February 25, 2018

Mr. Adrian Iglesias  
TX Era 2018, Ltd c/o Generation Housing Development  
8641 5th Street, W-5  
Frisco, Texas 75034

RE: Feasibility Study  
Proposed The Trails at San Angelo  
2620 Era Street  
San Angelo, Texas  
CARNEY PROJECT NO. 1019-13

Dear Adrian:

We understand you have plans to construct an apartment complex and common areas on an un-platted piece of property approximately 14.250 acres on Era Street approximately 160-ft east of Evelyn Avenue in San Angelo, Texas. There will be three 2-story apartment buildings creating at total of 72 units. An outdoor pool and other amenities will be provided.

This information has been compiled after conversations with the City of San Angelo staff and Client.

EXECUTIVE SUMMARY

The site is located on approximately 14.250 acres on Era Street approximately 160-ft east of Evelyn Avenue in San Angelo, Texas. The zoning is currently zoned RS-1 and rezoning will be required to RM-1

Water (6-inch) is on the south side of Era Street and the sanitary sewer (6-inch) service traverses the property on the north side of the site.

Detention will be provide on the north side of the site. The time of concentration design will be such to discharge the storm water into the floodway as quickly as possible.
EXISTING SITE CONDITIONS & SURVEY

The site is a 14.250-acre tract of land out of survey no. 164, Christian Keizer, abstract no. 1556, San Angelo, Tom Green County, Texas. 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 south to north from approximately elevation 1830-ft to 1820-ft.

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

<table>
<thead>
<tr>
<th>Tax Rates per $100 evaluation</th>
<th>Appraised Value: $11,950</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tom Green County</td>
<td>$0.51250</td>
</tr>
<tr>
<td>City of San Angelo</td>
<td>$0.776000</td>
</tr>
<tr>
<td>San Angelo ISD</td>
<td>$1.220000</td>
</tr>
</tbody>
</table>

ZONING

The zoning is currently zoned RS-1 and rezoning will be required to RM-1. The typical time frame for rezoning is approximately 2 months. The zoning map can be accessed from the following link:

https://cosa1.maps.arcgis.com/apps/webappviewer/index.html?id=382ba29e569f4ce093b4283303715fbc

PLATTING

The property has never been platted so platting will be required. Era Street is considered a Minor Collector requiring a 60-ft ROW. The current ROW is 50-ft so an additional 5-ft on each side of Era Street will require dedication. The platting can run concurrently with rezoning and normally is a 4 to 6 weeks process. The Planning Commission is the only review/approval body. The City Council does not approve plats.
SITE PLAN

The City has no formal Site Plan review process. However, the City recommends conducting a “Pre-Development” meeting with staff prior to design. The Code of Ordinances can be accessed http://www.cosatx.us/government/code-of-ordinances

A Development Application is submitted to City Staff. Applications that will be reviewed by the Planning Commission and must be filed at least 21 days in advance of the scheduled public hearing, in order to allow adequate time for staff review and preparation of a staff report.

No application shall be processed until it has been deemed complete by the Planning Director. The Planning Director shall have 5 working days following the submission of the application to determine its completeness. If the application is deemed incomplete, the Director shall forward a letter to the applicant specifying the application’s deficiencies, and no further review of the application shall proceed until the deficiencies are corrected. If the deficiencies are not corrected by the application deadline date, the application shall not be scheduled for public hearing when a public hearing is required. For this project the only public hearing will be during rezoning.

The City has a newly implemented Urban Design Review. This consists of review of building elevations, landscaping, screening, buffering, fencing etc.

The Site Plan will be designed using the following setbacks:

- Front 25-ft
- Side 10-ft
- Rear 20-ft

The parking ratio requirements are found in Article 5, Section 511:

- 1 bedroom: 1.5 spaces per unit
- 2 bedroom: 1.75 spaces per unit
- 3 bedroom: 2 spaces per unit
- Leasing Office: 1 space per 300 sf.

DRAINAGE

The site has been located on the Flood Insurance Rate Map (FIRM) No.48451C0485E effective date June 19, 2012 and part of the property is shown to be in the 100-year flood plain. The portion of the site to be developed is out of the 100-yr flood plain.
Storm water management is to be done in accordance with Chapter 12 and Article 12.05 of the Code of Ordinances. It’s the preference of the City Engineer to not require detention and instead allow the storm water to discharge into the floodway on the north side of the property as quickly as possible.

UTILITIES

The water and sewer services are provided by the City of San Angelo. Water (6-inch) is on the south side of Era Street and the sanitary sewer (6-inch) service traverses the property on the north side of the site. Any water line loop required for fire protection will require a public easement as well as any fire hydrants located onsite.

No recent flow tests have been performed on the nearby fire hydrants. However, the City will perform flow tests upon request.

Overhead electrical (both single and 3-phase) is available.

INGRESS & EGRESS

The developed project will have one point of access onto Era Street. Era Street is a Minor Collector requiring a 60-ft ROW and 50-ft wide pavement. Currently, the street has a 50-ft ROW and a 29-ft pavement. The City will require that ½ of the wider pavement be constructed as a part of this project.

The Thoroughfare Map can be access:

http://www.cosatx.us/home/showdocument?id=1224

The pavement section for the new street will be:

- 2-inches Hot Mix (Type D)
- 8-inchers of Crushed Stone Base
- 6-inches of Compacted Subgrade
LANDSCAPING

The City does not have a landscaping or tree preservation ordinance. However, the Urban Design Review will require a certain level of landscaping.

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 San Angelo:

- 2015 International Building Code for commercial buildings
- 2015 International Fire Code
- 2009 International Residential Code
- 2009 International Mechanical Code
- 2009 International Plumbing Code
- 2008 National Electrical Code

CITY FEES (estimated)

- Tap & Meter Deposit Fees (est.) $ 5,000
- Misc. Application Fees (est.) $ 5,000
- Building Permit (est.) $ 25,000
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 $832,896 which is $11,568 per apartment unit. This cost does not include site amenities such as playground/athletic equipment, and swimming pool.

OFFSITE COST ESTIMATES

Offsite costs will include extending water from the south side of Era Street and constructing the northern ½ of the Era Street widening. These costs are estimated to be $113,500.

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

T. Craig Carney, P.E.
ATTACHMENTS

Aerial
Survey
Tax Certificate
Civil Engineering Site Plan
FEMA Flood Map
National Wetland Inventory Map
TDHCA Onsite Cost Estimate
TDHCA Offsite Cost Estimate
EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN

PARTICULARLY DESCRIBED BY METES AND BOUNDS IN
COUNTY, TEXAS AND SLD 14250 ACRES BEING MORE
VOLUME 247, PAGE 539, DEED RECORD, TOM GREEN
153.80 ACRES TRACT DESCRIBED IN DEED RECORDED IN
TEXAS, SLD 14250 ACRES BEING OUT OF A CERTAIN
SURVEY NO. 104, CHRISTIAN KEIZER, TOM GREEN COUNTY,
PLAT SHOWING A SURVEY OF 14250 ACRES OUT OF
2620 ERA STREET

NOTES CORRESPONDING TO SCHEDULE "B"

10: B. Request Consent, Appraisals and Appraiser.

Committee on 11/26/2014, signed today 02. 2015 at 10:39 AM

E.R.A. STREET
W 68.00' / E 38.25'

29.80' N

RE: CHRISTIAN KEIZER, SLD 14250 ACRES
NO. 104, CHRISTIAN KEIZER, TOM GREEN COUNTY,

REF: 105.46 AC.

REF: ELGIN HEIGHTS ADDITION

REF: 105.46 AC.

REF: ELGIN HEIGHTS ADDITION

RE: CERTIFIED RECORD ABSTRACT

COPYRIGHT 2012
Property Information

Property Details

Ownership

CORTESE GARY L
PO BOX 2418
SAN ANGELO, TX 76902-2418
Ownership Interest: 1.0000000

Qualified Exemptions

Not Applicable

Legal Information

Legal: Abst: A-1556 S-0164, Survey: C KEIZER, 14,250 ACRES
Situs: Not Applicable

Property Valuation History

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<th>2015</th>
<th>2014</th>
<th>2013</th>
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<td>$0</td>
<td>$0</td>
<td>$0</td>
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| Production Market       | +    | $0   | $0   | $0   | $0   | $0  |
| Personal                | +    | $0   | $0   | $0   | $0   | $0  |
| Mineral                 | +    | $0   | $0   | $0   | $0   | $0  |
| Appraised Value         | =    | $11,950 | $11,950 | $11,950 | $11,950 | $11,950 | $0
| Agricultural Loss       | -    | $0   | $0   | $0   | $0   | $0  |
| Homestead Cap Loss      | -    | $0   | $0   | $0   | $0   | $0  |
| Total Assessed          | =    | $11,950 | $11,950 | $11,950 | $11,950 | $11,950 | $0

http://iswdataclient.azurewebsites.net/webProperty.aspx?dbkey=tomgreencad&stype=name&sdata=cortese&time=... 2/7/2017
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### Land Code

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### Property Tax Estimation by Entity / Jurisdiction

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<th>Description</th>
<th>Taxable Value</th>
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<td>CITY OF SAN ANGELO</td>
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<td>0.025085</td>
<td>$299.76</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.
### 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 costs, 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, easements, rights-of-way, etc., must have the projected costs of this acquisition for the activity.

**Column F:** Engineering/architectural 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 site costs should be included in Eligible Basis and which ones may be ineligible must be submitted behind this tab.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Labor or Unit Price</th>
<th>Materials or # 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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<tbody>
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Signature of Registered Engineer: [Signature]

Date: 2/26/2013

Printed Name: Craig Carney

[Stamp: STATE OF TEXAS]

[Stamp: Licensed Professional Engineer]
### Off-Site Cost Breakdown

This form must be submitted with the Development Cost Schedule if the development has offsite costs, whether those costs are included in the budget as a line item, embedded in the acquisition costs, or referenced in utility provider letters. Therefore, the total costs listed on this worksheet may or may not exactly correspond with those off-site costs indicated on the Development Costs Schedule. However, all costs listed here should be able to be justified in another place in the application.

**Columns A and C:** In determining actual construction cost, two different methods may be used:

**Column D:** To arrive at total construction costs in Column D:

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

**Column F:** Engineering/architectural costs must be broken out by the offsite 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.

**ALL contingency must be included in the Contingency line item on the Development Cost Schedule and NOT on this form**

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

<table>
<thead>
<tr>
<th>Activity</th>
<th>Labor or Unit Price</th>
<th>Materials or # of Units</th>
<th>Total Construction Costs</th>
<th>Acquisition Costs</th>
<th>Engineering / Architectural Costs</th>
<th>Total Activity Cost</th>
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Total: $113,500

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Signature of Registered Engineer responsible for Budget Justification

Craig Carney  
Printed Name:  
Date: 2/26/2018  
Seal

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

[Stamp: State of Texas - Licensed Professional Engineer]