February 27, 2018

Mr. Adrian Iglesias
TX Hallsville Estates 2018, Ltd.
8641 5th Street, W-5
Frisco, Texas 75034

RE: Feasibility Study
Proposed Hallsville Estates
SWC of Cal Young Road (CR 3500) & Cider Lane (CR 3554)
San Angelo, Texas
CARNEY PROJECT NO. 1019-16

Dear Adrian:

We understand you have plans to construct an apartment complex and common areas on a platted piece of property approximately 6.269 acres at the southwest corner of Cider Lane and Cal Young Road in Hallsville, Texas. There will be one 3-story apartment building creating at total of 80 units. A Clubhouse and other amenities will be provided.

This information has been compiled after conversations with the City of Hallsville staff and City Secretary.

EXECUTIVE SUMMARY

The site is located approximately 6.269 acres at the southwest corner of Cider Lane and Cal Young Road in Hallsville, Texas. The site is zoned General Business District which allows senior independent living.

Water (6-inch) and sanitary sewer (6-inch) services are available at the perimeter of the site.

No detention is required by ordinance but if needed, it's the intent of the developer to utilize above ground detention.
EXISTING SITE CONDITIONS & SURVEY

The site is a 6.269-acre tract of land in the William Crawford Survey, A-146, in Harrison County, Texas, being part of the called 23.951 acre "Tract 1" and part of the called "Tract 2" conveyed from Cecil Haywood and Glenn Quillin to Jones Supply Company by Warranty Deed dated July 30, 1981, and recorded in Volume 936, Page 740, of the Deed Records of Harrison County, Texas, said 6.269 acre tract. A copy of the survey is attached.

The property is open and cleared of any trees and vegetation. The ground surface slopes downward generally from north to south from approximately elevation 400-ft to 395-ft.

The land use of the surrounding area is:

North: Cal Young Road
South: Commercial Building
East: Cider Street
West: Commercial Retail

TAX APPRAISAL INFORMATION

Following is information from the local Tax Appraisal District concerning the property:

PROPERTY ID: R000048071                              Appraised Value $ 503,600

Harrison County                        $ 0.349800
Harrison County ESD #5                 $ 0.096827
Hallsville ISD                         $ 1.370000
City of Hallsville                    $ 0.391890

ZONING

The City of Hallsville has zoned the property General Business District (GBD) and Independent Living for Seniors is a permissible use. The Zoning Ordinance can be accessed by the following link:

PLATTING

The property is already platted and no replat is required.

SITE PLAN

The City has no formal Site Plan review process. The Site Plan will be reviewed by the Mayor and their 3rd party Civil Engineer prior to the commencement of the design process.

The Site Plan and engineering drawings shall be prepared in accordance with the Subdivision Regulations Ordinance and can be found at the following link:

http://cityofhallsvilletx.com/subdivision-regulations-engineering-design-standards-ordinance/

Finish floor elevations shall be at least 12-inches above the top of the nearest curb elevation or at least 18-inches above the natural ground elevation. Maximum impervious coverage is 75%.

The building setbacks are:

- East: 25-ft along Cider Street
- North: 15-ft along Cal Young Road
- West: 15-ft
- South: 15-ft

Parking Ratio (see Section 25 of the Zoning Ordinance)

- 2 spaces per unit
- 1 space per 300 sf of Clubhouse

DRAINAGE

The site has been located on the Flood Insurance Rate Map (FIRM) No.48203C0300F effective date September 3, 2014 and is shown to be out of the 100-year flood plain. The City has no drainage design criteria. The Site will be designed for drainage using sound engineering principals whereby the net runoff conditions post development will be no greater than the existing undeveloped conditions, unless approved by the City’s Civil Engineer. Above ground detention will be used to accomplish no net increase in runoff.
UTILITIES

The water and sewer service is provided by the City of Hallsville and is at the perimeter of the property. Water (6-inches) is present along the west side of the property and along Cal Young (north side of property) and a portion of Cider Street which borders the property to the east.

Sanitary sewer (6-inches) borders the property along the west side of the property.

Overhead electrical (both single and 3-phase) is available and provided by Upshur Rural Electric on the west side of Cider Lane and Southwestern Power Company (SWEPCO) on the east side. Service is available from either provider.

INGRESS & EGRESS

The developed project will have 3 points of access. The primary access will be off Cider Lane. Secondary access on each sides of the property will have access off Cider Lane and Cal Young Road.

Cal Young is an asphalt paved road approximately 20 feet wide with a ROW of 80-feet wide. It is not curbed and has open drainage ditches on each side. Cider Lane is asphalt paved and is 2-lane 24-foot wide road just north of Forest Hills Drive where it turns into a 3 lanes (2-lanes with a right hand turn lane). It has a ROW of 70-ft.

LANDSCAPING

The City does have a landscaping ordinance which can be found in Section 26 of the Zoning Ordinance.

Landscaping adjacent to public rights-of-way: A minimum ten-foot landscape buffer (interior parkway) adjacent to the public right-of-way of any public thoroughfare is required. Corner lots fronting on two thoroughfares shall be required to observe the ten-foot buffer on both frontages. Developers shall be required to plant one large tree per 40 linear feet or portion thereof of street frontage. Trees may be grouped or clustered to facilitate site design.

Landscaping within off-street parking areas: Landscape areas within off-street parking areas should generally be at least one parking space in size, with no landscape area
less than 50 square feet in area. Landscape areas shall be no less than five feet wide and shall equal a total of at least 16 square feet per parking space. There shall be a landscaped area with at least one tree within 60 feet of every parking space. There shall be a minimum of one tree planted in the parking area for every ten parking spaces within parking lots with more than 20 spaces. Within parking lots, landscape areas should be located to define parking areas and assist in clarifying appropriate circulation patterns. A landscape island shall be located at the terminus of all parking rows, and should contain at least one tree.

Screening of parking areas adjacent to a public right-of-way. At least 75 percent of the frontage of parking areas adjacent to a public right-of-way within the street yard shall be screened from public streets with evergreen shrubs attaining a minimum height of three feet or a low masonry wall or earthen berm of equal height. Use of a wall or earthen berm for parking lot screening should be accompanied with landscape planting in the form of low shrubs and ground cover to soften the appearance of the wall or earthen berm.

SIGNAGE

Signage for the project is anticipated to include ground supported Monument Signs. The City requires no permits for signs on private property.

PLAN REVIEW

The following codes are effective for City of Hallsville:

- 2012 International Building Code
- 2012 International Residential Code
- 2012 International Plumbing Code
- 2012 International Fuel Gas Code
- 2012 International Mechanical Code
- 2012 International Fire Code
- 2012 International Property Maintenance Code
- 2014 National Electrical Code

Site Design and Development Feasibility Report
Civil and Architectural plans shall be submitted to the City for review. A 3rd party Engineer will review the drainage and any public improvements including offsite water and sewer. Normal turnaround time for plan review is 2 to 3 weeks.

**CITY FEES (estimated)**

Building, Utility, Application

<table>
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<tr>
<th>Description</th>
<th>Fee</th>
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<tr>
<td>Tap &amp; Meter Deposit Fees (est.)</td>
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<td>Misc. Application Fees (est.)</td>
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<td>Building Permit (est.)</td>
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Impact Fees - none

**PHASE I ENVIRONMENTAL ASSESSMENT**

A Phase I ESA was performed by another Consultant. The results indicated there was no adverse environmental impact to the site. A copy of that report will be presented in the Developer's Application.

**ONSITE COST ESTIMATES**

The estimated onsite construction costs including earthwork, storm drainage, landscaping, utilities, and paving is $899,000 which is $11,237 per apartment unit. This cost does not include onsite amenities and landscaping.

**OFFSITE COST ESTIMATES**

No offsite costs are anticipated for this project.
SUMMARY

The developer and development team have completed a specified amount of due diligence as identified in the Texas Department of Housing and Community Affairs (TDCHA) Additional Evidence of Preparation to Proceed Chapter 10, Subchapter C, Section 5, “Site Design and Development Feasibility Report”. We have concluded that this site will accommodate the proposed project. This conclusion is based on the following:

- Conversations and meetings with the City staff along with the Developer
- Review of information made available by others
- Review of the ordinances, design requirements, and utility availability
- Preliminary Site Plan and contours of the site

This summary letter may be relied upon only by the Developer/Client; it is not intended for use by any other party. The Client may use this letter as part of its due diligence, but this report should not be used as the sole basis for the Client’s decision making. We endeavored to research site development issues and constraints to the extent practical given the scope, budget, and schedule agreed to with the Client. New issues may arise during development because of changes in governmental rules and policy, changed circumstances, or unforeseen conditions.

We trust this provides you with the information needed at this time. If you have any questions or comments, please call.

Respectfully submitted,

CARNEY ENGINEERING, PLLC
TBPE FIRM NO. F-5033

[Signature]

T. Craig Carney, P.E.
ATTACHMENTS

Aerial
Survey
Tax Certificate
Zoning Map
Civil Engineering Site Plan
FEMA Flood Map
SWEPCO Availability Letter
TDHCA Onsite Cost Estimate
Property Details

Ownership

RENAISSANCE PROPERTY TRUST
PO BOX 7458
LONGVIEW, TX 75607-7458
Ownership Interest: 1.000000

42

Qualified Exemptions

Not Applicable

Legal Information

Legal: Acres: 6.105, Abst: 146 W C CRAWFORD, STORE
Situs: PROVIDENCE CIR 120

Property Valuation History

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<th>Values by Year</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
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<td>$259,320</td>
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Available Actions

File Notice of Protest for this Property
* Protest is date sensitive. Please refer to the protest deadline on the Notice of Appraised Value.
Improvement / Buildings  Improvement Value: $277,560

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<td>PAVING CONCRETE</td>
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Land Details  Market Value: $226,040  Production Market Value: $0  Production Value: $0

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Deed History

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<td>JONES UTILITY SUPPLY CO</td>
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<td>9/21/1993</td>
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Property Tax Estimation by Entity / Jurisdiction

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<tr>
<th>Code</th>
<th>Description</th>
<th>Taxable Value</th>
<th>Tax Rate per $100</th>
<th>Tax Factor applied to Taxable Value</th>
<th>Estimated Tax</th>
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<td><strong>0.02208517</strong></td>
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The above property tax estimation is not a tax bill. Do not pay.

Click here to view actual Property Tax Bill.

Southwest Data Solutions provides this information "as is" without warranty of any kind.
Southwest Data Solutions is not responsible for any errors or omissions.
February 28, 2018

CARNEY ENGINEERING, PLLC
Attn: Craig Carney

Re: Proposed Assisted Living Facility
    Hallsville, Texas

Dear Mr. Carney:

This letter is to advise you that electrical service is available via AEP/SWEPCO to the 6.269 acre site located at the southwest corner of Cal Young Road and Cider Lane, in Hallsville, Harrison County, Texas.

AEP/SWEPCO has existing electric power facilities located along the east side of Cider Lane. Service will be made available upon request. Possible cost to serve the project will be determined at a later date as plans become more finalized.

If there are any questions, please call or email me or SWEPCO Engineer, Dylan Holly, per the contact information below.

Sincerely,

Scott Hampton
903-234-7333
sahampton@aep.com

Dylan Holly
AEP/SWEPCO Engineering Dept.
903-234-7233
drholly@aep.com
**Site Work Cost Breakdown**

This form must be submitted with the Development Cost Schedule as justification of Site Work costs.

**Column A:** The Site Work activity reflected here must match the Site Work activity reflected in the Development Cost Schedule.

**Columns B and C:** In determining actual construction cost, two different methods may be used:
- The construction costs may be broken into labor (Column B) and materials (Column C) for the activity. **OR**
- The use of unit price (Column B) and the number of units (Column C) data for the activity.

**Column D:** To arrive at total construction costs in Column D:
- If based on labor and materials add Column B and Column C together to arrive at total construction costs.
- If based on unit price measures, Column B is multiplied by Column C to arrive at total construction costs.

**Column E:** Any proposed activity involving the acquisition of real property, easement, rights-of-way, etc., must have the projected costs of this acquisition for the activity.

**Column F:** Engineering/Angitectural costs must be broken out by the Site Work activity.

**Column G:** Figures for Column G, Total Activity Cost, are obtained by adding together Columns D, E, and F to get the total costs.

***This form must be completed by a Third-Party engineer licensed to practice in the State of Texas. His or her signature and registration seal must be on the form.***

For Site Work costs that exceed $15,000 per unit and are included in Eligible Basis, a CPA letter allocating which portions of those costs should be included in Eligible Basis and which ones may be ineligible must be submitted behind this tab.

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<thead>
<tr>
<th>Activity</th>
<th>Labor or Unit Price</th>
<th>Materials or f of Units</th>
<th>Total Construction Costs</th>
<th>Acquisition Costs</th>
<th>Engineering / Architectural Costs</th>
<th>Total Activity Costs</th>
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<td>Decorative masonry</td>
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<td>Bumper stops, striping &amp; signs</td>
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Total: $199,000

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Signature of Registered Engineer: [Signature]

Printed Name: [Printed Name]

Date: [Date]

If a revised form is submitted, date of submission: [Date]