Due Diligence Report
For
Mariposa Apartment Homes at Harris Road
Arlington, Texas

Prepared For:
Bonner Carrington, LLC
901 S. Mopac Expressway
Building V, Suite 100
Austin, TX 78746

Prepared By:
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6500 West Fwy., Suite 700
Fort Worth, TX 76116

February 27, 2019
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SECTION 1: EXECUTIVE SUMMARY

Section 1.1: Site

The subject property is a 12.54-acre site situated in the T. O. Harris Survey, Abstract No. 645, of Tarrant County, Texas. The tract is located on the north side of West Harris Rd. (Harris Road) and east of South Cooper St. in Arlington, Texas (See Appendix A for location map). The site is currently undeveloped and is bordered by a residential lot to the east, an undeveloped site to the west, and industrial areas to the north and south. Please see Appendix B for a survey of the property.

Section 1.2: Site Plan

The proposed plan for the site includes five separate residential apartment buildings, amenities, a pool, a dog park, a maintenance building, and sufficient open space. The club house is located in the main building at the entrance to the property. The pool and amenities are encompassed by the apartment buildings which are surrounded by the parking areas. A 26’ wide fire lane encircles the apartment buildings through the parking area. ADA accessible parking is distributed throughout the site with accessible paths provided for all spaces. Garages and carports are also distributed throughout the parking area.

The site will be accessed through a main entrance at the center of the property along Harris. A Traffic Impact Analysis (TIA) for the development will be required for review by the City of Arlington which may result in additional requirements. Harris Road is classified as a Major Collector in the Thoroughfare Development Plan which requires bordering properties to dedicate half of the required seventy-foot Right-of-Way (ROW). Roadway improvements within the ROW are dependent on the demand of the proposed site and the TIA.

An existing 12” water main along the south side of Harris Rd. will provide potable water for the site. While a flow test will have to be conducted by the city to confirm, it is anticipated that the line has sufficient pressure and flow to supply domestic, fire suppression, and irrigation service to the site. On the north side of Harris, there is a 24” water transmission line that cannot be tapped for services. Sanitary sewer for the site can be taken west to an existing 8” main with a manhole along Harris Road near the intersection of S. Cooper St. Please refer to Appendix F for the Existing Utility Layout and Appendix G for the Site Plan.
Section 1.3: Offsite Requirements

The sanitary sewer connection to the west along Harris Road is anticipated to be the only offsite utility connection to be required. Based on discussions with the city, offsite roadway improvements may be necessary, but the final requirements will be based on the TIA.

Section 1.4: Seller Contributions

Seller contributions are not expected to be made for this development.

Section 1.5: Extent of Due Diligence

During the due diligence stage of this project, the following actions were taken in order to assess the suitability of the property for the proposed multi-family development plan:

- A boundary survey was prepared to determine easements and other possible encumbrances on the property that may affect development;
- Existing aerial topography was reviewed in conjunction with the proposed site plan;
- A Phase 1 Environmental Site Assessment will be performed by the developer to identify recognized environmental conditions existing on the site that may affect development;
- A site visit was performed by the engineer to visually inspect conditions that may affect development;

Meetings were held with city officials to discuss zoning requirements, subdivision requirements, development ordinances, site access requirements, and availability of city utilities. Franchise Utilities were also contacted to confirm the serviceability of the site.

Section 1.6: Local Design Requirements

This subject tract must adhere to the comprehensive requirements set forth in the Code of Ordinances of Arlington, Texas. The latest version of the code of ordinances can be found at the following link:

http://www.arlington-tx.gov/citysecretary/code-ordinances/

The water and sanitary sewer for the site will be designed per local plumbing and fire codes and the City of Arlington’s Manual for the Design of Water and Sanitary Sewer Lines.

The storm drainage systems will be designed per the City of Arlington’s Manual for the Design of Storm Drainage Systems and the North Central Texas Council of Governments’ (NCTCOG) various Integrated Storm Water Management (iSWM) Technical Manuals. It is anticipated that detention will be required for the site.

The drive connection with Harris Road must be designed per the City of Arlington Paving Design Manual, and other pertinent manuals as required. Sidewalks and pedestrian paths will adhere to the latest Texas Accessibility Standards.
Section 1.6.1: Development Ordinances

All development in Arlington will conform to the various Construction & Design manuals, mentioned in the above section, provided by the city as well as the City of Arlington, Texas Code of Ordinances.

Section 1.6.1.1: Zoning Requirements

This site will be developed per the Unified Development Code of the City of Arlington Code of Ordinances.

The site is currently zoned in three parts. The western most six acres are Residential Estate, the middle three acres are Industrial Manufacturing, and the eastern three acres are Planned Development. (See Appendix C for the current City of Arlington Zoning Map).

With approval of the site plan, as part of the permit process, the site is expected to adhere to all applicable land use, development ordinances, and building codes as required by the City of Arlington, Texas.

Section 1.6.1.2: Subdivision Requirements

All subdivisions must adhere to the regulations as set forth in the Unified Development Code within the Code of Ordinances of Arlington, Texas. This ordinance applies to any non-exempt land division or development within the corporate boundaries of the city. The platting process will be completed with a Replat.

The purpose of a Replat is to provide graphic information and associated text indicating property boundaries, easements, land use, streets, utilities, drainage and other information required to substantially identify the general scope and details of the proposed development. The Replat for this development can be submitted and reviewed along with the Site Plan for the PD zoning submittal.

Section 1.6.2: Fire Department Requirements

The International Fire Code, 2015 edition, as adopted and published by the International Code Council, with additions, deletions, and amendments included in the Ordinances Governing Fire Prevention in the City of Arlington, Texas, has been adopted by the City of Arlington as the governing fire code and must be adhered to by the proposed development.

Section 1.6.3: Site Ingress and Egress

The proposed development will have direct access to Harris Road along with a secondary access point for emergency response vehicles. The two access points will have sufficient spacing for safe entrance into the site during an emergency situation. Please refer to the site plan in Appendix G.
Section 1.6.4: Building Codes

The Arlington City Council adopted the Building Code of the City of Arlington, including amendments and deletions to adopted international and national codes, with an effective date of May 14, 2018. The development must adhere to the following adopted building codes:

- The International Mechanical Code, 2015 edition with amendments and deletions in the Building Code of the City of Arlington

Section 1.7: Tax Information

Property taxes were researched in the area for the latest tax year available and were found to be as follows:

- City of Arlington – 0.634800%
- Tarrant County – 0.234000%
- Mansfield ISD – 1.540000%
- Tarrant County Hospital – 0.224429%
- Tarrant County College – 0.136070%

Section 1.7.1: Property Identification Number

This site is comprised of three parcels in the Tarrant County Appraisal District: 04492358, 04492331, and 42023902.

Section 1.8: Atypical Items Affecting Cost

Atypical items affecting cost are not anticipated for this development.
SECTION 2: SURVEY

Section 2.1: Summary

A category 1A – Land Title Survey has been provided by Fort Worth Surveying, LLC and may be referenced in Appendix B.

SECTION 3: PRELIMINARY SITE PLAN

Section 3.1: Summary

A preliminary site plan has been prepared by Pape-Dawson Engineers and Kelly Grossman Architects that materially adheres to all applicable zoning, site development, and building codes and ordinances. The site plan can be found in Appendix G. The site plan identifies all proposed structures, amenities, parking spaces (including ADA accessible spaces), ramps, driveways, site drainage, water and wastewater utility tie-ins, general placement of retaining walls, set-back requirements and incorporates topography obtained from the Texas Natural Resources Information System (TNRIS). Additionally, off-site improvements required for utilities, drainage, and access are shown on the site plan and ancillary drawings.

SECTION 4: ENGINEER PREPARED STATEMENT

Section 4.1: Entitlement

The property shown on the included Site Plan is entitled to be developed as proposed provided the development procedures in the City of Arlington Unified Development Code are followed and all plans and specifications meet the respective City of Arlington adopted codes. The properties will be rezoned and combined into a single Planned Development.

A Replat of the development will also be required. Engineering plans can be submitted to the city at the time the Replat is submitted. Once a Replat and all engineering and construction documents and reports have been reviewed and approved by city staff, building permits can be applied for by the developer. The Replat can be filed at Tarrant County once approval by the Planning and Zoning Commission is obtained along with all necessary signatures.

Section 4.2: Site Development and Building Permitting Process and Timing

Before making any submittals, the City recommends scheduling a pre-application meeting with the Development Review Committee (DRC). The following outlines the anticipated process the developer will likely need to follow in order to gain approvals and obtain building permits in the City of Arlington.
1. Zoning Change – Planned Development (PD)
   - The process of submitting an application and going through the review process, along with the Planning and Zoning and City Council meetings, is estimated to take approximately three to five months.

2. Platting
   - The process of Replatting, along with concurrent Site Plan submittals and reviews, is estimated to take approximately three to four months.

3. Building Permit(s) and City Acceptance of Improvements
   - The developer can apply for a building permit once the Site Plan review is complete.
   - Any three-party contracts for public improvements must be executed before building permits can be issued. Some exceptions to this are noted in the Unified Development Code which allows certain types of construction activities as long as the Replat has been approved and all public improvements have been completed for that certain portion of the development.
   - Once the Replat has been recorded, certificates of occupancy may be applied for.

Section 4.3: Development Fees

A summary of the expected development fees are as follows:

- Planned Development Zoning request - $3,200
- Replatting fees - $995
- Water and Sewer Impact Fees – $44,008.94
  - Based on a 4” compound domestic meter, a 2” irrigation meter, and an 8” fire loop meter
- Roadway Impact Fees (Service Area H) – $115,875
- Park Fees – $247,500 (Based on 180 units in the Lynn Creek District)
- Building Permit Fees - $5,012.25 for the first $1,000,000 plus $2.75 for each additional $1,000.00, or fraction thereof.

Complete listings of these and other City of Arlington fees can be found at the following:


All persons who have a property interest in this report hereby acknowledge that the Department may publish the full report on the Department’s website, release the report in response to a request for public information and make other use of the report as authorized by law.
APPENDIX A: Location Map
APPENDIX B: Title Survey
APPENDIX C:
City of Arlington Zoning Map
APPENDIX D:
Aerial Photograph and Existing Contours
DISCLAIMER
This data has been compiled for NCTCOG. Various official and unofficial sources were used to gather this information. Every effort was made to ensure the accuracy of this data, however, no guarantee is given or implied as to the accuracy of said data.

Mariposa at Harris Road
Aerial Topo
DFWMaps.com
APPENDIX E:
FEMA FIRM Map Panel
APPENDIX F:
Existing Offsite Utility Exhibit
Existing 8" Sanitary Sewer Line
Existing 24" Water Transmission Line
Existing Off-site Utilities
W. Harris Road
Existing 12" Water Distribution Line
Existing Gas Line
SITE
APPENDIX G:
Site Plan
APPENDIX H:
City of Arlington Impact Fees
## Impact Fee Cost Calculation Worksheet

City of Arlington, Texas

**Development Name:** Mariposa Apartment Homes at Harris Road

**Applicant:** Insert Applicant Name

**Legal Description (Lot, Block):** Insert Legal Description

**Case / Plat Number:** Insert Case #

**Date:** 21-Feb-19

### Roadway Impact Fee Cost

<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>Dev. Unit</th>
<th>Development Size (DU, sq ft)</th>
<th>Total Service Units (vehicle-miles/dev unit)</th>
<th>Demand (vehicle-miles)</th>
<th>Impact of Development ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>DU 180</td>
<td>2.06</td>
<td>370.80</td>
<td>$115,875.00</td>
<td></td>
</tr>
</tbody>
</table>

This row allows for the entry of unique or uncommon land uses not included within the current ITE Trip Generation; or when circumstances require manual entry of the development unit and/or trip rate. It shall only be used when (a) sufficient data is available to support an alternative calculation; and (b) it is agreed to by the City during the TIA scoping meeting.

**Roadway Service Area Cost per Vehicle-Mile:** $312.50

**Roadway Impact Fee Cost Subtotal:** $115,875.00

**Dedication and Roadway Construction Discount**

<table>
<thead>
<tr>
<th>Right-of-Way Dedication (sq ft):</th>
<th>0%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lane-Miles of Construction (lane-miles):</td>
<td>0%</td>
</tr>
</tbody>
</table>

**TOTAL DISCOUNT (%):** 0%

**ROADWAY IMPACT FEE SUBTOTAL:** $115,875.00

**Roadway Service Area Cost per Vehicle-Mile:** $312.50

**ROADWAY IMPACT FEE COST:** $115,875.00

### Water/Wastewater Impact Fee Cost

Wastewater impact fees are based on domestic water meter size and quantity.

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Domestic Water Meter Quantity</th>
<th>Irrigation Water Meter Quantity</th>
<th>Ratio to 5/8&quot; Meter</th>
<th>Water Impact of Development ($)</th>
<th>Wastewater Impact of Development ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot; x 3/4&quot;</td>
<td></td>
<td></td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1&quot;</td>
<td></td>
<td></td>
<td>2.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-1/2&quot;</td>
<td></td>
<td></td>
<td>5.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2&quot;</td>
<td></td>
<td></td>
<td>8.00</td>
<td>$6,625.04</td>
<td></td>
</tr>
<tr>
<td>3&quot;</td>
<td></td>
<td></td>
<td>17.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4&quot;</td>
<td></td>
<td></td>
<td>30.00</td>
<td>$24,843.90</td>
<td>$12,540.00</td>
</tr>
<tr>
<td>6&quot;</td>
<td>1</td>
<td></td>
<td>62.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8&quot;</td>
<td></td>
<td></td>
<td>90.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10&quot;</td>
<td></td>
<td></td>
<td>145.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Water cost per service unit:** $828.13

**Wastewater cost per service unit:** $418.00

**W/WW IMPACT FEE COST:** $31,468.94 $12,540.00

### Total Impact Fee Cost

<table>
<thead>
<tr>
<th>Impact Fee Cost</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roadway Impact Fee Cost</td>
<td>$115,875.00</td>
</tr>
<tr>
<td>Water Impact Fee Cost</td>
<td>$31,468.94</td>
</tr>
<tr>
<td>Wastewater Impact Fee Cost</td>
<td>$12,540.00</td>
</tr>
</tbody>
</table>

**Total Impact Fee Cost:** $159,883.94
REVISED PARK FEE SCHEDULE TO BEGIN
FEBRUARY 1, 2019

For questions, please contact De’Onna Garner, Parks Planning Manager at 817-459-6937.
APPENDIX I:
Cost Estimates
# Off-Site Cost Breakdown

This form must be submitted with the Development Cost Schedule if the development has off-site 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 Cost Schedule. However, all costs listed here should be able to be justified in another place in the application.

**Column A**: The offsite activity reflected here should correspond to the offsite activity reflected in the Development Cost Schedule or other supporting documentation.

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

- 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.
- 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>A. Activity</th>
<th>B. Labor or Unit Price</th>
<th>C. Materials or # of Units</th>
<th>D. Total Construction Costs</th>
<th>E. Acquisition Costs</th>
<th>F. Engineering / Architectural Costs</th>
<th>G. Total Activity Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Off-site Sanitary Sewer 8&quot;</td>
<td>$45.00</td>
<td>220</td>
<td>$9,500.00</td>
<td></td>
<td>$2,900</td>
<td>$12,400</td>
</tr>
<tr>
<td>Off-site Roadway Improvements</td>
<td>$300.00</td>
<td>1090</td>
<td>$300,000.00</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
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<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$309,400</td>
</tr>
</tbody>
</table>

Signature of Registered Engineer Responsible for Budget Justification

[Signature]

Printed Name: [Brandon O'Donald]

Date: 2-27-19

Seal

[Seal]

Date of Revised Form Submit: 2-27-19
# 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, 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 Costs, are obtained by adding together Columns D, E, and F to get the total costs.

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**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>
</tr>
</thead>
<tbody>
<tr>
<td>Detention</td>
<td></td>
<td></td>
<td>45,000</td>
<td></td>
<td>$ 45,000</td>
<td></td>
</tr>
<tr>
<td>Rough grading</td>
<td></td>
<td></td>
<td>460,690</td>
<td></td>
<td>$ 460,690</td>
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</tr>
<tr>
<td>Fine grading</td>
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<td></td>
<td>60,828</td>
<td></td>
<td>$ 60,828</td>
<td></td>
</tr>
<tr>
<td>On-site concrete</td>
<td></td>
<td></td>
<td>597,944</td>
<td></td>
<td>$ 597,944</td>
<td></td>
</tr>
<tr>
<td>On-site electrical</td>
<td></td>
<td></td>
<td>34,759</td>
<td></td>
<td>$ 34,759</td>
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</tr>
<tr>
<td>On-site paving</td>
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<td></td>
<td>573,517</td>
<td></td>
<td>$ 573,517</td>
<td></td>
</tr>
<tr>
<td>On-site utilities</td>
<td></td>
<td></td>
<td>121,379</td>
<td></td>
<td>$ 121,379</td>
<td></td>
</tr>
<tr>
<td>Decorative masonry</td>
<td></td>
<td></td>
<td>34,759</td>
<td></td>
<td>$ 34,759</td>
<td></td>
</tr>
<tr>
<td>Bumper stops, striping &amp; signs</td>
<td></td>
<td></td>
<td>24,331</td>
<td></td>
<td>$ 24,331</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$ 1,953,207</td>
</tr>
</tbody>
</table>

Signature of Registered Engineer

[Signature]

Printed Name

Braden O'Donald

Seal

Date

[2/27/19]

If a revised form is submitted, date of submission:

[Blank]

[Stamp]