.

Market Area Analysis

Area Description & Boundaries

The neighborhood boundaries extend from Nine (9) Mile Line to the North, 3 Mile Line to the South and from JarasChinas to the West and Conway Ave. to the East

Area & Property Use Characteristics

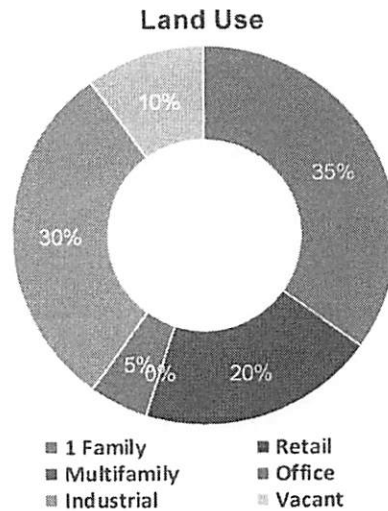
Location	<input type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input checked="" type="checkbox"/> Rural	Population Trend	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stbl	<input type="checkbox"/> Dn
Build Up	<input type="checkbox"/> Over 75%	<input checked="" type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%	Employment Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Built Up <input type="checkbox"/> Fully Dev.	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Steady	<input type="checkbox"/> Slow	Personal Income Level	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	Retail Sales	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	New Construction	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vacancy Trend	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	Vacancy Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Change in Economic Base	<input type="checkbox"/> Likely	<input checked="" type="checkbox"/> Unlikely	<input type="checkbox"/> Taking Place	Rental Demand	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Land Use Trends

Present Land Use	Supply/Demand			Vacancy
	Under	In Bal.	Over	
35% 1 Family	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10%
20% Retail	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10%
0% Multifamily	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10%
5% Office	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10%
30% Industrial	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10%
10% Vacant	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
100%				

Change in Land Use	<input type="checkbox"/> Likely
	<input checked="" type="checkbox"/> Not Likely
	<input type="checkbox"/> Taking Place

Land uses in the neighborhood consist of a mix of Residential, Ranch/Farming and Commercial/Industrial

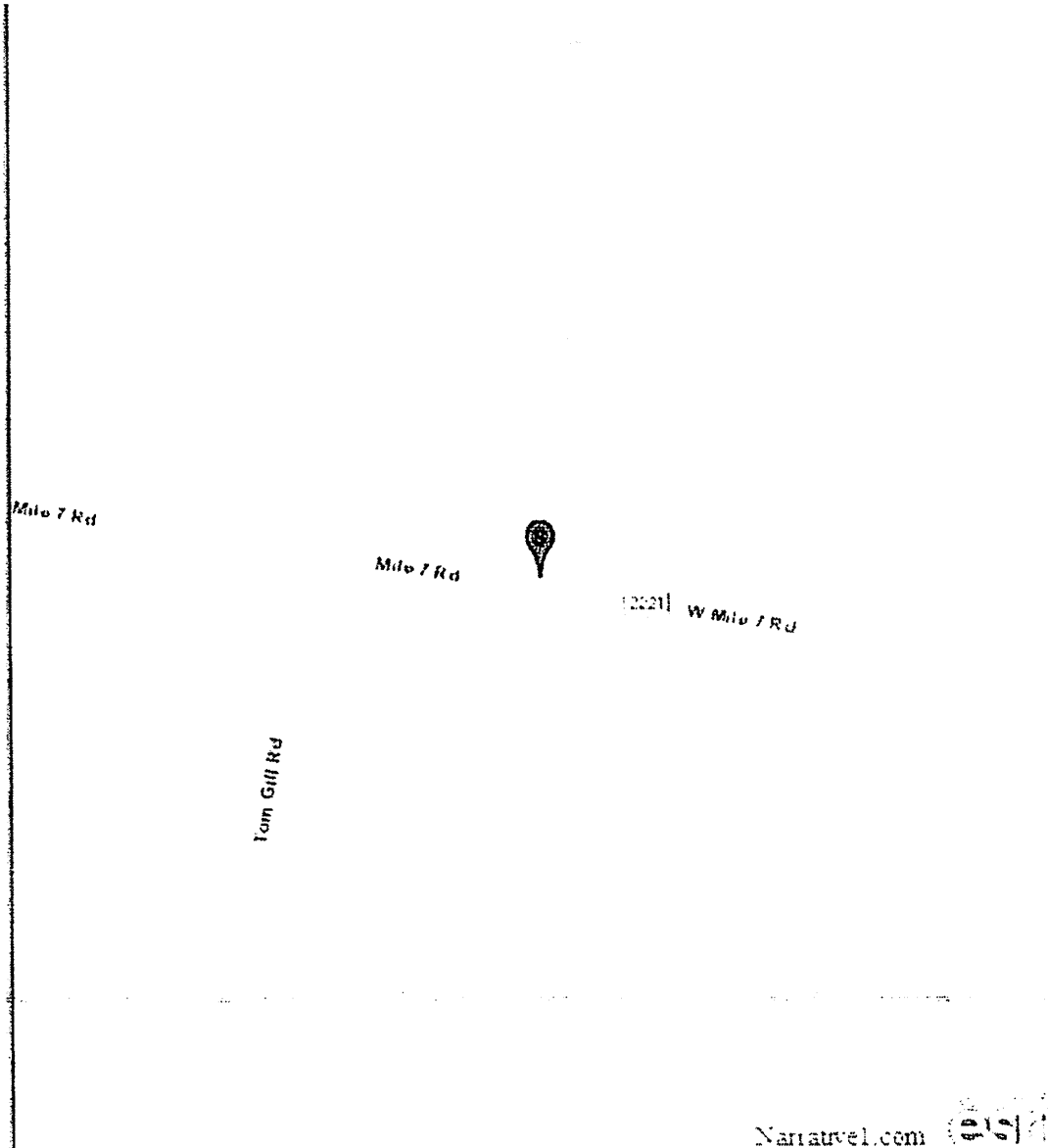


Age Range for Subject Property Type 1970 to 2010
 Rent Range for Subject Property Type to / square foot

Adjacent Property Use

Adjacent property uses include a mix of Residential, Ranch/Farming and Commercial/Industrial.

Location Map



Property Description

Warehouse Facility used for trucking and parking.

Parcel ID	Land Summary				Topography	Shape
	Gross Land Area (Acres)	Gross Land Area (Sq Ft)	Usable Land Area (Acres)	Usable Land Area (Sq Ft)		
T2200-00-019-0001-05	9.99	435,164	9.99	435,164	Seems Level	Roughly rectangular

Notes:

SITE

Location:	The subject is located on the north east corner of Mile 7 and Iowa Road., on the ETJ of the City of Mission, Texas
Current Use of the Property:	Vacant Warehouse and office Building
Site Size:	Total: 9.99 acres; 435,164 square feet Usable: 9.99 acres; 435,164 square feet
Shape:	Rectangular
Frontage/Access:	The subject property has good access with frontage as follows: <ul style="list-style-type: none">• 7 Mile Line: 363 feet on Mile 7 Road• Iowa Road: 1,199 feet on Iowa Road It is a corner lot.
Visibility:	Very Good
Topography:	The subject has level topography at grade and no areas of wetlands.
Soil Conditions:	The soil conditions observed at the subject appear to be typical of the region and adequate to support development.
Utilities:	Electricity: Electricity Sewer: Septic System Water: Agua SUD Natural Gas: Private Underground Utilities: The site is serviced by overhead utilities.
Site Improvements:	<ul style="list-style-type: none">• Average• Metal Building• Office Building• Rest Room Facility

Flood Zone: The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.

FEMA Map Number: 4803340290D
FEMA Map Date: June 6, 2000

Environmental Issues: An environment report was given to the Appraiser

Encumbrance / Easements: According to Survey dated February 6, 2018, there are no encroachments or easements noted

Meet and Bounds Description

Metes and Bounds Description for a 9.998 acre tract of land

Being a 9.998 acre tract of land situated in Hidalgo County, Texas, and being the West ½ of the West ½ of Lots 1, 2, 3, and 4, Block 19, Texan Gardens Subdivision, according to map, recorded in Volume 8, Page 57 and 58, of the Map Records, Hidalgo County, Texas, conveyed by Special Warranty Deed dated August 10, 2017 to Encino Transport, L.L.C, said 9.998 acre tract of land being more particularly described by metes and bounds as follows:

Beginning at a Mag Nail set for the intersection of Mile 7 (80' Right of Way), and Iowa Road (60' Right of Way), for the Southwest corner of said Lot 1, Block 19, and for the Southwest corner of this herein described tract of land;

Thence with Iowa Road and the West line of said Lots 1, 2, 3, and 4, Block 19, N 08°52'45" E, a distance of 1199.76 (1200.00) feet to a Mag Nail set for the Southwest corner of Las Comadres Acres Phase III Subdivision, recorded by plat in Document No. 2661354, Map Records, Hidalgo County, Texas, for the Northwest corner of said Lot 4, and the Northwest corner of this herein described tract of land;

Thence departing Iowa Road, with the North line of said Lot 4, being a Southerly line of said Las Comadres Acres Phase III Subdivision, S 81°07'15" E, at a distance of 30.00 feet passing a 5/8" iron pin with plastic cap stamped "ROWSS PROP COR" set in the existing East Right of Way line of Iowa Road, continuing a total distance of 363.00 feet to a 5/8" iron pin with plastic cap stamped "ROWSS PROP COR" set for an interior corner of said Las Comadres Acres Phase III Subdivision, and for the Northeast corner of this herein described tract of land;

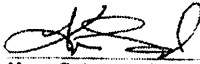
Thence across and through said Lot 4, 3, 2, and 1, Block 19, S 08°52'45" W, at a distance of 1159.76 feet passing a 5/8" iron pin with plastic cap stamped "ROWSS PROP COR" set in the existing North Right of Way line of Mile 7 Road, continuing a total distance of 1199.76 feet to a Mag Nail set in the South line of said Lot 1, for the Southeast corner of this herein described tract of land;

Thence with the Mile 7 Road and the South line of said Lot 1, N 81°07'15" W, a distance of 363.00 feet to the **Point of Beginning** and being a 9.998 acre tract of land, of which 1.132 acres lies within existing Mile 7 and Iowa Road Right of Way easement.

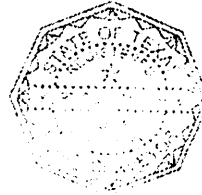
Bearings based on the Texas Coordinate System, South Zone, NAD83 (NA2011).

A plat survey of even survey date herewith accompanies this description.

Surveyed on the ground February 6, 2018.


Kurt Schumacher
Registered Professional Land Surveyor
Texas Registration No. 6333

02/06/2018



Americans with Disabilities Act

Please reference the Limiting Conditions and Assumptions section of this report on page 8.

Hazardous Substances

Please reference the Limiting Conditions and Assumptions section of this report on page 8.

Subject Photographs



Ariel View of the Subject Property

Building Sketch (Page - 3)

Borrower			
Property Address	Precint 3, 2016-Villanueva		
City	County	State	Zip Code
Lender/Client			

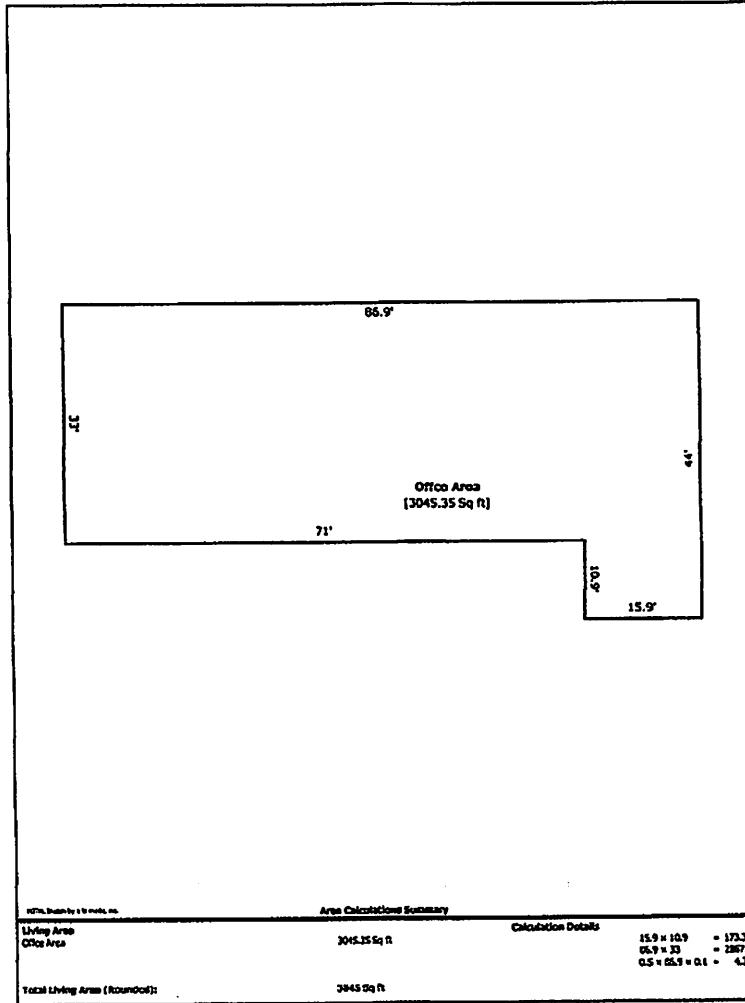
Metal Stall
(12000 Sq Ft)

TOTAL Sketch by a la mode, Inc.

	Area Calculations Summary	Calculation Details
Living Area		
Metal Stall	12000 Sq Ft	75 x 160 = 12000
Total Living Area (Rounded):	12000 Sq Ft	

Building Sketch (Page - 1)

Contract			
Property Address	Project 3, 2010-Volkswagen	City	CA
City		State	CA
Order/Ref			

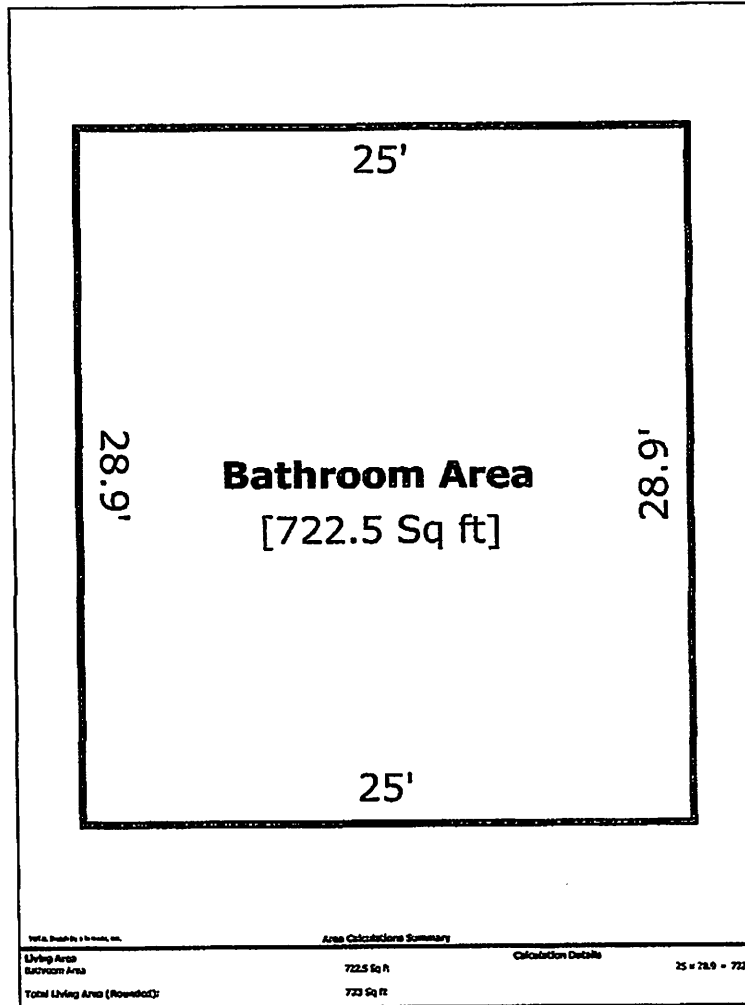


Area Calculations Summary		Calculation Details	
Living Area	3045.35 Sq Ft	15.9 x 10.9	= 172.31
Office Area		65.9 x 33	= 2167.7
Total Living Area (Rounded):	3045 Sq Ft	0.5 x 65.9 x 0.1	= 3.29

Form BHT-BLDSO - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

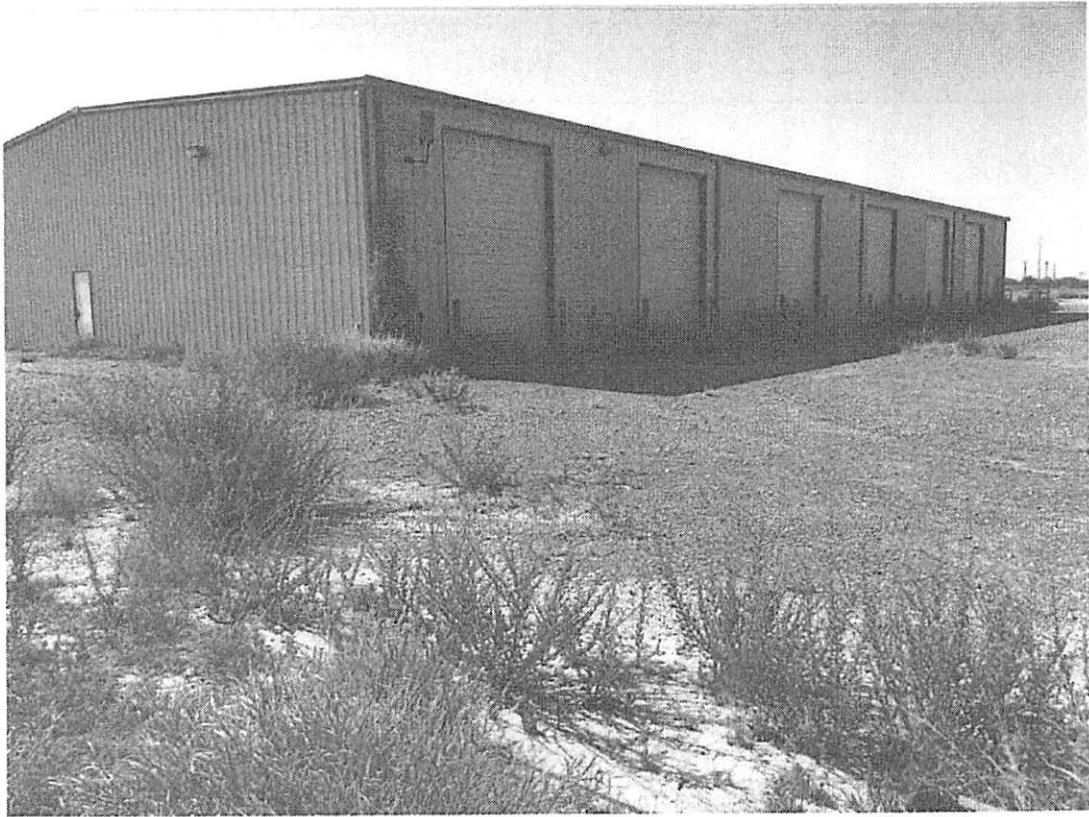
Building Sketch (Page - 2)

Buyer:			
Property Address:	Precinct 3, 2016-V/Amador		
City:	County:	State:	Zip Code:
Leads/Client:			

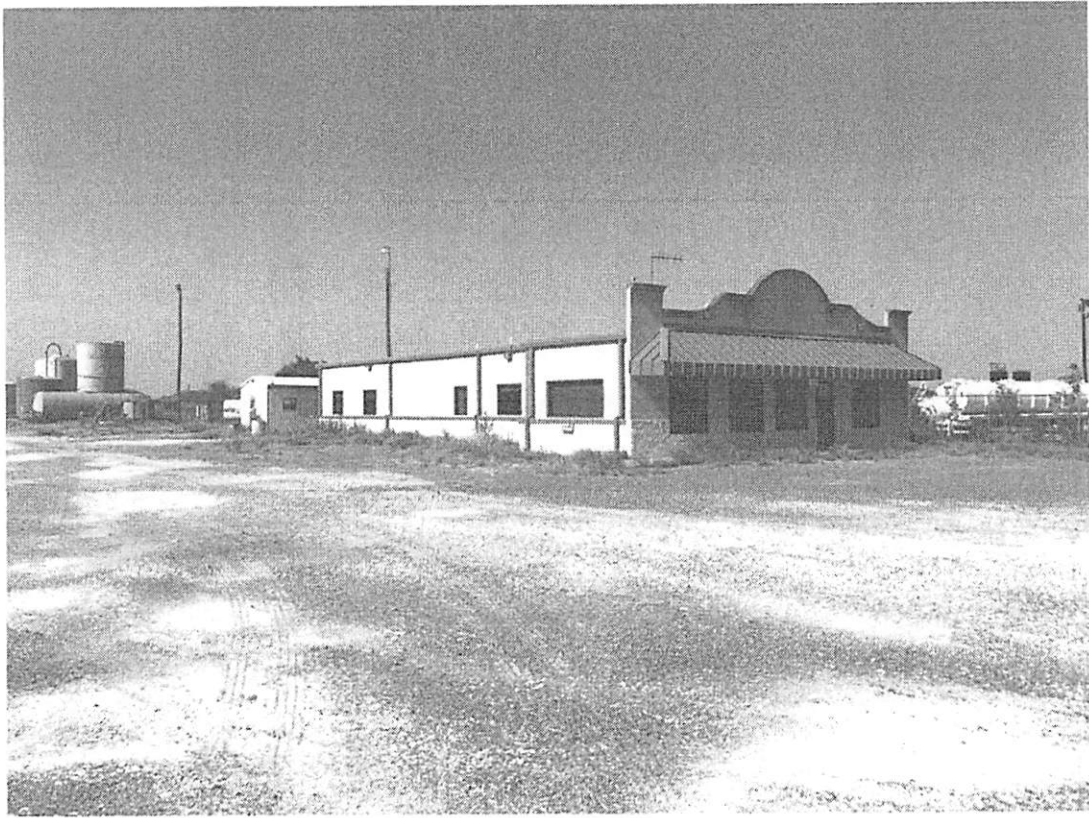


Area Calculations Summary		Calculation Details
Living Area	722.5 Sq Ft	25 x 28.9 = 722.5
Bathroom Area	722.5 Sq Ft	
Total Living Area (Rounded):	722.5 Sq Ft	

Form SKLSLDS00 - "TOTAL" appraisal software by a b ranch, inc. - 1-800-ALANODE



Metal Building



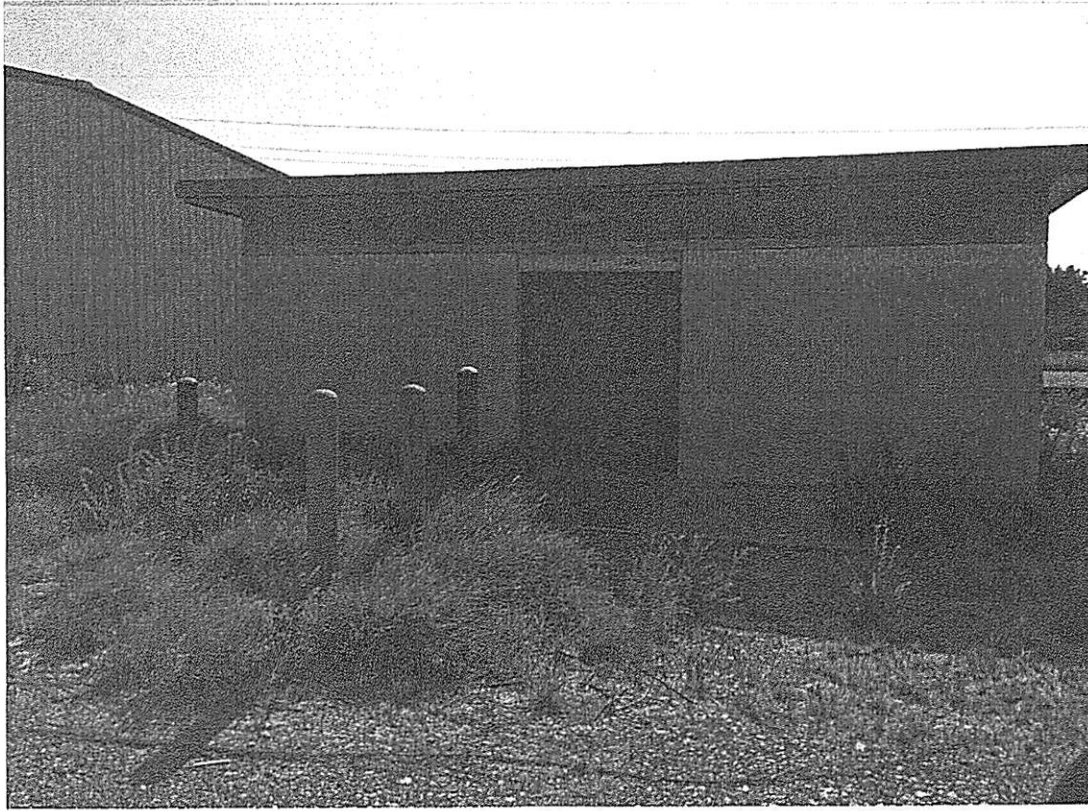
Office Building



West of Property from Iowa Rd



Under Ground Gas Line on the Westside of the Subject Property



Rest Room Facility

Assessment and Taxes

Taxing Authority Hidalgo County

Assessment Year 2017

Real Estate Assessment and Taxes							
Tax ID	Land	Improvements	Other	Total	Other Rate	Tax Rate	Taxes
D3200-00-030-0000-01	\$95,000	\$317,675	\$0	\$412,675	\$2.23	\$2.23	\$9,203

Notes:

Comments

The Appraisal Districts uses the Mass Appraisal Process for valuation.

Zoning

LAND USE CONTROLS

Zoning Description	Un-Zoned
Current Use Legally Conforming	Current Use Legally Conforming
Zoning Change Likely	A zoning change is unlikely.
Zoning Change Description	No Zoning in Hidalgo County
Set Back Distance	As per County codes
Side Yard Distance	As per County codes

Highest and Best Use

Highest and best use may be defined as the reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

1. **Legally Permissible:** What uses are permitted by zoning and other legal restrictions?
2. **Physically Possible:** To what use is the site physically adaptable?
3. **Financially Feasible:** Which possible and permissible use will produce any net return to the owner of the site?
4. **Maximally Productive.** Among the feasible uses which use will produce the highest net return, (i.e., the highest present worth)?

Highest and Best Use of the Site

The highest and best use of the site, as vacant, is for Present Use.

The Highest and best is to use it as a Yard for large trucking, Warehouse.

Highest and Best Use as Improved

The highest and best use of the subject as improved is its current condition.

Valuation Methodology

Three basic approaches may be used to arrive at an estimate of market value. They are:

1. The Cost Approach
2. The Income Approach
3. The Sales Comparison Approach

Cost Approach

The Cost Approach is summarized as follows:

$$\begin{array}{r} \text{Cost New} \\ - \text{Depreciation} \\ + \text{Land Value} \\ = \text{Value} \end{array}$$

Income Approach

The Income Approach converts the anticipated flow of future benefits (income) to a present value estimate through a capitalization and or a discounting process.

Sales Comparison Approach

The Sales Comparison Approach compares sales of similar properties with the subject property. Each comparable sale is adjusted for its inferior or superior characteristics. The values derived from the adjusted comparable sales form a range of value for the subject. By process of correlation and analysis, a final indicated value is derived.

Final Reconciliation

The appraisal process concludes with the Final Reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others.

Analyses Applied

A **cost analysis** was considered and was developed because there is adequate data to develop a land value and the depreciation accrued to the improvements can be reasonably measured.

A **sales comparison analysis** was considered and was not developed because there is inadequate market data to develop a value estimate for this approach.

An **income analysis** was considered and was not developed because the subject is not an income producing property. No income statements were obtained by the Appraiser.

Sales Comparison Approach – Land Valuation

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed, and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed, and the data reconciled for a final indication of value via the Sales Comparison Approach.

Land Comparables

I have researched five comparables for this analysis; these are documented on the following pages followed by a location map and analysis grid. All sales have been researched through numerous sources, inspected and verified by a party to the transaction.

Comp	Address	Date	Date	Price Per Land Unit	Land Units
	City	Price	Price per Land	Price per Acre	Acres
Subject	Iowa Rd. & 7 Mile Line	1/24/2018	1/24/18	#N/A	0.00
	Mission		#N/A	\$75,706	9.99
1	Mile 7 & Bentsen Palm Drive	4/15/2012	4/15/12		0.00
	Mission	\$180,000		\$20,857	8.63
2	1924 W. St. Jude Ave.	2/9/2017	2/9/17		0.00
	Alton	\$230,000		\$12,036	19.11
3	3 1/2 Mile N. Inspiration Rd	9/14/2017	9/14/17		0.00
	Mission	\$257,400		\$26,000	9.9
4	9.5 Mile N. Moorefield Dr.	7/21/2016	7/21/16		0.00
	Mission	\$175,000		\$20,373	8.59
5	Hiway 107 between Bentsen Rd. and Edinburg	2/10/2017	2/10/17		0.00
		\$330,000		\$35,332	9.34

Land Comparable 1



Transaction

ID	248	Date	4/15/2012
Address	Mile 7 & Bentsen Palm	Price	\$180,000
City	Mission	Price per Acre	\$20,857
State	Texas	Financing	Cash
Tax ID	B2550-00-000-0286-00	Property Rights	Fee Simple
Grantor	Flavio Roque Rivera	Days on Market	234
Grantee	Zuma Ventures, Inc.	Verification Source	HCAD
Legal Description	Lot 286, Bentsen Groves		

Site

Acres	8.6	Topography	Level
Land SF	--	Zoning	Hounty Zone
Road Frontage	--	Flood Zone	--
Shape	Rectanguar	Encumbrance or	--
Utilities	Partial	Environmental Issues	--

Improvements

Comments

--

Land Comparable 2



Transaction

ID	249	Date	2/9/2017
Address	1924 W. St. Jude Ave.	Price	\$230,000
City	Alton	Price per Acre	\$12,036
State	Texas	Financing	Cash
Tax ID	W0100-00-044-0001-03	Property Rights	Fee Simple
Grantor	William Anthony Hargus	Days on Market	744
Grantee	Diana Izaguirre	Verification Source	HCAD
Legal Description	19.11 Net acre tract of		

Site

Acres	19.1	Topography	Level
Land SF	--	Zoning	No-Zoning
Road Frontage	--	Flood Zone	--
Shape	Rectangular	Encumbrance or	--
Utilities	Sharyland Water	Environmental Issues	--

Improvements

Comments

--

Land Comparable 3



Transaction			
ID	250	Date	9/14/2017
Address	3 1/2 Mile N. Inspiration	Price	\$257,400
City	Mission	Price per Acre	\$26,000
State	Texas	Financing	Conventional
Tax ID	W0100-00-034-0001-01	Property Rights	Fee Simple
Grantor	Moises Anzaldua	Days on Market	452
Grantee	Texas Cordia	Verification Source	HCAD
Legal Description	9.9 acres out of Lot 34-1, #REF!		
Site			
Acres	9.9	Topography	Level
Land SF	--	Zoning	Un-Zone
Road Frontage	--	Flood Zone	--
Shape	Rectangular	Encumbrance or	--
Utilities	Partial	Environmental Issues	--
Improvements			
Comments			
--			

Comparables Map



Analysis Grid

The above sales have been analyzed and compared with the subject property. I have considered adjustments in the areas of:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

On the following page is a sales comparison grid displaying the subject property, the comparables and the adjustments applied.

Land Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Address	Iowa Rd. & 7	Mill 7 & Bentsen	1924 W. St. Jude	3 1/2 Mile N.	9.5 Mile N.	Hiway 107
City	Mission	Mission	Alton	Mission	Mission	Edinburg
State	TX	Texas	Texas	Texas	Texas	Texas
Date	1/24/2018	4/15/2012	2/9/2017	9/14/2017	7/21/2016	2/10/2017
Price	\$756,300	\$180,000	\$230,000	\$257,400	\$175,000	\$330,000
Acres	9.99	8.63	19.11	9.90	8.59	9.34
Acre Unit Price	\$75,705.71	\$20,857.47	\$12,035.58	\$26,000.00	\$20,372.53	\$35,331.91
Transaction Adjustments						
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple
Financing	Conventional	Cash	0.0%	Cash	0.0%	Conventional
Conditions of Sale	Cash	Normal	0.0%	Normal	0.0%	Normal
Adjusted Acre Unit Price		\$20,857.47	\$12,035.58	\$26,000.00	\$20,372.53	\$35,331.91
Market Trends Through	1/24/2018	2.0%	12.1%	1.9%	0.7%	3.0%
Adjusted Acre Unit Price		\$23,387.18	\$12,265.64	\$26,186.87	\$20,991.87	\$36,005.32
Subsequent Trends Ending	1/24/2018	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Acre Unit Price		\$23,387.18	\$12,265.64	\$26,186.87	\$20,991.87	\$36,005.32
Location	Good	Equal/Corner	Equal/Corner	Superior/No Corner	Equal/No	Superior
% Adjustment		0%	0%	0%	10%	-20%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$2,099.19	-\$7,201.06
Acres	9.99	8.63	19.11	9.90	8.59	9.34
% Adjustment		0%	-10%	0%	0%	0%
\$ Adjustment		\$0.00	-\$1,226.56	\$0.00	\$0.00	\$0.00
Topography	Seems Level	Level	Level	Level	0	Level
% Adjustment		0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Shape	Roughly	Rectangular	Rectangular	Rectangular	0	Rectangular
% Adjustment		0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	Electricity, Agua	Partial	Sharyland Water	Partial	0	All Utilities
% Adjustment		0%	-10%	0%	0%	-10%
\$ Adjustment		\$0.00	-\$1,226.56	\$0.00	\$0.00	-\$3,600.53
Comments	OverallPropertyC	0	0	0	0	0
% Adjustment		0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Acre Unit Price		\$23,387.18	\$9,812.51	\$26,186.87	\$23,091.06	\$25,203.72
Net Adjustments		0.0%	-20.0%	0.0%	10.0%	-30.0%
Gross Adjustments		0.0%	20.0%	0.0%	10.0%	30.0%

Comparable Land Sale Adjustments

Property Rights

All Five Comparables are Fee Simple Interest and no adjustments were considered.

Financing

All the comparables were arm's length transactions and no adjustments were considered.

Conditions of Sale

All the comparables were normal and no adjustments were considered.

Economic Trends

A 2% adjustment was made for Economic Trends for all five comparables. These is typical inflation increases for Hidalgo County.

Location

Comparable #1 and #2 were equal to in the fact that it was a corner and in similar location. No Adjustments were considered.

Comparable #3 was in a superior location and not in a corner location. They offset each other, and no adjustment was considered.

Comparable #4 was equal to the subject in location, but inferior in the fact that it is not a corner lot. An Adjustment of 10% upward was given.

Comparable #5 was superior in every way of location and a major adjustment was made of 20%.

Acres

The Doubling System was used for size differences of land.

Topography

No adjustments were considered.

Shape

No adjustments were considered.

Utilities

All comparable were similar in partial utilities, except comparable #2 and #5 it has city sewer and water.

All of the value indications have been considered, and in the final analysis, comparables for land has been conclude and arriving at my final reconciled per acres value of \$22,000.00.

Cost Analysis

The next step in the Cost Approach is to estimate the replacement cost of the buildings and site improvements. The replacement cost of the subject site and building improvements are based on Marshall & Swift, a nationally recognized cost service.

Soft Costs

Where appropriate, I have included the following soft costs:

Engineering

Engineering has been applied at 3.0% of building and site costs.

Architectural

Architectural has been applied at 3.0% of building cost.

Permits and Legal

Permitting and legal costs have been applied at \$1,000.

Marketing & Leasing Commissions

It is often appropriate to add marketing expenses and leasing commissions necessary to bring an income producing property to stabilized occupancy to the cost schedule. In this case, these costs have been estimated at \$0.

Developer's Profit

This factor reflects the profit necessary for the developer to undertake the management, responsibility and risks of construction associated with the subject property. Current valuation theory states that the four components that create value are land, labor, capital and coordination. Developer's profit as used in the Cost Approach reflects the coordination component of value. Typically, developer's profit runs 5% to 10%; I have computed developer's profit at 0.0% of construction costs since the Marshal & Swift already has that calculation in the work sheet on file.

Depreciation Analysis

Depreciation may be defined as any loss of value from any cause. There are three general areas of depreciation: physical deterioration, functional obsolescence and external obsolescence. Depreciation may be curable or incurable, the test being that money spent to cure the depreciation be gained in value. If the depreciation costs more to fix than will be gained in value, then the depreciation is considered incurable.

Physical Deterioration

This results from deterioration from aging and use. This type of depreciation may be curable or incurable.

Functional Obsolescence

This results from a lack of utility or desirability due to design or market perception of the improvements. This type of depreciation may be curable or incurable.

External Obsolescence

This is due to circumstances outside the property itself, such as industry, demographic and economic conditions or an undesirable proximate use. This type of depreciation is rarely curable.

Depreciation Accrued to the Subject

Depreciation: Section 1 of 1					
Component	Eff. Age	Life	Percent		Amount
Physical Depreciation: Building	14	60	23%		\$176,416
Physical Depreciation: Site	14	20	70%		\$27,335
Functional Obsolescence Building			0%		\$0
External Obsolescence Building			0%		\$0
			Total Depreciation		\$203,751
			Depreciated Value of Improvements		\$591,368

Analysis

The Appraiser used the effective/life method to conclude the depreciation of the Subject.

Cost Approach Conclusion

Based on the analysis detailed on the following page, as of January 24, 2018 I have reconciled to a cost approach value of:

\$811,370

Eight Hundred Eleven Thousand Three Hundred Seventy Dollars

Marshall & Swift	
Cost Source: Marshall & Swift	# 13: Stores & Commercials
No. of Stories Multiplier: 1.000	Local Multiplier: 1.000
Height/Story Multiplier: 1.000	Current Cost Multiplier: 1.000
Perimeter Multiplier: 1.000	Combined Multipliers: 1.000

Building Improvements					
Item	Unit Type	Cost	Quantity	Multiplier	Total
Steel Building	Sq. Ft.	\$33.55	12,000	1.000	\$402,600
Office Area	Sq. Ft.	\$84.31	2,034	1.000	\$171,487
Bathroom Area	Sq. Ft.	\$100.27	722	1.000	\$72,395
				1.000	\$0
				1.000	\$0
Total Building Improvement Costs					\$646,481
Price per SF Gross Building Area					\$43.10

Site Improvements					
Item	Unit Type	Cost	Quantity		Total
Site Preparation & Improvements	Lump Sum	\$25,000	1		\$25,000
Chain Link Fence	Lin. Ft.	\$3.50	3,000		\$10,500
					\$0
					\$0
					\$0
Total Site Improvement Costs					\$35,500
Subtotal: Building & Site Costs					\$681,981
Price per SF Gross Building Area					\$45.47

Soft Costs			
Item		Percent Type	Total
Engineering	3.0%	% Bld. & Site Cost	\$20,459
Architectural	3.0%	% of Building Cost	\$19,394
Permits & Legal			\$1,000
Leasing			\$0
Total Soft Costs			\$40,854
Insurable Value (Excludes Site Improvements, related Site Soft Costs and Developer's Profit)			\$686,270
Total Costs			
Subtotal: Building, Site & Soft Costs			\$722,835
Already included on the Marshal & Swift	Developer's Profit 10.0%		\$72,284
Total Cost			\$795,119
Price per SF Gross Building Area			\$53.01

Depreciation: Section 1 of 1					
Component	Eff. Age	Life	Percent		Amount
Physical Depreciation: Building	14	60	23%		\$176,416
Physical Depreciation: Site	14	20	70%		\$27,335
Functional Obsolescence Building			0%		\$0
External Obsolescence Building			0%		\$0
Total Depreciation					\$203,751
Depreciated Value of Improvements					\$591,368
Cost Per Square Foot Gross Building Area					\$39.42

Additional Cost Sections	
Cost Section 2	\$0
Cost Section 3	\$0
Total Insurable Value (Excludes Site Improvements, related Costs & Dev. Profit)	\$686,270

Land Value	
Land Value	\$220,000
Other	\$0
Cost Approach Value Indication	\$811,368
Rounded	\$811,370
Price per SF Gross Building Area	\$54.09

Sales Comparison Approach Conclusion – Land Valuation

Land Value Ranges & Reconciled Value				
Number of Comparables:	5	Unadjusted	Adjusted	% Δ
Low:		\$12,035.58	\$9,812.51	-18.47%
High:		\$35,331.91	\$26,186.87	-25.9%
Average:		\$22,919.50	\$21,536.27	-6.04%
Median:		\$20,857.47	\$23,387.18	12.13%
Reconciled Value/Unit Value:			\$22,000.00	
Subject Size:			9.99	
Indicated Value:			\$219,780	
Reconciled Final Value:			\$220,000	
Two Hundred Twenty Thousand Dollars				

All of the value indications have been considered, and in the final analysis, I have arrived at a final reconciled per acres value of \$22,000.00.

Final Reconciliation

The process of reconciliation involves the analysis of each approach to value. The quality of data applied, the significance of each approach as it relates to market behavior and defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively with each other.

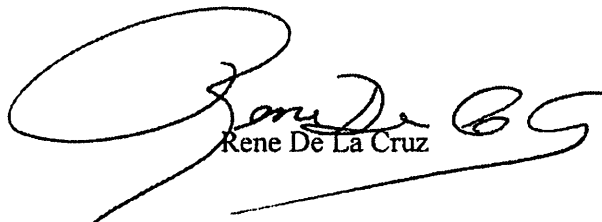
Value Indication

Sales Comparison Approach – Land Value:	\$220,000
Cost Approach:	\$811,370
Sales Comparison Approach:	N/A
Income Approach:	N/A

Value Conclusion

Based on the data and analyses developed in this appraisal, I have reconciled to the following value conclusion(s), as of January 24, 2018, subject to the Limiting Conditions and Assumptions of this appraisal.

Reconciled Value(s): Premise: As Is
Interest: Fee Simple
Value Conclusion: \$811,370
Eight Hundred Eleven Thousand Three Hundred Seventy Dollars

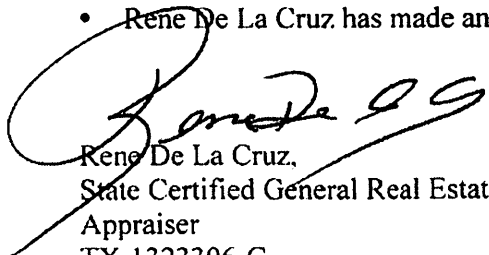


Rene De La Cruz

Certification Statement

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective future interest in the property that is the subject of this report and have no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My 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 estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
- No one provided significant real property appraisal assistance to the person(s) signing this certification.
- I certify sufficient competence to appraise this property through education and experience, in addition to the internal resources of the appraisal firm.
- The appraiser has not performed any prior services regarding the subject within the previous three years of the appraisal date.
- Rene De La Cruz has made an inspection of the subject property.


Rene De La Cruz,
State Certified General Real Estate
Appraiser
TX-1323306-G

Resume

DC RENE DE LA CRUZ STATE CERTIFIED GENERAL REAL ESTATE APPRAISER

4900 W. Expressway 83, Ste. 229 □ McAllen, TX 78501 □ (956) 227-0928 □ rdic79@icloud.com

EXECUTIVE SUMMARY

COMMITMENT | LEADERSHIP | INTEGRITY

An expert in Real Estate Appraising: It has always been my opinion that to be the best appraiser, you have to practice all fields of Valuation. My expertise expands to practicing as a developer, builder and a business owner that include real estate investments, subdivision Developer, social event center, and a manufacturing plant. I have experience as a consultant with different entities such as the City of Mission, Tx-DOT, multiple counties in the Rio Grande Valley and several local attorneys. I served as a special commissioner in a condemnation hearing with much success. I stay current on all courses that meet the standards of the Texas Appraisal License and Certification Board. I have a credible track record of implementing the necessary controls to ensure compliance and dedicated to maintaining a reputation built on quality, service, and uncompromising ethics.

AREAS OF EXPERTISE

- Appraising / Consulting
- Construction
- Rate of Returns/
Discounted Cash Flow
- Review Appraiser for Tx-Dot
- Development
- Manufacturing
- Employee Management
- Real Estate Lending
- Manage Rental Properties
- Business Consulting

PROFESSIONAL EXPERIENCE

THE REAL ESTATE CENTER-MISSION, TX	2015 - Present
THE REAL ESTATE CENTER, INC. -MISSION, TX	1988 - Present
RENCO INVESTMENTS, INC. - MISSION, TX	1988 - Present
Nellies Event Center - Mission, TX	2000-2005
Renco Steel Framing - Mission, TX	1997-2000
Border Construction - Mission, TX	1990-2000
TX-Dot Approved for Right of way	Present

BOARDS SERVED:

- Past-Zoning Board of Adjustments- City of Mission.
- Past-Buiding Board of Adjustments- City of Mission
- Past-Historical Board- City of Mission
- Traffic Control- City of Mission Present

PROFESSIONAL ORGANIZATIONS AND AFFILIATIONS

Texas Association of Realtors
National Association of Realtor
Greater McAllen Association of Realtors
Member of SABOR (San Antonio Board of Realtors)

EDUCATION

Mission High School - Mission, TX
PAN AMERICAN UNIVERSITY / STCC
REAL ESTATE COURSES IN VARIOUS INSTITUTIONS

RENE DE LA CRUZ

Qualifications of Rene De La Cruz
State Certified General Real Estate Appraiser

Education

Graduate of Mission High School Class of 1979
Attended Pan Am University
South Texas Community College
Lincoln Graduate Institute

License(s)

State Certified General Real Estate Appraiser License # TX-1323306-G
License Real Estate Broker in the State of Texas #397324

Public Service Organizations

Past Board Member of City of Mission Planning and Zoning Board of Adjustments and Appeals
Past Board Member of Mission Building Code Enforcement
Current Board Member of Traffic Control for the City of Mission
Current Member of A.C.T.S Choir at St. Paul Catholic Church

Work Experiences

The Real Estate Center
Real Estate Broker and Appraisals
President of Renco Investments, Inc.
Real Estate Development and Investments
Border Construction
Building Commercial and Residential
Renco Steel Framing
Manufacturing Metal Studs for Commercial/Residential Construction
Developed a 52 Lot Subdivision in Mission, as well as 40 Acres in Sullivan City

Designations

National Society of Environmental Consultants
Environment Assessment Consultant
Graduate Realtor Institute
State Certified General Real Estate Appraiser

Member

Texas Association of Realtors
National Association of Realtors
Greater McAllen Assoc of Realtors
San Antonio Board of Realtors

Type of Clients that the Appraiser has worked with

Banks	Texas Department of Transportation	Cities
Home Owner Portfolios	Ranchers	Mission
Doctors	Appraisal Districts Hearings	Pharr
Attorneys	Condemnation Hearings	San Juan
Farmers	Historical Commission	Alamo
Mortgage Companies	Estate Planner	Roma
Hotels	Divorces	San Benito
		La Joya

Type of Appraisals the Appraiser has completed

Commercial Lots	Residential	Bar and Grill
Residential Lots	Right of Way Acquisitions	Agriculture
Farmland	Litigation	Industrial
Ranch Land	Tax Appeals	Churches
Office Buildings	Residential Subdivision	Ballroom
Restaurants	Commercial Subdivision	Convenience
Multifamily		Stores

Areas where Appraisals have been completed

Mission	Palmview	Weslaco
McAllen	Palmhurst	South Padre Island
Pharr	Sullivan City	Progreso
San Juan	Roma	San Benito
Alamo	Rio Grande	Elsa
Edinburg	Los Ebanos	Edcouch
La Joya	Penitas	Hargill

Glossary

This glossary contains the definitions of familiar words and phrases, used throughout the appraisal industry, as applied within this document. Please refer to the publications listed in the **Works Cited** section below for more information.

Works Cited:

- Appraisal Institute. *The Appraisal of Real Estate*. 13th ed. Chicago: Appraisal Institute, 2008. Print.
- Appraisal Institute. *The Dictionary of Real Estate Appraisal*. 5th ed. 2010. Print.

Effective Date

1. The date on which the analyses, opinion, and advice in an appraisal, review, or consulting service apply.
2. In a lease document, the date upon which the lease goes into effect.
(Dictionary, 5th Edition)

Exposure Time

1. The time a property remains on the market.
2. The estimated length of time 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; a retrospective estimate based on an analysis of past events assuming a competitive and open market. (Dictionary, 5th Edition)

Extraordinary Assumption

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.

(USPAP, 2010-2011 ed.) (Dictionary, 5th Edition)

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. (Dictionary, 5th Edition)

Highest & Best Use

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value. (Dictionary, 5th Edition)

Highest and Best Use of Land or a Site as Though Vacant

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use

of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements. (Dictionary, 5th Edition)

Highest and Best Use of Property as Improved

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one. (Dictionary, 5th Edition)

Hypothetical Condition

That which is contrary to what exists but is supposed for analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary, 5th Edition)

Leased Fee Interest

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease). (Dictionary, 5th Edition)

Market Area

The area associated with a subject property that contains its direct competition. (Dictionary, 5th Edition)

Market Value

The major focus of most real property appraisal assignments. Both economic

and legal definitions of market value have been developed and refined.

1. The most widely accepted components of market value are incorporated in the following definition: The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress.

2. Market value is described in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal. (USPAP, 2010-2011 ed.) USPAP also requires that certain items be included in every appraisal report. Among these items, the following are directly related to the definition of market value:

- Identification of the specific property rights to be appraised.
- Statement of the effective date of the value opinion.
- Specification as to whether cash, terms equivalent to cash, or

other precisely described financing terms are assumed as the basis of the appraisal.

- If the appraisal is conditioned upon financing or other terms, specification as to whether the financing or terms are at, below, or above market interest rates and/or contain unusual conditions or incentives. The terms of above—or below—market interest rates and/or other special incentives must be clearly set forth; their contribution to, or negative influence on, value must be described and estimated; and the market data supporting the opinion of value must be described and explained.

3. The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and the 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 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. (12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)

4. The International Valuation Standards Council defines market value for international standards as follows: The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion.

(International Valuation Standards, 8th ed., 2007)

5. Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in

all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure of time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal. (Uniform Standards for Federal Land Acquisitions) (Dictionary, 5th Edition)

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time). (Dictionary, 5th Edition)

Scope of Work

The type and extent of research and analyses in an assignment. (Dictionary, 5th Edition)